

SPEA H525
Health Economics for Policy and Management
Spring 2025
Syllabus

About the Instructor

Please feel free to contact me using the information below:

- **Instructor Name:** Seth Freedman. Associate Professor, O'Neill
- **Email:** AskProfF@indiana.edu or message me through Canvas Inbox
- **Note about emails:** Please use the above email address to contact me about course related questions. *Please include H525 in the subject line of your message.* Alternatively you can message me through the Canvas Inbox.
- **Response time:** I will always try to respond to emails within 24 hours on week days and 48 hours on weekends. If I have not responded in that time, please send me another email as a reminder.
- **Office hours:** I offer flexible office hours, scheduled through Calendly. Feel free to make an appointment
 - **Signup instructions:** Sign up at: https://calendly.com/prof_freedman/office-hours-with-prof-freedman
Links to an external site.
 - When signing up you can choose in person (SPEA 355) or Zoom
 - You may share the appointment with a couple of other students if you would like to meet with me as a small group
- **When new material is added to the site, or I need to announce something to the whole class, I will notify you by:** Canvas announcement. Please watch your announcements and set your Canvas notifications appropriately.

To ensure you receive notifications, please refer to: [How do I set my Canvas notification preferences as a student?](#)

Course Description

Economic principles play a key role in understanding/improving health policy and management. Health economics applies the tools of the discipline to questions in organization, delivery, and financing to understand health, the health care and health insurance systems, and to critically evaluate current policy debates in the US and globally.

Additional Details:

Health management and policy are both exciting and evolving field in which economics plays a vital role. This course will serve as both an introduction to the organization of the US healthcare system and build skills for analyzing this system via economics. Economics is the study of how we can use our limited resources to benefit people and society. Economics also develops models to help explain how individuals and businesses think and operate. Health economics applies the tools of economics to issues of organization, delivery, and financing to understand health, the healthcare and health insurance systems, and to critically evaluate current management and policy debates.

Learning Outcomes

Course Goal: By the end of the semester you will develop an understanding of the US healthcare system and develop the skills to analyze the healthcare sector through the lens of economics.

Learning Outcomes:

1. Describe the system of healthcare financing and delivery arrangements in the US
2. Analyze implications of recent and expected changes in US healthcare for healthcare organizations and policy makers
3. Apply relevant economic concepts to the healthcare sector
4. Identify the role of economic factors in individual, organizational, and policy decisions
5. Recognize the importance of data and evidence in solving managerial and policy problems

Required Texts

- Friedson, Andrew. (2023). *Economics of Healthcare: A Brief Introduction*. (ISBN 1009258435). [Amazon LinkLinks to an external site.](#)
- Jena, Anupam B. and Christopher Worsham. (2023). *Random Acts of Medicine*. (ISBN 9780385548816). [Amazon LinkLinks to an external site.](#)
- All additional readings will be available electronically through Canvas and listed in their relevant modules. All readings will have a URL link or a link to a PDF file for you to access the reading directly. If any link does not work properly, please let me know by email immediately.

Course Requirements, Assignments, and Grades

Weekly Course Structure

The course will be structured in weekly modules. You should work through the material in each module in the order that it is listed - the sequence will be intentional. Each module will include the following:

Readings/other outside material: Most modules will include one or two associated text book chapters. Additional articles, podcasts, and other materials will be posted as well. **It is important to prepare for class by engaging with this material in advance.**

Class Meetings: Active engagement and participation in class is crucial to learning. It also makes class more interesting. Classes will include a combination of slide-based instruction, white-board based instruction, small and large group discussions, and activities and practice problems.

Assessments

Problem Sets: Throughout the semester, there will be 4 problem set assignments. These assignments are meant to help you practice and show your understanding of the material and concepts discussed in class. These problem sets will include a combination of short answer questions and math-based problems, with the balance between the two fluctuating throughout the semester depending on topics. You are **highly encouraged** to work on these assignments in groups. Talking through concepts with your peers is a great way to reinforce your learning. That being said, **you are each responsible for submitting your own answers, with your own words.**

Journal Article Club: The goal of this assignment is to expose you to a piece of health economics research. I will assign you to a group in Canvas. Each member of the group will be assigned a different research publication to read. You will then make a post on your group's discussion board, answering some questions about your paper. You will then respond to each other's posts. This way you will read one paper in detail, but learn about a number of different papers throughout the semester. More details on groups, papers, timing, and response prompts will come soon.

Economics Application Presentation: More details to come a couple of weeks into the semester.

Exams: You will take a midterm exam about halfway through the semester and a final exam during exam week (see dates below in course schedule). The final will cover the second half of the semester and not be cumulative.

Grading

Grades will be assigned based on the activities assigned above and according to the following set of weights:

Assignment	Weight
Problem Sets (4 throughout semester)	40%
Midterm Exam	15%
Final Exam	15%
Journal Article Club	15%
Economics Application Project	15%

How Will I Know How I'm Doing in This Course?

Grades will be posted in Canvas within **7 days** of the due date. Since Canvas keeps track of all of your grades, you should always be able to calculate your current grade in the course. If you need assistance, please contact me.

Artificial Intelligence

Chat GPT and other AI tools are becoming more and more powerful every day. If used correctly, they can be a terrific resource. For example, if you ask Chat GPT to explain particular economic concept to you and then ask it clarifying questions as follow ups, you will probably learn something useful in the process. In that sense you should think of Chat GPT as a helpful resource like a text book, but that you can chat with. However, it is not acceptable to use Chat GPT (or other AI tools) to generate answers for homework questions or other assignments in the class. If I find evidence that generative AI was used to generate an answer on a Problem Set, you will get a 0 on that problem set. In addition, if you use generative AI as a crutch to answer problem set questions, you will not succeed on the in-class exams. So, please treat Chat GPT as a resource, but not as a way to get yourself out of learning and doing quality work.

Suggestions for How to Succeed in This Course

Note Taking

I will sometimes use power point slides in class. However, these slides will only be a sketch/outline of the lecture and do not stand alone as full course notes. We will also sometimes switch to the white board or have group discussions. My suggestion is to have a continuous set of notes that follow the same order as class. In addition, many concepts we learn this semester will be illustrated graphically. This does not always come naturally to everyone; however, you can get better at understanding these graphs

if you draw them yourself. I **highly recommend** drawing your own graphs in your notes and not just planning to look back at mine.

Be an Active Participant

You will find the class more interesting and learn better if you are an active participant. In addition to participating in smaller and larger group discussions, please do not hesitate to ask questions during class. If you are confused or want to know more about something, you are likely not alone. I am always happy to stop, back up, or slow down to make sure we are all on the same page with course concepts.

Join Office Hours

Please don't be shy to come talk with me during office hours. Sometimes office hours can seem intimidating to students. You may or may not not have frequented them as an undergrad. However, they are probably even more important in graduate school. Some potential reasons to come to office hours:

- Ask a question about class material
- Ask a question about a graph, equation, or term you do not understand
- Practice explaining a course concept to see if you're understanding it correctly
- Ask a question about your application project topic
- Ask a question about something challenging in your Journal Club article
- Ask a question about course policies or structure (please check syllabus first, but then feel free to clarify with me)
- Discuss something you read in the news that relates to health economics
- Discuss your post-graduation/career goals
- Anything else you'd like to talk about!
- (Hint: Faculty can write much stronger letters of recommendation when they actually know you beyond just the grade book. Office hours are a key way to make that happen.)

Course Schedule

Due Dates

Problem Sets will be due on the following Fridays:

Problem Set 1: February 14

Problem Set 2: February 28

Problem Set 3: April 4

Problem Set 4: April 25

Journal Article Club Initial Submission: Friday, March 14

Economics Application Presentations will occur during the final week of class (April 28th and April 30th)

Midterm Exam will be held in class on Wednesday, March 5th

Final Exam will be held as assigned by IU: Monday, May 5th, 12:40-2:40 in our usual classroom

Tentative Schedule (Subject to Change)

See Canvas Modules for each week's readings and other material

Week	Date	Topic	Book Chapters F: Friedson R: Random Acts of Medicine (See Canvas for Other Weekly Readings)	Notes
1	1/13-1/19	The Economic Lens Evaluating Evidence	F: 1 & 5 R: 1 & 2	
2	1/20-1/26	Demand for Health	F: 2	<i>No Class Meeting Monday, 1/20 Luther King, Jr.</i>
3	1/27-2/2	Demand for Health Care and the Role of Insurance	F: 3 & 4 R: 3	
4	2/3-2/9	Providers as Firms (The Supply of Health Care)	F: 6	
5	2/10-2/16	The Medical Labor Force	F: 7 R: 9	PS1 Due Friday 2/14 Weeks 1-4)

6	2/17-2/23	Providers and Incentives	F: 8 R: 4 & 6	
7	2/24-3/2	Hospitals and Provider Wrap Up	F: 9 R: 7	PS2 Due Fri 2/28 (Covers 5-7)
8	3/3-3/9	Disparities and Social Determinants of Health MIDTERM, WEDNESDAY 3/5	F: 18	
9	3/10-3/16	Insurance Markets	F: 10	Journal Article Initial Posts Due 2/14
	3/17-3/23	SPRING BREAK, NO CLASSES		
10	3/24-3/30	Adverse Selection	F: 11	
11	3/31-4/6	Prices and Managed Care	F: 12 & 13	PS3 Due Friday (Covers Week 11-12)
12	4/7-4/13	Public Insurance	F: 14	
13	4/14-4/20	Pharmaceuticals and innovation	F:15 R: 8	
14	4/21-4/27	Externalities, Public Health, and Economics of the COVID-19 Pandemic	F: 16	PS 4 Due Friday 4/25 (Covers 12-14)
15	4/28-5/4	Presentations		
		FINAL EXAM, Monday May 5, 12:40-2:40pm		

Course Policies

Late Assignments

Unexcused late submissions of problem sets will incur a 20% grade penalty.

Technology Use

The use of personal electronic devices (phones) will not be allowed in class. I strongly encourage you to set aside your computer during class. Studies have shown that students perform better in classes when they are not distracted by their computers, and so do those sitting around them. And as discussed below, to best succeed in the class you should be taking your own notes (even if you are following along with PowerPoint slides) and staying engaged with the class discussion. If it becomes a problem, I reserve the right to change this policy and disallow all electronic devices in class.

Late Withdrawal

NOTE: The auto-W deadline is NO LONGER THE LAST DAY OF CLASS (as it was during and post-Covid). After the auto-W deadline, withdrawal will be significantly limited and you will need permission to withdraw and must meet requirements established by O'Neill.

Technical Support

For additional help with technical issues, consult:

- [University Information Technology Services \(UITS\)](#)[Links to an external site.](#) (human support)
- [IU Knowledge Base \(IUKB\)](#)[Links to an external site.](#) (guides)
- [IUware](#)[Links to an external site.](#) (download free software)

O'Neill School Expectations of Civility and Professional Conduct

The O'Neill School takes matters of honesty and integrity seriously because O'Neill is the training ground for future leaders in government, civic organizations, health organizations, and other institutions charged with providing resources for the public, and for members of society who are vulnerable and who are lacking in power and status.

Precisely because O'Neill graduates tend to rise to positions of power and responsibility, it is critical that the lessons of honesty and integrity are learned early.

O'Neill requires that all members of its community – students, faculty, and staff – treat others with an attitude of mutual respect both in the classroom and during all academic and nonacademic activities outside the classroom. A student is expected to show respect through behavior that promotes conditions in which all students can learn without interruption or distraction. These behaviors foster an appropriate atmosphere inside and outside the classroom:

- Students are expected to attend class regularly and to be prepared for class.
- Students must be punctual in their arrival to class and be present and attentive for the duration of the class. Eating, sleeping, reading the newspaper, doing work for another class, wandering in and out of the classroom, and packing up or leaving class early are not civil or professional behaviors.
- Students must abide by the course policy regarding use of electronic devices in the classroom.
- Students must responsibly participate in class activities and during team meetings.
- Students must address faculty members, other students, and others appropriately and with respect, whether in person, in writing, or in electronic communications.
- Students must show tolerance and respect for diverse nationalities, religions, races, sexual orientations, and physical abilities.
- Students must not destroy or deface classroom property nor leave litter in the classroom.

** These expectations are excerpted from the O'Neill School Honor Code which can be found

at: https://oneill.indiana.edu/doc/undergraduate/ugrd_student_honorcode.pdf Links to an external site.

Academic Integrity

Online Course Materials

The faculty member teaching this course holds the exclusive right to distribute, modify, post, and reproduce course materials, including all written materials, study guides, lectures, assignments, exercises, and exams. While you are permitted to take notes on the online materials and lectures posted for this course for your personal use, you are not permitted to re-post in another forum, distribute, or reproduce content from this course without the express written permission of the faculty member. Any violation of this course rule will be reported to the appropriate university offices and officials, including to the Dean of Students as academic misconduct.

Note Selling

Several commercial services have approached students regarding selling class notes/study guides to their classmates. Selling the instructor's notes/study guides in this course is not permitted. Violations of this policy will be reported to the Dean of Students as academic misconduct (violation of course rules). Sanctions for academic misconduct may include a failing grade on the assignment for which the notes/study guides are being sold, a reduction in your final course grade, or a failing grade in the course, among other possibilities. Additionally, you should know that selling a faculty member's notes/study guides individually or on behalf of one of these services using IU email, or via Canvas may also constitute a violation of IU information technology and IU intellectual property policies; additional consequences may result.

Plagiarism and Academic Dishonesty

Absolute integrity is expected of every IU student in all academic undertakings. Integrity entails a firm adherence to a set of values, and the values most essential to an academic community are grounded on the concept of honesty with respect to the intellectual efforts of oneself and others. Academic integrity is expected not only in formal coursework situations, but in all University relationships and interactions connected to the educational process, including the use of University resources. A student's submission of work for academic credit indicates that the work is the student's own. All outside assistance should be acknowledged, and the student's academic position truthfully reported at all times. In addition, students have a right to expect academic integrity from each of their peers. For further information regarding the Code of Academic Integrity, see: <http://www.iu.edu/~code/Links to an external site.>

Additional Information

1. Counseling and Psychological Services For information about services offered to students by CAPS: <http://healthcenter.indiana.edu/counseling/index.shtml>Links to an external site.
2. Disability Services for Students Securing accommodations for a student with disabilities is a responsibility shared by the student, the instructor and the DSS Office. For information about support services or accommodations available to students with disabilities, and for the procedures to be followed by students and instructors: <https://studentaffairs.indiana.edu/student-support/disability-services/index.html>Links to an external site.
3. Religious Observation In accordance with the Office of the Dean of Faculties, any student who wishes to receive an excused absence from class must submit a request form available from the Dean of Faculties for each day to be absent. This form must be presented to the course instructor by the end of the second week of this semester. A separate form must be submitted for each day. The instructor will fill in the bottom section of the form and then return the original to the student. Information about the policy on religious observation can be found at the following website: <https://policies.iu.edu/policies/aca-59-accommodation-religious-observances/index.html>Links to an external site.

4. Sexual Harassment. As your instructor, one of my responsibilities is to help create a safe learning environment on our campus. Title IX and our own Sexual Misconduct policy prohibit sexual misconduct. If you have experienced sexual misconduct, or know someone who has, the University can help.

If you are seeking help and would like to talk to someone confidentially, you can make an appointment with:

1. The Sexual Assault Crisis Service (SACS) at 812-855-8900
2. Counseling and Psychological Services (CAPS) at 812-855-5711
3. Confidential Victim Advocates (CVA) at 812-856-2469
4. IU Health Center at 812-855-4011

For more information about available resources: <http://stopsexualviolence.iu.edu/help/index.html>Links to an external site.. It is also important to know that federal regulations and University policy require me to promptly convey any information about potential sexual misconduct known to me to our campus' Deputy Title IX Coordinator or IU's Title IX Coordinator. In that event, they will work with a small number of others on campus to ensure that appropriate measures are taken and resources are made available to the student who may have been harmed. Protecting a student's privacy is of utmost concern, and all involved will only share information with those that need to know to ensure the University can respond and assist. I encourage you to visit <http://stopsexualviolence.iu.edu/help/index.html>Links to an external site. to learn more.