General Information

- **Instructor:** Dr. Lizhong Peng
- **Email:** lpeng@westga.edu (please email me directly via this address)
- **Office:** Miller Hall 1316
- **Hours:** Tuesday/Thursday 8:00-9:30, 12:30-2:00, and 3:30-5:30; or by appointment.
- **Classes:** lectures are being held between 11:00-12:15 on Tuesdays and Thursdays in Miller Hall 2214.

Textbook & Materials

- Other Course Material: course information will also be available on the CourseDen webpage. This page will provide important announcements and access to course materials (e.g. lecture slides, problem sets, and reading assignments). Please be sure to check this page on a regular basis.

Course Description

This course provides an introduction to the study of health economics. We will cover a wide range of important topics in the field, while focusing on the healthcare system in the United States. The first half of the course will be devoted to applying standard microeconomic theory to studying the behavior of various economic agents in the healthcare market (e.g. patients, physicians, hospitals, and insurance companies, etc.). In the second half of the course, we will examine the evolution of healthcare industry in the U.S. as well as the effects and implications of various government policies (such as Medicare, Medicaid, and the Affordable Care Act).

Grades & Examinations

Grades will be determined as follows:

- 20% Problem sets
- 40% Two Midterm Exams
- 30% Final Exam (cumulative)
• 10% Class Attendance and Participation

**Homework.** There will be **five** homework assignments throughout the semester. Each assignment must be submitted in class on the due date (which will be announced in class). In addition to counting towards your term grade, the homework assignments will serve as good preparation for the exams. **Please note that I do not accept late homework.**

**Exams.** There will be **two** in-class midterm exams and a **cumulative** final exam. All exams are **closed-book** exams. **Please note that I generally do not administer make-up exams.** Make-ups for any exam require verifiable documentation (e.g. doctor’s notes) and are granted solely based on my discretion (you will also use a different version of the test in such cases). Otherwise, a “zero” will be entered for the missed exam. The dates of the exams are listed below:

- **Midterm Exam 1:** Thursday, February 20, 2020
- **Midterm Exam 2:** Thursday, April 9, 2020
- **Final Exam:** please check UWG SCOOP for the final exam schedule

**Attendance Policy**

Students are encouraged to attend every lecture. Active participation in lectures will significantly improve your class participation grade. I will take attendance several times during the semester, which will determine your participation grade for the course.

**Academic Integrity**

All homework, quizzes, and exams are to be completed on your own. Any academic misconduct may result in a “zero” for the assignment or an “F” in the course.

**Common Syllabus Language**

**IMPORTANT!** Please review carefully the common syllabus language contained in the following link: [https://www.westga.edu/UWGSyllabusPolicies/](https://www.westga.edu/UWGSyllabusPolicies/)

**Course Outline**

This outline is **tentative.** We may add or remove topics as the course goes. Any adjustments, particularly later in the semester, will be noted.

- **Topic 1:** Introduction
The scope of health economics
An overview of U.S. healthcare system

• Topic 2: Economic Models of Health
  Demand for health care
  Demand for health: Grossman model

• Topic 3: Health Insurance I: Theory
  Demand for health insurance
  Adverse selection
  Moral hazard

• Topic 4: Health Insurance II: Private Insurance
  Private insurance market in the U.S.
  Payment models
  Managed care

• Topic 5: Health Insurance III: Public Insurance
  Medicare
  Medicaid

• Topic 6: The Affordable Care Act I: An Overview
  Background of the ACA
  Individual and employer mandates
  Medicaid expansions
  Repeal of the ACA

• Topic 7: The Affordable Care Act II: Theory and Evidence
  Coverage effects of the ACA
  Health and labor market effects

• Topic 8: Physician and Hospital Markets
  Hospital industry
  Physician markets

• Topic 9: Public Health Policy

• Additional Topics (time permitting)