

York University
Faculty of Liberal Arts & Professional Studies
Department of Economics

AP/ECON 3510A
Health Economics

Fall 2022

WELCOME

Course Website: <http://eclass.yorku.ca>

Lecture Time / Location: Tuesdays from 11:30AM – 2:30PM in DB 0014

Prerequisite: AP/ECON 1000 3.00 or equivalent.

Course Instructor:

Gordana Colby
1044 Vari Hall
gcolby@yorku.ca

Course office hours:

- Instructor: Wednesdays from 8:45AM – 9:45AM or by appointment. Instructor Office Hours will be held over Zoom. The Zoom meeting information can be found on the course website.
- TA: TBD

Course Format: With the exception of instructor office hours, this course will be delivered entirely in-person. All lectures, tests and the final exam will be held in-person.

OVERVIEW & LEARNING OBJECTIVES

Health economics is a key area of research in academia, government and industry and has become a central theme in current public policy debates in Canada. By examining the role of economic analysis in rationalizing the resources allocated to the health care sector, this course aims to:

1. Familiarize students with the application of the tools of economic analysis to the field of health and health care.
2. Allow students to gain greater awareness of the economic underpinnings of health care delivery in Canada and their implications to contemporary health policy issues.

The course analyzes the economic determinants of supply and demand in the health care sector. Special focus will be placed on the role of health insurance, public financing, funding arrangements and reimbursement methods in the provision and utilization of health services. Economic analysis of physicians, hospitals and pharmaceutical companies and implications to current health policy debates will also be discussed.

COURSE TEXT / READINGS

Full detailed lecture notes will be provided on the course website.

(Optional) Hurley, Jeremiah E. 2010. Health Economics. 1st edition. McGraw-Hill Ryerson.

Note: Additional readings may be assigned or recommended during the course.

EVALUATION

Task	% of Course Grade	Date	Notes
Test 1	25%	Tues, 25 October 2022, 11:30 AM– 12:10 PM	In-person during lecture time
Test 2	25%	Tues, 22 November 2022, 11:30 AM– 12:10 PM	In-person during lecture time
Final Exam	50%	Dec 8 – 23, 2022	Scheduled by the Registrar's Office
Totals	100%		

Bonus Mark: *Your feedback is important! If **80% or more** of students registered in the course complete the course evaluation (announcements with links to the online course evaluations will be posted to the course website towards the end of the term), all students will have **1% added to their overall course grade.***

Note: Course grades may be adjusted to conform to Program or Faculty grades distribution profiles.

Graded Tests, Exam (Synchronous)

Both the term tests and the final exam will be **closed book**. With the exception of a non-programmable calculator, no other AIDS are permitted (NO cheat sheets, notes, etc. may be used).

The term tests and final exam consist of multiple choice (MC), short answer and long answer questions, which will cover the material covered during lectures and in the lecture slides.

Sample questions and answers will be provided on the course website for practice.

Test 1 will cover the material covered in Topics 1-4* and the corresponding lectures.

Test 2 will cover the material covered in Topics 5-7* and the corresponding lectures.

The final exam will cover material from the entire course but will be weighted heavier on material covered after the second test (Topics 8, 9 & 10*). More details about the final exam coverage will be provided as we get closer to the exam date.

**Test and exam topic coverage subject to change. Please check the course website for the most up-to-date information.*

WEEKLY SCHEDULE

Dates below show approximate topic coverage (subject to change).

DATE	LECTURE
Sept 13	Topic 1: Introduction, Course Outline, Review of the Canadian Healthcare System [Highlights: Cross country comparisons, Canada Health Act]
Sept 20	Topic 2: Efficiency and Equity in Healthcare [Highlights: Technical and Allocative Efficiency, Distributional vs. Procedural Equity]
Sept 27	Topic 3: Market Principles and Analysis of Healthcare Data [Highlights: Market Failure, Efficiency, Externalities, How to Interpret Health Statistics/Analysis]
Oct 4	Finish Topic 3
Oct 11	Fall Reading Week (no class)
Oct 18	Topic 4: Economic Evaluation in Healthcare [Highlights: Cost-effectiveness and Cost-Utility Analysis, QALYs]
Oct 25	TEST 1: Topics 1 – 4 (first 40 minutes of class; lecture to follow at 12:45pm) Topic 5: Determinants of, and Demand for, Health [Highlights: Economic Evidence of Determinants of Health, Causal vs. Spurious Correlation, Grossman Model of Demand for Health]
Nov 1	Finish Topic 5 Topic 6: Healthcare as an Economic Commodity [Highlights: Informational Asymmetry, Agency Relationship, Demand vs. Need vs. Utilization, Supplier-Induced Demand]
Nov 8	Finish Topic 6
Nov 15	Topic 7: Fundamentals of Healthcare Insurance [Highlights: Risk Aversion, Actuarially Fair Insurance, Moral Hazard, Adverse Selection]
Nov 22	TEST 2: Topics 5 – 7 (first 40 minutes of class; lecture to follow at 12:45pm) Topic 8: Healthcare Financing [Highlights: Financing Privately vs Publicly vs Social Insurance Contributions, Supplemental vs. Substitutive Parallel Finance, Technical and Allocative Efficiency of Finance]
Nov 29	Topic 9: Healthcare Funding [Highlights: Case/Diagnosis-based Payments vs. Capitation vs. Fee-for-Service, Efficiency vs. Strategic Selection Incentives, Case Study of Ontario Physician Payment Systems]
Dec 6	Finish Topic 9 Topic 10*: Delivery of Healthcare (Pharmaceuticals, Hospitals and Physicians) [Highlights: Patent Protection, Wait times, Target Income Hypothesis] *This topic will only be covered if time allows. We will likely not get to it if we need time to finish previous topics.
Dec 8 - 23	Final Exam (Scheduled by the Registrar's Office)

WHERE TO GET HELP

Discussion Boards

All questions about course content (economics) must be posted to the eClass Discussion Board. The TA and myself will monitor the Discussion board, but often a classmate will provide a correct answer more quickly. Post questions, responses, comments about any course material. All new postings/threads require a subject line. **It is very inefficient to answer individual content questions by email, so please reserve email for personal issues and use the Discussion Board to get your content questions answered.**

Instructor Office Hours

Another great place to get your questions answered (or just drop by to say hello) are in my weekly office hours.

My office hours are on Wednesdays from 8:45AM – 9:45AM or by appointment. Instructor Office Hours will be held over Zoom. The Zoom meeting information can be found on the course website.

Office hours will begin the week of September 12th.

Important Note: Private Third-Party Tutoring Companies, Academic Honesty and Support Resources

Many private, third-party tutoring companies advertise their services to YorkU students. One way you can help eliminate these advertisements is by changing your eClass profile settings to private (see instructions below). Some of these private companies claim to be affiliated with, or recognized and supported by, York University. Some also claim to help you by providing you with test and exam answers, suggesting that this practice is safe and permitted by York. These claims are **not** true. York University has not officially recognized or endorsed any third-party tutoring service. When you are provided with test and exam answers, you run the risk of violating the [university's academic honesty policy](#). Students have been caught using these services to cheat and gain unfair advantage over honest students. The cheating students and "tutors" have received academic dishonesty punishments ranging from failing courses, to being expelled, to losing their YorkU degrees. Officially supported resources to help students learn course material will be provided by YorkU officials, such as your professors and your department. These services are offered at no cost to you as a student. If you are ever unsure of whether a resource is allowable or endorsed by YorkU, please feel free to email the Department of Economics at lapsecon@yorku.ca and they would be happy let you know.

To hide your email address in eClass: Step 1: Click your name on the top-right of the eClass website, then click "Profile" on the drop-down menu; Step 2: Under "User details" click "Edit profile"; Step 3: From the "Email display" drop-down menu choose "Hide my email address from non-privileged users"; Step 4: Scroll to the bottom of the page and click on the "Update profile" button.

COURSE POLICIES

Academic Honesty and Integrity

In this course, we strive to maintain academic integrity to the highest extent possible. Please familiarize yourself with the meaning of academic integrity by completing SPARK's [Academic Integrity module](#) at the beginning of the course. Breaches of academic integrity range from cheating to plagiarism (i.e., the improper crediting of another's work, the representation of another's ideas as your own, asking for credit for work not done, etc.). All instances of academic dishonesty in this course will be reported to the appropriate university authorities, and can be punishable according to the [Senate Policy on Academic Honesty](#).

Recordings and Copyright

Any recordings or course materials posted to the course website should be used for individual educational purposes only. Students do not have permission to record, duplicate, copy and/or distribute these recordings or course materials outside of the class (these acts can violate not only copyright laws but also [FIPPA](#)).

Missed Tests

There are no make-up tests for any reason. Should you miss either or both of the tests, the weight of the missing test(s) will automatically be transferred to your final exam (no emails or forms or doctor's notes are required this term, given our emergency COVID situation). Students are strongly urged to write both term tests if they are able, as this has been correlated with higher grades in past terms.

Deferred Final Exam Policy

Students who miss the final exam for a valid reason are required to notify the instructor by email (gcolby@yorku.ca) of why they have missed the exam within 48 hours of the missed final exam. They must also submit the Deferred Standing Mach form (the link to the form will be posted to eClass closer to the exam date) **within 7 days of the original exam date**. Students who do not submit the Deferred Standing Mach form within 7 days of the missed exam, will receive a zero for their final exam score.

Grade Reappraisal Policy

As we progress through the course and complete the various graded components, the grades will be updated on eClass. If your grade is missing or you believe your grade is incorrect, please send an email to the TA (email to be provided at the start of term), **within 7 days of the date the grade was posted**. *In the subject of the email, please write "grade issue."* *In the body of your email, please include your registered name (as it appears in eClass), your nine-digit student number, the course, section and a brief description of the grade issue. We will not reply to emails that are missing this information.* If you are unhappy with the resolution provided, please then email me (gcolby@yorku.ca). **Any grade issues raised after 7 days WILL NOT BE ADJUSTED. There will be NO EXCEPTIONS to this rule.** It is your responsibility to check your grades when they are posted.

Accessibility Needs

York University is committed to accessibility.

Students no longer submit Letters of Accommodation to their instructor. Rather, students request their Letter of Accommodation through a companion Student Portal available through Student Accessibility Services. Instructors will then access the Letters of Accommodation directly via a Faculty Portal.

Religious Accommodations

York University is committed to respecting the religious beliefs and practices of all members of the community. If a test or exam date clashes with the day of your religious observance, we will arrange an alternative date **only if you submit a completed Religious Accommodation Form (see Important Academic Forms section) at least two weeks in advance**. Please email your completed form to your instructor (gcolby@yorku.ca).

Additional Information

Students are expected to check the course website found at <http://eclass.yorku.ca> regularly for updated course information.

Important Academic Forms

- Religious Accommodation - <https://secure.students.yorku.ca/pdf/religious-accommodation-agreement-final-examinations.pdf>
- Deferred Standing – link to online mach form will be available closer to the final exam date.
- Attending Physician’s Statement Form - <http://registrar.yorku.ca/pdf/attending-physicians-statement.pdf>

Important Dates

	Fall 2022
First Day of Classes	Sep 7
Last date to add a course without permission of instructor (also see Financial Deadlines)	Sep 20
Last date to drop a course without receiving a grade (also see Financial Deadlines)	Nov 11
Course Withdrawal Period (withdraw from a course and receive a grade of “W” on transcript)	Nov 12 – Dec 7
Last Day of Classes	Dec 6
Final Exam Period	Dec 8 - 23

Important Information for Students

- All students are expected to familiarize themselves with the following information, available on the [Senate Committee on Curriculum & Academic Standards webpage](#).
- York’s Academic Honesty Policy and Procedures is located on the [York University Senate webpage](#). As per Senate Policy, academic honesty and integrity is defined as conduct that violates the ethical or legal standards of the University community or of one’s program or specialization is subject to severe penalties. Students are responsible for understanding the nature and consequences of these offences, as contained in the Senate Policy on Academic Honesty. More information on academic integrity for students can be found on the [York Academic Integrity Website](#).
- Ethics Review Process for research involving human participants located using the [Senate Policy Research Involving Human Participants link](#)
- Course requirement accommodation for students with disabilities, including physical, medical, systemic, learning and psychiatric disabilities can be accessed using the [Academic Accommodation for Students with Disabilities link](#).
- Information on student conduct standards can be reviewed on the [Code of Student Rights and Responsibilities webpage](#).
- Students requiring religious accommodation should review the Religious Accommodations Guidelines using the [Religious Observance link](#).