



School of Economics
Academic Year 2024-25
Term 2

ECON215 HEALTH ECONOMICS

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Office Hours : Tuesday 2–4pm or By appointment

Senior TA : Vardaan CHAWLA (vardaanc.2020@phdecons.smu.edu.sg)**COURSE DESCRIPTION**

This introductory course delves into the compelling field of health economics, exploring how economic principles shape healthcare systems and individual health decisions. We'll examine the unique characteristics of healthcare markets—including uncertainty, information asymmetry, and substantial government involvement—and apply economic concepts to analyze the complex tradeoffs faced by stakeholders. Key topics include healthcare demand, insurance market dynamics (adverse selection and moral hazard), and the role of government interventions. The course also addresses global health policy challenges and emerging areas such as the economics of mental health and well-being. As an SMU-X course, students will engage in a real-world project with industry partners, bridging theory and practice in this vital economic sector.

LEARNING OBJECTIVES

Students will be able to explain the unique characteristics of healthcare markets and apply economic concepts to analyze healthcare systems and policies. Students will gain skills in interpreting health economic research and data and applying economic theories to real-world healthcare issues through the industry partner project. Students will also develop the ability to formulate and present evidence-based policy recommendations for complex healthcare challenges.

PREREQUISITES

Please use the class search function at OASIS > Study > BOSS > BOSS Bidding (Plan & Bid page > Add to Cart and Perform Course Search) or the course catalogue in OASIS to check the most updated attributes of this course.

ASSESSMENT METHODS

Class Participation	5%
Group Project	30%
Assignments	10%
Mid-term Examination	20%
Final Examination	35%
Total	100%

CLASS TIMINGS

Class sessions are of 1.5-hour duration twice per week.

Tuesday and Thursday 10:00 (G1), 12:00 (G2)

TEXTBOOK

Gross, Tal, and Matthew J. Notowidigdo. *Better Health Economics: An Introduction for Everyone*. University of Chicago Press, 2024.

Supplementary Textbook for Econometrics

Angrist, Joshua D. & Jörn-Steffen Pischke. *Mastering 'Metrics: The Path from Cause to Effect*. Princeton University Press. 2014. <http://masteringmetrics.com>

ASSIGNMENTS, QUIZZES, AND EXAMS

There will be two (2) assignments. No late assignment will be accepted.

You may not miss an exam. No makeup exams will be given. If you must miss an exam, you must discuss with me beforehand.

Midterm exam will be conducted during class time. The duration of the exam will be about 1 hour.

The final exam will test you on all topics covered through the course. The final exam will consist of multiple-choice questions, true or false questions, and short essays.

Both midterm and final exams will be closed book. No cheat sheet is allowed.

GROUP PROJECT

Each group should consist of 2-4 students. You can voluntarily form a group and enroll your group. Please form the group by **the end of Week 4**. After this date, students who have not signed up for any particular group will be assigned to a group by the instructor.

The topics will be given by the industry partner and your group may choose one of the topics included in their opportunity statements.

If you have questions to the industry partner regarding the presentation topic, send an email to the TA.

Group project requirements:

1. The list of group members, group number, and the title should be included on the first slide.
2. Minimize the use of animations unless they are necessary.
3. Each group will be given about 5 minutes to present their topic (an elevator pitch style) and 5 minutes for Q&A. Industry partner representative(s) will participate in grading.
4. The number of slides for the final presentation should be **3 slides** (excluding the title slide and reference slides)

Your presentation will be graded based on the following criteria:

1. Clarity and time management of an oral presentation
2. Evidence-based arguments
3. Real-world relevance and implications

COURSE WEB PAGE

This syllabus, and other course material will be available on eLearn.

IMPORTANT DATES

Final exam: **TBD (2 hours)**

ACADEMIC INTEGRITY

All acts of academic dishonesty (including, but not limited to, plagiarism, cheating, fabrication, facilitation of acts of academic dishonesty by others, unauthorized possession of exam questions, or tampering with the academic work of other students) are serious offences.

All work (whether oral or written) submitted for purposes of assessment must be the student's own work. Penalties for violation of the policy range from zero marks for the component assessment to expulsion, depending on the nature of the offense.

When in doubt, students should consult the instructors of the course. Details on the SMU Code of Academic Integrity may be accessed at

<https://smu.sharepoint.com/sites/oasis/SitePages/DOS-WKLSWC/UCSC.aspx>.

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ACCESSIBILITY

SMU strives to make learning experiences accessible for all. If students anticipate or experience physical or academic barriers due to disability, please let the instructor know immediately. Students are also welcome to contact the university's student accessibility support team if they have questions or concerns about academic provisions: accessibility@smu.edu.sg. Please be aware that the accessible tables in the seminar room should remain available for students who require them.

DIGITAL READINESS FOR TEACHING AND LEARNING (DRTL)

As part of emergency preparedness, instructors may conduct lessons online via the Zoom platform during the term, to prepare students for online learning. During an actual emergency, students will be notified to access the Zoom platform for their online lessons. The class schedule will mirror the current face-to-face class timetable unless otherwise stated.

WEEKLY LESSON PLAN

Week		Topic	Readings
1	14 Jan	Introduction to Health Economics Statistical Tools for Health Economics	Angrist and Pischke (2014)
2	21 Jan	SMU-X Industry Guest Lecture / Health Insurance	GN Ch. 2
3	28 Jan	Moral hazard / Special Topic on Tech Economics (online)	GN Ch. 3
4	4 Feb	Adverse Selection	GN Ch. 4, Einav and Finkelstein (2011)
5	11 Feb	Healthcare Pricing	Kim (2015), GN Ch. 5
6	18 Feb	Healthcare Reforms HW1 due (18 Feb)	Gruber (2008, 2019)
7	25 Feb	Producer Decision and Quality	Doyle et al., (2010), GN Ch. 6
8	4 Mar	Recess Week	
9	11 Mar	Midterm exam on 11 March Hospital Competition	GN Ch. 6
10	18 Mar	Money and Health Industry Partner Q&A	
11	25 Mar	Economics of Bads, Economics of Mental Health and Happiness Presentation Clinic (25 March) HW2 due on 25 March	GN Ch. 11
12	1 April	Social Determinants of Health Final Report due on 1 April	GN Ch. 12
13	7 Apr	Group Project Presentation Presentation slides due on the day of the presentation	
14	14 Apr	Revision Week	
15	21 Apr	Final Examination on TBD	
16	28 Apr		

THE ABOVE LECTURE SCHEDULE AND MATERIAL COVERED ARE SUBJECT TO CHANGE