



U.S. Health Care Directions--Competencies

HPA 5395
Spring, 2009

Professor: Earl L. Grinols
Department of Economics
Office: 357 Hankamer School of Business
E-mail: Earl_Grinols@baylor.edu
Phone: (254) 710-7522
Office Hours: TBA and by appointment

Credits: 3 hours
Meeting Time: M and W, 2:00 - 3:15 pm
Meeting Place: 410 Cashion Building
Hankamer School of Business

I. COURSE MATERIAL

Grinols, Earl L. and James W. Henderson, *Health Care for Us All: Getting More for Our Investment*, New York: Cambridge University Press, 2009. An advance copy will be provided to each student.

Readings. Readings will be posted on Blackboard.

II. BAYLOR UNIVERSITY HONOR SYSTEM

Ethics are an integral feature of all personal, social, and professional considerations. Competency in thinking ethically and accepting responsibility for one's actions is essential to personal and professional development. Baylor graduates are committed to their intellectual, ethical, professional, and social development throughout life.

Baylor MBA students have affirmed their commitment to ethical and professional conduct specifically agreeing in writing to the following:

- Affirmation of Expectations of Professional and Academic Conduct
- Guidelines for Citations and References
- Constitution of the Baylor University Honor System

III. CLASS ATTENDANCE

University policy concerning absenteeism is detailed in the Class Attendance section of the Student Handbook. The policy states: "A student who misses more than 25 percent of the class meetings of a course automatically fails." As per university policy: "The student bears the responsibility for the effect absences may have upon class participation, announced and

unannounced examinations, written assignments, reports, papers and other means of evaluating performance in a course."

On-time attendance is required for all classes. Students must be in their seats and ready for class at the scheduled start time of the class in which they are officially enrolled. A late arrival to a class will be counted as an absence from the class and therefore will be subject to the university absenteeism policy.

IV. PLAGIARISM

Students agree that by taking this course, all required papers, exams, class projects or other assignments submitted for credit may be submitted to turnitin.com or similar third parties to review and evaluate for originality and intellectual integrity. A description of the services, terms and conditions of use, and privacy policy of turnitin.com is available on its web site: <http://www.turnitin.com>. Students understand all work submitted to turnitin.com will be added to its database of papers. Students further understand that if the results of such a review support an allegation of academic dishonesty, the course work in question as well as any supporting materials may be submitted to the Honor Council for investigation and further action.

V. COURSE DESCRIPTION

U.S. Healthcare Directions is the capstone course for the MBA Healthcare Administration Specialization. Its objective is to amalgamate concepts students were taught in the didactic and residency elements of the program by exposing students to economic concepts as they apply to national healthcare policy issues.

Efficient group action rests on three foundations: markets, government, and voluntary private organizations (VPOs—primarily not-for-profits). The course begins by examining markets in light of the first and second fundamental theorems of welfare economics, followed by a discussion of government and what its proper role is. Not-for-profit firms are considered last: What are they, how does their behavior differ from for-profit firms, what should their role be? In this process we also consider the interstices between markets, government, and VPOs by treating directly unproductive profit seeking, public goods, externalities, and Coase's theorems. The course next reviews the ethical basis for public decision making, and considers the question of public provision of private goods as it relates to education and health care. We conclude with an analysis of health care policy in the United States, its rationale, and a feasible principles-based framework for universal health insurance coverage.

Prerequisites: HPA 5V90 Healthcare Administrative Internship

VI. MBA LEARNING GOALS

The learning goals for the MBA program are:

1. To understand and apply theoretical knowledge in integrated fundamental areas of accounting, economics, finance, information systems, marketing, operations management, organization behavior, quantitative business analysis, and strategic management;
2. To think critically, solve problems effectively, and make decisions strategically across functional areas;

3. To work collaboratively with others in cross-functional teams, and to motivate, lead, and mentor others;
4. To articulate ideas and information effectively and persuasively in every business context.
5. To apply core ethical values of integrity, accountability, and service in all circumstances.

VII. GOALS AND OBJECTIVES

The primary goals of this course are:

1. Provide students with economics knowledge relevant to the U.S. healthcare system applicable to MBA students pursuing a career in healthcare administration.
2. Provide students with the ability to use, understand, and apply the basic principles of economics to health care issues.
3. Become familiar with the language of economics and insurance applied to healthcare.
4. Expose students to the public policy issues of health care, health care insurance, and health care access.
5. Expose students to health care public policy issues and national issues. The course helps students concepts of economic efficiency to the current US health system and understand how the system is driven by political and economic models.
6. Class discussions focus on rationales of stakeholders in American health care, their basis, economic implications, and evaluation from an efficiency perspective.
7. Healthcare ethical issues are covered to provide students the necessary grounding in the American ethical base.
8. Leadership is a primary focus of the Program and is emphasized in this course by providing students with greater depth of economic understanding to intelligently address public policy issues in health care markets. These skills will be available to be called on later in the student’s career in public statements and advocacy. In addition to gaining an understanding of the key elements affecting national health care policy, students acquire concepts relevant to how healthcare policy should be developed and implemented in the U. S. system, demonstrate the ability to apply competence to policy questions, and apply knowledge gained to conceptual health care system issues.

VIII. COURSE REQUIREMENTS

There will be one written exam given during the semester covering lecture and discussion subjects. Ad hoc assignments (including unannounced pop quizzes) and participation will also count toward the final grade. The remaining portion of the class grade will be based on the student's answers in the end-of-semester oral board to questions asked by the instructor on material treated in HPA 5390 after the written exam. Below are the percentages that each element will contribute to the final course grade.

Examination	55%
HPA 5390 Component of Oral Board	20%
Ad hoc assignments	15%
Participation	10%

IX. GRADING SCALE

Grades will be converted into a standard 100 point scale and the following cut-offs applied.

A	92%
A-	90%
B+	88%
B	82%
B-	80%
C+	78%
C	72%
C-	70%
D	60%
F	below 60%

X. Format:

The class will combine the lecture and discussion formats. Each week we will consider an aspect of economics and policy and cover assigned readings. Selected classes will be used for student presentations over researched material.

A. Introduction and Motivations

B. Markets

1. **The First and Second Fundamental Theorems of Welfare Economics**
2. **Digest of Market Function**
3. **Necessary Conditions for Efficiency**

C. Between Group Structures

1. **Public Goods**
2. **Coasian Theory**
3. **Externalities**
4. **Governmentalism**
 - a. *Demand Side Causes: Directly Unproductive Profit Seeking*
 - b. *Supply Side Causes: Polittroughing*

D. Government

1. **Classical writers**
2. **Role of Government**

E. Voluntary Private Organizations

F. Altruism

G. The Logic of Health Assurance

1. **Education**
2. **The American Ethical Base**
3. **Health Care "Ethics" and the Efficiency Rationale for Government Interest**

H. Insurance

I. Public Policy Toward Health Care: Responsible National Health Care

It is my policy to provide, on a flexible and individualized basis, reasonable accommodation and help for students who have questions about course material. You are encouraged to avail yourself of office hours and use appointments in advance of exams and quizzes to keep current on course concepts and content.