# Health Economics

## Professor Elenka Brenna; Professor Elena Cottini

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The aim of the course is to offer the basic theoretical references for analysing health economics and the health sector, and to provide the tools for analysing the efficiency and equity objectives that characterise the health sector. The following topics will be dealt with: i) the demand and supply of health services; ii) the tools of microeconomic theory applicable to the health goods and services market; iii) public intervention in the health services market; iv) the functioning of the National Health Service; v) the structure of health systems in the main OECD countries; and vi) efficiency and equity in access to health services.

At the end of the course, students will be able to:

* 1. know the main economic models of reference for the health economy.
	2. apply their acquired knowledge to understanding the mechanisms that regulate the demand and supply of health services.
	3. rigorously and critically evaluate the costs and effectiveness of health programmes and services.
	4. use an appropriate technical language that allows them to clearly communicate their knowledge to a specialised and non-specialised public.
	5. apply skills that will enable them to independently analyse complex issues concerning health economics.

***COURSE CONTENT***

The course will start off with the concept of health as an economic good. Using microeconomic instruments, the course examines the concepts of demand for health, production of healthcare as the by-product of individual and collective decisions (with the study of the Grossman Model), and the relationship between health and economic growth, population ageing and related expenditure. Drawing on the theory of uncertainty and expected utility, the course describes the inefficiencies linked to health insurance, in particular, the issues of moral hazard and adverse selection.

The study of theory concludes with a review of role of regulatory intervention so to determine the efficient allocation of resources in the healthcare sector, with an examination of the equity-efficiency trade-off, the presence of externalities, the concepts of public, private and merit goods, and the structural excess of demand in healthcare. The institutional part regards a comparison of healthcare models for leading OECD countries, and the creation and development of the National Healthcare Service in Italy.

***READING LIST***

The course contents are based on the following textbook:

Folland-Sherman-Allen-C. Goodman-Miron Stano, *The Economics of Health and Health Care,* Pearson Prentice Hall, Upper Saddle River (4th, 5th or 6th edition).

More detailed information on the in-depth materials used during the course will be indicated on the course Blackboard page.

***TEACHING METHOD***

Frontal lectures.

***ASSESSMENT METHOD AND CRITERIA***

The exam is written and lasts 1 hour and 30 minutes. It’s divided into two parts (related to the modules of each lecturer) each consisting of an open-ended question organised in sub-points that will contribute 22 marks out of 30, and a closed-ended question requiring a motivated answer that will contribute the remaining 8 marks.

The overall grade will be made by the arithmetic average of the marks obtained in the two parts. No mid-term test or different assessment methods are contemplated for attending students. Further details – also depending on the evolution of the pandemic situation – will be provided on lecturers’ webpage or on their Blackboard courses.

***NOTES AND PREREQUISITES***

In case the current Covid-19 health emergency does not allow frontal teaching, remote teaching will be carried out following procedures that will be promptly notified to students.

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG, or on the Faculty notice board.