Module 4

The Economics of Health Care Systems

Module Workbook

2017-2018 academic year
Module 4 (ECO00051M)

The Economics of Health Care Systems

Module Workbook

2017 - 2018 academic year

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Structure of the distance learning programmes

- **Module 1**
  Basic Economic Concepts

- **Module 2**
  Health Economics: Concepts and Analysis

- **Module 3**
  Introduction to Health Care Evaluation

- **Module 4**
  The Economics of Health Care Systems

- **Module 5**
  Statistics for Health Economics

- **Module 6**
  Further Topics in Economic Evaluation

- **Module 7**
  Assessing the Impact of Medical Technologies on Health

- **Module 8**
  Outcome Measurement and Valuation

- **Module 9**
  Decision Analysis for Health Technology Assessment

PG Certificate

PG Diploma

MSc
STRUCTURE OF MODULE 4: The Economics of Health Care Systems

Unit 4.1
Overview of Health Care Systems

Unit 4.2
Raising Funds for Collective Health Care

Unit 4.3
Fund Pooling

Unit 4.4
Health Care Purchasing

Unit 4.5
Health Care Provision

Unit 4.6
Comparing Health Care Systems
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History of updates:

- Unit 4.6 was updated by John Nixon and Peter West in 2008.
- Unit 4.2 was updated by Matthew Bending in 2011.
- All sections were re-written in 2012 by John Nixon, Padraic Ward, Adriana Castelli and Paul Revill, to incorporate developing countries and introduce new material on international comparisons.

This workbook is produced using \LaTeX at the Department of Economics and Related Studies, University of York. The following \LaTeX packages are also used: \texttt{epsfig, rotating, latexsym, amssymb, escape, setspace, notepage, varioref, boxedminipage, enumerate, afterpage, titlesec, titletoc, latexcad, fancybox, epic, eepic, epsf, rotate, caption, psfont}. Sincere thanks to all of those who make this software and the associated packages freely available.
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Guide to Module 4

Learning aims and objectives

This is a Level 7(M) module and is compensatable in certain circumstances. Please refer to the Programme Handbook for full details.

This is a Postgraduate Diploma module with the following learning aims and objectives:

Learning aims

To introduce you to the main features and economic incentives associated with different types of health care system in developed and developing countries, and show how the economic principles covered in Module 2 influence health care provision in practice.

Learning objectives

Upon successful completion of the module you should be able to:

- Define and describe the key components of different types of health care system according to how funds are raised and distributed, and how services are purchased and provided.
• Analyse how equity, efficiency and economic incentives are influenced within any given country’s health care system according to its classification.

• Explain how stakeholders such as governments, employers and patients can affect the way in which health care systems are organised and how health policy may be influenced by them.

• Draw and describe four generic diagrams of health care systems according to their classification (tax-based national health services, social insurance, national insurance, mixed private insurance and public health services) using the World Health Organization’s methods.

• Explain the limitations of attributing macro-level health outcomes (such as life expectancy) to a health care system.

• Identify and describe the principal challenges faced by the health care systems of developing countries in comparison with developed countries.

• Summarise and critically appraise the methods and results of published single-country analyses and international comparisons of the performance of health care systems.

• Use a variety of reliable information resources and the techniques learned on this and relevant modules covered to date to analyse the potential consequences of a policy change in a given health care system.

In addition to these, you should ensure you can meet the learning objectives outlined at the start of each unit.
Credits, timing and assessed work

The module is worth **20 credits** and should take approximately **200 hours** to complete over **12 weeks** of study, including revision for and sitting the module assessment. The following is a guide to the amount of time you might spend on each unit, although you are of course free to fit your study time to your own circumstances.

- **w/c 18/9/2017** Week 1. Familiarisation with Module 4 aims, objectives, introduction and research resources and Unit 4.1.
- **w/c 25/9/2017** and **2/10/2017**. Weeks 2 and 3. Unit 4.2.
- **w/c 9/10/2017** and **16/10/2017**. Weeks 4 and 5. Unit 4.3. Assessed work piece 1 (deadline: Friday 13th October).

Details of the two pieces of assessed work, to be submitted on or before the deadlines detailed above, shall be provided at the start of the module.

Please note that programme staff are under no obligation to mark assessed work that is submitted late. This applies to all modules.
Module assessment

The assessment for this module is by an unseen written examination completed in week 12. One part of the assessment will refer to a health care policy, and the chosen policy to study will be promulgated by the module leader and researched by students during the two-week revision period prior to the final examinations. The module is compensatable in certain circumstances. Please refer to the Programme Handbook, for full details.

On-line learning: Yorkshare

The module is supported by Yorkshare located at:

vle.york.ac.uk

You can access this using your University username and password. Exercises which should be discussed on Yorkshare are flagged in the text with the computer icon.
Reading

The main teaching materials are contained within this workbook. References to books and papers are noted in this workbook by the book icon. We have made use of a number of readings available on the internet. All references marked * are essential reading. Although the course textbook, S. Folland et al., The Economics of Health and Health Care, seventh edition, Routledge (2016), will be referred to at times for technical reading, it will be necessary to use other resources referred to in the text. Folland et al. cover most of the issues of principle but, because of the dominance of US issues, it does not fully cover issues affecting tax finance or social insurance in other countries. Footnote references can be used for further reading but are not compulsory.

Some students may still be using the ’7e’ edition of Folland. Where references are made to Folland, the first set of page numbers refers to the seventh edition and the second set (in []) to the ’7e’ edition.

Please note that websites change from time to time. We have made every effort to check that the websites listed are still available, and the web addresses published here were checked on 17th August 2017. If you find that a link is not working, please contact your tutor.

You are advised to obtain the compulsory reading cited in the workbook, together with the reading required for exercises, well in advance of each unit.

Study Resources

In order to inform Yorkshare discussions and/or prepare for the final exam during the revision period, students should become familiar with, and use
as much as possible, the resources found in the following table. All are web-based and together they provide information for individual countries or comparative analyses of health care systems. Being familiar with such resources is a key step in becoming an effective and informed analyst, so we encourage all students to access them regularly (and bookmark them on your PCs). Further detail on each of these resources can be found in Appendix starting on page 206. If any links become invalid, please contact your tutor who will advise on a suitable alternative.

<table>
<thead>
<tr>
<th>Resource</th>
<th>Website</th>
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<tbody>
<tr>
<td>The Commonwealth Fund</td>
<td><a href="http://www.commonwealthfund.org">www.commonwealthfund.org</a></td>
</tr>
<tr>
<td>European Observatory on Health Systems and Policies</td>
<td><a href="http://www.euro.who.int/en/about-us/partners/observatory">www.euro.who.int/en/about-us/partners/observatory</a></td>
</tr>
<tr>
<td>The Nuffield Trust</td>
<td><a href="http://www.nuffieldtrust.org.uk/">www.nuffieldtrust.org.uk/</a></td>
</tr>
<tr>
<td>OECD Health Data 2011 - Country Notes, press releases and frequently requested data (refer to the 'Health at a glance' link)</td>
<td><a href="https://data.oecd.org/">https://data.oecd.org/</a></td>
</tr>
<tr>
<td>The World Bank</td>
<td><a href="http://www.worldbank.org">www.worldbank.org</a></td>
</tr>
<tr>
<td>World Health Organization Global Health Observatory (GHO)</td>
<td><a href="http://www.who.int/gho/en/">www.who.int/gho/en/</a></td>
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