

Issues in Health Policy

PPHA 38050 / PBPL 25510 / ECON 17720
Winter 2025
Prof. Zarek Brot (zarek@uchicago.edu)

Class Meetings: Mondays and Wednesdays, Keller 0007
Section 1: 1:30pm-2:50pm
Section 2: 3:00pm-4:20pm

Office Hours: Tuesdays, 10am-11:30am, Keller 3011. To reserve a slot during regularly scheduled office hours, please use <https://calendly.com/zarek/office-hours-health>. You do not *need* to reserve a slot, but I will give priority to those students who do. I ask you to do so because it will allow you to let me know in advance what you would like to discuss, and I can then prepare accordingly.

Teaching Assistants: Emily Crawford (crawford@chicagobooth.edu) and Yalun Su (yalun.su@uchicago.edu). Emily and Yalun's main role will be in providing support and grading for the assignments. Please only email them about issues with assignments; any administrative issues should be directed to me. They will hold office hours through the course to help with the replication exercise assignments.

Course Description

It is imperative that good policy rely on evidence. Health policy is no exception. Part of this is about the *production* of evidence—finding data, and figuring out ways to understand the effects of past institutional or policy changes, or describe important statistical associations. Part of this is about the *consumption* of evidence—figuring out how past studies inform potential policy decisions. In this course, we will consider the role of evidence in helping inform us about important health policy topics, such as the consequences of expanding the Medicaid program, the effects of private equity acquisitions of medical facilities, and the burden of medical debt.

The first part of the course will be structured into a set of two-lecture modules. In the first class, we will read an editorial or descriptive paper that helps introduce a health policy context and/or makes a claim about the merits/demerits of a specific policy. In the second lecture, we will read a study that confronts the topic using modern empirical methods. I have hidden these studies (listed on the course schedule as **MYSTERY PAPERS**) so that we can genuinely learn and update our beliefs between the two lectures. The contrast between the two will not only help us better understand the policy context, but we will also use it to develop a better understanding of empirical methodology. In class, I will discuss the context, and discuss how to think about good (and bad) empirical methodology. You will come to lecture having read the papers and with interest in critiquing their claims and methods.

In the second half of the course, we will cover another set of topics one lecture at a time, using our newfound skills to critique studies we will read ahead of class.

Your out-of-class time will be spent practicing being both a producer and a consumer of evidence. You will get hands-on experience with health care data by replicating some of the analysis from prior studies, and you will write a report that synthesizes existing evidence on a chosen policy topic.

Prerequisites

There are three general sets of things you will need to know to succeed in this course:

1. **Economics.** I am an economist and so my comparative advantage is to guide you through topics where health economists have made particular progress. You should only need introductory economics to understand the material we will cover. (e.g. MPP core Micro sequence; PBPL 20000 and 22200 or equivalent)
2. **Statistics.** We will be reading empirical papers, which report means, standard deviations, and coefficient estimates from regressions. You will need to be able to read these. While I will teach about empirical methods, I will not stop to do a refresher on introductory statistics, so you should have already seen this material. (e.g. MPP core Stats sequence; PBPL 26400 or equivalent; this course is especially complementary with Program Evaluation)
3. **Statistical programming.** For the replication assignments, I will expect you to do statistical programming. You should either be reasonably familiar with a statistical programming language, such as R, Python, or Stata (any of these are fine), or willing to learn on the fly. While we will do no formal instruction in programming, TA office hours will be available for support. (e.g. taking the MPP Data and Programming sequence will definitely be sufficient)

Course Requirements and Grading

1. **Pre-class discussion (10%):** To help keep you engaged, I will ask you to tell me your reactions to the first reading of each module ahead of class. You will have to give a short response (1 or 2 paragraphs) to a prompt. Providing a clear, on-topic answer will grant you full credit.
2. **Class participation (10%):** I expect you to attend and participate in class.
3. **Replication exercises (30%):** Even if you don't plan on becoming a data analyst, it is important that you know "how the sausage is made" first-hand to help you be a good consumer. For this purpose, there will be two replication exercises. I will have you download real data from a study, analyze it, and write a report. Students are expected to submit their code along with the answers to the prompts; this may be in any programming language you prefer.
4. **Final paper (50%):** You will write a paper for the end of the quarter on a policy topic of your choice. The paper should evaluate the merits and demerits of a specific health care policy that does not yet exist, e.g., "Should the U.S. expand Medicaid?" (though yours should be more specific) The paper should be written with the goal of helping a policymaker form an informed opinion on the subject. You will discuss the relevant policy context, describe what a policymaker would need to know to make a decision, and then summarize and critique the existing evidence. You will be required to submit a 1-page proposal by 11:59pm on Friday, January 31. I will flag if I think your topic choice is off-course. The final papers will be due at 11:59pm on Wednesday, March 12.

Policy on ChatGPT and Use of Other Large Language Models

For the purposes of this class, ChatGPT and other large language models are considered to be external resources. In general, you may consult external resources when preparing assignments. However, the words written and handed in *must* be your own (i.e., there should be no unquoted text written by an external source). Violations of this policy will be considered violations of the academic integrity policy.

Course Schedule and Readings

The mystery papers will be posted on Canvas after their accompanying Lecture A.

Introduction; Maternal health // Measurement (Monday, Jan. 6)

- Read in full: Lucy Tu. Why maternal mortality rates are getting worse across the u.s. *Scientific American*, 2023. <https://www.scientificamerican.com/article/why-maternal-mortality-rates-are-getting-worse-across-the-u-s>

Part I: A/B-Lecture Modules

Module 1: Waste in health spending // Measurement

Lecture A (Wednesday, Jan. 8)

- Read in full: Atul Gawande. The cost conundrum. *The New Yorker*, 2009
- Read Sections 1 and 3: Katherine Baicker, Amitabh Chandra, and Jonathan S Skinner. Saving money or just saving lives? improving the productivity of us health care spending. *Annual Review of Economics*, 4(1):33–56, 2012

Lecture B (Monday, Jan. 13)

- MYSTERY PAPER 1

Module 2: Medicaid // Estimating causal effects

Lecture A (Wednesday, Jan. 15)

- Read all in full:
 - Scott Gottlieb. Medicaid is worse than no coverage at all. <https://www.wsj.com/articles/SB10001424052748704758904576188280858303612>, 2012
 - Suzy Khimm. How the medicaid expansion could actually save states money. <https://www.washingtonpost.com/news/wonk/wp/2012/07/05/how-the-medicaid-expansion-also-saves-states-money/>, 2012
 - Avik Roy. Medicaid’s cruel status quo. <https://www.foxnews.com/opinion/medicaids-cruel-status-quo/>, 2012

Lecture B (Wednesday, Jan. 22) (note that we skip Monday for MLK Day)

- MYSTERY PAPER 2

Module 3: Nutritional inequality // Non-experimental analysis of causal effects

Lecture A (Friday, Jan. 24) (note the unusual day; this is a make-up class for MLK Day)

- Read all in full:
 - The White House. Obama administration details healthy food financing initiative. <https://home.treasury.gov/news/press-releases/tg555>, 2010
 - The White House. Remarks by the first lady at mayor’s summit on food deserts, chicago, illinois. <https://obamawhitehouse.archives.gov/the-press-office/2011/10/25/remarks-first-lady-mayors-summit-food-deserts-chicago-illinois>, 2011

Lecture B (Monday, Jan. 27)

- MYSTERY PAPER 3

Module 4: Medical debt // Sample Selection

Lecture A (Wednesday, Jan. 29)

- Read in full: David U. Himmelstein, Elizabeth Warren, Deborah Thorne, and Steffie Woolhandler. Illness and injury as contributors to bankruptcy. *Health Affairs*, 24(1):570, 2005
- Read in full: David U. Himmelstein, Deborah Thorne, Elizabeth Warren, and Steffie Woolhandler. Medical bankruptcy in the united states, 2007: Results of a national study. *The American Journal of Medicine*, 122(8):741–746, 2009

Lecture B (Monday, Feb. 3)

- **MYSTERY PAPER 4**

Module 5: Private equity acquisitions // Interpreting treatment effects

Lecture A (Wednesday, Feb. 5)

- Read in full: Fred Schulte. Sick profit: Investigating private equity's stealthy takeover of health care across cities and specialties. <https://kffhealthnews.org/news/article/private-equity-takeover-health-care-cities-specialties/>, 2022
- Skim: Joseph D Bruch, Suhas Gondi, and Zirui Song. Changes in hospital income, use, and quality associated with private equity acquisition. *JAMA Internal Medicine*, 180(11):1428–1435, 2020

Lecture B (Monday, Feb. 10)

- **MYSTERY PAPER 5**

Module 6: Cost-sharing in employer-sponsored health insurance // Competing interpretations

Lecture A (Wednesday, Feb. 12)

- Read pages 91-106: The White House. Economic report of the president, 2006. <https://www.govinfo.gov/content/pkg/ERP-2006/pdf/ERP-2006.pdf>, 2006
- Read in full: David A Hyman, Sunjay Letchuman, and Ge Bai. Health insurance coverage—is broader always better? *JAMA Internal Medicine*, 184(3):233–234, 2024
- Optional: Katherine Baicker, William H. Dow, and Jonathan Wolfson. Lowering the barriers to consumer-directed health care: Responding to concerns. *Health Affairs*, 26(5):1328–1332, 2007

Lecture B (Monday, Feb. 17)

- **MYSTERY PAPER 6**

Part II: Single-Lecture Modules

All of the topics here are scheduled tentatively.

Health insurance and mortality (Wednesday, Feb. 19)

- Nitesh K. Choudhry, Jerry Avorn, Robert J. Glynn, Elliott M. Antman, Sebastian Schneeweiss, Michele Toscano, Lonny Reisman, Joaquim Fernandes, Claire Spettell, Joy L. Lee, Raisa Levin, Troyen Brennan, and William H. Shrank. Full Coverage for Preventive Medications after Myocardial Infarction. *New England Journal of Medicine*, 365(22):2088–2097, 2011
- Jacob Goldin, Ithai Z Lurie, and Janet McCubbin. Health Insurance and Mortality: Experimental Evidence from Taxpayer Outreach. *Quarterly Journal of Economics*, 136(1):1–49, 2020

- Sarah Miller, Norman Johnson, and Laura R Wherry. Medicaid and mortality: new evidence from linked survey and administrative data. *Quarterly Journal of Economics*, 136(3):1783–1829, 2021
- Documents from President’s Emergency Board No. 250

The education-mortality gradient (Monday, Feb. 24)

- Adriana Lleras-Muney. The Relationship Between Education and Adult Mortality in the United States. *Review of Economic Studies*, 72(1):189–221, 2005
- Damon Clark and Heather Royer. The effect of education on adult mortality and health: Evidence from Britain. *American Economic Review*, 103(6):2087–2120, 2013

Health insurance bureaucracy (Wednesday, Feb. 26)

- Zarek Brot, Samantha Burn, Timothy Layton, and Boris Vabson. Rationing Medicine Through Bureaucracy: Authorization Restrictions in Medicare. NBER Working Paper No. 30878, 2023
- Abe Dunn, Joshua D. Gottlieb, Adam Hale Shapiro, Daniel J. Sonnenstuhl, and Pietro Tebaldi. A Denial a Day Keeps the Doctor Away. *Quarterly Journal of Economics*, 139(1):187–233, 2024

COVID-19 masking policy (Monday, Mar. 3)

- Jason Abaluck, Laura H. Kwong, Ashley Styczynski, Ashraful Haque, Md Alamgir Kabir, Ellen Bates-Jefferys, Emily Crawford, Jade Benjamin-Chung, Shabib Raihan, Shadman Rahman, et al. Impact of community masking on COVID-19: a cluster-randomized trial in Bangladesh. *Science*, 375(6577):eabig069, 2022
- Jason Abaluck. No, that new study doesn’t show that masks are useless. <https://insights.som.yale.edu/insights/no-that-new-study-doesnt-show-that-masks-are-useless>, 2023

Surprise billing (Wednesday, Mar. 5)

- Zack Cooper and Fiona Scott Morton. Out-of-network emergency-physician bills – an unwelcome surprise. *New England Journal of Medicine*, 375(20):1915–1918, 2016
- Zack Cooper, Fiona Scott Morton, and Nathan Shekita. Surprise! out-of-network billing for emergency care in the United States. *Journal of Political Economy*, 128(9):3626–3677, 2020

Harris School and University of Chicago Policies

Diversity and Inclusion

The Harris School welcomes, values, and respects students, faculty, and staff from a wide range of backgrounds and experiences, and we believe that rigorous inquiry and effective public policy problem-solving requires the expression and understanding of diverse viewpoints, experiences, and traditions. The University and the Harris School have developed distinct but overlapping principles and guidelines to ensure that we remain a place where difficult issues are discussed with kindness and respect for all.

The University's policies are available below. Specifically, the University identifies the freedom of expression as being "vital to our shared goal of the pursuit of knowledge, as is the right of all members of the community to explore new ideas and learn from one another. To preserve an environment of spirited and open debate, we should all have the opportunity to contribute to intellectual exchanges and participate fully in the life of the University."

The Harris School's commitments to lively, principled, and respectful engagement are available below: "Consistent with the University of Chicago's commitment to open discourse and free expression, Harris encourages members of the leadership, faculty, student body, and administrative staff to respect and engage with others of differing backgrounds or perspectives, even when the ideas or insights shared may be viewed as unpopular or controversial." We foster thought-provoking discourse by encouraging community members not only to speak freely about all issues but also to listen carefully and respectfully to the views of others.

University policies: <https://studentmanual.uchicago.edu/university-policies/>
Harris policies: <https://harris.uchicago.edu/about/who-we-are/diversity-inclusion>

Title IX Reporting Responsibilities

Your instructor and TAs for this class are designated as "responsible employees" under the US law known as Title IX. We have a duty to report incidents of sexual harassment, including sexual violence, domestic violence, dating violence, and stalking or other misconduct to appropriate school officials.

Academic Integrity (Cheating)

We take academic integrity very seriously, and although we have the highest confidence in you as students, we must also remind you that academic integrity and honesty are central to our mission as a school and to each of us as instructors, TAs, and students.

All University of Chicago students are expected to uphold the highest standards of academic integrity and honesty. Among other things, this means that students shall not represent another's work as their own, use un-allowed materials during exams, or otherwise gain unfair academic advantage. From the University's policy (link below): "It is contrary to justice, academic integrity, and to the spirit of intellectual inquiry to submit another's statements or ideas as one's own work. To do so is plagiarism or cheating, offenses punishable under the University's disciplinary system. Because these offenses undercut the distinctive moral and intellectual character of the University, we take them very seriously."

The Harris School's policies are available in the Harris Student Handbook Canvas site. All students suspected of academic dishonesty will be reported to the Harris Dean of Students for investigation and adjudication. The disciplinary process can result in sanctions up to and including suspension or expulsion from the University. In addition to disciplinary sanctions, we reserve the right to impose other sanctions, up a failing grade for the course for students who have committed academic dishonesty, regardless of performance on elements of the course.

University policies: <https://studentmanual.uchicago.edu/academic-policies/academic-honesty-plagiarism/>

Disability Accommodations

The University's policies regarding students with disabilities are available below. Students who have disability accommodations awarded by the University Student Disability Services Office should inform the Harris Dean of Students office by the end of the first week of class. The Harris Dean of Students Office will work with the student and instructor to coordinate the students' accommodations implementation. Harris students are not required to submit their accommodations letter to the instructor.

Students who do not yet have formal accommodations in place but who feel they need accommodations on a temporary or ongoing basis should contact the Harris Dean of Students Office or Student Disability Services.

University policies: <https://studentmanual.uchicago.edu/university-policies/disability-accommodations/>

Student Mental Health and Other Support

If you or someone you know is feeling overwhelmed, depressed, and/or in need of support, remote counseling services are available. Student Counseling Service (SCS) urges you to attend to your mental wellbeing and to reach out to them for support during these challenging times. All SCS services are covered by the Student Life Fee, and there is no additional cost for students to access their services. More information on SCS services can be found at <https://wellness.uchicago.edu/mental-health/student-counseling-service-spring-quarter-faq/>. Students seeking new services/resources can call 773-702-9800 during business hours (Monday-Friday 8:30 a.m.-5 p.m.) and ask to speak with a clinician. Students needing urgent mental health care can speak with clinicians over the phone 24/7 by calling the SCS at 773-702-3625.

University of Chicago Policy on Lecture Recordings

By attending course sessions, students acknowledge that:

1. They will not: (i) record, share, or disseminate University of Chicago course sessions, videos, transcripts, audio, or chats; (ii) retain such materials after the end of the course; or (iii) use such materials for any purpose other than in connection with participation in the course.
2. They will not share links to University of Chicago course sessions with any persons not authorized to be in the course session. Sharing course materials with persons authorized to be in the relevant course is permitted. Syllabi, handouts, slides, and other documents may be shared at the discretion of the instructor.
3. Course recordings, content, and materials may be covered by copyrights held by the University, the instructor, or third parties. Any unauthorized use of such recordings or course materials may violate such copyrights.
4. Any violation of this policy will be referred to the Area Dean of Students.