

[Course Information](#)**Current Location: Syllabus**[\[Top \]](#) : Syllabus**Syllabus**

Syllabus

BRIGHAM YOUNG UNIVERSITY**Department of Economics***Winter 2003***Economics 465 - Health Economics****Norman K Thurston**

INDEX

[Office Hours](#) [Prerequisites](#) [Subject Matter](#) [Goals](#) [Organization](#) [The Papers](#) [Readings](#) [Texts](#) [Honor Code](#) [Student Input](#) [Speech in the Classroom](#)

Office Hours: MW 9:00-10:00 a.m. and TTH 1:30-2:30 p.m. or, preferably, by appointment, 162 FOB.

I will be available for regular consultation during my posted office hours. Students who cannot see me during this time can make arrangements to see me by appointment. You may also contact me via e-mail, and I will typically respond by the next working day. You may phone me at my office (2-4883) with brief questions or to arrange an appointment. Please don't call me at home.

Prerequisites:

Economics 378 and 382; Math 112. Since the course builds heavily on concepts from the prerequisites, concurrent enrollment with 378 or 382 is NOT allowed.

Subject Matter:

The objectives of this course are i) to develop a theoretical framework for examining the health sector, ii) to gain an insight into the realities of health care markets and their implications for outcomes and iii) to evaluate specific public policies. The emphasis will be on using tools from microeconomic theory to evaluate and analyze the health sector.

Goals:

For each topic, the student should be able to

1. understand the underlying principles well enough to explain them clearly to someone not familiar with economics
2. demonstrate this understanding of each principle through verbal, graphical and algebraic arguments,
3. apply this understanding to new problems similar to those explored in class and in the text.

Organization:

Class will be held Tuesdays and Thursdays from 9:30-10:45 a.m. The course grade will be a composite of the writing experiences (30%), one midterm exam (30%) and the final exam (40%). These percentages are approximate and I reserve the right to adjust them if necessary. Please talk to me if you anticipate any problems. It is much easier to make arrangements beforehand. However, note that there will be no makeup work for any reason and late work is not accepted. Note that the date and time of the final exam are set by the University Schedule (**Friday, April 18, 7:00-10:00 a.m.**). In no case will the final exam be given early. You must not make plans that interfere with this schedule.

The Writing Experiences:

Please see "Guidelines for the Writing Experiences" for more information.

Readings:

Course attendance and class participation are essential for success in this course. It is imperative that students come to class each day having read the material to be discussed.

Texts:

There are three required texts for the course:

Phelps, Charles E., Health Economics, 3rd ed., 2002, (Addison Wesley).

Eckhoudt, Louis and Christian Gollier, Risk: evaluation, management and sharing, 1995. (Harvester Wheatsheaf). (Selected chapters, available as a packet)

Jones, Andrew. Applied Econometrics for Health Economists - A Practical Guide, 2001. (Office of Health Economics).

The course outline gives the reading schedule. From time to time I may assign additional readings. Details will be given in class.

The Honor Code and Dress and Grooming Standards:

I expect you to adhere to the Honor Code and Dress and Grooming Standards. This especially applies to the expectation of academic honesty. Any student who violates the honor code will be referred immediately for appropriate disciplinary action. The University Dress and Grooming Standards will be enforced. The first time a student shows up to class in noncompliance, I may, at my discretion, discuss the situation with the student after class or refer the student to the Honor Code Office. Students who are in repeated noncompliance or who blatantly violate these standards will be asked to leave class and return when they are in compliance. Students should pay careful attention to the requirements related to grooming (shaving, hairstyles, etc.) and the modesty and appropriateness of their dress. Common courtesy suggests that you not wear hats in buildings, and I discourage students from wearing shorts to class.

Please read the department's [Statement on the Honor Code and Student Rights](#). (It is considered part of this syllabus by extension.)

Student Input on the Course:

As the term progresses, it would not surprise me that some students will have valuable input on the administrative details of the course. If we can reach a unanimous agreement, I will be more than happy to make changes. At the same time, I greatly appreciate student input on the substance and style of the course. Any student should feel free to pass along constructive comments regarding the material at any time.

Speech in the Classroom:

I prefer that you address me by my last name: Professor Thurston, Dr. Thurston, Brother Thurston, etc. I would also request that while in class you refer to other faculty by similar

means. I will make every effort to learn the first and last name of each student, and will ask your patience and cooperation while I learn. I expect that students will respect each other in their speech and in their actions. When someone is addressing the class (me, or anyone else), please do not talk to each other. If it is necessary for you to talk to another student during the lecture, please whisper.

Copyright 2003, Norman Thurston - last updated 1/02/03

Course Information

Current Location: Course Outline

[[Top](#)] : Course Outline

Course Outline

Economics 465 - Health Economics

Date	Topic	Chapter(s) in Phelps	Additional Readings & Other Notes
January			
7	An Introduction to Health Economics	1	
I. INSURANCE & HEALTH			
9	Uncertainty and Risk Aversion	14	Packet, 1-5
21	Uncertainty and Risk Aversion	23	Packet, 1-5
28	The Economics of Insurance	10	Packet, 7
23	Health Insurance I	10	Packet, 10
28	Health Insurance II	10	
30	Managed Care	11	Writing Exp. #1 Due
February			
4	Publicly Provided Health Insurance	12	
II. THE INDIVIDUAL & HEALTH			
6	Health as an Input and as an Output	2-3	
11	Demand for Health I	4-5	
13	Demand for Health II	4-5	
III. HEALTH PRODUCTION			
20	The Physician Practice I	6-7	
25	Midterm Exam		Testing Center
27	The Physician Practice II	6-7	
March			
4	The Physician Practice III	6-7	Writing Exp. #2 Due
6	Cost-Benefit Analysis	---	TBD
11	Hospitals I	8-9	
13	Hospitals II	8-9	
18	Hospitals III	8-9	
IV. MARKET IMPERFECTIONS			
20	Medical Malpractice Law	13	
25	Externalities in Health Care	14	Writing Exp. #3 Due
27	Regulation of Health Care	15	
V. APPLIED ECONOMETRICS FOR HEALTH ECONOMISTS			
April			
1	Health Data & Binary Variables	---	Jones, 1-3
3	Discrete Dependent Variables II	---	Jones, 4-6
December			
8	Selection & Count Data	---	Jones, 7-8
10	Duration Analysis & Panel Data	---	Jones, 9-10
VI. CONCLUSIONS, SUMMARY & EPILOGUE			
15	Health Policy	---	Writing Exp. #4 Due
16-17	Reading Days		
18	FINAL EXAM (in class, 7:00 a.m. to 10:00 a.m.)		