

ECP 3530 Economics of Health

Spring 2009

Prerequisite: ECO 2023

If you don't already realize it from your own experience, recent results from a national scorecard on U.S. health system performance confirm that the health care people receive in the United States is, itself, not well. While we spend about twice per capita what other industrialized countries spend on health care, we surprisingly rank relatively low when it comes to the actual health of our citizens.

How is this possible—and what, if anything, does economics have to do with it? It's not clear. However, one thing that is clear is that economics principles and analysis are useful tools for understanding any system, including our (and other countries') health system. It is entirely appropriate that this course will include a "mixed bag" of students, both undergraduate and graduate, because it is an apt description of the approach and methods that will be used in this course. The course combines objective analysis, applying the rigorous tools of economics, with topical readings that are chock-full of policy implications and subjective commentary—which will come from you! Be prepared to be enlightened and to enlighten (Hey, we've all been to the doctor!), and come to your own conclusions about what's right and wrong with our health care system, and what can be improved.

We begin the course with the basics, understanding the relationship between health care and health, the role and economic effects of insurance, and the production of health care services. We then move to examining the various areas of the U.S. health care system, including physicians, hospitals, insurers, and pharmaceuticals; focusing on some of the more interesting economic questions of each. This is followed by a whirlwind tour of other health systems around the globe. Finally, the big question . . . but we'll save that for the classroom.

Note on prerequisites—The official prerequisite in the catalogue in Managerial Economics (or Intermediate Price Theory). Dr. Smith does not think that prerequisite is valuable for this class, so we've arranged things so that the USFSP advisors (in both Business and Arts+Sciences) will let you into the classes as long as you've had ECO 2023, Principle of Microeconomics (whether you are a USFSP or USF-Tampa student).