

Term 3, Spring 2013/14

Course Description

This is a half-credit course in health economics. We will survey topics in both demand-side and supply-side health economics. Major topics to be covered include the demand for health, determinants of health, the economics of health behaviors, health insurance, and the supply of health care services.

I. Introduction

Arrow, K (1963) "Uncertainty and the Welfare Economics of Medical Care" American Economic Review

Fuchs V (1996) "Economics, values, and health care reform" American Economic Review

Fuchs, V (2000) "The Future of Health Economics" Journal of Health Economics

II. The Demand for Health

Grossman, M (1972) "On the Concept of Health Capital and the Demand for Health" Journal of Political Economy

Dardanoni, V and A Wagstaff (1987) "Uncertainty, Inequalities in Health and the Demand for Health" Journal of Health Economics

Ehrlich, I and H Churra (1990) "A model of the demand for longevity and the value of life extension" Journal of Political Economy

Grossman, M (2004) "The demand for health, 30 years later: a very personal retrospective and prospective reflection" Journal of Health Economics

Leibowitz, A (2004) "The demand for health and health concerns after 30 years" Journal of Health Economics

III. The Determinants of Health

Health Endowment

Rosenzweig, M and P Schultz (1983) "Estimating a Household Production Function: Heterogeneity, the Demand for Health Inputs, and Their Effects of Birth Weight" Journal of Political Economy

Barker, D (1990) "The Fetal and Infant Origins of Adult Disease" British Medical Journal

Evans, W and J Ringel (1999) "Can Higher Cigarette Taxes Improve Birth Outcomes" Journal of Public Economics

Lien, D and W Evans (2005) “Estimating the Impact of Large Cigarette Tax Hikes: The Case of Maternal Smoking and Infant Birth Weight” *Journal of Human Resources*

Almond, D, K Chay and David Lee (2005) “The Costs of Low Birth Weight” *Quarterly Journal of Economics*

Almond, D and B Mazumder (2005) “The 1918 Influenza Pandemic and Subsequent Health Outcomes: An Analysis of SIPP Data” *American Economic Review: Papers and Proceedings*

Almond, D (2006) “Is the 1918 Influenza Pandemic Over? Long-term Effects of In Utero Influenza Exposure in the Post-1940 U.S. Population” *Journal of Political Economy*

Almond, D, L Edlund, and M Palme (2009) “Chernobyl’s Subclinical Legacy: Prenatal Exposure to Radioactive Fallout and School Outcomes in Sweden” *The Quarterly Journal of Economics*

Almond, D and J Currie (2011) “Killing Me Softly: The Fetal Origins Hypothesis” *Journal of Economic Perspectives*

Almond, D and B Mazumder (2011) “Health Capital and the Prenatal Environment: The Effect of Ramadan Observance During Pregnancy” *American Economic Journal: Applied Economics*

Almond, D, H Hoynes, and D Schanzenbach (2011) “Inside the War on Poverty: The Impact of Food Stamps on Birth Outcomes” *Review of Economics and Statistics*

#### The Intergenerational Transmission of Health

Ahlburg, D (1998) “Intergenerational Transmission of Health” *American Economic Review: Papers and Proceedings*

Bhalotra S and S Rawlings (2010) “Intergenerational persistence in health in developing countries: The penalty of gender inequality?” *Journal of Public Economics*

Almond, D, J Currie, and M Herrmann (2013) “From Infant to Mother: Early Disease Environment and Future Maternal Health” *Labour Economics*

#### Health—Environment Interactions in the Production of Later Health

Currie, Jane and Rosemary Hyson (1999) “Is the Impact of Health Shocks Cushioned by SES? The Case of Birth weight” *American Economic Review: Papers and Proceedings*

Currie, J and E Moretti (2007) “Biology as Destiny? Short and Long Run Determinants of Intergenerational Transmission of Birth Weight” *Journal of Labor Economics*

Bhalotra, S and S Rawlings (2012) “Gradients of the Intergenerational Transmission of Health in Developing Countries” *Review of Economics and Statistics*

Case, A, D Lubotsky, and C Paxson (2002) “Economic Status and Health in Childhood: The Origins of the Gradient” *American Economic Review*

#### Education and Health

Currie, J and E Moretti (2003) “Mother’s Education and the Intergenerational Transmission of Human Capital: Evidence from College Openings” *Quarterly Journal of Economics*

Lleras-Muney, A (2005) "The Relationship Between Education and Adult Mortality in the U.S.," Review of Economic Studies

Kenkel, D (1991) "Health Behavior, Health Knowledge and Schooling" Journal of Political Economy

Cutler, D and A Lleras-Muney (2010) "Understanding Differences in Health Behavior by Education" Journal of Health Economics

### Pollution

Currie, J and Neidell, M (2005) "Air Pollution and Infant Health: What Can We Learn from California's Recent Experience?" Quarterly Journal of Economics

Currie, J, M Neidell, and J Schmieder (2009) "Air Pollution and Infant Health: Lessons from New Jersey" Journal of Health Economics

Chay, K and M Greenstone (2003) "The Impact of Air Pollution on Infant Mortality: Evidence from Geographic Variation in Pollution Shocks Induced by a Recession" Quarterly Journal of Economics

Neidell, M (2004) "Air Pollution, Health, and Socio-Economic Status: The Effect of Outdoor Air Quality on Asthma Exacerbation in Children" Journal of Health Economics

Neidell, M (2009) "Information, Avoidance Behavior, and Health: The Effect of Ozone on Asthma Hospitalizations" Journal of Human Resources

Moretti, E and M Neidell (2011) "Pollution, Health, and Avoidance Behavior: Evidence from the Ports of Los Angeles" Journal of Human Resources

### Business Cycles

Ruhm, C (2000) "Are Recessions Good for Your Health?" Quarterly Journal of Economics

## IV. Health Insurance

### Adverse Selection

Akerlof, G (1970) "The Market for 'Lemons': Quality Uncertainty and the Market Mechanism" Quarterly Journal of Economics

Wilson, C (1979) "Equilibrium and Adverse Selection" American Economic Review

Cutler, D and S Reber (1998). "Paying for health insurance: the tradeoff between competition and adverse selection" Quarterly Journal of Economics

Buchmueller, T and J DiNardo (2002) "Did Community Rating Induce an Adverse Selection Death Spiral? Evidence from New York, New Jersey, and Pennsylvania," American Economic Review

### Moral Hazard

Pauly, M (1968). "The economics of moral hazard: a comment" American Economic Review

Feldstein, M (1973) "The Welfare Loss of Excess Health Insurance," Journal of Political Economy

Feldman, R and B Dowd (1991) “A New Estimate of the Welfare Loss of Excess Health Insurance” American Economic Review

Manning, W, J Newhouse, N Duan, E Keeler, and A Leibowitz (1987) “Health Insurance and the Demand for Medical Care: Evidence from a Randomized Experiment” American Economic Review

Nyman, J (1999) “The Economics of Moral Hazard Revisited” Journal of Health Economics  
Health Insurance and the Labor Market

Summers, L (1989) “Some Simple Economics of Mandated Benefits” American Economic Review

Gruber, J (1994) “The Incidence of Mandated Maternity Benefits” American Economic Review

Cutler D and B Madrian (1998) “Labor Market Responses to Rising Health Insurance Costs: Evidence on Hours Worked” RAND Journal of Economics

Olson, C (2002) “Do Workers Accept Lower Wages in Exchange for Health Benefits” Journal of Labor Economics

Baicker K and A Chandra (2006) “The Labor Market Effects of Rising Health Insurance Premiums,” Journal of Labor Economics

#### Public Health Insurance

Cutler, D and J Gruber (1996) “The Effect of Medicaid Expansions on Public Insurance, Private Insurance and Redistribution” American Economic Review: Papers and Proceedings

Cutler, D and J Gruber (1996) “Does Public Insurance Crowd out Private Insurance?” Quarterly Journal of Economics

Currie, J and J Gruber (1996) “Saving Babies: The Efficacy and Cost of Recent Changes in the Medicaid Eligibility of Pregnant Women” Journal of Political Economy

#### V. Supply of Health Care Services

##### Physicians

Reinhardt, U (1985) “The Theory of Physician Induced Demand: Reflections After a Decade” Journal of Health Economics

Farley, P (1986) “Theories of the Price and Quantity of Physician Services: A Synthesis and Critique” Journal of Health Economics

Rizzo, J and R Zeckhauser (1990) “Advertising and Entry: The Case of Physician Services” Journal of Political Economy

Rizzo, J and R Zeckhauser (1992) “Advertising and the Price, Quantity, and Quality of Primary Care Physician Services” The Journal of Human Resources

Currie, J, J Gruber, and M Fisher (1995) “Physician Payment and Infant Mortality: Evidence from Medicaid Fee Policy.” American Economic Review: Papers and Proceedings

Gruber, J and M Owings (1996) "Physician Financial Incentives and the Diffusion of C-Section Delivery" Rand Journal of Economics

Kessler, D and M McClellan (1996) "Do Doctors Practice Defensive Medicine?" Quarterly Journal of Economics

### Hospitals

Becker, E and F Sloan (1985) "Hospital Ownership and Performance" Economic Inquiry

Kessler, D and M McClellan (2000) "Is Hospital Competition Socially Wasteful?" Quarterly Journal of Economics

Duggan, M (2000) "Hospital Ownership and Public Medical Spending." Quarterly Journal of Economics

Dafny, L (2005) "How Do Hospitals Respond to Price Changes?" American Economic Review