

CORE COURSE IN HEALTH POLICY 2009-2010
HEALTH POLICY 2000/HCP 597/HPM246ABCD

CLASS MEETINGS

Tuesday & Thursday, 4-6pm
124 Mt. Auburn, Room 100

INSTRUCTORS

Joseph Newhouse
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TEACHING FELLOW

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COURSE OVERVIEW

This course is intended to familiarize doctoral students with the health policy research literature and selected questions in the field. It is a year-long course that includes a large number of guest lectures by faculty from the Faculty of Arts & Sciences, the Kennedy School of Government, the School of Public Health, the Medical School, the Business School, and the Law School. Discussion sessions will be interspersed with the invited lectures and will examine the policy relevance, research methods and technical details of many of the presented topics in more depth.

READINGS

Readings for the course will generally consist of journal articles to be read before each lecture. "Course packs" of photocopied articles will be available throughout the year from the Kennedy School Course Materials Office on the ground floor of the Belfer Building. It is also suggested that you purchase the following books:

- Newhouse, J.P. and the Health Insurance Experiment Group. *Free for All? Lessons from the RAND Health Insurance Experiment*. (Available in paperback from Harvard University Press, located in the Holyoke Center)
- Newhouse, J.P. *Pricing the Priceless: A Health Care Conundrum*. Cambridge, The MIT Press: 2002. (Also available in paperback)
- Oberlander, J. *The Political Life of Medicare*. Chicago, University of Chicago Press: 2003. (Available from the Harvard Coop)
- Daniels, N. (2007) *Just Health: Meeting Health Needs Fairly* Cambridge Univ Press.
- Fuchs, V. (1998). *Who Shall Live? Health, Economics, and Social Choice* (expanded edition) World Scientific Publishing.

These titles are also on reserve at the Kennedy School library.

COURSE REQUIREMENTS

REQUIREMENTS

Attendance & Participation: **20%**

This course meets twice per week. Students are expected to attend and participate in the 2-hour lecture and discussion sessions. This participation includes reading 3-4 relevant articles assigned by the lecturers prior to each class. If you are unable to attend a lecture, please let the teaching fellow know by email in advance of the session.

Written Assignments: (for the year) **80%**

There will be written assignments for most of the 8 seminar sections, and a 10-15 page research proposal that students will develop throughout the Spring semester. Section assignments will include short essay questions, a literature review, and critical appraisals of published research papers. Due dates are as follows:

Fall

Essay #1 (Public Health): 10/8

Essay #2 (Politics of Health): 11/10

Essay #3 (Quality or Ethics): 12/3

Literature Review: 12/18

Spring

2-3-Paragraph Summary of Research Proposal: 2/16

Article Critique (Research Methods): 2/23

2-page Description of Study Design/Methods: 3/25 (reviewed by JN/AZ)

Assignment (Economics of Health): 4/18

Presentation of Research Proposal: TBD

Final Research Proposal: 4/27 (reviewed by JN/AZ)

Human Subjects Training:

To pass the Spring semester, students will be expected to complete an online Human Subjects Training Course and present verification. The training can be accessed through the following link:

http://vpf-web.harvard.edu/osr/support/human_subject/index.html

COURSE SYLLABUS

FALL SEMESTER 2008 (26 SESSIONS)

Please note that locations of readings are indicated in brackets below each citation. For readings that are available electronically, you can use the links below or search directly for the articles using the Harvard E-Research website: <http://e-research.lib.harvard.edu>.

SECTION I: OVERVIEW (SECTION LEADER: JOE NEWHOUSE)

09/3 Overview of the Course and Health Care Financing (J. Newhouse)

Fuchs, Victor R. *Who Shall Live: Health, Economics, and Social Choice* (expanded edition); publisher: World Scientific, 1998; Introduction, Chapters 1 and 6. Also "What Every Philosopher Should Know About Economics," pp. 155-164. On Reserve at Littauer Library and at KSG, but it would also be reasonable to buy this book, since it is a classic.

[Book-On Reserve at Littauer Library, KSG]

Be prepared to comment on the themes of the Fuchs book.

09/8 Introduction to U.S. Health Care (H. Huskamp)

Cutler DM, Rosen AB, Vijan S. The value of medical spending in the United States, 1960-2000. *N Engl J Med.* 2006 Aug 31;355(9):920-7

[Available at: <http://nejm.highwire.org/cgi/content/abstract/355/9/920>]

"Medicare at a Glance." Feb 2007, Kaiser Family Foundation fact sheet.

[Available at: <http://www.kff.org/medicare/upload/1066-10.pdf>]

"The Medicaid Program at a Glance." November 2008, Kaiser Family Foundation fact sheet.

[Available at: <http://www.kff.org/medicaid/7235.cfm>]

Sharon K. Long and Paul B. Masi, "Access And Affordability: An Update On Health Reform In Massachusetts, Fall 2008," *Health Affairs*, web exclusive, May 28, 2009

[Available at:

<http://content.healthaffairs.org/cgi/content/abstract/hlthaff.28.4.w578?ijkey=kq.AYAeHKJBb6&keytype=ref&siteid=healthaff>]

Optional:

Robert Ball, "What Medicare Architects Had in Mind," *Health Affairs*, 14(4): 62-72, (Winter 1995).

[Available at: <http://content.healthaffairs.org/cgi/reprint/14/4/62>]

Kaiser Family Foundation. "Massachusetts Health Care Reform Plan - An Update" [Kaiser Commission on Medicaid and the Uninsured](#). 2007

[Available at: <http://www.kff.org/uninsured/7494.cfm>]

This session is intended to provide a basic overview of the U.S. health care system -- how much we spend, the role of the government in financing health care, gaps in our health insurance system, and issues of value and quality of care. Most of the topics we will cover will be addressed in greater length in individual sessions later in the year -- this session is intended to provide background. Although most of the class will be in lecture format given the amount of material to cover and the nature of the session, be prepared to discuss what you see as the strengths and weaknesses of our system.

09/10 Determinants of Health (D. Cutler)

Cutler, David M., Angus Deaton, and Adriana Lleras-Muney, "The Determinants of Mortality", NBER Working Paper No. 11963, January 2006.

[Available at: <http://www.nber.org/papers/w11963.pdf>]

Fogel, Robert W., "The Escape from Hunger and Premature Death, 1700-2100", Cambridge: Cambridge University Press, 2004, Chapters 1 and 2, pp. 1-42.

[Packet]

World Health Organization, World Health Report, 2003, Chapter 1, pages 1-22.

[Available at: <http://www.who.int/whr/2003/en/Chapter1-en.pdf>]

Preston, Samuel H., "American Longevity: Past, Present, and Future," Policy Brief; publisher: Maxwell School of Citizenship and Public Affairs/Center for Policy Research; 1996; pp. 1-18.

[Packet]

This class discusses the evolution of human health over time, and briefly across space. The goal is to familiarize you with basic demographic trends that affect health policy debates.

SECTION IV: PUBLIC HEALTH (SECTION LEADERS: JOSH SALOMON AND MAJID EZZATI)**GENERAL OBJECTIVES:**

Public health provides the theoretical basis for prevention and the practical tools for population-based care. A major emphasis of this section will be on the development, interpretation, and use of evidence for public health policy. The section aims to provide exposure to the techniques used to evaluate public health problems in the U.S. and globally, and to develop effective strategies to respond to these problems. Students should expect, through the sessions, discussions, and readings to gain the following:

1. A broad exposure to population-based information systems, intervention strategies and analytic methods with an emphasis on their real-world relevance via national and international case studies;
2. An understanding of the way that evidence drawn from diverse data sources, combined with analytic tools from disciplines such as epidemiology, economics and statistics, intersects with other considerations such as politics in the evolution of public health policy.
3. An appreciation for the role, magnitude, and nature of social, racial and cultural disparity in nearly all global public health problems;
4. Exposure to at least one case example relevant to a public health problem in each of the following regions of the world: Africa, Americas, Asia, Europe;
5. A recognition of how demographic, cultural, epidemiologic and other differences across regions contribute to differences in public health priorities and differences in the types of population-based interventions and strategies likely to be achievable, effective and affordable.

SPECIFIC OBJECTIVES:

1. Assessment of health and disease problems in populations – to gain an understanding of the major tools from epidemiology, biostatistics and health economics used in population health assessment; how data sources are used to identify health trends and establish associations between health outcomes and preventable or modifiable factors; how the quality of information may be evaluated and multiple data sources synthesized.
2. Evaluation of public health policies – to gain an understanding of methods for assessing the possible impact of different policies; comparing alternative courses of action in terms of costs and health benefits; incorporating other types of considerations (e.g. distributional concerns) in setting priorities for public health policy.
3. Translation of evidence into action – to gain an understanding of how governmental and other agencies affect public health, and how public health practitioners can influence and participate in formulating, advocating and implementing policy; to consider examples of how evidence is used (or manipulated or ignored) in policy formulation; be able to identify and critique the fundamental function of public health within the various case studies that will be presented; to identify the strengths and limitations of general public health approaches.

9/15 US Mortality: Trends & Risk Factor Determinants (M. Ezzati)

Ezzati M, Friedman AB, Kulkarni SC, Murray CJL (2008) "The reversal of fortunes: trends in mortality and mortality disparities in the US counties" *PLoS Medicine*, 5(4):e66
 [Available at: <http://medicine.plosjournals.org/perlserv/?request=get-document&doi=10.1371/journal.pmed.0050066&ct=1&SESSIONID=47dcfbefec208c6c669e4907f753133>]

Kivimaki M, Shipley MJ, Ferrie JE, et al. (2008) Best-practice interventions to reduce socioeconomic inequalities of coronary heart disease mortality in UK: a prospective occupational cohort study. *Lancet* 372:1648-54.
 [Available at: http://www.sciencedirect.com.ezp-prod1.hul.harvard.edu/science?_ob=ArticleURL&_udi=B6T1B-4TVTJ12-X&_user=209690&_rdoc=1&_fmt=&_orig=search&_sort=d&_docanchor=&view=c&_acct=C00014438&_version=1&_urlVersion=0&_userid=209690&md5=0e81d8b2337ca27d75539133581b8c12]

Danaei G, Ding EL, Mozaffarian D, Taylor B, Rehm J, et al. (2009) The Preventable Causes of Death in the United States: Comparative Risk Assessment of Dietary, Lifestyle, and Metabolic Risk Factors. *PLoS Med* 6(4). [Available at: <http://www.pubmedcentral.nih.gov/picrender.fcgi?artid=2667673&blobtype=pdf>]

9/17 Measuring population health (J. Salomon)

Etches V, Frank J, Di Ruggiero E, Manuel D: Measuring population health: a review of indicators. *Annual Review of Public Health* 2006; 27:29-55.
 [Available at: <http://arjournals.annualreviews.org.ezp1.harvard.edu/doi/full/10.1146/annurev.publhealth.27.021405.102141>]

Sen A: Health: perception versus observation. *BMJ* 2002; 324(7342):860-1.
 [Available at: <http://bmj.bmjournals.com.ezp1.harvard.edu/cgi/content/full/324/7342/860>]

Lopez AD, Mathers CD, Ezzati M, Jamison D, Murray CJL (2006) "The global and regional burden of disease and risk factors, 2001: systematic analysis of population health data" *Lancet*, 367(9524):1747-1757
 [Available at: <http://ezp1.harvard.edu/login?url=http://search.epnet.com/login.aspx?direct=true&db=aph&an=20927561&scope=site>]

Mont D (2007) Measuring health and disability. *Lancet* 369(9573): 1658-63.
 [Available at: <http://siteresources.worldbank.org/DISABILITY/Resources/Data/DanLancet.pdf>]

9/22 Technology assessment and resource allocation in health care (M Weinstein)

This session concerns the inevitable need to allocate (i.e., ration) health care services, and various approaches that have been attempted or proposed to apply explicit, outcome-based criteria (e.g., cost-effectiveness analysis) for resource allocation. Cost-effectiveness analysis is required in most industrialized countries as a condition for payment for pharmaceuticals and other medical technologies. The comparative effectiveness component of health reform has intensified the debate over whether cost-effectiveness should be among the criteria used to determine insurance coverage and/or provider payment levels.

Russell LB, Gold MR, Siegel JE, Daniels N, Weinstein MC: The role of cost-effectiveness analysis in health and medicine. *JAMA* 1996; 276:1172-1177.

*Note: this article was also included as a reading for Dan Brock's lecture on 10/7] [Packet]

Neumann PJ, Rosen A, Weinstein MC: Medicare and Cost-Effectiveness Analysis. *NEJM* 2005; 353:1516-1522.

[Available at: <http://content.nejm.org/cgi/reprint/353/14/1516.pdf>]

Cohen JT, Neumann PJ, Weinstein MC: Does preventive care save money? *NEJM* 2008; 358:661-663.

[Available at: <http://nejm.highwire.org/cgi/content/extract/358/7/661>]

Garber AM: A menu without prices. *Ann Intern Med* 2008; 148: 964-966.

[Available at: <http://www.annals.org/cgi/content/full/148/12/964>]

Wilensky GR: Cost-effectiveness information: yes, it's important, but keep it separate, please! *Ann Intern Med* 2008; 148:967-968.

[Available at: <http://www.annals.org/cgi/content/full/148/12/967>]

9/24 The Public Health Response to the Obesity Debate (F Hu)

Malik VS, Schulze MB, Hu FB. Intake of sugar-sweetened beverages and weight gain: a systematic review. *Am J Clin Nutr.* 2006; 84(2):274-88.

[Available at: <http://www.ajcn.org/cgi/reprint/84/2/274>]

Brownell KD, Frieden, TR. Ounces of Prevention — The Public Policy Case for Taxes on Sugared Beverages *NEJM* April 30 2009

[Available at: <http://nejm.highwire.org/cgi/content/extract/360/18/1805>]

Angell SY; Silver LD, Goldstein GP; Johnson CM; Deitcher DR; Frieden TR; Bassett MT, Cholesterol Control Beyond the Clinic: New York City's Trans Fat Restriction. *Ann Intern Med.* 2009;151:129-134.

[Available at: <http://www.annals.org/cgi/content/abstract/151/2/129>]

9/29 Debate (J. Salomon)

NO READING IN ADVANCE

SECTION III: POLITICS OF HEALTH (SECTION LEADER: DAN CARPENTER)**10/1 Public Opinion and Health Politics (R. Blendon)**

Blendon RJ, Steelfisher, GK. Commentary: understanding the underlying politics of health care policy decision making. *Health Services Research*, 44(4), 2009. 1111-1136 [Available at: <http://www3.interscience.wiley.com.ezp-prod1.hul.harvard.edu/cgi-bin/fulltext/122407931/PDFSTART>]

Blendon RJ, Buhr T, Sussman T, Benson JM. Massachusetts Health Reform: A Public Perspective From Debate Through Implementation. *Health Affairs*, 27(6), 2008. W556-w565 [Available at: <http://content.healthaffairs.org/cgi/content/abstract/27/6/w556>]

Robert J. Blendon, Mollyann Brodie, John M. Benson, Drew E. Altman, and Tami Buhr. Americans' Views of Health Care Costs, Access, and Quality. *The Milbank Quarterly*, Vol. 84, No. 4, 2006 (pp. 623–657). [Available at: <http://www.blackwell-synergy.com.ezp1.harvard.edu/doi/abs/10.1111/j.1468-0009.2006.00463.x>]

Blendon RJ, Altman DE, Benson JM, Brodie M, Buhr T, Deane C, Buscho S. Voters and Health Reform in the 2008 Presidential Election. *NEJM*, 359(19). November 6, 2008. 2050-2061. [Available at: <http://content.nejm.org/cgi/reprint/359/19/2050.pdf>]

10/6 The History of US Health Reform (G. Steel-Fisher)

J Oberlander. “The Politics Of Health Reform: Why Do Bad Things Happen To Good Plans?” *Health Affairs*, Web Exclusive, August 27, 2003. [Available at: <http://content.healthaffairs.org/cgi/reprint/hlthaff.w3.391v1>]

J Hacker. “The Historical Logic of National Health Insurance: Structure and Sequence in the Development of British, Canadian, and U.S. Medical Policy.” *Studies in American Political Development*, 12 (Spring 1998), 57-130.

This is a long piece, so I suggest that you give the closest reading to the sections on the importance of historical analysis and the detail on the development of the United States' system. Skim the sections on Canada and the UK and do not get too caught up in the detailed facts of who, what, where, etc.

[Available at: <http://journals.cambridge.org.ezp1.harvard.edu/action/displayAbstract?fromPage=online&aid=38749>]

RJ Blendon et al. "What Happened to Americans' Support for the Clinton Plan?" *Health Affairs* 1995 14(2):7-23. [Available at: <http://content.healthaffairs.org/cgi/reprint/14/2/7>]

Please think about the following questions with the readings:

1. Why does health reform fail in the United States?
2. How would you design a study to determine what causes health reform to fail?

3. Which reform approach would you recommend: individual tax credit, single payer, or public-private mix building on current system?
4. What is the difference between political analysis and policy analysis?

➤ **Essay #1 (Public Health) DUE**

10/8 Elites, Publics, and Institutions (A. Campbell)

Jonathan Oberlander, *The Political Life of Medicare*; Chicago: University of Chicago Press, 2003. Focus on Chapters 3, 4, 5, and 7.
[Book – On Reserve at Littauer Library, KSG]

10/13 The Congress and American Social Policy (S. Burke)

Litman, Theodor J. 1997. "The Relationship of Government and Politics to Health and Health Care - A Sociopolitical Overview." In Theodor Litman and Leonard Robins, eds., *Health Politics and Policy*, 3 ed., Albany, NY: Delmar, pp. 3 - 45 and pp. 135 - 154.
[Packet]

Sinclair, B. 1997. Chapter 12, "The Consequences of Unorthodox Lawmaking." *Unorthodox Lawmaking*. Washington, D.C.: Congressional Quarterly Press.
[Packet]

Oleszek W.J. 2001. Chapter 1, "Congress and Lawmaking." *Congressional Procedures and the Policy Process*, Fifth Edition. Washington, D.C.: CQ Press.
[Packet]

Rovner J. 1995. Chapter 7, "Congress and Health Care Reform 1993-94" and Schick A., Chapter 8, "How a Bill Did Not Become a Law." *Intensive Care: How Congress Shapes Health Policy*. Mann T.E. and Ornstein N.J. (eds). Washington, D.C.: American Enterprise Institute and The Brookings Institution.
[Packet]

Zelman W.A. and Brown L. 1998. "Looking Back on Health Reform: No Easy Choices." *Health Affairs* 17(6):61-68.
[Available: <http://content.healthaffairs.org/cgi/reprint/17/6/61>]

Feldstein P.J. 2003. Chapter 34, "The Politics of Health Care Reform." *Health Policy Issues: An Economic Perspective on Health Reform*, 3rd ed. Chicago, IL: Health Administration Press.
[Packet]

10/15 The Political Economy of Pharmaceuticals and the FDA (D. Carpenter)

Richard A. Merrill, "The Architecture of Government Regulation of Medical Products," *University of Virginia Law Review*.
[Packet]

Daniel Carpenter and Gisela Sin, "Policy Tragedies and the Emergence of Economic Regulation: The Food, Drug and Cosmetic Act of 1938," *Studies in American Political Development* 12 (2) (Fall 2007), 149-180.

[Available at:

<http://journals.cambridge.org.ezp-prod1.hul.harvard.edu/action/displayAbstract?fromPage=online&aid=1422220>]

Mary Olson, "The Risk We Bear: The Effects of Review Speed and Industry User Fees on New Drug Safety," *Journal of Health Economics*, March 2008, 27(2):175-200.

[Available at: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1109132]

Daniel Carpenter and Michael Ting, "Regulatory Errors with Endogenous Agendas," *American Journal of Political Science* 51 (4) (October 2007), 835-53. Somewhat technical model, but pay main attention to intuition of theory and empirical analysis.

[Available at:

<http://www3.interscience.wiley.com.ezp-prod1.hul.harvard.edu/journal/117986343/abstract?CRETRY=1&SRETRY=0>]

Committee on the Assessment of the US Drug Safety System, Alina Baciú, Kathleen Stratton, Sheila P. Burke, Editors. Executive Summary. *The Future of Drug Safety: Promoting and Protecting the Health of the Public*. National Academies Press, 2007.

[Available at http://www.nap.edu/catalog.php?record_id=11750]

Optional: As background reading, students may wish to consult the recent book by Philip Hilts, entitled *Protecting America's Health: The FDA, Business and One Hundred Years of Regulation* (Knopf, 2003). This is an occasionally flawed book, always polemical, but accessible and interesting.

Please think of the following questions while doing the readings:

1. What is the structure of pharmaceutical regulation in the United States? How did that structure evolve and what were its major influences?
2. What motives drive FDA behavior in regulating new products? What is the role of "politics"?
3. How does regulation condition R&D in pharmaceuticals? How do firms and FDA officials mutually anticipate each other's actions?
4. What might be done to reform the system? Are there issues beyond "speed versus safety" that American and foreign policymakers ought to be tackling?

SECTION IV: ETHICS (SECTION LEADER: NORMAN DANIELS)

10/20 Justice and Health (N. Daniels)

Norman Daniels, *Just Health*, Chs. 1-3

10/22 Responsibility for Health (D. Wikler)

Daniel Wikler, Personal and Social Responsibility for Health. In Sudhir Anand, Fabienne Peter, and Amartya Sen, eds. *Health, Ethics, and Equity*. Oxford: Oxford UP, 2005, 107-131.
[Packet]

Scott Halpern, Peter Ubel, and David Asch, Harnessing the Power of Default Options to Improve Health Care. *NEJM* 357(13), Sept. 27 2007, 1340-1344.

[Available at: <http://content.nejm.org.ezp-prod1.hul.harvard.edu/cgi/reprint/357/13/1340.pdf>]

Gene Bishop and Amy Brodkey, Personal Responsibility and Physician Responsibility — West Virginia's Medicaid Plan. *NEJM* 355(8), Aug. 24, 2006, 756-758.

[Available at: <http://content.nejm.org.ezp-prod1.hul.harvard.edu/cgi/reprint/355/8/756.pdf>]

John Roemer, "Equality and Responsibility", Boston Review April-May 1995

[Available at: <http://www.bostonreview.net/BR20.2/roemer.html>].

Harald Schmidt, Patients' charters and health responsibilities. *BMJ* 2007;335;1187-1189.

[Available at: <http://www.bmj.com/cgi/content/full/335/7631/1187>]

Sally Satel, "Public health and the quest for social justice" in *P.C. M.D.: How Political Correctness is Corrupting Medicine*. (New York: Basic Books, 2000), pp. 9-45

[Packet]

10/27 Priority Setting and Fair Process

Norman Daniels, *Just Health* Ch. 4

10/29 Commodification: Selling organs, eggs, and other things (G. Cohen)

In Re Baby M, 537 A.2d 1227 (N.J. 1988) [Courseweb, taken from Joseph Singer, Property Law]

Margaret Jane Radin, Contested Commodities pp. 131-140 (1996) (Beginning of chapter on Prostitution and Baby Selling only until "A Special Case of Commissioned Adoptions")

[Courseweb]

Elizabeth S. Anderson, Is Women's Labor a Commodity?, 19 Phil. & Pub. Affairs 71 (1990)

[Courseweb]

Cecile Fabre, Whose Body Is It Anyways? Pp. 135-153 (2007) [Courseweb]

I. Glenn Cohen, Note, The Value of Nothing: Reframing the Commodification Debate, 17 Harv. L. Rev. 689 (2003) [Courseweb]

11/3 Value Assumptions in Cost-Effectiveness Analysis (D. Brock and M. Weinstein)

Brock, Dan, *Handbook of Bioethics: Taking Stock of the Field from a Philosophical Perspective*, (Norwell: Kluwer Academic Publishers c. 2004), "Ethical Issues in the Use of Cost Effectiveness analysis for the Prioritization of Health Resources", pp. 353-380.

[Packet]

Russell LB, Gold MR, Siegel JE, Daniels N, Weinstein MC: The role of cost-effectiveness analysis in health and medicine. *Journal of the American Medical Association* 1996; 276:1172-1177.

*Note: This article is also assigned for Dr. Hammitt's talk scheduled on 11/4.

[Packet]

Menzel, P., Gold, M.R., Nord, E., Pinto-Prades, J.L., Richardson, J., Ubel, P. (1999). "Toward a Broader View of Values in Cost-Effectiveness Analysis of Health." *Hastings Center Report* 29, No. 3: 7-15.

[Available at:

<http://web.ebscohost.com.ezp-prod1.hul.harvard.edu/ehost/pdf?vid=2&hid=2&sid=fb452cb2-aab4-4a1e-896f-19df4e60ca22%40SRCSM1>]

Brock D. (2002). "Priority to the Worse Off in Health Care Resource Prioritization." In Rhodes, R., Battin, M.P., & Silvers, A. (Eds.), *Medicine and Social Justice*, (Ch. 28 pp. 362-372). New York: Oxford University Press.

[Packet]

Brock, D. (2003). "Separate Spheres and Indirect Benefits." *Cost-Effectiveness and Resource Allocation* 1:4.

[Available at: <http://www.resource-allocation.com.ezp-prod1.hul.harvard.edu/content/1/1/4>]

11/5 DISCUSSION (B. SALONER)**11/10 NO MEETING**➤ **Essay #2 (Politics of Health) DUE****SECTION IV: QUALITY (SECTION LEADER: BRUCE LANDON)****11/12 Quality of Care I (B. Landon)**

McGlynn EA, Asch SM, Adams J, Keesey J, Hicks J, DeCristofaro A, Kerr EA. The quality of health care delivered to adults in the United States. *N Engl J Med*. 2003 Jun 26;348(26):2635-45.

[Available at: <http://content.nejm.org.ezp1.harvard.edu/cgi/content/full/348/26/2635>]

Wennberg J, Gittelsohn A. Small area variations in health care delivery. *Science* 1973;182:1102-1108.

[Available at: <http://www.jstor.org.ezp-prod1.hul.harvard.edu/stable/pdfplus/1737008.pdf>]

David Blumenthal, "Quality of Health Care, Part 1: Quality of Care: What Is It?" *NEJM*, 1996, 335:12, pp. 48.51.

[Available at: <http://content.nejm.org.ezp1.harvard.edu/cgi/content/full/335/12/891>]

11/17 Medical Malpractice (A. Kachulia)

Mello MM, Brennan TA The role of medical liability reform in federal health care reform. *N Engl J Med*. 2009 Jul 2;361(1):1-3.

[Available at: <http://www.ncbi.nlm.nih.gov/pubmed/19528190>]

Studdert DM, Mello MM, Brennan TA , Medical Malpractice. *N Engl J Med* 2004; 350:283-292.

[Available at: <http://content.nejm.org.ezp-prod1.hul.harvard.edu/cgi/content/short/350/3/283>]

Annas GJ. The Patient's Right to Safety -- Improving the Quality of Care through Litigation against Hospitals. *N Engl J Med*. 2006;354:2063-2066.

[Available at: <http://content.nejm.org.ezp-prod1.hul.harvard.edu/cgi/content/extract/354/19/2063%20>]

Studdert D M, et. al., . Claims, Errors, and Compensation Payments in Medical Malpractice Litigation. *N Engl J Med* 2006; 354:2024-2033.

[Available at: <http://content.nejm.org.ezp-prod1.hul.harvard.edu/cgi/content/abstract/354/19/2024%20>]

Sage WM, Medical Liability and Patient Safety, *Health Affairs* 2003; 22(4):26-36.

[Available at: <http://healthaff.hiwire.org/cgi/content/abstract/22/4/26>]

Clinton HR, Obama B. Making Patient Safety the Centerpiece of Medical Liability Reform. *N Engl J Med*. 2006;354(21):2205-2208.

[Available at: <http://content.nejm.org.ezp-prod1.hul.harvard.edu/cgi/content/extract/354/21/2205>]

11/19 Quality of Care II (Bohmer) (Focus on QI in microsystems)

11/24: Quality of Care III (Jha) (Focus on VA activities)

Required:

Kerr EA, Fleming B. Making performance indicators work: experiences of US Veterans Health Administration. *BMJ*. 2007 Nov 10;335(7627):971-3.

Jha AK, Perlin JB, Kizer KW, Dudley RA. Effects of the Transformation of the Veterans Affairs Health Care System on the Quality of Care. *N Engl J Med* 2003;348(22):2218-2227.

Recommended:

Jha AK, Wright SM, and Perlin JB. Performance Measures, Vaccinations, and Pneumonia Rates Among High-Risk Patients in Veterans Administration Health Care. *Am J Public Health* 2007;97(12):2167-72.

Nebeker JR, Hoffman JM, Weir CR, Bennett CL, Hurdle JF. High rates of adverse drug events in a highly computerized hospital. *Arch Intern Med.* 2005 May 23;165(10):1111-6.

12/1 Organizations & Quality (A. Tucker)

Tucker, A. L. 2004. The impact of operational failures on hospital nurses and their patients. *Journal of Operations Management.* 22(2) 151-169.

[Available at: http://justinren.com/Documents/Tucker_JOM.pdf]

Tucker, A.L., Nembhard, I.M., and Edmondson, A.C. Implementing new practices: An empirical study of organizational learning in hospital intensive care units. *Management Science,* 53,6(2007): 894-607.

[Available at: <http://mansci.journal.informs.org.ezp-prod1.hul.harvard.edu/cgi/content/abstract/53/6/894>]

Tucker, A.L., and Edmondson A.C. "Why hospitals don't learn from failures: Organizational and psychological dynamics that inhibit system change." *California Management Review,* 45,2 (2003): 55-72.

[Available at: <http://web.ebscohost.com.ezp-prod1.hul.harvard.edu/ehost/detail?vid=1&hid=15&sid=6be292ec-a2b2-476e-9c0c-23bc585e833a%40sessionmgr8&bdata=JnNpdGU9ZWhvc3QtbGl2ZSZzY29wZT1zaXRl#db=h&AN=9463647>]

Questions for the above readings:

1. What enables a hospital to learn from failure and problems in hospitals?
2. Is it worthwhile for managers to try to remove underlying causes of operational failures? If yes, do you think that it requires different techniques to solve operational failures than larger impact problems such as sentinel events?
3. What drives successful implementation of new technologies, another form of organizational learning?
4. Please identify any aspects of the research methods and conclusions that you'd be interested in discussing in more depth.

Tucker, Anita L., and Amy C. Edmondson. "Cincinnati Children's Hospital Medical Center." *Harvard Business School Case* 609-109. (latest version)

[Packet]

Assignment Questions:

1. Evaluate CCHMC's performance on their goals of becoming "the best at getting better" and "the leader in improving child health." What are the critical factors accounting for their success or failure in achieving these goals?
2. What do you think about CCHMC's policy of transparency? Are they being too open with their data? Why or why not? What about the goal of zero safety events?
3. How strong is the business case for quality at CCHMC? Under what conditions might the business case be reduced or strengthened?
4. What would you advise that Uma Kotagal do to continue spreading quality improvement throughout the hospital? Should she advocate a centralized or a decentralized approach to project selection? To the location of quality improvement consultants? Consider the various problems described in the case – what approach would you recommend given the nature of these challenges?

➤ **Essay #3 (Quality or Ethics) DUE**

12/3 Patient Safety and IT (D. Bates)

David W. Bates, M.D., and Atul A. Gawande, M.D., M.P.H. Improving Safety with Information Technology *N Engl J Med* 2003;348:2526-34.

A review of the ways that information technology can be used to directly improve safety.

[Available at: <http://content.nejm.org.ezp1.harvard.edu/cgi/content/full/348/25/2526>]

David W. Bates, MD; Lucian L. Leape, MD; David J. Cullen, MD; et.al. Effect of Computerized Physician Order Entry and a Team Intervention on Prevention of Serious Medication Errors. *JAMA*. 1998;280:1311-1316.

A trial demonstrating that computerized physician order entry (CPOE) reduced the medication error rate.

[Available at: <http://jama.ama-assn.org.ezp1.harvard.edu/cgi/content/full/280/15/1311>]

Harvey J. Murff, Vimla L. Patel, George Hripesak and David W. Bates. Detecting adverse events for patient safety research: a review of current methodologies. *Journal of Biomedical Informatics*. Volume 36, Issue 1/2 (February 2003): 131 - 143

A review of the evidence demonstrating that information systems can be used to detect safety issues.

[Available at: http://sfx.hul.harvard.edu/sfx_local?id=doi:10.1016%2Fj.jbi.2003.08.003]

Ross Koppel, PhD; Joshua P. Metlay, MD, PhD; Abigail Cohen, PhD; et.al. Role of Computerized Physician Order Entry Systems in Facilitating Medication Errors. *JAMA*. 2005;293:1197-1203.

A study suggesting that CPOE can create new errors.

[Available at: <http://jama.highwire.org/cgi/content/full/293/10/1197>]

Yong Y. Han, Joseph A. Carcillo, Shekhar T. Venkataraman, et. al. Unexpected Increased Mortality After Implementation of a Commercially Sold Computerized Physician Order Entry System. *Pediatrics* 2005;116;1506-1512

A study finding that introduction of CPOE in pediatric intensive care was associated with an increase in the mortality rate of children transferred in for special care.

[Available at: <http://www.pediatrics.org/cgi/content/full/116/6/1506>]

FALL READING/EXAM PERIOD (Literature Review, due 12/18)

12/-11 WINTER RECESS

CORE COURSE IN HEALTH POLICY 2008-2009
HEALTH POLICY 2000/HCP 598/HPM246ABCD

CLASS MEETINGS

Tuesday & Thursday, 4-6pm
 Kennedy School of Government, Room T401

INSTRUCTORS

Joseph Newhouse
 Kennedy School of Government; Department of Health Care Policy, HMS;
 Department of Health Policy and Management, HSPH
 617-432-1325; newhouse@hcp.med.harvard.edu
 Office Hours: By appointment

Alan Zaslavsky
 Department of Health Care Policy, HMS
 617- 432-2441; zaslavsk@hcp.med.harvard.edu
 Office Hours: By appointment

TEACHING FELLOW

Brendan Saloner
 bsaloner@fas.harvard.edu
 Office Hours: By appointment

COURSE OVERVIEW

This course is intended to familiarize doctoral students with the health policy research literature and selected questions in the field. It is a year-long course that includes a large number of guest lectures by faculty from the Faculty of Arts & Sciences, the Kennedy School of Government, the School of Public Health, the Medical School, the Business School, and the Law School. Discussion sessions will be interspersed with the invited lectures and will examine the policy relevance, research methods and technical details of many of the presented topics in more depth.

READINGS

Readings for the course will generally consist of journal articles to be read before each lecture. "Course packs" of photocopied articles will be available throughout the year from the Kennedy School Course Materials Office on the ground floor of the Belfer Building. It is also suggested that you purchase the following books:

- Newhouse, J.P. and the Health Insurance Experiment Group. *Free for All? Lessons from the RAND Health Insurance Experiment*.
- Newhouse, J.P. *Pricing the Priceless: A Health Care Conundrum*. Cambridge, The MIT Press: 2002. (Also available in paperback)
- Shadish, W.R., Cook, T.D., Campbell, D.T. *Experimental and Quasi-Experimental Designs for Generalized Causal Inference*, Boston: Houghton Mifflin, 2002.

These titles are also on reserve at the Kennedy School library.

COURSE REQUIREMENTS

REQUIREMENTS***Attendance & Participation:*****20%**

This course meets twice per week. Students are expected to attend and participate in the 2-hour lecture and discussion sessions. This participation includes reading 3-4 relevant articles assigned by the lecturers prior to each class. If you are unable to attend a lecture, please let the teaching fellow know by email in advance of the session.

Written Assignments: (for the year)**80%**

There will be written assignments for most of the 8 seminar sections, and a 10-15 page research proposal that students will develop throughout the Spring semester. Section assignments will include short essay questions, a literature review, and critical appraisals of published research papers. Due dates are as follows:

Spring**2-3-Paragraph Summary of Research Proposal: 2/21****Article Critique (Research Methods): 2/28****2-page Description of Study Design/Methods: 4/1 (reviewed by JN/RF/AZ)****Presentation of Research proposal: 4/3****Assignment (Economics of Health): 4/15****Final Research Proposal: 5/6 (reviewed by JN/RF/AZ)*****Human Subjects Training:***

To pass the Spring semester, students will be expected to complete an online Human Subjects Training Course and present verification. The training can be accessed through the following link:

http://vpf-web.harvard.edu/osr/support/human_subject/index.html

COURSE SYLLABUS**SPRING SEMESTER 2008**

Please note that locations of readings are indicated in brackets below each citation. For readings that are available electronically, you can use the links below or search directly for the articles using the Harvard E-Research website: <http://e-research.lib.harvard.edu>.

SECTION VI: RESEARCH DESIGN AND METHODS (SECTION LEADER: ALAN ZASLAVSKY)**01/26 Study Designs Overview I (A. Zaslavsky)**

Alan Zaslavsky, "Notes on Research Design and Data Collection," 1995.
[Packet]

William R. Shadish, Thomas D. Cook, Donald T. Campbell, *Experimental and Quasi-Experimental Designs for Generalized Causal Inference*, Boston: Houghton Mifflin, 2002. Chapters 1-2, and pages 246-269, 488-489.
[Book - Also on reserve at KSG library]

➤ Literature Review Due**01/28 Study Designs Overview II (A. Zaslavsky)**

Paul R. Rosenbaum, "Choice as an Alternative to Control in Observational Studies," *Statistical Science*; 1999;14(3):259-304.
[Packet]

Roderick J. Little, Donald B. Rubin, "Causal Effects in Clinical and Epidemiological Studies Via Potential Outcomes: Concepts and Analytical Approaches" *Annu Rev Public Health* 2000;21:121-45.
[Available at:
<http://ezp1.harvard.edu/login?url=http://search.epnet.com/login.aspx?direct=true&db=aph&an=5371847&scope=site>]

Sharon-Lise Normand, Mary Beth Landrum, Edward Guadagnoli, et al. "Validating angiography recommendations following acute myocardial infarction in the elderly: A matched analysis using propensity scores," *Journal of Clinical Epidemiology*, 2001;54:387-398.
[Available at: <http://www.sciencedirect.com.ezp1.harvard.edu/science/journal/08954356>]

Mark McClellan, Barbara J. McNeil, and Joseph P. Newhouse, "Does More Intensive Treatment of Acute Myocardial Infarction Reduce Mortality?" *Journal of the American Medical Association*, 272(11), September 21, 1994, 859-866.
[Available at: <http://jama.highwire.org/cgi/content/abstract/272/11/859>]

02/02 Observational Studies of Crowdout (D. Cutler)

The goal of this session is to compare and contrast different ways of addressing a health policy issue. The issue chosen is whether increases in public insurance eligibility lead to reductions in private insurance coverage. I would like you to be prepared to compare and critique the different approaches. How do the methodologies differ? Which methodology is best and which ones are less good? What would you use for policy purposes?

Lo Sasso AT, Buchmueller TC, "The Effect of the State Children's Health Insurance Program on Health Insurance Coverage." *Journal of Health Economics* 23(5): Sep 2004, 1059-82.

[Available at: <http://www.sciencedirect.com.ezp1.harvard.edu/science/journal/01676296>]

Peter J. Cunningham, Jack Hadley, James D. Reschovsky, "The Effects of SCHIP on Children's Health Insurance Coverage Early Evidence from the Community Tracking Study." *Medical Care Research and Review* 59(4): Dec 2002, 359-383.

[Packet]

Linda Blumberg, Lisa Dubay, et al., "Did the Medicaid Expansions for Children Displace Private Insurance?" *Journal of Health Economics* 19(1): Jan 2000, 33-60.

[Available at: <http://www.sciencedirect.com.ezp1.harvard.edu/science/journal/01676296>]

David M. Cutler, and Jonathan Gruber, "Does Public Insurance Crowd Out Private Insurance?" *Quarterly Journal of Economics*, May 1996; pp. 391 – 430.

[Available at:

<http://ezp1.harvard.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=9606211069&site=ehost-live&scope=site>]

Jonathan Gruber and Simon, Kosali Ilayperuma, "Crowd-Out Ten Years Later: Have Recent Public Insurance Expansions Crowded Out Private Health Insurance?" (January 2007). NBER Working Paper No. W12858

[Available at: <http://ssrn.com.ezp1.harvard.edu/abstract=959133>]

Esel Y. Yazici, Robert Kaestner, et al., "Medicaid Expansions and the Crowding Out of Private Health Insurance," *Inquiry* 37(1): Spring 2000, pp. 23-32.

[Packet]

Lisa Dubay, Genevieve Kenney, et al., "Revisiting the Issues: The Effects of Medicaid Expansions on Insurance Coverage," *The Future of Children*; publisher: The Urban Institute; c 1996; vol. 6 (1); pp. 152–161.

[Packet]

02/04 Experimental Design: A Case Study of the RAND Health Insurance Experiment (J. Newhouse)

Joseph P. Newhouse, *Free For All? Lessons from the Rand Health Insurance Experiment*, Harvard University Press, Cambridge, 1993, Chapters 1 and 2.
[Book - Also on reserve at KSG library]

In this session I will cover several issues of experimental design using the RAND HIE to illustrate. Later in the semester we will have a session on the results and implications of the RAND HIE.

02/09 Time Series and Experimental/Quasi-Experimental Design (S. Soumerai)

William R. Shadish, Thomas D. Cook, Donald T. Campbell, *Experimental and Quasi-Experimental Designs for Generalized Causal Inference*, Boston: Houghton Mifflin, 2002. Internal Validity, pages 53 – 63.

[Book - Also on reserve at KSG library]

Please skim these two chapters. While the lecture will not cover all of these designs, reviewing the concepts and examples in these chapters may be helpful.

William R. Shadish, Thomas D. Cook, Donald T. Campbell, *Experimental and Quasi-Experimental Designs for Generalized Causal Inference*, Boston: Houghton Mifflin, 2002. Chapters 4 and 5, Pages 103 – 144.

[Book - Also on reserve at KSG library]

Mohr L.B., “The Interrupted Time-Series Design,” *Impact Analysis for Program Evaluation*; Sage; 1992; pp. 147-150.

[Packet]

Anita K. Wagner, Dennis Ross-Degnan, Jerry H. Gurwitz, Fang Zhang, MS, Daniel B. Gilden, Leon Cosler, and Stephen B. Soumerai. “Effect of New York State Regulatory Action on Benzodiazepine Prescribing and Hip Fracture Rates.” *Annals of Internal Medicine*, 2007; 146(2):96-103.

[Available at: <http://annals.org/cgi/content/full/146/2/96>]

Soumerai SB, McLaughlin TJ, Ross-Degnan D, Casteris C, Bollini P., “Effects of limiting Medicaid drug-reimbursement benefits on the use of psychotropic agents and acute mental health services by patients with schizophrenia.” *New England Journal of Medicine*, 1994; 331:650-655. Just focus on the abstract, tables, and figures.

[Available at: <http://content.nejm.org.ezpl.harvard.edu/cgi/content/abstract/331/10/650>]

02/11 Discussion (B. Saloner)

SECTION VII: ECONOMICS OF HEALTH CARE (SECTION LEADER: J. NEWHOUSE)**02/16 Adverse Selection & Moral Hazard (H. Huskamp)**

We will discuss two key phenomena affecting insurance markets -- moral hazard and adverse selection -- and ways that policymakers attempt to address these issues in the U.S. health care system. The session will be part lecture and part case study, with the case study covering Harvard University's attempts to address adverse selection in administering employee health benefits. Take a look at Cutler and Reber as background and be prepared to discuss options that Harvard could pursue.

Richard Zeckhauser, "Medical Insurance: A Case Study of the Tradeoff Between Risk Spreading and Appropriate Incentives," *Journal of Economic Theory*, Vol. 2, pp. 10-26, 1970.
[To be distributed]

George Akerlof, "The Market for 'Lemons': Quality Uncertainty and the Market Mechanism," *Quarterly Journal of Economics*, Vol. 84, pp.237-249, 1970.
[Packet]

Joseph Newhouse, Melinda Beeuwkes Buntin, and John Chapman, "Risk Adjustment and Medicare," *Health Affairs*, Vol. 16, No. 5, pp.26-43, September/October 1997.
[Available at: <http://content.healthaffairs.org/cgi/reprint/16/5/26>]

David Cutler and Sarah Reber, "Paying for Health Insurance: The Tradeoff Between Competition and Adverse Selection", *Quarterly Journal of Economics*, 113(2), May 1998, 433-466.
[Available at: <http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=679522&site=ehost-live&scope=site>]

- **2-3-Paragraph Summary of Research Proposal Due**
- **Article Critique Distributed**

02/18 Health Insurance Markets and the Uninsured (K. Swartz)

Swartz, K. *Reinsuring Health: Why More Middle-Class People Are Uninsured and What Government Can Do*, New York: Russell Sage Foundation Press, June 2006.
[Book – Also On Reserve at KSG Library]

Glied: "Challenges and Options for Increasing the Number of Americans with Health Insurance," *Inquiry* 2001;38(2):90-105.
[Packet]

Optional:

K. Swartz, J. Marcotte, and T.D. McBride, "Personal Characteristics and Spells Without Health Insurance," *Inquiry* 1993;30(1):64-76.

K. Swartz, J. Marcotte, and T.D. McBride, "Spells without health insurance: The distribution of durations when left-censored spells are included" *Inquiry* 1993;30(1):77-83.

K. Swartz, "Markets for Individual Health Insurance: Can We Make Them Work with Incentives to Purchase Insurance?" *Inquiry* 2001;38(2):133-145.

02/23 Pharmaceuticals (J. Friedman)

F.M. Scherer, "The Pharmaceutical Industry," Chapter 25 in *Handbook of Health Economics*, Eds. Culyer and Newhouse, Amsterdam: North-Holland, 2000.
[Packet – Also on reserve at KSG library]

Robin J. Strongin (analyst/writer), "Pharmaceutical Marketplace Dynamics," National Health Policy Forum Issue Brief/No. 755, The George Washington University, May 31, 2000, pp. 1-15.
[Packet]

Richard Frank, "Prescription Drug Prices: Why do Some Pay More Than Others Do?" *Health Affairs* (March/April 2001): pp. 115-128.
[Available at: <http://content.healthaffairs.org/cgi/reprint/20/2/115>]

Ernst R. Berndt, "The U.S. Pharmaceutical Industry: Why Major Growth in Times of Cost Containment?" *Health Affairs*, Vol.20:2, March/April 2001, pp.1-15.
[Available at: <http://content.healthaffairs.org/cgi/reprint/20/2/100>]

02/25 Health Insurance (R. Zeckhauser)

David Cutler and Richard Zeckhauser, "The Anatomy of Health Insurance," Chapter 11 in *Handbook of Health Economics*, Eds. A.J. Culyer and J.P. Newhouse, North-Holland, 2000.
[Packet – Also on reserve at KSG library]

➤ Article Critique Due

03/02 The RAND Health Insurance Experiment (J. Newhouse)

Joseph P. Newhouse, *Free For All? Lessons from the Rand Health Insurance Experiment*, Harvard University Press, Cambridge, 1993, Chapters 3-9 and chapter 11.
[Book – Also On Reserve at KSG Library]

Focus especially on chapters 3 and 11 because this class session will spend some time on the methods used to analyze the data as discussed in chapter 3 and some time on the policy implications of the RAND results as summarized in chapter 11. But to think about policy implications, you will need to be familiar with the material in the other chapters. Chapter 4 is the most demanding technically. If you are having trouble you can skim it, although it has the important result that the effect of cost sharing appears to be primarily on the consumer's/patient's decision to initiate care. Also be prepared to discuss how you would have designed the RAND experiment differently with the nature of hindsight; for thinking about this question you may want to review chapters 1 and 2, which you read earlier.

03/04 Provider Payment and Risk Adjustment (T. McGuire)

The main theme of this session is how provider payment can be used to induce providers to supply the right “quality” of health care, referred to in some of the papers as noncontractible “effort.” Throughout these papers this quality is regarded as being observable by consumers, and as providers increase quality, they get more business through demand response, nature’s “pay for performance system.” Three review papers with nontechnical sections covering physicians, hospitals and health plans are included as the readings.

Think about the Ginsburg and Grossman analysis as applied to physician payment in Medicare. What ideas do you have for reforming physician payment that might address the problems raised in that paper?

Please review Joseph Newhouse, *Pricing the Priceless*, Chapter 1 from the Rosenthal lecture.

Paul B. Ginsburg and Joy M. Grossman, 2005. “When the Price Isn’t Right,” *Health Affairs*, Web Exclusive. August 9, 2005.

[Available at: <http://content.healthaffairs.org.ezp1.harvard.edu/cgi/reprint/hlthaff.w5.376v1.pdf>]

Thomas McGuire, 2007, “Physician Fees and Behavior: Implications for Structuring a Fee Schedule.” Paper presented at the Oberlin College Health Economics Conference, September 8-10, 2006.

[Packet]

Thomas G. McGuire. “DRG-based Payment for Hospital Care: Observations from the US Experience” *Activity Based Funding For Hospitals: English Policy International Experience*, Sussex and Street (eds), (14-22). Office of Health Economics, London, October 2004.

[Packet]

Thomas G. McGuire, 2007 “Risk Adjustment Systems in Competitive Health Insurance Markets: Lessons from the United States.” *In press*

[Packet]

03/09 Payment Systems & Provider Incentives (M. Rosenthal)

Joseph P. Newhouse, “Fee-for Service Medicine and Its Discontents,” Introduction and Chapter 1 in *Pricing the Priceless: A Health Care Conundrum*. MIT Press, 2002, pp. 4-53.

[Book – Also on reserve at KSG library]

This chapter can be regarded as an extended case study of the Medicare reimbursement system. It has the advantage of looking at a real system and its effects, but the disadvantage of not covering many other issues. The remaining readings, as well as the remainder of the class session, will focus on issues of physician payment. The Handbook chapter frames the examination of physician payment in terms of the special role of physicians as agents of their patients, information problems and the competitive environment. Hellinger and Dudley summarize the empirical health services research literature on physician payment through the late 1990s (while there have been a few additional studies published since then, the basic message has not changed). The reviews provide an opportunity to evaluate economic models of physician behavior both in terms of positive predictive capacity and normative implications. I

will also plan to talk about emerging CMS pay-for-performance efforts in the context of payment reforms of the past.

Thomas G. McGuire, “Physician Agency,” Chapter 9 in *Handbook of Health Economics*, Eds. A.J. Culyer and J.P. Newhouse, Amsterdam: North-Holland, 2000.
[Packet – Also on reserve at KSG library]

Meredith B. Rosenthal, et al. “Paying for Quality: Providers’ Incentives for Quality Improvement.” *Health Affairs*. March/April 2004. 23(2): 127-141.
[Available at: <http://search.ebscohost.com/login.aspx?direct=true&db=aph&AN=13679718&site=ehost-live&scope=site>]

03/11 Regional Variations in Health Care (A. Chandra)

E. S. Fisher, D. E. Wennberg, T. A. Stukel, D. J. Gottlieb, F. L. Lucas and E t. L. Pinder The Implications of Regional Variations in Medicare Spending. Part 1: The Content, Quality, and Accessibility of Care. *Ann Intern Med* 2003; 273-287.
[Available at: <http://www.annals.org.ezp1.harvard.edu/cgi/content/full/138/4/273>]

E. S. Fisher, D. E. Wennberg, T. A. Stukel, D. J. Gottlieb, F. L. Lucas and E t. L. Pinder . The Implications of Regional Variations in Medicare Spending. Part 2: Health Outcomes and Satisfaction with Care. *Ann Intern Med* 2003; 288-298.
[Available at: <http://www.annals.org.ezp1.harvard.edu/cgi/content/full/138/4/288>]

Katherine Baicker, Kasey S. Buckles, and Amitabh Chandra. Geographic Variation In The Appropriate Use Of Cesarean Delivery. *Health Affairs*, September/October 2006; 25(5): w355-w367.
[Available at: <http://content.healthaffairs.org.ezp1.harvard.edu/cgi/content/full/25/5/w355>]

Katherine Baicker and Amitabh Chandra. Medicare Spending, The Physician Workforce, And Beneficiaries’ Quality Of Care. *Health Affairs* Web Exclusive, April 7, 2004
[Available at: <http://content.healthaffairs.org.ezp1.harvard.edu/cgi/reprint/hlthaff.w4.184v1.pdf>]

Amitabh Chandra and Douglas O. Staiger. Productivity Spillovers in Health Care: Evidence from the Treatment of Heart Attacks. *Journal of Political Economy*, vol 115 (2007), pages 103–140
[Available at: <http://www.journals.uchicago.edu.ezp1.harvard.edu/cgi-bin/resolve?id=doi:10.1086/512249>]

Jonathan S. Skinner, Douglas O. Staiger, and Elliott S. Fisher. Is Technological Change In Medicine Always Worth It? The Case Of Acute Myocardial Infarction. *Health Affairs*, March/April 2006; 25(2): w34-w47.
[Available at: <http://content.healthaffairs.org.ezp1.harvard.edu/cgi/content/full/25/2/w34>]

03/13 – 03/21 SPRING RECESS

03/23 Incidence and Overview (J. Newhouse)

Lawrence H. Summers, “Some Simple Economics of Mandated Benefits,” *American Economic Review*, 79(2): 177-183, May 1989.

[Available at: <http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=4507721&site=ehost-live&scope=site>]

Victor R. Fuchs, "The Future of Health Economics," *Journal of Health Economics* 19(2): 2000, 141-157.

[Available at: <http://www.sciencedirect.com.ezp1.harvard.edu/science/journal/01676296>]

➤ **2-page Description of Study Design/Methods Due** (*reviewed by JN/RF/AZ*)

03/25 Discussion (B. Saloner)

SECTION VIII: SPECIAL POPULATIONS (SECTION LEADER: KATHY SWARTZ)**03/30 Aging and Long-Term Care (D. Stevenson)**

The following provides a review of long-term care and offers a current, concise introduction to the topic and relevant policy issues.

Long-Term Care in America: An Introduction.

[Available at: http://www.qualitylongtermcarecommission.org/pdf/ltc_america_introduction.pdf]

The second paper focuses on LTC financing with a particular emphasis on personal responsibility and asset transfer.

O'Brien E. Medicaid's coverage of nursing home costs: Asset shelter for the wealthy or essential safety net?

[Available at: <http://ltc.georgetown.edu/pdfs/nursinghomecosts.pdf>]

A change of pace from the first two system-focused articles. By focusing on individual preferences and LTC, the Kanes identify some of the ways in which LTC is different from many other health care services. Skim.

Kane RL, Kane RA. "What Older People Want from Long-Term Care, and How they Can Get It," *Health Affairs*. November/December 2001; 20(5):114-127.

[Available at: <http://content.healthaffairs.org/cgi/reprint/20/6/114.pdf>]

Finally, these last two articles give very different treatments to public reporting as a quality improvement strategy in the long-term care sector.

Mor V. Improving the quality of long-term care with better information. *Milbank Q*. 2005;83(3):333-364.

[Available at: <http://www.milbank.org/quarterly/8303feat.html>]

Stone D. Shopping for long-term care. *Health Affairs* Jul-Aug 2004;23(4):191-196.

[Available at: <http://content.healthaffairs.org/cgi/reprint/23/4/191.pdf>]

Optional: If one wants a very different take on this issue, please see the following:

Moses SA. Aging America's Achilles Heel: Medicaid Long-Term Care.

[Available at: <http://www.centerltc.com/AgingAmericasAchillesHeel.pdf>]

04/01 Mental Health and Federal Employees Health Benefits Program (T. McGuire)

Richard Frank and Thomas McGuire, "Economics and Mental Health," Chapter 16 in *Handbook of Health Economics*, Eds. Culyer and Newhouse, Amsterdam: North-Holland, 2000

[Packet – Also on reserve at KSG library]

Pacula RL and R. Sturm, "Mental Health Parity Legislation: Much Ado About Nothing?" *Health Services Research* 2000;35(1) Part II:263-75.

[Available at: <http://www.pubmedcentral.nih.gov/picrender.fcgi?artid=1089100&blobtype=pdf>]

Frank RG, C Koyanagi and T McGuire "The Politics and Economics of Mental Health Parity Laws" *Health Affairs* 1997;16(4):108-19.

[Available at: <http://content.healthaffairs.org/cgi/reprint/16/4/108>]

04/06 Disparities in Health (T. McGuire)

Topics covered include the following. What is a “disparity” in health care? What of the differences in health care use we observe across populations indicates something unfair? Are disparities just a second-order (ie low priority) version of the quality problem? How do disparities come about in a health care system where providers are oriented to provide health care treatment in response to patient’s need? The role of disparities in access and the role of disparities arising from the clinical encounter. How much of disparities can be explained by what provider a patient has access to? Forms of discrimination: bias, stereotyping and information-based discrimination.

Institute of Medicine (2002), *Unequal Treatment: Confronting Racial and Ethnic Disparities in Health Care*. Summary, Chapters 1, 3, and 4.

[Available at: <http://www.nap.edu/books/030908265X/html/>]

Asch SM, Kerr EA, Keeseey J, et al.: Who is at greatest risk for receiving poor-quality health care? *New England Journal of Medicine* 354:1147-56, 2006

[Available at: <http://content.nejm.org.ezp1.harvard.edu/cgi/content/full/354/11/1147>]

Edward L. Hannan, Michelle van Ryn, Jane Burke, et al. 1999. “Access to coronary artery bypass surgery by race/ethnicity and gender among patients who are appropriate for surgery.” *Medical Care* 37(1): 68-77.

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Balsa AI, TG McGuire, and LS Meredith. “Testing for Statistical Discrimination in Health Care.” *HSR: Health Services Research*. February 2005. 401(1): 227.

[Available at: <http://www.blackwell-synergy.com.ezp1.harvard.edu/links/doi/10.1111/j.1475-6773.2005.00351.x>]

McGuire TG, Alegria M, Cook BL, Wells KB, Zaslavsky A. Implementing the IOM Definition of Disparities: An Application to Mental Health Care. *HSR: Health Services Research*. October 2006. 41 (5): 1979–2005.

[Available at: <http://www.blackwell-synergy.com.ezp1.harvard.edu/doi/abs/10.1111/j.1475-6773.2006.00583.x>]

Baicker, K., Chandra, A., Skinner, J.S., & Wennberg, J.E. (2004). Who you are and where you live: How race and geography affect the treatment of Medicare beneficiaries. *Health Affairs*, Web Exclusive October 7, 2004, p. 33-44.

[Available at: <http://content.healthaffairs.org.ezp1.harvard.edu/cgi/reprint/hlthaff.var.33v1>]

Zaslavsky AM, Ayanian JZ: Integrating research on racial and ethnic disparities in health care over place and time. *Medical Care* 43:303-7, 2005

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<http://gateway.tx.ovid.com.ezp1.harvard.edu/gw1/ovidweb.cgi?QS2=434f4e1a73d37e8c69eec78d160eab4ae75bc58992d6249d7e939bc662675c2d06ecc0fbd1b0fe5b7dbb23283d20dd991194e1e8c551928e6af232d34bf490cf1248eda6058bd4a0ccbb7634b362d91ddf7aa2664994d9bf938c3372b2e5b8b70e8a650602aa0d430f67ce04e8d0e734e1cfe832a2a879c1c373ed8e4ee01bf7cf293725a498582694ef3368c3df2356670d276b416e25ae1126548c7e44cd85a5a994824576054c82ad06a751cd3acbd2269668f68d26348abde5d4bb2db4a89280d63b64f3ca3714f044c2f47385eb5a1f4cb564bfe6d95426a8d0783b09fde1a86b60839ba321eb1f2f3df3a1d9f58c19d01b4d72b625156ef886b301ead0>]

➤ **Economics Assignment Due**

04/08 Income and Health (E. Meara)

These readings are designed to provide a sample of the literature on income and health and a sense of the important hypotheses in the literature. You should, as you read, think about your critique of the design/methods used in some of the commonly cited literature. Finally, I encourage you to think about how policy makers should approach both the study of this topic and potential policies to address income disparities in health.

Adler NE, Boyce WT, Chesney MA, Folkman S, Syme SL. Socioeconomic inequalities in health. No easy solution. *JAMA*. 269(24):3140-5, 1993 Jun 23-30.

[Available at: <http://jama.highwire.org/cgi/content/abstract/269/24/3140>]

Adler et al. provides a review of older literature on income and health and some threats to some of the most common early hypotheses to explain the link.

Wilkinson, Richard G., chapters 4 and 5 of *Unhealthy Societies: The Afflictions of Inequality*, New York: Routledge, pp. 53-109, 1996.

[Packet – Also on reserve at KSG library]

Wilkinson lucidly describes the Whitehall study and many related studies that started the interest in the relationship between income and health. He then goes on to describe his hypothesis about the relationship between income inequality and health, drawing from often-cited papers in this area.

David Cutler, Angus Deaton, and Adriana Lleras-Muney. The Determinants of Mortality. *The Journal of Economic Perspectives*, 20(3):97-120, 2006.

[Available at: http://www.princeton.edu/~rpds/downloads/cutler_deaton_lleras-muney_determinants_mortality_nberdec05.pdf]

Review the article “The Determinants of Mortality,” first assigned in David Cutler's Sept. 20 lecture on Determinants of Health, but focus on their description and conclusions regarding income and health.

Dana P. Goldman and James P. Smith. Can Patient Self-Management Help Explain the SES Gradient? *PNAS*, August 6, 2002, 99(16): 10929-10934.

[Available at: <http://www.pnas.org.ezpl.harvard.edu/cgi/content/full/99/16/10929>]

SECTION IX: GLOBAL AND COMPARATIVE HEALTH (SECTION LEADER: DAVID BLOOM)**04/13 Demographics and Health (D. Bloom)**

David Bloom and David Canning, 'Booms, Busts, and Echoes', *Finance & Development*, September 2006, 8–13.

Short, non-technical introduction to key global demographic patterns and trends and their implications.

[Available at: <http://www.imf.org/external/pubs/ft/fandd/2006/09/bloom.htm>]

David Bloom and David Canning, 'The Health and Wealth of Nations', *Science*, February 18, 2000, Vol. 287, 1207–9.

Accessible introduction to the notion that “healthier means wealthier”.

[Packet]

Optional:

Massimo Livi-Bacci, 1992, *A Concise History of World Population*. Cambridge, Massachusetts: Blackwell.

Outstanding overview of the history of world population.

David Bloom and David Canning, 'Global Demographic Change: Dimensions and Economic Significance', in 'Population Aging, Human Capital Accumulation, and Productivity Growth', Alexia Prskawetz, David E. Bloom, and Wolfgang Lutz, eds., a supplement to *Population and Development Review* vol. 33, Population Council, New York, 2007.

More detailed examination of global demographic and health trends and their macroeconomic implications.

04/15 Impact of Health Knowledge on Health Behavior (E. Field)

Kremer, Michael and Edward Miguel (2004). “The Illusion of Sustainability”

[Available at: <http://post.economics.harvard.edu/faculty/kremer/webpapers/illusion.pdf>]

Dupas, Pascaline (2005). “Relative Risks and the Market for Sex: Teenagers, Sugar Daddies, and HIV in Kenya”

[Available at: http://homepages.nyu.edu/%7Epd482/Dupas_RelativeRisks.pdf]

Wolfe BL and JR Behrman (1987). “Women's schooling and children's health: Are the effects robust with adult sibling control for the women's childhood background?” *Journal of Health Economics* 6(3):239-54.

[Available at: http://www.sciencedirect.com.ezp1.harvard.edu/science?_ob=ArticleURL&_udi=B6V8K-45DMP1T-11&_user=209690&_coverDate=09%2F30%2F1987&_rdoc=1&_fmt=&_orig=search&_sort=d&_view=c&_acct=C00014438&_version=1&_urlVersion=0&_userid=209690&md5=66cc41684aed9ddcfe6c1baea107ee5]

Caldwell, John (1990). Cultural and social factors influencing mortality levels in developing countries. *Annals of the American Academy of Political and Social Science* 510 (1):44-59.

[Available at:

<http://www.jstor.org.ezp1.harvard.edu/view/00027162/ap030664/03a00040/0?frame=noframe&userID=80673ce1@harvard.edu/01cc99331500501c749db&dpi=3&config=jstor>]

Boozer, Michael and Tomas Philipson (2000). "The Impact of Public Testing for Human Immunodeficiency Virus," *Journal of Human Resources* 35(3):419-46.

[Available at: <http://www.jstor.org.ezpl.harvard.edu/view/0022166x/ap0110140/01a00020/0#&origin=sfx%3Asfx>]

Optional

Thornton, Rebecca (2005). "The Demand for and Impact of Learning HIV Status: Evidence from a Field Experiment": <http://www.people.fas.harvard.edu/~rlthornt/papers/HIVTesting.pdf>.

Glewwe, Paul (1999). "Why does mother's schooling raise child health in developing countries? Evidence from Morocco," *Journal of Human Resources*, 34(1, Winter):124-59

Malgosia Madajewicz, Alexander Pfaff, Alexander van Geen, Joseph Graziano, Iftikhar Hussein, Hasina Momotaj, Roksana Sylvi, and Habibul Ahsan (2005). Can Information Alone Both Improve Awareness and Change Behavior? Arsenic contamination of groundwater in Bangladesh.

Valente, T. and W. Saba (1998). Mass media and interpersonal influence in a reproductive health communication campaign in Bolivia. *Communication Research* 25:96-124.

Glanz, K., Lewis, F. M., Rimer, B. K., (Eds). (1997). Health behavior and health education theory, research, and practice. Second edition. San Francisco, CA: Jossey-Bass Publishers: Chapter 4.

Field, Erica and Attila Ambrus (2005). "Early marriage and female schooling in Bangladesh": <http://post.economics.harvard.edu/faculty/field/papers/EarlymarEducation-1205.pdf>

Breierova, Lucia, and Esther Duflo (2003). "The Impact of Education on Fertility and Child Mortality: Do Fathers Really Matter Less Than Mothers?" (Paris: Organization for Economic Cooperation and Development)

Jens Kovsted & Claus C. Portner & Finn Tarp. Child Health and Mortality: Does Health Knowledge Matter?, *Journal of African Economies*, vol. 11(4), 2002: <http://faculty.washington.edu/cportner/papers/guineabissau.pdf>

04/20 (M. Kremer)**04/22 Comparative Health Systems (W. Hsiao)**

William C. Hsiao. What is a Health System? Why Should We Care? pp. 1-38 (Unpublished Manuscript).
[Packet]

Lu J-F. R. and Hsiao W.C. "Does Universal Health Insurance Make Health Care Unaffordable? Lessons from Taiwan." *Health Affairs* 22(3):77-88.
[Available at: <http://content.healthaffairs.org/cgi/content/full/22/3/77>]

04/27 The Link Between Health and Income (D. Canning)

Pritchett, L. and Summers, L. 1996. Wealthier is Healthier. *Journal of Human Resources*, 31(4): 844-68.
[Available at: <http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=9702101374&site=ehost-live&scope=site>]

Schultz P. 2001, "Productive Benefits of Improving Health: Evidence from Low Income Countries," mimeo, Yale University.
[Available at: <http://www.econ.yale.edu/~pschultz/productivebenefits>]

Shastry G.K. and D.N. Weil. 2003. "How Much of Cross-Country Income Variation is Explained by Health?" *Journal of the European Economic Association*, 1: 387-396.
[Available at: http://www.brown.edu/Departments/Economics/Papers/2003/2003-8_paper.pdf]

Bloom, D.E., Canning D. and J. Sevilla. 2004, "The Effect of Health on Economic Growth: A Production Function Approach", *World Development*, Vol.32(1), pp1-13.
[Available at: <http://www.sciencedirect.com.ezp1.harvard.edu/science/journal/0305750X>]

Optional:

Bloom D.E., Canning D. 2000, "The Health and Wealth of Nations," *Science*, 287: 1207-1208.

Savedoff W.D. and Schultz T.P. 2000, *Wealth from Health*, Inter-American Development Bank, Washington D.C.

Schultz P. 2002, "Wage Gains Associated with Height as a Form of Human Capital," *American Economic Review*, Papers and Proceedings, 92: 349-353.

Strauss J. and Thomas D. 1998, "Health, Nutrition and Economic Development," *Journal of Economic Literature*, 36(2): 766-817.

Schultz P. 1999, "Health and Schooling Investments in Africa," *Journal of Economic Perspectives*, 13(3): 67-88.

Bhargava, A. Jamison, D., Lau, L., and Murray, C. 2001. "Modeling the Effects of Health on Economic Growth," *Journal of Health Economics*, 20(3): 423-440.

Bloom, D.E. and Sachs, J. 1998, "Geography, Demography, and Economic Growth in Africa," *Brookings Papers on Economic Activity* 2, pp. 207-273.

Bloom D.E., Canning D. and Graham B., 2003, "Longevity and Life Cycle Savings," *Scandinavian Journal of Economics*, 105: 319-338.

Kalemli-Ozcan S. 2002, "Does Mortality Decline Promote Economic Growth?" *Journal of Economic Growth*, 7:411-439.

Gallup, JL, and J. Sachs, 2001. "The Economic Burden of Malaria". *American Journal of Tropical Medicine and Hygiene*: Jan-Feb.; 64(1-2 Suppl):85-96.