Recommendations:
This course is addressed to those students interested in the multiple possibilities of application of economics and its tools to the health field. Health economics is a relatively new discipline, still not well known in the Schools of Economics, although it is increasingly receiving attention from both policy makers and scholars. In the case of Governments, because health policies are a basic pillar of the Welfare State; in the case of scholars and researchers, because the healthcare sector deviates notably from the conventional competitive market paradigm. This makes especially interesting the study of health economics.

Objectives:
- To introduce the student into the theoretical fundamentals of the discipline and its applications.
- To identify the main problems of the healthcare sector and how to tackle them using economic tools.
- To train students in the application of economic analysis to issues related to health and healthcare.

Programme:

TOPIC 1 (Prof. Marisol Rodríguez). INTRODUCTION: THE SPECIFICITY OF HEALTH ECONOMICS
Health economics: the discipline and field of study. From the conventional neoclassic model to the new institutional economics. Characteristics of healthcare services: uncertainty, information asymmetries, principal-agent relationship and induced demand. merit goods and externalities.

TOPIC 2 (Prof. Marisol Rodríguez). MACROECONOMIC ASPECTS: DESCRIPTION AND ANALYSIS OF HEALTHCARE EXPENDITURES
Healthcare expenditures: International comparisons and measurement problems. Main drivers of healthcare expenditures growth. Why is there a concern about the growth of healthcare spending?
TOPIC 3 (Prof. Joan Gil). THE MEASUREMENT OF HEALTH AND THE HEALTH PRODUCTION FUNCTION


TOPIC 4 (Prof. Joan Gil). JUSTIFICATION OF GOVERNMENT INTERVENTION AND EQUITY ASPECTS


TOPIC 5 (Prof. Joan Gil). DEMAND AND NEED AS CRITERIA FOR ASSIGNING RESOURCES

The conventional model of demand applied to healthcare services. The demand for health: Grossman’s approach. Analysis of needs for the provision of health services. Empirical estimations of demand for services: the RAND experiment. The elasticity of demand. Monetary prices, time and other access costs. User participation in the costs of services.

TOPIC 6 (Prof. Marisol Rodríguez). THE SUPPLY OF MEDICAL AND HOSPITAL SERVICES

The supply of medical services. Incentives and physician payment schemes: wage, capitation and fee-for-service. The hospital as a firm. Hospital’s output: concept and measurement. GRDs as a measure of hospital’s output. Hospital financing formulas: costs reimbursement, prospective systems, etc.

TOPIC 7 (Prof. Marisol Rodríguez). HEALTHCARE SYSTEMS

Typology of healthcare systems and conceptual framework: national health services; social insurance systems; private systems; mixed systems. Convergence of the different systems. Proposals to control healthcare spending. Structural changes: regulated internal markets, managed competition; the separation of financing and provision roles; risks distribution. Examples of reforms. The health system in Spain.
TEMA 8 (Prof. Joan Gil). THE MARKET OF PHARMACEUTICAL PRODUCTS


Methodology:
Basic concepts will be explained in class by the lecturer in order to motivate further work by students. In addition, students will read original key papers or contributions that will improve their knowledge.

Evaluation:
There will be two take-home exams (each covering the topics taught by the specific lecturer) and an oral presentation of a selected paper at the end of the course. The paper can either be one of those recommended in the bibliography or another paper agreed between the student and the lecturers. The final score of the student will be the weighted average of: i) Each one of the exams will count 30% of the grade; ii) the oral presentation of a paper (end March): 30% of the grade; iii) class participation: 10%.

References:

TEXTBOOKS


Topics 1, 2, 6 & 7

- Joumard I, André C, Nicq Ch. Health care systems: efficiency and institutions. OECD Economics Department, WP No. 769.
- AES. La sanidad pública ante la crisis recomendaciones para una actuación pública sensata y responsable. Asociación de Economía de la Salud, Documento de debate, 2011.
Topics 3, 4, 5 & 8