Economics of Healthcare
Syllabus
Prof. Joshua Gottlieb
Spring 2023

This version: April 15, 2023 (updates likely)

Overview: This course provides graduate-level discussion of topics and methods in the economics of healthcare.

Objectives: This course has two objectives. The first is to teach current topics and methods in the economics of healthcare. The second is to advance students’ development as economists by providing training in the production of high-quality research. This training may help students read, contribute to, and draw from recent progress in this literature.

The course covers a wide variety of applied econometric and theoretical approaches. It also discusses applications of a wide variety of datasets and methods that are useful in many settings for relevant research.

Requirements:

1. Required reading: Papers marked with two stars (**) are required reading for all students
2. 6-slide summaries: Each week, you will be required to prepare two 6-slide summaries (not including the title slide). Please send these slides to [TBA] by 10 pm the night before class. I will randomly call on students to present their slides to class. You may choose among any of the papers for that week with one star (*) for these 6-slide summaries.
3. Referee Report: You will be required to write a 3-to-5-page referee report on a recent public finance paper. A list of suitable papers will be distributed in class.

Recommendation:

The Health Economics Workshop meets on Thursday afternoons at Harris (approximately biweekly). There are great speakers this quarter, presenting on topics closely related to this class. I encourage you to attend.

Topics and Reading List by Week

1. March 23
   Health Insurance as Insurance: Adverse Selection, Moral Hazard

Background

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1 Adapted from Neale Mahoney, David Meltzer, Jeffrey Clemens


**Adverse Selection**


2. March 30: Moral Hazard, Incidence on Patients and Insurers

Moral Hazard


Choice Frictions


Lui, C and Justin Sydnor. “Dominated Options in Health-Insurance Plans” NBER WP 24392

Incidence of Insurance


3. April 6: Administering Health Insurance

Guest lecture: Zarek Brot-Goldberg
Administration and Billing


Pre-authorization

"Rationing Medicine Through Bureaucracy: Authorization Restrictions in Medicare" Zarek Brot-Goldberg, Samantha Burn, Timothy Layton and Boris Vabson, R&R at AER

Fraud

* Monitoring for Waste: Evidence from Medicare Audits, Maggie Shi, R&R at QJE


Risk Adjustment


4. April 13: Insurance and Providers

Provider Negotiations


**Clemens, Jeffrey, and Joshua D. Gottlieb, “Do Physicians’ Financial Incentives Affect Medical Treatment and Patient Health?,” American Economic Review, April 2014, 104 (4), 1320–49. [available here]


**Long-Term Care**


*Hackmann, Martin, Vincent Pohl and Nicolas Ziebarth “Patient Versus Provider Incentives in Long Term Care”, Working paper August 2020. [Link](#)

5. **April 20: Healthcare Labor Markets**


*David C. Grabowski, Jonathan Gruber & Brian McGarry, "Immigration, The Long-Term Care Workforce, and Elder Outcomes in the U.S." NBER Working Paper No. 30960. [Link]

6. April 27: Geography of Healthcare


7. May 4: Attend BFI Health Economics Conference

8. May 11: TBD

9. May 18: TBD

Further Reading

Value of Care


**Insurance and Health Outcomes**


**Health Insurance Market Structure**

**Insurer Competition**


**Medicare Advantage (formerly Part C)**


**Medicare Part D**


**Medicaid**


**Innovation**

**Pharmaceuticals**


**Vaccines & Public Health**
