Course Information
General Description: The course is an introductory topics course in the economics of health and health care. The course provides, in a Canadian context, the definitions of health and health care, broadly and narrowly defined. The course delves into the economic theories or models necessary to evaluate the efficiency of the market for, and the efficient allocation of scarce resources in, health and health care. Examples of topics to that may be covered include the nature of the market, supply and demand of health care services, asymmetries of information, externalities, principal-agent relationships, insurance, and economic evaluation. Prerequisite: Economics 301 and 321 (or equivalent with permission from instructor).

Objectives: In this course the students should be able to:
1) Describe the Canadian Health Care System,
2) Distinguish health and health care for other goods and services,
3) Describe market failures in health and health care,
4) Apply micro theory to the analysis of the health care sector (demand, supply and their interaction)
5) Describe the need for and types of economic evaluation.

Format: Combination of lectures and discussion. There will be specified chapter readings for each topic. It is expected that the readings are done in advance of the class. All required readings and class information are examination material whether listed in outline or not. I DO NOT make class notes available.

Assessment          Assessment Date          Option 1     Option 2
Term Test 1       October 4, 2016          17%           12%
Term Test 2       November 3, 2016          17%           12%
Final Examination   Scheduled by Registrar  60%           70%
Attendance/participation  Checked Randomly  6%            6%

Note: Students must pass the final examination to pass the course.

Course Policies
All announcements will be posted on LEARN - please, check frequently.

Missed Tests/Examinations
Regular assessment and evaluation are important for both instructor and student to in order to gage progression. However, there may be rare occasions when a student is unable to participate in a given evaluation. Please review the Accommodation due to Illness statement at the beginning of term (https://ugradcalendar.uwaterloo.ca/page/Regulations-Accommodations) – please note the following statement “Adjustment of due dates or deferrals of term tests or final examinations are not automatic upon the presentation of suitable medical verification. Instructors will use this documentation among all information available to them when determining whether accommodation is warranted.”

No make-up will be offered for the term tests. Students who do not write a term test or examination when scheduled to do so will receive a mark of zero for that test/examination unless it is determined that accommodation is warranted. If ONE term test is missed for valid reasons and acceptable documentation (a UW Verification of Illness Form (https://uwaterloo.ca/health-services/sites/ca.health-services/files/uploads/files/VIF-online.pdf) completed by family physician or UW Health Services health practitioner (notes from other off-campus walk-in clinics will not be accepted) is provided within 48 hours, the weight may be added to the next term test (if term test one is missed) or the final examination (if term test 2 is missed). Students who are unable to write BOTH term test 1 AND term test 2 MUST contact the instructor prior to November 17, 2015 to review academic dates for withdrawal without penalty and/or possible accommodation options or both tests will be graded as zero.

The final examination will be scheduled by the Registrar’s Office during the examination period (please see http://www.registrar.uwaterloo.ca/exams/finalexams.html). It is the student’s responsibility to make themselves available for the entire examination period. Final examinations must be written at the scheduled time and place. Travel plans are not a sufficient reason to have a final examination deferred. A student who has written AT LEAST ONE TERM TEST and has compelling evidence that they are unable to write the final examination at the scheduled time (i.e., valid reasons and with acceptable documentation (a UW Verification of Illness Form (https://uwaterloo.ca/health-services/sites/ca.health-services/files/uploads/files/VIF-online.pdf) completed by family physician or UW Health Services health practitioner (notes from other off-campus walk-in clinics will not be accepted) provided within 72 hours of the missed examination) MUST petition the economics department to write a deferred final examination. Please carefully read the Department of Economics’ policy and procedures for deferred final examinations at: http://economics.uwaterloo.ca/policies-and-resources. Students MUST WRITE AT LEAST ONE TERM TEST to qualify to write a deferred final examination.
Important Dates: http://ugradcalendar.uwaterloo.ca/page/uWaterloo-Calendar-Events-and-Academic-Deadlines

Attendance Policy
Attendance and participation are important for pedagogy and, as such, are required for this course. The course text provides superficial coverage while class presentations and discussion are meant to provide a much deeper appreciation of topics. All class material and readings are subject to examination whether or not it is listed on outline. Instructor’s class notes will not be shared with students. If a class is missed, students should ask their colleagues to share their class notes. Professional and courteous behaviour is expected in the classroom and office hours. Class will start and end on time; students should arrive and be ready for class to start on time and remain in class until it is dismissed. Students who interrupt class frequently will be assigned a zero for attendance/participation.

Electronic Device Policy
Laptop/tablets etc. may be used to view class material and/or take notes. If electronic devices are being used for other purposes (e.g., email, gaming, messaging, etc.) students will be asked to turn off the device and/or leave the lecture hall. All cell phones must be switched off and stowed for the duration of the lecture. Photographic and/or recording devices of any kind are not allowed due to copyright/privacy. Failure to follow electronic policy may result in a zero for attendance.

Institutional-required statements for undergraduate course outlines
Cross-listed course: Please note that a cross-listed course will count in all respective averages no matter under which rubric it has been taken. For example, a PHIL/PSCI cross-list will count in a Philosophy major average, even if the course was taken under the Political Science rubric.

Academic Integrity: In order to maintain a culture of academic integrity, members of the University of Waterloo are expected to promote honesty, trust, fairness, respect and responsibility.

Discipline: A student is expected to know what constitutes academic integrity, to avoid committing academic offences, and to take responsibility for his/her actions. A student who is unsure whether an action constitutes an offence, or who needs help in learning how to avoid offences (e.g., plagiarism, cheating) or about “rules” for group work/collaboration should seek guidance from the course professor, academic advisor, or the Undergraduate Associate Dean. When misconduct has been found to have occurred, disciplinary penalties will be imposed under Policy 71 – Student Discipline. For information on categories of offenses and types of penalties, students should refer to Policy 71 - Student Discipline - https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-71

Grievance: A student who believes that a decision affecting some aspect of his/her university life has been unfair or unreasonable may have grounds for initiating a grievance. Read Policy 70 - Student Petitions and Grievances, https://uwaterloo.ca/secretariat-general-counsel/policies-procedures-guidelines/policy-72 - Section 4.

Appeals: A student may appeal the finding and/or penalty in a decision made under Policy 70 - Student Petitions and Grievances (other than regarding a petition) or Policy 71 - Student Discipline if a ground for an appeal can be established. Read Policy 72 - Student Appeals.

Other sources of information for students:
Accommodation for Students with Disabilities

**Note for students with disabilities:** The AccessAbility Services - [https://uwaterloo.ca/disability-services/](https://uwaterloo.ca/disability-services/) - office, located on the first floor of the Needles Hall extension, collaborates with all academic departments to arrange appropriate accommodations for students with disabilities without compromising the academic integrity of the curriculum. If you require academic accommodations to lessen the impact of your disability, please register with the AS office at the beginning of each academic term.

---

### Course Topics and Readings

<table>
<thead>
<tr>
<th>Topics</th>
<th>Time (approximate)</th>
<th>Readings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Introduction to Course</strong></td>
<td><strong>class 1</strong></td>
<td>Chapter 1</td>
</tr>
<tr>
<td><strong>Topic I</strong> Economics for Health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity/Efficiency</td>
<td>class 2</td>
<td>Chapters 2</td>
</tr>
<tr>
<td>Markets</td>
<td>class 3</td>
<td>Chapters 3</td>
</tr>
<tr>
<td>Economic Evaluation</td>
<td>class 4</td>
<td>Chapter 4</td>
</tr>
<tr>
<td><strong>Topic II</strong> Economics of Health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demand for Health</td>
<td>class 5, 6</td>
<td>Chapter 5</td>
</tr>
<tr>
<td>Determinants of Health</td>
<td>class 7</td>
<td>Chapter 6</td>
</tr>
<tr>
<td><strong>Term Test 1</strong></td>
<td><strong>class 8</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Topic III</strong> Economics of Health Care</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Care as Commodity</td>
<td>classes 9, 10</td>
<td>Chapter 7</td>
</tr>
<tr>
<td>Demand for Health Care</td>
<td>classes 11, 12</td>
<td>Chapters 8</td>
</tr>
<tr>
<td>Demand for Health Care Insurance</td>
<td>classes 13, 14</td>
<td>Chapters 9, 10</td>
</tr>
<tr>
<td><strong>Topic IV</strong> Health Care Systems</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health Care Finance</td>
<td>classes 15</td>
<td>Chapters 11</td>
</tr>
<tr>
<td><strong>Term Test 2</strong></td>
<td><strong>class 16</strong></td>
<td></td>
</tr>
<tr>
<td>Health Care Funding</td>
<td>class 17</td>
<td>Chapters 12</td>
</tr>
<tr>
<td><strong>Topic VII</strong> Supply of Health Care</td>
<td>classes 18 - 21</td>
<td>Chapters 13, 14, 15</td>
</tr>
<tr>
<td><strong>Topic VIII</strong> Technology and Aging</td>
<td>classes 22</td>
<td>Chapter 16</td>
</tr>
<tr>
<td>Catch up and review</td>
<td>class 23, 24</td>
<td></td>
</tr>
</tbody>
</table>

Supplemental readings –can be found at the library website for online journal articles

Evans, Robert G. (1984) *Strained Mercy*, Butterworths, Toronto. The text is dated but many of the core ideas hold. It is out of copyright so is available online for downloading.

**Topic I Economic Evaluation**


**Topic II  Demand for Health**


**Topic II  Determinants of Health**


**Topic III  Health Care as a Commodity**


**Topic III  Demand for Health Care**


**Topic III  Demand for Health Care Insurance**


**Topic IV  Health Care Systems**


**Topic VII  Supply of Health Care Services**

