

UNIVERSITY OF VICTORIA
DEPARTMENT OF ECONOMICS

ECONOMICS 524
HEALTH ECONOMICS
(CRN 11144)

FALL 2024

Instructor	Chris Auld auld@uvic.ca 250.721.8537 BEC 348
Office hours	Wednesday, 1:30-3:00, or drop-in, or by appointment
Course page	Available on <i>Brightspace</i> .
Course location	BEC 363
Meeting time	Monday and Thursday, 1:00–2:20

COURSE DESCRIPTION.

The course surveys selected issues in modern health economics. Beginning with a discussion of integrating health into standard economic models, we will proceed to discuss selected influential papers on a variety of topics. Emphasis will be placed on the economics of health behaviors rather than on the health care system *per se*. Health economics is a heavily empirical field and many of the papers discussed will be applied econometrics, and some of the course will focus on discussion of econometric methods of particular importance in health economics. Topics may include:

- Health in the utility function: modeling health as an economic good.
- Health insurance, moral hazard, information, and estimating the demand for health.
- Health, income, and education.
- The economics of obesity.
- Economics of addictive goods, including the opioid epidemic and “deaths of despair.”

A topic we will not cover is economic epidemiology, the branch of health economics which studies communicable disease. If you are interested in that topic consider taking Economics 485.

COURSE FORMAT.

The course is offered in-person only.

EVALUATION.

Evaluation will be as follows:

1. Participation: 25%
2. Assignments: 25%
3. Paper: 25%
4. Presentation: 25%

1. *Participation.* This is typically a small class so it is important to show up and be engaged. For this reason, a quarter of your course grade depends on attendance and participating in classroom discussions.
2. *Assignments.* There will be one or two assignments in which you will work with real data. One assignment may involve replication of a published empirical paper. As time and class interest permit, there may be another assignment allowing you to hone your microeconomic skills.
3. *Paper.* Choose any topic in health economics and write a short (about six to 10 double-sided pages), critical literature review on that topic, covering at most three selected papers in detail rather than the entire related literature. Your review should summarize the papers' research questions, methods, and results, and then offer your considered opinions on their strengths and weaknesses.
4. *Presentation.* Towards the end of the course we will have student presentations on the topics selected for papers. How long these presentations will be will depend on how many students are enrolled, but ideally we will have two per lecture.

TEXTBOOK AND READINGS.

The course material consists mostly of academic papers, as there does not exist a graduate-level health economics textbook which covers the material in this course. Readings will be announced in class as the course progresses. The following undergraduate text does cover much of this material and you may find it useful,

Bhattacharya, J., T. Hyde, and P. Tu (2014) *Health Economics*, Palgrave.

You should also have access to both undergraduate and graduate level microeconomic theory texts.

Microeconomic methods are central to the course. You should have access to an advanced undergraduate or graduate econometrics textbook with good coverage of microeconomic issues, such as

Greene, W. *Microeconomic Analysis*

Wooldridge, J. *Econometric Analysis of Cross Section and Panel Data*.

A highly recommended, inexpensive supplementary text is,

Angrist, J. and S. Pischke, *Mostly Harmless Econometrics*.

(Any edition of these texts will be fine for this course.)

SOFTWARE.

You may use whatever statistical software you wish for this course.

ATTENDANCE AND LAPTOPS.

You are expected to attend class, and part of your grade depends on attendance. Please send me an email in the event you are unable to attend a given lecture.

During lectures, I ask you to respect both me your fellow students and avoid using laptops or other devices to access material which be distracting, and I may ask you to change seats or to turn off the device if you are distracting others.

CONTACTING THE INSTRUCTOR.

Questions regarding class material should usually be posed during class or in person during office hours; please do not ask me to provide lengthy, technical explanations over e-mail. However, feel free to email me very short questions about course content, or about administrative matters. Please put “economics 524” in the subject line to minimize the probability your email winds up in a spam filter, and if I do not respond within 48 hours, please resend.

You are welcome to drop by my office outside of office hours so long as you are not offended if, in the event, I am too busy to talk with you.

COURSE POLICIES.

All applicable policies of the Department of Economics and the University apply in this course, and the academic integrity and other policies of the Faculty of Graduate Studies, described here:

<http://web.uvic.ca/calendar2011/GRAD/FARe/index.html>

are in effect.

The University of Victoria is committed to providing an environment that affirms and promotes the dignity of human beings of diverse backgrounds and needs.