

QUEENS' UNIVERSITY
Department of Economics

ECON 243
Economics of Healthcare
Winter 2010

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OBJECTIVES

This course will enable students to understand the contemporary healthcare and health policy debates by: (a) providing an economic analysis of the health care institutions, organizations and markets (both generically and in the Canadian context); and (b) introducing policy ideas in order to assess the current Canadian debate.

The current Canadian issues were examined, beyond the academic works, by the Romanow and Kirby reports (both 2002) at the federal level and by Mazankowski in Alberta (2002) and Fyke in Saskatchewan and Claire in Quebec (2001). The impending shortage of doctors and nurses still preoccupies policy-makers, maybe no longer due to flight to US and to policy mistakes but for demographic reasons. Healthcare budget devolution as a sign of timid decentralization recently spread to Ontario. Yet, arguably, the fundamental debate is whirling around decentralizing healthcare. The Canadian Medical Association just broke with its past stance and no longer opposes further private delivery and even private insurance where it is warranted. The 2005 Supreme Court decision for Québec and impending similar cases for Ontario and BC seem to be widening the debate on Canadian medicare. The 2005 Supreme Court decision, on a case involving a Québec doctor (Mr. Chaoulli) and his patient (Mr. Zeliotis) waiting for a joint replacement, alarmed governments and forced them to react, and prompted Canadian doctors to rethink experimentation with parallel private delivery. In this context, the course will look at European mixed insurance and delivery systems with complete population coverage (e.g. France, UK, Holland, Sweden) as well as those of Australia and New Zealand in order to learn from similar countries' experiences.

However, keeping with the latest, this year we will study the US health care, later in the course, in section 8 on alternative systems. The Obama initiative, the House and Senate bills and the political economy of the US healthcare reform will be introduced and discussed.

DESCRIPTION

The course covers the economic analysis of the demand and the supply of health care. Then, institutional and organizational aspects of the health care systems are examined

with an eye to policy-making. Since health care is largely a private good, economic analysis would then prescribe private provision on efficiency grounds. However, unlike most other goods and services, its provision is never left entirely to markets in any country, mostly on equity grounds but, since health insurance markets are typically riddled with informational problems potentially causing market failures, the case for public intervention may be strengthened. Healthcare is typically provided under widely varying mixed systems. For instance, with private but not-for-profit hospitals and private but contracted physicians, Canada thus exhibits a variant of mixed systems.

The course covers different but comparable health care systems and to the structural and organizational arrangements within each system. Moreover, parts of the Canadian system requiring fixes will also be analyzed. For instance, budgetary devolution, hospital reorganizations, private clinics, primary care reorganization and evolving physician payment systems, long-term care and nursing homes, emergency room overcrowding, technology transfer, spatial access to care, pharmacare are amongst topics to be covered.

Queen's University academic integrity guide

Academic integrity is constituted by the five core fundamental values of honesty, trust, fairness, respect and responsibility (see www.academicintegrity.org). These values are central to the building, nurturing and sustaining of an academic community in which all members of the community will thrive. Adherence to the values expressed through academic integrity forms a foundation for the "freedom of inquiry and exchange of ideas" essential to the intellectual life of the University (see the Senate [Report on Principles and Priorities](#))

Students are responsible for familiarizing themselves with the regulations concerning academic integrity and for ensuring that their assignments conform to the principles of academic integrity. Information on academic integrity is available in the Arts and Science Calendar (see [Academic Regulation 1](#)), on the Arts and Science website (see <http://www.queensu.ca/calendars/artsci/pg4.html>), and from the instructor of this course.

Departures from academic integrity include plagiarism, use of unauthorized materials, facilitation, forgery and falsification, and are antithetical to the development of an academic community at Queen's. Given the seriousness of these matters, actions which contravene the regulation on academic integrity carry sanctions that can range from a warning or the loss of grades on an assignment to the failure of a course to a requirement to withdraw from the university.

Student code of conduct: <http://www.queensu.ca/secretariat/senate/policies/code2008.pdf>

Other Arts and Science web sites you may wish to bookmark include the Academic Integrity policy, appropriate forms, and instructor guidelines.

1. Educational Resources

<http://www.queensu.ca/artsci/integrity/instructor/education.html>

2. Regulation 1 <http://www.queensu.ca/calendars/artsci/pg4.html>

3. Forms

Notice of Investigation

http://www.queensu.ca/artsci/integrity/instructor/investigation_letter.pdf

Finding Form

<http://www.queensu.ca/artsci/integrity/instructor/findingform.pdf>

4. Instructor Guidelines

<http://www.queensu.ca/artsci/integrity/instructor/guidelines.html>

COURSE OUTLINE

NB 1. Starred articles are required reading. 2. Attendance is urged as lectures will include details not covered elsewhere. 3. Note that a course in microeconomics is a prerequisite.

Part A: The organization of health care systems

Besley, T. & S. Coate [1991], "Public provision of private goods and the redistribution of income", Amer. Econ. Rev. 81(4), 979-984

* Besley, T. & M. Gouveia [1994], "Alternative systems of health care provision", Economic Policy, October, 200-258

* Courchene, T.J. [2003], "Medicare as a moral enterprise: The Romanow and Kirby Perspectives", IRPP Discussion Paper, 2003-4(1)

Steinbrook, R. [2006], Private Health Care in Canada", New England J. Medicine 354(16), 1661-1664

Part B: Demand side

1. Individual's demand for health

a. The health stock model of the individual

Lecture notes: "Health stock model of demand"

* Gilleskie, D. [2008], "Health Capital: Theory and Empirical Evidence", in Sloan & Kasper [2008]

Grossman, M. [1972], "On the concept of health capital and the demand for health", J. Pol. Econ. 80(2), 223-255

b. Negative inputs: Sedentary lifestyle, substance abuse and malnutrition

Auld, M.C. & L.M. Powell [2006], "The economics of obesity: Research and policy Implications from a Canada-US comparison", in Beach et al. [2006]

* Cawley, J. [2008], "Reefer Madness, Frank the Tank, or Pretty Woman: To what extent do addictive behaviors respond to incentives?", in Sloan & Kasper [2008]

Chaloupka, F.J. & H. Wechsler [1997], "Price, tobacco control policies and smoking among young adults", J. Health Econ. 16, 359-373

* Eisner, M.D. et al. [1998], "Bartenders' Respiratory Health after Establishment of Smoke-Free Bars and Taverns", JAMA 280(22), 1909-1914

Grossman, M. & F.J. Chaloupka [1998], "The demand for cocaine by young adults: a rational addiction approach", J. Health Econ. 17, 427-474

Pacula, R.L. [1998], "Does increasing the beer tax reduce marijuana consumption", J. Health Econ. 17, 557-585

* Sander, B. & R. Bergemann [2003], "Economic burden of obesity and its complications in Germany", Eur. J. Health Econ. 4, 248-253

2. Demand for health insurance

a. Individual's health insurance demand

* Lecture notes: "Health insurance"

Arrow, K.J. [1963], "Uncertainty and the welfare economics of medical care",
Amer. Econ. Rev. 53(5), 941-973

* The Economist [1995], "Economics focus: An insurer's worst nightmare", July, 70
Files, A. & M. Murray [1995], "German risk structure compensation: Enhancing
equity and effectiveness", Inquiry 32, 300-309

* Pauly, M.V. [2008], "Adverse selection and moral hazard: Implications for Health
Insurance Markets" in Sloan & Kasper [2008]

b. Single-payer and multi-payer health insurance systems

* Emery, J.C.H. & K. Gerrits [2006], "The demand for private health insurance in
Alberta in the presence of a public alternative", in Beach et al. [2006]

Gordon, M. et al. [1998], "Funding Canada's health care system: a tax-based alternative
to privatization", CMAJ 159(5), 493-496 (plus discussion, 497-501)

Herndon, J.B. [2002], "Health insurer monopsony power: The all-or-none model",
J. Health Econ. 21, 197-206

* Hussey, P. & G.F. Anderson [2003], "A comparison of single- and multi-payer health
insurance systems and options for reform", Health Policy 66, 215-228

* Newhouse, J.P. & A. Sinaiko [2007], "Can multi-payer financing achieve single-payer
spending levels?", Forum for Health Economics & Policy 10(1), Article 2

* Osterkamp, R. [2003], "Public health insurance", Eur. J. Health Econ. 4, 79-84

Stabile, M. & C. Ward [2006], "The effects of delisting publicly funded health-care
services", in Beach et al. [2006]

Woolhandler, S. & D.U. Himmelstein [2002], "Paying for national health insurance –
And not getting it", Health Affairs 21(4), 88-98

3. Physician as patient's agent

* Lecture notes: "Doctor as patient's agent"

* Cohen, M.M. et al. [1992], "Small-area variations: What are they and what do they
mean?" CMAJ 146(4), 467-470

FGS, ch.10

Gravelle, H., M. Dusheiko & M. Sutton [2002], "The demand for elective surgery in a
Public system: Time and money prices in the UK National Health Service",
J. Health Econ. 21, 423-449

Mooney, G. & M. Ryan [1993], "Agency in health care: getting beyond first
principles", J. Health Econ. 12, 125-135

Olajide, D. & M. Sutton [2008], "An empirical test of physician altruism", paper
presented at HESG UK, Norwich, 9-11 January 2008

* Wyke, S. et al. [2003], "Should general practitioners purchase health care for their
patients? The total purchasing experiment in Britain", Health Policy 65, 243-259

Part C: Supply side

4. Physicians and nurses

a. Motivation and financial incentives: Physician as payer's agent

* Lecture notes: "Doctor as payer's agent"

FGS, ch.10,15

Alvarez, R. et al. [2002], "Planning for Canada's health workforce: Looking back, looking forward", Healthcare Papers 3(2), 12-26

* Bodenheimer, T., B. Lo & L. Casalino [1999], "Primary care physicians should be coordinators, not gatekeepers", JAMA 281(21), 2045-2049

Casalino, L.P. [1992], "Balancing incentives: How should physicians be reimbursed?", JAMA 267(3), 403-405

* Golden, B.R. & F.A. Sloan [2008], "Physician pay for performance: Alternative Perspectives", in Sloan & Kasper [2008]

* Gosden, T. et al. [2003], "Paying doctors by salary: a controlled study of general practitioner behaviour in England", Health Policy 64(3), 415-423

* McGuire, T.G. [2008], "Physician fees and behavior: Implications for structuring a fee schedule", in Sloan & Kasper [2008]

Reinhardt, U.E. [1999], "The Economist's Model of Physician Behavior", JAMA 281(5), 462-465

Rice, T.H. & R.J. Labelle [1989], "Do physicians induce demand for medical services?", J. Health Politics, Policy and Law 14(3), 213-218

Stearns, S.C. et al. [1992], "Physician responses to fee-for-service and capitation payment", Inquiry 29(Winter), 416-425

b. Physician practice organization and its role in health care system

* Lecture notes: "Practice organization and input markets"

FGS, ch.15

Conrad, D.A. et al. [1998], "Primary care physician compensation method in medical groups", JAMA 279(11), 853-858

Mundinger, M.O., R.L. Kane, E.R. Lenz, A.M. Totten, W.-Y. Tsai, P.D. Cleary, W.T. Friedewald, A.L. Siu & M.L. Shelanski [2000], "Primary care outcomes in patients treated by nurse practitioners or physicians", JAMA 283(1), 59-68

* Perry, J.J. [2009], "The rise and impact of nurse practitioners and physician assistants on their own and cross-occupation incomes", Contemporary Economic Policy 27(4), 491-511

Wilson et al. [2004], Section 2

c. Regulation of the medical profession

* Lecture notes: "Practice organization and input markets"

* Archibald, T. & C.M. Flood [2004], "The Physician Services Committee: The

- Relationship between the Ontario Medical Association and the Ontario Ministry of Health and Long-Term Care”, IRPP Working Paper Series, 2004-03
FGS, ch.16
- * Fihn, S.D. [2000], "The quest to quantify quality", JAMA 283(13), 1740-1742
 - Gostin, L. [2000], "A public health approach to reducing error: Medical malpractice as a barrier", JAMA 283(13), 1742-1743
 - Marjoribanks, T. et al. [1996], "Physicians' Discourses on Malpractice and the Meaning of Medical Malpractice", J. Health and Social Behavior 37, 163-178
 - * Naylor, C.D. [1999], "Reporting medical mistakes and misconduct", CMAJ 160(9), 1323-1324
 - Pauly, M. et al. [2006], "Who pays? The incidence of high malpractice premiums", Forum for Health Economics and Policy 9(1), Article 2

d. Doctor & nurse shortages in Canada

- Chiha, Y.A. & C.R. Link [2003], "The shortage of registered nurses and some new estimates of the effects of wages on registered nurses labor supply: a look at the past and a preview of the 21st century", Health Policy 64(3), 349-375
- Finnie, R. [2001], "The brain drain, myth and reality: What it is and what should be done", School of Policy Studies WP No.13, Queen's University
- Iqbal, M. [1999], "Are we losing our minds? Trends, Determinants and the Role of Taxation in Brain Drain to the United States", DP 265-99, Conference Board of Canada
- * Nasmith, L. [2000], "Licence requirements for international medical graduates: Should national standards be adopted?", CMAJ 162(6), 795-796
- Shields, M.A. & M. Ward [2001], "Improving nurse retention in the National Health Service in England: the impact of job satisfaction on intentions to quit", J. Health Econ. 20, 677-701
- * Shortt, S.E.D., M.E. Green, and C. Keresztes [2005], "Family Physicians for Ontario: An Approach to Production and Retention Policy", Canadian Public Policy 31(2), 207-222
- Zhao, J. [2000], "Brain drain and brain gain: The migration of knowledge workers from and to Canada", Education Quarterly Review 6(3), 8-35
(www.statcan.ca/english/indepth/81-003/feature/eq2000_v06n3_spr_a01_hi.htm)

5. Hospital

a. Hospitals as multi-product firms

- * Lecture notes: "Hospital ownership and behaviour"
FGS, ch. 6,13,14
- Boadway, R., M. Marchand & M. Sato [2005], "An optimal contract approach to hospital financing", J. Health Econ. 25, 479-499
- Bryant, T. [2003], "A critical examination of the hospital restructuring process in Ontario, Canada", Health Policy 64(2), 193-205
- * Gowrisankaran, G. [2008], "Competition, information provision, and hospital quality",

- in Sloan & Kasper [2008]
- McClellan, M. [1997], "Hospital reimbursement incentives: An empirical analysis", J. Economics & Management Strategy 6(1), 91-128
- Norton, E.C. et al. [2002], "Does prospective payment reduce inpatient length of stay?", Health Economics 11, 377-387
- * Roberts, R.R. et al. [1999], "Distribution of Variable vs. Fixed Costs of Hospital Care", JAMA 281(7), 644-649
- * Scholten, G.R.M., & T.E.D. van der Grinten [2002], "Integrating medical specialists and hospitals: The growing relevance of collective organisation of medical specialists for Dutch hospital governance", Health Policy 62, 131-139
- Siciliani, L. [2006], "Selection of treatment under prospective payment systems in the hospital sector", J. Health Econ. 25, 479-499

b. For-profit vs. not-for-profit hospitals

- * Lecture notes: "Hospital ownership and behaviour"
FGS, ch.13
- Deneffe, D. & R.T. Masson [2002], "What do not-for-profit hospitals maximize?", J. Health Econ. 20, 461-492
- Gruber, J. [1994], "The effect of competitive pressure on charity: hospital responses to price shopping in California", J. Health Econ. 13, 183-212
- * Leonard, K.J. et al. [2003], "The effect of funding policy on day of week admissions and discharges in hospitals: the cases of Austria and Canada", Health Policy 63(3), 239-257
- Preyra, C., & G. Pink [2001], "Balancing incentives in the compensation contracts of Nonprofit hospital CEOs", J. Health Econ. 20, 509-525
- Sloan, F.A., G.A. Picone, D.H. Taylor Jr. & S.-Y. Chou [2001], "Hospital ownership and cost and quality of care: is there a dime's worth of difference?", J. Health Econ. 20, 1-21
- * Woolhandler, S. & D.U. Himmelstein [1997], "Costs of care and administration at for-profit and other hospitals in the US", NEJM 336(11), 769-774

d. Hospital waiting lists

- * Lecture notes: "Hospital waiting lists"
- * Bishai, D.M. & H.C. Lang [2000], "The willingness to pay for wait reduction: The disutility of queues for cataract surgery in Canada, Denmark and Spain", J. Health Econ. 19, 219-230
- Cullis, J.G. & P.R. Jones [1986], "Rationing by waiting lists: An implication", Amer. Econ. Rev. 76(1), 250-256
- Cullis, J.G. & P.R. Jones [1985], "National health service waiting lists: A discussion of competing explanations and a policy proposal", J. Health Econ. 4, 119-135
- Davies, R.F. [1999], "Waiting lists for health care: A necessary evil?", CMAJ 160(10), 1469-1470
- Edwards, R.T. [2003], "Clinical and lay preferences for the explicit prioritisation of elective waiting lists: survey evidence from Wales", Health Policy 63(3), 229-237

- Gauld, R. & S. Derrett [2000], "Solving the surgical waiting list problem? New Zealand's 'Booking System'", International Journal of Health Planning and Management 15, 259-272.
- Gravelle, H., M. Dusheiko & M. Sutton [2002], "The demand for elective surgery in a public system: Time and money prices in the UK National Health Service", J. Health Econ. 21, 423-449
- Propper, C., B. Croxson & A. Shearer [2002], "Waiting times for hospital admissions: The impact of GP fundholding", J. Health Econ. 21, 227-252
- * Street, A. & S. Duckett [1996], "Are waiting lists inevitable?", Health Policy 36, 1-15.

e. Emergency department in a hospital

- * Lecture notes: "Hospital ownership and behaviour"
- * Burnett, M.G. [1996], "Use of the emergency department nonurgent care during regular business hours", CMAJ 154 (9), 1345-1350
- * Lee, A. et al. [2003], "How to minimize inappropriate utilization of Accident and Emergency Departments: improve the validity of classifying the general practice cases amongst the A&E attendees", Health Policy 66(2), 159-168
- Mustard, C.A. et al. [1998], "Emergency department use as a component of total ambulatory care: a population perspective", CMAJ 158(1), 49-55

f. Technology assessment and acquisition

- * Lecture notes: "Evaluation in healthcare"
FGS, ch.6
- Johnson-Masotti, A.P. & K. Eva [2006], "A decision-making framework for the prioritization of health technologies", in Beach et al. [2006]
- * McDaid, D. [2003], "Coordinating health technology assessment in Canada: a European perspective", Health Policy 63(2), 205-213
- Oortwijn, W.J. et al. [2002], "Priority setting for health technology assessment in The Netherlands: Principles and practice", Health Policy 62, 227-242

6. Nursing homes and homecare

- * Lecture notes: "Non-acute care"
- * Ben-Ner, A. & T. Ren [2008], "Does organization ownership matter? Structure and performance in for-profit, nonprofit and local government homes", Sloan Industry Studies Working Papers 2008-08, www.industry.sloan.org/industrystudies/workingpapers
- Chou, S.-Y. [2002], "Asymmetric information, ownership and quality of care: An empirical analysis of nursing homes", J. Health Econ. 21, 293-311
- Denton, M., I.U. Zeytinoglu, S. Davies & D. Hunter [2006], "Where have all the home-care workers gone?", in Beach et al. [2006]
- Knox, K.J. et al. [2003], "Organizational efficiency and quality in Texas nursing facilities", Health Care Management Science 6, 175-188
- * Pizer, S.D. et al. [2002], "Why are hospital-based nursing homes so costly? Relative importance of acuity and treatment setting", Medical Care 40(5), 405-415

- * Soderstrom, L., P. Tousignant & T. Kaufman [1999], “The health and cost effects of substituting home care for inpatient acute care: a review of the evidence”, CMAJ 160(8), 1151-1155

7. Pharmaceuticals

a. Pharmaceuticals policy

- * Lecture notes: “Pharmaceuticals and pharmacare”
FGS, ch.17
- Anis, A.H. [2000], "Pharmaceutical policies in Canada: Another example of federal-provincial discord", CMAJ 162(4), 523-526
- * Pecorino, P. [2002], “Should the US allow prescription drug reimports from Canada?”, J. Health Econ. 21, 699–708
- Rawson, N.S.B. [2000], "Time required for approval of new drugs in Canada, Australia, Sweden, the UK and the US in 1996-1998", CMAJ 162(4), 501-523
- * Sloan, F.A. & C.-R. Hsieh [2008], “The effects of incentives on pharmaceutical Innovation”, in Sloan & Kasper [2008]
- * The Economist [2000], “Pharmaceuticals: Virtual fix?”, July, 62
- * The Economist [1996], “Economics focus: A patent cure-all?”, June, 75

b. Pharmacare

- * Lecture notes: “Pharmaceuticals and pharmacare”
FGS, ch.16
- * Blomqvist, Å. & J. Xu [2003], “Pharmacare in Canada: Issues and Options”, WP 01-01, September, Health Canada, Policy Research Communications Unit
- Laupacis, A. et al. [2002], “Drug Policy: Making effective drugs available without bankrupting the healthcare system”, Healthcare Papers 3(1), 12-30
- Alan, S., T.F. Crossley, P. Grootendorst & M.R. Veall [2002], “The effects of drug subsidies on out-of-pocket prescription drug expenditures by seniors: Regional evidence from Canada”, J. Health Econ. 21, 805-826

Part D: Systemic issues

8. Alternative systems (“... organization, financing and delivery of health services and the role of main actors ... institutional framework, process, content and implementation of health and health care policies ... [WHO])

a. General systemic issues

- * Lecture notes: “Healthcare systems”
FGS, ch. 19-22
- * Bercovici, E. & C.M. Bell [2008], “How busy are private MRI centres in Canada?”, Healthcare Policy 4(2), 59-68

- * Kirby, M.J.L. & W. Keon [2004], “Why competition is essential in the delivery of publicly funded health care services?”, IRPP Discussion Paper Vol. 5, No. 8
- Brouwer, W. et al. [2003], “Should I stay or should I go? Waiting lists and cross-border care in the Netherlands”, Health Policy 63 (3), 289-298
- Buchmueller, T.C. & A. Couffinhal [2004], “Private health insurance in France”, OECD, Health Working Papers No.12.
- Chalkley, M. & J.M. Malcolmson [1996], "Competition in NHS quasi-markets", Oxford Review of Economic Policy 12(4), 89-99
- Docteur, E. & H. Oxley [2003], “Health-Care Systems: Lessons from the reform experience”, OECD, Economics Dept. Working Paper No.374.
- The Economist [2001], “Economics focus: The difference that choice makes”, January, 78
- * Gechert, S. [2009], “Supplementary Private Health Insurance in Selected Countries: Lessons for EU Governments?”, CESIFO Working paper No. 2739
- Gray, B.H. [1993], "Ownership Matters: Health Reform and the Future of Nonprofit Health Care", Inquiry 30, 352-361
- Hoel, M. & E.M. Sæther [2003], “Public health care with waiting time: the role of supplementary private health care”, J. Health Econ. 22, 599-616
- Iversen, T. [1997], "The effect of a private sector on the waiting time in a national health service", J. Health Econ. 16, 381-396
- * Magnussen, J., T.P. Hagen & O.M. Kaarboe [2007], “Centralized or decentralized? A case study of Norwegian hospital reform”, Social Science & Medicine 64, 2129-2137
- Mur-Veeman, I. et al. [2003], “Development of integrated care in England and the Netherlands: Managing across public–private boundaries”, Health Policy 65(3), 227-241
- Rice, D.P. [1998], “The cost of instant access to health care”, JAMA 279(13), 1030
- Xavier, A. [2003], “Hospital Competition, GP Fundholders and Waiting Times in the UK Internal Market: The Case of Elective Surgery”, Int. J. Health Care Finance and Econ. 3, 25–51

b. U.S. health care and reforms

- * Lecture notes: “Healthcare systems”
- * O’Neill, J.E. & D.M. O’Neill [2007], Health Status, Health Care and Inequality: Canada vs.the U.S.” , Forum for Health Economics & Policy 10(1), Article 3
- * Wilensky, H.L. [2009], “U.S. Health Care and Real Health in Comparative Perspective: Lessons from Abroad”, The Forum 7(2), Article 7

9. Inequalities in provision

- * Lecture notes: “Healthcare systems”
- * Allin, S. [2006], Equity in the use of health services in Canada and its provinces”, LSE Health, Working Paper 3/2006
- * Laporte, A. & B.S. Ferguson [2003], “Income inequality and mortality: time series

- Evidence from Canada”, Health Policy 66(1), 107-117
- Marchildon, G.P. [2006], “Regionalization and health services restructuring in Saskatchewan”, in Beach et al. [2006]
- Mitton, C. & C. Donaldson [2002], “Setting priorities in Canadian regional health authorities: A survey of key decision makers”, Health Policy 60, 39-58
- Morrisey, M.A. [1991], "The role of local hospitals in physician rural location decisions", Inquiry 28, 7-18
- Rabinowitz, H.K., J.J. Diamond, F.W. Markham & C.E. Hazelwood [1999], “A program to increase the number of family physicians in rural and underserved areas”, JAMA 281(3), 255-260
- * Rivest, F. et al. [1999], "Access to Physician Services in Quebec: Relative Influence of Household Income and Area of Residence", Canadian Public Policy 25(4), 453-481
- Stensland, J. & T. Stinson [2002], “Successful physician-hospital integration in rural areas”, Medical Care 40(10), 908-917
- Williamson, D.L. et al. [2003], “Implementation of provincial/territorial health goals in Canada”, Health Policy 64(2), 173-191

10. Non-acute care: Prevention and chronic disease management

- * Lecture notes: “Non-acute care”
FGS, ch. 5,23,24
- * Ainsworth, M., et al. [2003], “AIDS and public policy: the lessons and challenges of ‘success’ in Thailand”, Health Policy 64, 13-37
- Auld, M.C. [2003], “Choices, beliefs, and infectious disease dynamics”, J. Health Econ. 22(3), 361-377
- Breslow, L. [1999], "From disease prevention to health promotion", JAMA 281(11), 1030-1033
- Capen, K. [1996], "Prevention should be the preferred insurance program for all physicians", CMAJ 154(9), 1385-1389
- * The Economist [2003], “Economics focus: Epidemics and economics”, April, 69
- Laupacis, A. [1996], "Preventive therapies: Weighing the pros and cons", CMAJ 154(10), 1510-1513
- Marshall, K.G. [1996], "Prevention", Parts 1-4", CMAJ 154(10), 154(12), 155(3), 155(4)
- Pink, G.H. & Leatt, P. [2003], “The use of ‘arms-length’ organizations for health system change in Ontario, Canada: some observations by insiders”, Health Policy 63(1), 1-15
- * Pronk, N.P., M.J. Goodman, P.J. O'Connor & B.C. Martinson [1999], "Relationship Between Modifiable Health Risks and Short-term Health Care Charges", JAMA 282(23), 2235-2239
- * Rosen, R. [2007], “Developing chronic disease policy in England”, in Dorland & McColl

READINGS

The course will be based on lecture notes supplemented by articles.

The textbook

F.A. Sloan & H. Kasper (eds.), Incentives and Choice in Health Care, MIT Press, 2008
(NB This is an **e-book** and Stauffer just purchased a copy. Chapters 3,5,7,9-12 are required readings.)

Recommended books

S. Folland, A.C. Goodman & M. Stano, The Economics of Health and Health Care,
5th ed., 2007, Prentice-Hall. (FGS)
F.A. Sloan & L.M. Chepke, Medical Malpractice, MIT Press, 2008

The following are recommended for those interested in latest Canadian reforms:

LHINs in Ontario <http://www.lhins.on.ca/home.aspx?LangType=4105>
C. Beach, R.P. Chaykowski, S. Shortt, F. St-Hilaire & A. Sweetman (eds.), Health Services Restructuring in Canada: New Evidence and New Directions, 2006, McGill-Queen's Univ. Press
J. Dorland & M.A. McColl (eds.), Emerging Approaches to Chronic Disease Management in Primary health Care, 2007, McGill-Queen's Univ. Press
R. Wilson, S.E.D. Shortt & J. Dorland (eds.), Implementing Primary Care Reform, 2004, McGill-Queen's Univ. Press

EVALUATION

3 assignments (due weeks 4, 8, 12 on 2pm, Friday)	20%
2 midterm tests (Thursdays, 6 th and 10 th weeks)	30%
Final exam	50%