

## **ECON 3523: Health Economics**

### **Fall 2025**

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**Instructor:** Judith Liu

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**Office:** Cate Center One 430

**Office Hours:** Tue/Thu 1:00–2:00 PM

**Class Location:** Cate Center One 174

**Class Times:** Tue/Thu 3:00–4:15 PM

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### **Course Description**

Health economics is the systematic application of economic theory and empirical principles to issues related to health. In this class, we will study health care as a commodity, demand for health and health care, economic behavior of health care providers, the functioning of health insurance markets, and government intervention in health care provision. There will be an emphasis on the health care market in the United States. We will also look to the health care systems of other countries for information on their practices and for potential insights on the policy issues. Other timely topics such as public health crises and population aging will also be discussed.

### **Learning Outcomes**

Upon successful completion of this course, students will be able to:

- Analyze economic models that apply to health and health care.
- Understand the potential role of government on health insurance coverage, health care access, and health behaviors.
- Comprehend the institutional features of the health care market and current trends in this rapidly changing field.
- Evaluate and interpret empirical findings in health economics.
- Apply your understanding of economics to current healthcare reform and policy.

### **Course Materials**

- The textbook for the course is *The Economics of Health and Health Care* (8<sup>th</sup> or 9<sup>th</sup> ed.), by Folland, Goodman, Stanp, and Danagouliau (Routledge).
- Lecture slides and supplemental materials are available on Canvas (<http://canvas.ou.edu>).

### **Course Prerequisites**

ECON 1113 and ECON 1123 with a grade of C or higher.

## **Course Requirements**

The grading is based on the following components: exams (45%), homework assignments (20%), country project (10%), final paper (15%), and in-class exercises (10%).

### **1. Exams (45%)**

There will be three exams, each accounting for 15% of your overall course grade.

#### ***Exam Dates:***

Exam 1: Thursday, September 25

Exam 2: Thursday, October 30

Exam 3: Tuesday, December 2

#### ***Policy on Missing an Exam:***

There will be **no makeup exams** without acceptable documentation showing you have a legitimate excuse for missing the exam. These reasons include illness, family-related issues/emergencies, and required participation in a university-sanctioned event. Students who need to miss an exam must let me know in advance.

### **2. Homework Assignments (20%)**

There will be six homework assignments. The lowest of the scores on the six assignments will be dropped. See the class schedule for due dates of the homework assignments.

#### ***Policy on Homework Assignments:***

Homework assignments will be posted on Canvas one week before the due date. Students will be expected to turn in their work on Canvas on its due date and time. Homework submitted via e-mail or dropped off to my department mailbox will not be accepted. Answer keys will be provided on Canvas one day following the due date.

#### ***Late Work:***

Late work will be accepted with a **40% penalty** but **will not be accepted one day following the due date**. Work submitted more than 10 minutes after the deadline is considered late.

### **3. Country project (10%)**

This project is designed to address the topic of healthcare systems and to challenge students to engage in learning about international settings while reflecting on the U.S. healthcare system discussed in class. Each student will deliver a 10-minute in-class presentation on the healthcare system of a chosen country. More details will be posted on Canvas.

### **4. Final paper (15%)**

This is an individual project designed to address Part 4: Special Topics. You will choose *a health policy of your interest* and write an approximately 6-page policy brief for an audience that includes policymakers, legislators, or other non-academics. In your brief, you will introduce the institutional background of the policy, analyze the impact of the policy, and make

a recommendation based on the economic theories and methods used in this course. More details will be posted on Canvas.

***Key Due Dates:***

Proposal: November 6

Presentation (10 minutes; in-class): December 9 and 11

Final paper: December 17 (final exam date)

**5. In-class exercises (10%)**

These active learning activities will take place in class and will be participatory in nature. Each will be worth 1 point, and there will be approximately 12 of them. Students can therefore miss 2 of them and still receive the full 10 points available. Therefore, **no makeup points** will be provided for any reason due to absence.

**Final Grade Calculation**

At the end of the course, I will compute a final percentage grade based on component percentages of each grade category using the weights given above. I will then convert this final percentage grade into letter grades according to the following scale:

Grade	Percentage
A	90-100
B	80-89
C	70-79
D	60-69
F	<60

Please note that grading is on an absolute scale. You must reach the threshold to receive the grade. No extra credit work will be given.

### Course Schedule (Tentative)

*This course schedule is tentative. Some topics might be expanded or omitted to best fit the students' interests. Explicit announcements of the changes will be made in class.*

Week	Date	Topic	Reading	Due
<b>Part 1: Economic View of Health and Health Care</b>				
1	Aug 26 (Tue)	Introduction	Syllabus	
	Aug 28 (Thu)	Why health economics	FGS Ch. 1	Get to know you
2	Sep 2 (Tue)	Review of economic tools	FGS Ch. 2	
	Sep 4 (Thu)	Demand for health	FGS Ch. 7	
3	Sep 9 (Tue)	Demand for health	FGS Ch. 7	
	Sep 11 (Thu)	Demand for health care	FGS Ch. 9	HW1
4	Sep 16 (Tue)	Demand for health care	FGS Ch. 9	
	Sep 18 (Thu)	Supply of health care	FGS Ch. 6	
5	Sep 23 (Tue)	Supply of health care/Review	FGS Ch. 6	HW2
	Sep 25 (Thu)	<b>Exam 1</b>		
<b>Part 2: Information and Insurance Markets</b>				
6	Sep 30 (Tue)	Health insurance	FGS Ch. 8	
	Oct 2 (Thu)	Demand and supply of insurance	FGS Ch. 8	
7	Oct 7 (Tue)	Demand and supply of insurance	FGS Ch. 8	Country project topic
	Oct 9 (Thu)	Asymmetric information	FGS Ch. 10	HW3
8	Oct 14 (Tue)	Organization of health insurance markets	FGS Ch. 11	
	Oct 16 (Thu)	Organization of health insurance markets	FGS Ch. 11	
9	Oct 21 (Tue)	Healthcare systems	FGS Ch. 21	HW4
	Oct 23 (Thu)	Healthcare systems	FGS Ch. 21	Country project presentation
10	Oct 28 (Tue)	Review		
	Oct 30 (Thu)	<b>Exam 2</b>		
<b>Part 3: Social Insurance and Health System</b>				
11	Nov 4 (Tue)	Government intervention	FGS Ch. 19	
	Nov 6 (Thu)	Government intervention	FGS Ch. 23	Final paper proposal
12	Nov 11 (Tue)	Social insurance	FGS Ch. 20	
	Nov 13 (Thu)	Social insurance	FGS Ch. 20	HW5
13	Nov 18 (Tue)	Health system reform	FGS Ch. 22	
	Nov 20 (Thu)	Health system reform/Review	FGS Ch. 22	
14	Nov 25 (Tue)	Special Topics/Discussions	Reading	HW6
	Nov 27 (Thu)	No class (Happy Thanksgiving!)		
<b>Part 4: Special Topics</b>				
15	Dec 2 (Tue)	<b>Exam 3</b>		
	Dec 4 (Thu)	Special Topics/Discussions	Reading	
16	Dec 9 (Tue)	Student presentations		Presentation
	Dec 11 (Thu)	Student presentations		Presentation
17	Dec 17 (Wed)	<b>Final paper</b>		Final paper

Note: "FGS" stands for "Folland, Goodman, and Stano"

## **Additional Policies**

### **Canvas/Email Communication**

Class materials are available on Canvas. Email communication will be via your OU account. You are responsible for checking them regularly.

### **Classroom Conduct**

Please keep the distractions to a minimum. Late arrivals should be an exception, NOT a regular occurrence. If you are late, please sit towards the back of the classroom. If you must leave early, please notify me prior to the start of class, sit near the door and try to be as quiet as possible when leaving. Please try to use the bathroom before class. If you must leave during class, please do so as quietly as possible. Please turn off your cell phones before class and before a quiz or exam.

Please show respect and courtesy to one another. Absolutely no rude/disparaging remarks directly at a classmate will be tolerated. Learning the subject matter of economics frequently leads to open discussions of controversial issues. The classroom is a place to respect all students' views on these topics, even those that differ from your own.

### **Attendance**

In order to fully benefit from our class activities, you are expected to attend class and actively participate in the exercises and discussions. You should ask questions in class and feel free to quietly talk about the material being covered with those sitting close to you during class meetings. However, you should not let any of those conversations reach a level where they bother others around you and you should not talk about things unrelated to the material being covered. All laptops, I-pads, phones, and so on can be used during class. However, they should be used to enhance learning – not for other activities. In all cases, activities distracting others will be immediately dealt with. In cases of illness, please contact me in advance to make alternative arrangements before the class you miss.

### **Office Hours**

Students attending office hours should be prepared. You should attempt the homework on your own before coming to office hours. If you miss class for any reason, you should borrow notes from a classmate and read the textbook to catch up. After you have taken these steps to prepare, I am happy to help you during my office hours.

### **Appealing a Grade**

Grades are posted on Canvas. I encourage you to check your grades regularly to make sure they are recorded correctly. If you find an error, you must see me with the graded assignment/exam before I make the correction. You have **one week from the day an assignment/exam is returned in class** to bring an error to my attention. Beyond this point, the grade will not be changed.

### **Academic Integrity**

All students are expected to conform to college-level standards of ethics, academic integrity, and academic honesty. By enrolling in this course, you agree to be bound by OU's Academic Integrity Code. For further clarification please see the [Student's Guide to Academic Integrity](#).

All members of the community recognize the necessity of being honest with themselves and with others. Cheating in class, plagiarizing, lying and employing other modes of deceit diminish the integrity of the educational experience. None of these should be used as a strategy to obtain a false sense of success. The need for honest relations among all members of the community is essential. In accordance with the OU academic-integrity policy, the following are course-specific rules:

- **Exam Policy:**  
Exams are closed book. Communication between students during an exam is prohibited. Only non-programmable calculators may be used for an exam. Students cannot share calculators during an exam. Cell phones should not be on a student's desk or taken out for any reason while a student is taking an exam. Students are allowed to have ONLY pens/pencils and calculators on desk while taking an exam.
- **Homework Policy:**  
I encourage students to work together and help one another. However, I expect each student to contribute and not simply copy the work of another student. Keep in mind—many of the exam questions will be similar to homework problems. It is in your best interest to understand every question on the homework.
- Students are not allowed to distribute any class notes or course materials I provide without my written approval.

Any violation of the above rules will result in serious course sanctions (*up to and including failure of the course*). In addition, all violations will be reported to the Academic Integrity Office.

### **Generative AI Policy**

To ensure meaningful learning, all assignments in this course are meant to reflect your own ideas and work. Generative AI tools may be used for limited purposes, such as gathering background information or brainstorming, but they should not be used to complete homework assignments or writing final papers. Any inappropriate use of AI in graded work will be treated as a violation of academic integrity.

### **Religious Observances**

It is the policy of the University to excuse the absences of students that result from religious observances and to reschedule examinations and additional required classwork that may fall on religious holidays, without penalty.

### **Reasonable Accommodation Policy**

The Accessibility and Disability Resource Center is committed to supporting students with disabilities to ensure that they are able to enjoy equal access to all components of their education. This includes your academics, housing, and community events. If you are experiencing a disability, a mental/medical health condition that has a significant impact on one or more life functions, you can receive accommodations to provide equal access. Possible disabilities include, but are not limited to, learning disabilities, AD(H)D, mental health, and chronic health. Additionally, we support students with temporary medical conditions (broken wrist, shoulder surgery, etc.) and pregnancy. To discuss potential accommodations, please contact the ADRC at 730 College Avenue, (ph.) 405.325.3852, or [adrc@ou.edu](mailto:adrc@ou.edu)

### **Title IX Resources and Reporting Requirement**

Anyone who has been impacted by gender-based violence, including dating violence, domestic violence, stalking, harassment, and sexual assault, deserves access to resources so that they are supported personally and academically. The University of Oklahoma is committed to offering resources to those impacted, including: speaking with someone confidentially about your options, medical attention, counseling, reporting, academic support, and safety plans. If you would like to speak with someone confidentially, please contact [OU Advocates](#) (available 24/7 at 405-615-0013) or another confidential resource (see [“Can I make an anonymous report?”](#)). You may also choose to report gender-based violence and discrimination through other means, including by contacting the [Institutional Equity Office](#) ([ieo@ou.edu](mailto:ieo@ou.edu), 405-325-3546) or police (911). Because the University of Oklahoma is committed to the safety of you and other students, I, as well as other faculty, Graduate Assistants, and Teaching Assistants, are mandatory reporters. This means that we are obligated to report gender-based violence that has been disclosed to us to the Institutional Equity Office. This includes disclosures that occur in: class discussion, writing assignments, discussion boards, emails and during Student/Office Hours. For more information, please visit the [Institutional Equity Office](#).

### **Adjustments for Pregnancy/Childbirth Related Issues**

Should you need modifications or adjustments to your course requirements because of documented pregnancy-related or childbirth-related issues, please contact your professor or the Accessibility and Disability Resource Center at 405/325-3852 as soon as possible. Also, see the Institutional Equity Office [FAQ on Pregnant and Parenting Students’ Rights](#) for answers to commonly asked questions.

### **Final Exam Preparation Period**

Pre-finals week will be defined as the seven calendar days before the first day of finals. Faculty may cover new course material throughout this week. For specific provisions of the policy please refer to OU’s [Final Exam Preparation Period policy](#).

### **Emergency Protocol**

During an emergency, there are official university [procedures](#) that will maximize your safety.

**Severe Weather:** If you receive an OU Alert to seek refuge or hear a tornado siren that signals severe weather.

1. Look for severe weather refuge location maps located inside most OU buildings near the entrances.
2. Seek refuge inside a building. Do not leave one building to seek shelter in another building that you deem safer. If outside, get into the nearest building.
3. Go to the building’s severe weather refuge location. If you do not know where that is, go to the lowest level possible and seek refuge in an innermost room. Avoid outside doors and windows.
4. Get in, Get Down, Cover Up
5. Wait for official notice to resume normal activities.

Additional [Weather Safety Information](#) is available through the Department of Campus Safety.

### **Armed Subject/Campus Intruder**

If you receive an OU Alert to shelter-in-place due to an active shooter or armed intruder situation or you hear what you perceive to be gunshots: 1. *Avoid*: If you believe you can get out of the area WITHOUT encountering the armed individual, move quickly towards the nearest building exit, move away from the building, and call 911. 2. *Deny*: If you cannot flee, move to an area that can be locked or barricaded, turn off lights, silence devices, spread out, and formulate a plan of attack if the shooter enters the room. 3. *Defend*: As a last resort fight to defend yourself. For more information, visit [OU's Emergency Preparedness site](#).

### **Shots Fired on Campus Procedure – Video**

### **Fire Alarm/General Emergency**

If you receive an OU Alert that there is danger inside or near the building, or the fire alarm inside the building activates: 1. *LEAVE* the building. Do not use the elevators. 2. *KNOW* at least two building exits 3. *ASSIST* those that may need help 4. *PROCEED* to the emergency assembly area 5 *ONCE safely outside, NOTIFY first responders of anyone that may still be inside building due to mobility issues*. 6. *WAIT* for official notice before attempting to re-enter the building.

### **OU Fire Safety on Campus**

### **Mental Health Support Services**

If you are experiencing any mental health issues that are impacting your academic performance, counseling is available at the University Counseling Center (UCC). The Center is located on the second floor of the Goddard Health Center, at 620 Elm Rm. 201, Norman, OK 73019. To schedule an appointment call (405) 325-2911. For more information, please visit [University Counseling Center](#).