

Syllabus for INTL 190 – Comparative Health Systems

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Term: Fall 2018

Location & Timing: RBC 1328, Fridays 9:00AM-11:50AM

Office Hours: By appointment in Econ 306

Notes on grading:

- 15% Submitted discussion notes (weeks 2, 3, 4, 7, and 8)
- 10% Paper Proposal (due week 4)
- 25% Class participation and attendance
- 10% In-class presentation of final project (week 9 or 10)
- 40% final project and paper

Final Presentation:

- The last 2 classes are reserved for presentations of your final projects. Each presentation will be 10-15 minutes long. You must submit your presentation in PowerPoint (ppt) format 2 days before your assigned presentation date.

Final Paper:

- Final paper is due via email only by 5PM on Friday December 7th (the last day of instruction for the quarter).
- Your paper should discuss a major development in the health system of a country of your choosing. The limitation in selecting a country is that you will need data. You may select any country for which the World Bank provides detailed Health, Nutrition, and Population Statistics (start here: <http://databank.worldbank.org/data/views/variableselection/selectvariables.aspx?source=health-nutrition-and-population-statistics>). Specifically, you will need data on both health outcomes (e.g., life expectancy and infant mortality) and health-system resources (e.g., number of physicians and hospitals per capita).

Your paper should analyze a major reform or other major event in the history of your chosen country's health system. You will write a 20-25 page paper on what motivated the reform, how health care spending and outcomes evolved following the reform, and how this compared with outcomes in other countries. The paper should be double spaced with 1 inch margins and should be written using 12 point Times New Roman font. You are expected to provide a clear research question (the narrower and more specific the question, the better off you are), and approach that question using arguments in various papers, books, journal articles, etc.

The paper MUST also contain a section where you produce some results using data on that country. This does not require high-level statistical analysis – straightforward graphs or cross tabulations of data often provide convincing evidence. At the same time, be sure not to confuse correlation with causation.

- Picking a country:
 - Pick a country and be ready to learn a lot about it during this course
 - You should pick a country that
 - Interests you
 - Has data available on key aspects of health care spending and health care delivery systems

Discussion notes:

During weeks 2, 3, 4, 7, and 8, class will be broken up into 2 segments – a lecture segment and a discussion segment. In a typical week, one hour of class will be dedicated to discussion of the theme of the previous week’s lecture in the context of the countries on which you have chosen to focus. I will lecture on our next topic during the remaining hour and a half of class.

- For these 5 weeks, everyone will be required to submit a note on the discussion topic of the week. These notes should be 1-2 pages long and can contain key graphs or figures that you are ready to discuss. The notes do not need to read like well-structured essays, but should be readable and well thought through. These notes can be written up as a series of bullet points as long as they are written in coherent, full sentences. *These notes are due through the course website by 5PM on the Wednesday of the relevant weeks.*
- Each week I will pick several of you to initiate the discussion by telling us what you learned about your country of choice. These selections will be at random. You should expect to speak for 5 mins or so (or more if you want to). The goal is for your discussion of your country to generate further questions and discussions from the group.

Readings:

Readings are listed below. When they are difficult to find on a public-use basis, I will upload a pdf of the paper to the course website or send it out via email. Assigned readings are subject to change, and I will send out a reminder email each week.

Lectures

Lecture 1 – Introduction to Health Systems: What Makes Health Care Different and Why Do We Pay for It Using Insurance?

Readings:

- “The Best Health Care System in the World: Which One Would You Pick?” New York Times, TheUpShot:
<https://www.nytimes.com/interactive/2017/09/18/upshot/best-health-care-system-country-bracket.html?ref=collection%2Fsectioncollection%2Fupshot&action=click&contentCollection=upshot®ion=rank&module=package&version=highlights&contentPlacement=3&pgtype=sectionfront>
- World Health Organization. “Key components of a well functioning health system” (http://www.who.int/healthsystems/EN_HSSkeycomponents.pdf)
- *A Great Resource!* Commonwealth Fund. “Health System Features.” (Available here: <http://international.commonwealthfund.org/features/>)
- Chris L. Peterson and Rachel Burton. “U.S. Health Care Spending: Comparison with Other OECD Countries” *CRS Report for Congress*. September 2007. (http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=1316&context=key_workplace)
- Arrow, Kenneth J. "Uncertainty and the Welfare Economics of Medical Care." *The American Economic Review* 53.5 (1963): 941-973. (<http://economics-files.pomona.edu/marvasti/data/HealthCareClassArticles/Arrow,%201963.pdf>)

Lecture 2: The Value of Health Care; Determining What to Cover

Readings:

- David Cutler. “Your Money or Your Life.” Chapters 5 and 6.
- Cutler, David M., Allison B. Rosen, and Sandeep Vijan. "The value of medical spending in the United States, 1960–2000." *New England Journal of Medicine* 355.9 (2006): 920-927. (Available here: <http://www.nejm.org/doi/full/10.1056/NEJMsa054744>)
- * Firth, Brian Garriock, Liesl M. Cooper, and Steve Fearn. "The appropriate role of cost-effectiveness in determining device coverage: a case study of drug-eluting stents." *Health Affairs* 27.6 (2008): 1577-1586. (Available here: https://sites.hks.harvard.edu/m-rcbg/fellows/T_Christian_Study_Group/Session%207/Appropriate_Role_for_Cost-Effectiveness.pdf)

Discussion: Introduce your country. Discuss the size of your country’s health sector (relative to GDP and relative to other countries). How much have life expectancy and infant mortality improved over the last half century? How does the system determine what to cover?

Lecture 3: Health Care and Redistribution

Readings:

- David Cutler. “Your Money or Your Life.” Chapters 9 and 10.
- *Chen, A., E. Oster, and H. Williams. *Why is Infant Mortality in the US Higher than in Europe*. Discussion paper, 2013. (Available here: <http://brown.edu/research/projects/oster/sites/brown.edu.research.projects.oster/files/uploads/imr.pdf>)
- Mackenbach, Johan P., et al. "Socioeconomic inequalities in health in 22 European countries." *New England Journal of Medicine* 358.23 (2008): 2468-2481. (Available here: <http://www.nejm.org/doi/full/10.1056/NEJMsa0707519>)
- Makinen, Marty, et al. "Inequalities in health care use and expenditures: empirical data from eight developing countries and countries in transition." *Bulletin of the World Health Organization* 78.1 (2000): 55-65. (Available here: [http://apps.who.int/bulletin/archives/78\(1\)55.pdf](http://apps.who.int/bulletin/archives/78(1)55.pdf))

Discussion: How redistributive is your country’s health care system? What are the roles of public and private insurance? What sources of tax revenue are used to finance public insurance programs and how progressive are they? How strongly are health outcomes related to socioeconomic status? Does the system systematically underserve any particular population sub-groups?

Lecture 4 –The Physician Workforce: Training and Paying Physicians to Provide High-Value Health Care (The decision to become a physician; risks of over-and-under supply with alternative payment models.)

Readings:

- DeZee KJ, Maurer D, Colt R, Shimeall W, Mallory R, Powers J, Durning SJ. “Effect of financial remuneration on specialty choice of fourth-year U.S. medical students.” *Acad Med*. 2011 Feb;86(2):187-93. (Available here: <http://www.ncbi.nlm.nih.gov/pubmed/21169785>)
- Mark Hogland. “How Does Your Doctor Get Paid?” (Available here: <http://www.pbs.org/wgbh/pages/frontline/shows/doctor/care/capitation.html>)
- Catherine Rampell. “How Much Do Doctors in Other Countries Make.” (Available here: http://economix.blogs.nytimes.com/2009/07/15/how-much-do-doctors-in-other-countries-make/?_r=0)
- Chaudhury, Nazmul, Jeffrey Hammer, Michael Kremer, Karthik Muralidharan and F. Halsey Rogers "Missing in action: teacher and health worker absence in developing countries." *The Journal of Economic Perspectives* 20.1 (2006): 91-116. (Available here: <http://pubs.aeaweb.org/doi/pdfplus/10.1257/089533006776526058>)
- Jeffrey Clemens. “Implications of Physician Ethics, Billing Norms, and Service Cost Structures for Medicare’s Fee Schedule.” (Available here: http://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=706192)

Discussion: How are health care providers paid in your country? For example, are physicians paid through salaries, per patient, or per service (or through a combination of these approaches)? How long does it take to train to become a physician and who pays for medical education?

Assignment Due in class: 3 page paper proposal (pages to be double spaced, 12 point Times New Roman font with 1 inch margins).

Lecture 5: Class replaced by 30 minute 1-on-1 meetings to discuss your paper proposals.

Lecture 6: Issues in Health Care Reform: Care Access and Care Coordination
In-Class Documentary Film:

Escape Fire: The Fight To Rescue American Healthcare

Readings:

- Schoen, Cathy, et al. "Toward higher-performance health systems: adults' health care experiences in seven countries, 2007." *Health Affairs* 26.6 (2007): w717-w734. (Available here: <http://content.healthaffairs.org/content/26/6/w717.short>)

Lecture 7 – Large Institutions and Systems: Care Coordination and Administrative Costs; Implications of Private and Public Insurers and Providers Operating Side-by-Side

Readings:

- David A. Squires. "The U.S. Health System in Perspective: A Comparison of Twelve Industrialized Nations." *Issues in International Health Policy*. July 2011. (Available here: http://www.commonwealthfund.org/~media/Files/Publications/Issue%20Brief/2011/Jul/1532_Squires_US_hlt_sys_comparison_12_nations_intl_brief_v2.pdf)
- Burnett S, Renz A, Wiig S, Fernandes A, Weggelaar AM, Calltorp J, Anderson JE, Robert G, Vincent C, Fulop N. "Prospects for comparing European hospitals in terms of quality and safety: lessons from a comparative study in five countries." *Int J Qual Health Care*. 2013 Feb;25(1):1-7. (Available here: <http://www.ncbi.nlm.nih.gov/pubmed/23292003>)

- Cutler, David M., and Dan P. Ly. "The (paper) work of medicine: understanding international medical costs." *The Journal of Economic Perspectives* 25.2 (2011): 3-25. (Available here: <http://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.25.2.3>)
- Banerjee, Abhijit, Angus Deaton, and Esther Duflo. "Health care delivery in rural Rajasthan." *Economic and Political Weekly* (2004): 944-949. (Available here: <http://economics.mit.edu/files/771>)

Discussion: How are hospitals paid in your country? How much of a concern are administrative costs in your country's health system? How does your country's health system attempt to prevent conflicts-of-interest (for example, physicians receiving kick-backs for prescribing particular drugs or using particularly medical devices)?

Lecture 8 – Health Care Innovation: Pharmaceuticals and Medical Technologies

Readings:

- Office of Technology Assessment. "Health Care Technology and Its Assessment in Eight Countries." February 1995. (Available here: http://www.theblackvault.com/documents/ota/Ota_1/DATA/1995/9562.PDF)
 - Chapters 1 and 10 are relevant for class. One of the intervening chapters may provide an essential resource if you want to write about technology policy for one of these countries.
- Jeffrey Clemens. "The Effect of U.S. Insurance Expansions on Medical Innovation." (Available here: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2101246).
 - For class you should focus on the beginning of Section 2, which describes past research on the nature of innovation in the medical device sector. The introduction and the Section 6 breakdown of medical patenting across countries may also be of interest.
- Kremer, Michael. "Pharmaceuticals and the developing world." *The Journal of Economic Perspectives* 16.4 (2002): 67-90. (Available here: <http://www.jstor.org/stable/3216915>)

Discussion: How does your country's health care system pay for prescription drugs? Is your country a source of pharmaceutical innovation? What is your country's approach to intellectual property rights for medical innovation? How are major pieces of equipment like MRI machines financed?

Lecture 9 – In class presentations

Lecture 10 – In class presentations