

**ECON 300/PUBP 390: Economics of U.S. Health Care Policy  
Spring 2022**

TR 2-3:20 pm, Chancellors 123

***Instructor***

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***Course Description***

This seminar provides an introduction to the U.S. healthcare system and an overview of public policies pertaining to private and public insurance and healthcare cost containment. Topics include the history of the US healthcare system and healthcare reforms, policies affecting private insurance, Medicare and Medicaid, and policies to address costs and promote access in private markets and public insurance programs. Readings include textbooks chapters, academic journal articles, policy briefs, and health policy podcasts. URLs/PDFs will be available on Blackboard. There is no required textbook.

***Course Objectives***

By taking this course, you will:

- Understand the historical origins of the US healthcare system.
- Learn how the US healthcare system is structured and how it performs.
- Learn key economic theories & concepts pertaining to private insurance markets.
- Learn key economic factors determining levels and growth of healthcare expenditures.
- Understand the roles of the Medicare and Medicaid programs in the US healthcare system.
- Apply economic theory to the analysis of health policies.

***Evaluation***

Weekly Response Papers, 20% total. No more than once a week, and in ~10 weeks this semester, you will write a short response paper for one of the assigned readings for that week. I'll distribute a separate handout describing what's expected of you and what I'll be looking for. I will drop at one grade for absence; if you complete all, I will drop your lowest grade.

State Health Policy Profile, a team project, 20%. Working in teams, you will conduct in-depth research on one U.S. state's policies to address problems related to access to or costs of healthcare. Each team will meet periodically during the semester and submit short progress reports at certain milestones; by the end of the semester, each team will produce two deliverables: a 10-minute presentation and a written report. I'll distribute a separate handout describing what's expected and when.

Midterm, 20%. Scheduled for March 10. Each midterm will contain multiple choice and short-answer questions as well as one or two essay prompts. I will distribute a study guide about one week prior to each exam, but please know that the best way to prepare for exams is to keep up with the readings and our in-class activities. Please make use of class and office hours to ask questions and improve your understanding of concepts.

Final exam, 35%. Scheduled for Friday, May 13, 2-5 pm. The final exam will be based on the majority of the material during the semester. Like the midterm, it will contain a mix of multiple choice and short-answer questions and essay prompts. The exam will test your command of the material we covered throughout the semester and your ability to synthesize and apply concepts.

Participation, 5%. Good participation means being present in class and not multi-tasking, coming to class having read and considered the assigned readings, and sharing your thoughts with others.

## **Contacting Me**

My W&M email address ([jimmell@wm.edu](mailto:jimmell@wm.edu)) is the best way to get in touch with me. I will generally respond within 24 hours to emails received during the week; it may take me a bit longer to reply if your email comes in on the weekend, so plan ahead.

## **Office Hours**

I will hold office hours on Tuesdays/Thursdays 3:30-4:30 pm in my office in Chancellors (#443). Office hours are first-come, first-served, and no appointment is needed. If you would like to meet outside these scheduled times or if you prefer Zoom, please email me with your request. My Zoom room is <https://cwm.zoom.us/jenmellor/>.

## **Course Policies**

*Grading scale.* Letter grades for the course will be based on a standard 100-point scale as determined by the following ranges: A (>=93 through 100), A- (>=90 through <93), B+ (>=88 through <90), B (>=83 through <88), B- (>=80 through <83), C+ (>=78 through <80), C (>=73 through <78), C- (>=70 through <73), D+ (>=68 through <70), D (>=63 through <68), D- (>=60 through <63), and F (less than 60).

*Blackboard.* The Blackboard website is the central repository for the course. I will use it to communicate to the class as a group, accept and grade response paper submissions, and post materials for the course. Make sure that you regularly check both it and the email account associated with Blackboard.

*Late work/missed exams.* Late work will generally not be accepted, though I will allow one missed response paper (or drop your lowest grade if you complete all papers). Except in cases of serious illness/emergency, exams will not be rescheduled. Needing more time to study is not a valid reason to reschedule an exam; sorry.

*Etiquette.* Please do not use devices during class for non-class-related activities. Several methodologically strong academic studies show that using laptops during class to browse social media, shop, catch-up on email, etc. distracts other students, lowers the quality of classroom interaction, and affects the multi-taskers' grades and comprehension. I reserve the right to ask you to close laptops during face-to-face meetings.

*PolLEV.* I may use PolLEV to facilitate discussion and check understanding of concepts. If you are a new PolLEV user, please visit this site to create an account: <https://www.polleverywhere.com/login>. You must use your W&M credentials when creating the account.

*COVID and this course.* Please follow W&M requirements including vaccinations and boosters and indoor masking. If you test positive, remember that you must fulfil W&M's requirements before attending class in person. If you have symptoms consistent with COVID - even if you don't have a positive test – you should not come to class. If/when you need to miss class, please let me know as soon as possible and follow-up with me about your plans to catch up on what you missed. I anticipate that the class will be held largely in-person, but I also anticipate certain adjustments, like making class recordings available to students who notify that they are missing class due to COVID, or *temporarily* holding class by Zoom if a high proportion of students cannot attend on a given day, or if I am sick/exposed.

*Disabilities.* W&M accommodates students with disabilities in accordance with federal laws and university policy. Any student who feels they may need an accommodation based on the impact of a learning, psychiatric, physical, or chronic health diagnosis should contact Student Accessibility Services staff at 757-221-2512 or at [sas@wm.edu](mailto:sas@wm.edu) to determine if accommodations are warranted and to obtain

an official letter of accommodation. For more information, please visit [www.wm.edu/sas](http://www.wm.edu/sas).

*Honor Code.* Academic integrity is at the heart of W&M, and we all are responsible for upholding the ideals of honor and integrity. The [Student Handbook](#) includes your responsibilities as a student and the full Code. I expect your full participation and observance of the Honor Code.

### ***Student Wellbeing***

W&M recognizes that students juggle different responsibilities and can face challenges that make learning difficult. If you or someone you know is experiencing a challenge related to an emotional, psychological, physical, medical, material or accessibility concern, I encourage you to reach out to resources on campus. For psychological/emotional stress, please consider reaching out to the [W&M Counseling Center](#) (757-221-3620, 240 Gooch Dr., 2nd floor). For physical/medical concerns, please consider reaching out to the [W&M Health Center](#) at (757-221-4386, 240 Gooch Drive). For additional support or resources, please contact the Dean of Students by submitting an [online Care Report](#) or by phone or email (757-221-2510, [deanofstudents@wm.edu](mailto:deanofstudents@wm.edu)). For a list of many other resources available to students, see [Health and Wellness Resources for Students](#).

### ***Course Calendar***

For titles and authors of specific assigned readings, including URLs and PDFs, see the Course Reading List section of the Blackboard website. This section of the Blackboard page contains all the reading materials for the course, organized by the date on which the class will meet. For example, reading for our first day of class will appear under the heading of "January 27." Please read the items for a given class meeting before coming to class, so that you are able to follow along with the lecture, ask clarifying questions, and contribute to discussions.

Please note that readings will be updated on a weekly basis as we go through the semester. You can expect each week's readings to be available by 5pm on the preceding Friday. For example, the readings for our class meetings on Tues/Thurs Feb 8 & 10 will be available by Friday Feb 4 at 5 pm, and the readings for our class meetings on Tues/Thurs Feb 15 & 17 will be available by Friday Feb 11, etc.

Updating readings in this way allows me to tailor specific guidance about the readings (what to focus on, what questions to consider, what to read vs. skim, etc) based on what we have stressed in prior classes and to make changes in response to current events or new research.

To review a list of course topics by date, see the next page of the syllabus.

### ***Other Important Dates to Know***

- Add/drop period ends on February 4.
- Withdrawal period ends on March 28.

## **Course Outline**

### Unit 1: Understanding the Context and History of US Health Policy

- 1/27 U.S. Health Insurance Facts & Figures
- 2/1 History of Comprehensive US Health Reform, 1900-1954
- 2/3 Healthcare Reform Attempts, 1990s & 2000s
- 2/8 Reform Successes/Failures post-ACA

### Unit 2: Private Insurance

- 2/10 Private Health Insurance Basics
- 2/15 Moral Hazard, Demand for Healthcare, and Cost-Sharing
- 2/17 Asymmetric Information and Adverse Selection
- 2/22 The ACA's Private Insurance Provisions

### Unit 3: Public Insurance: Medicaid

- 2/24 Medicaid Basics
- 3/1 Medicaid Expansion, special guest Dr. Laura Wherry
- 3/3 Medicaid and Long Term Services and Supports
- 3/8 Medicaid and Behavioral Health
  
- 3/10 Midterm

3/15, 3/22 Spring break!

### Unit 4: Public Insurance: Medicare

- 3/22 Medicare Parts A, B, C
- 3/24 Medicare and Prescription Drug Coverage

3/29 No class; either attend *Health Policy Careers Panel* on 3/24 or watch recording

### Unit 5: Healthcare Spending

- 3/31 US Healthcare Spending Facts, Figures, Comparisons
- 4/5 Factors that Drive Healthcare Spending Growth
- 4/7 Healthcare Consolidation and Prices
- 4/12 Healthcare Price Transparency
- 4/14 Paying for Performance
- 4/19 Value-Based Insurance Design
- 4/21 Managing and Coordinating Care
- 4/26 Provider Payment Rate Regulation
- 4/28 Single Payer Healthcare

### Unit 6: State Health Policy Profiles

- 5/3 Group Presentations
- 5/5 Group Presentations
  
- 5/13 Final exam