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Office hours:
Friday 2:30-4:30 (Schapiro)
Thursday 1:15-2:15 (CDE 3rd floor)
and by appointment

Econ 468.
Your Money or Your Life: Health Disparities in the United States

This course explores health disparities in the United States. We will address the correlations between health and socioeconomic status, race, and geography, and discuss how public policy can exacerbate or ameliorate health disparities. The goals for this course include: (1) to survey of the causes and consequences of health disparities, (2) to use economic reasoning to evaluate health policy, (3) to critique empirical research with an emphasis on causal inference, and (4) to produce an original empirical research paper.

The course has several integral components:

- Large Student-Led Discussions

Ten classes during the semester will involve class-wide discussions of readings. The readings include theoretical economic papers, empirical papers, and non-economic perspectives. For the large discussions to be successful, it is essential that you have carefully read and thought about the material. You will be graded on the quality of your comments and your ability to respectfully engage your fellow students. There are no single right answers, but there are answers that are unsupported by a critical analysis.

2-3 members of the class will introduce most of these large discussions; each person will introduce the class once or twice during the semester. Separate from the class you introduce, you will write a two-page response paper for 5 of the 10 large discussions.

- Small Group Sections.

One major goal of this course to develop skills in reading and evaluating empirical papers. We will break into two sections of 4-5 students four times during the semester and discuss two empirical papers each time. You will be assigned to write and present a 4-6-page critique of three of the papers during the semester. In the small group sections, you will refine your skills evaluating the quality of evidence.

Small group sections will be scheduled within the first week of class. It is essential that you attend these sessions even if they are not at the normal meeting time.

- Research Project

The culminating project for this course will be an independent 15-page research proposal which includes original empirical work. You will be working on the project in stages throughout the semester. The completed project could prepare you to write a one-semester thesis – if you are considering this, please let me know. If you are already writing a year-long thesis, please see me to discuss an appropriate project for the class.

We will discuss the project in detail the second week of class. However, your choice of topic and dataset is due in early October, so start thinking about questions that interest you. You should plan to come to my office hours once in September to discuss your thoughts. It is possible to co-author the project under some circumstances.

We will meet in small groups twice during the semester to report on progress on the paper. You will also meet with me periodically. You will present your project to the class during the last two weeks of the semester.

- Policy Debate

You will be assigned a small group to develop a policy proposal. On November 18th, we will debate these proposals in class.

Assignments for the course:

- **Research Project and Presentation (40%)**

The research will be done in stages: choosing topic and data, lit review and data summary and presentation, preliminary results presentation, final presentation, and final paper.

- **Empirical Paper Critiques (20%)**

Three 4-6-page papers critiquing an empirical analysis, each with a brief presentation to the small group. The lowest critique grade will be dropped.

- **Response papers (10%)**

Five 2-page response papers for large discussion classes. Do not do a response paper on the days you introduce the class.

- **Leading and Participating in Large and Small Group Discussion (20%)**

Approximately three times during the semester you will be in the limelight. You will either lead the large group in the discussion of the assigned readings or the small group in a discussion of your critique.

Furthermore at each class meeting you are expected to be actively engaged in the discussion. You should plan to speak at least once during class. Students may be called upon to discuss the reading if they do not volunteer.

- **Computer Lab Assignments (5%)**

Two computer lab assignments will familiarize you with the basics of Stata.

- **Policy Debate (5%)**

You will participate in written policy analysis and debate one day in November.

Guidelines For Assignments

I. Critiques

The goal of these exercises is to practice thinking critically about empirical work. The first step is to read the paper carefully and do your best to understand it. If you find the paper challenging, discuss it with classmates and try to make sense of it. Second, identify the question the authors are addressing and whether they do a convincing job of answering it. On the day we discuss the paper in the small group, you will hand in the critique and give a presentation to the group.

Content.

A critique includes a summary of the work and an evaluation of the work. You may assume the reader has read the paper, but you should use part of the critique to describe the piece. The summary should be less than half of the content of your paper. The bulk of the paper should be your analysis.

Some questions to guide your thinking:

What is the main question the authors are attempting to answer?

Why is the question important? Why is it difficult to answer?

What is the central hypothesis? Do they clearly explain the theoretical justification for the hypothesis?

What data are they using? Describe them.

What is the primary empirical strategy? Why did the authors choose it?

Do you believe the strategy is reasonable?

How do they approach identification?

Are there remaining endogeneity/causality issues?

Is the sample a random sample of the population of interest?

Do the empirics have external validity (i.e. could the conclusions drawn be applied to similar populations of interest)?

Are there other strengths and weaknesses of the approach? Are the authors forthcoming about the weaknesses?
What are the main empirical findings? Do you believe them?
What conclusions do they draw from the findings? Are these conclusions justified?
Is the paper clearly written and well-organized? Do the authors tell you what you need to know to evaluate the research?
How could the paper be improved?
What is the logical next step for future research?

Format.

The critique should be 4-6 pages; it may not exceed 6 pages. You should make sure your discussion is organized well, flows logically, and is clear. Your main claims should be obvious to the reader, and you should have support for those claims. The paper should not be a flowery piece of prose.

Check your spelling and grammar. I recommend having the Writing Workshop or a friend proofread your work. I take writing seriously and expect you to do so as well.

Presentation.

On at least one day you critique, you will prepare a 15-minute presentation for the small group. The presentation should include a description of the paper and discuss the main points of your critique. Do not read the critique. You may prepare a handout if it will help your presentation. Practice your presentation.

Grading.

Critiques will be graded on a letter grade basis. You will receive written feedback on your critique. The critiques combined will be worth 20% of your final grade.

II. Response Papers

The purpose of the response papers is for you to engage with the material before coming to discuss them in class. Five 2-page response papers are due during the semester **at 9 a.m. on the day of the class**. E-mail them to me by that time and bring a printed copy to class. You may choose among the ten large group (LG) discussion classes. Do not do a response paper on the day you introduce the class or on the days of small group meetings.

Your response paper may focus on one or more articles, and may discuss one or more aspects of each article. Because it is only two pages, the response paper **should not include any summary of the material**.

Response papers will be graded on a check, check plus, check minus basis. Grades are based on the quality of the insights, the clarity of the writing, and the degree to which responses relate to or build on the themes of the course. Five responses combined are worth 10% of your final grade, and high quality responses are also likely to improve the quality of your discussion.

III. Class Introductions

Once or twice during the semester, you will be asked to lead the class along with 1-2 colleagues. You should prepare a 15-20 minute introduction to the readings. The introduction should include a very brief summary of the readings plus a more extensive synthesis of the readings. It should also bring in outside source material to extend our understanding of the topic. Such material might include a graphical presentation of themes for the reading, relevant supplementary data, a short video related to the readings, additional short text, answers to questions that arose as you read, etc.

You will also be in charge of beginning class discussion on the readings. You will do this by preparing approximately three key questions for discussion and circulating them 24 hours before class.

As you prepare your class introduction, consider the following questions:

What are the key themes or results that emerge from each reading?

What are the strengths and weaknesses of the readings? Are the ideas compelling? Is the evidence convincing?

How do the readings relate to one another? Taken as a whole, what do we learn from the readings? What questions remain unanswered?

After preparing your introduction, you and your partner should write up an outline of your discussion plan. Then e-mail it to me **at least 72 hours in advance** and schedule a 30-45 minute meeting with me. This will be a chance to you to ask questions and for me to offer suggestions.

IV. Reading and Discussion

Even on days when you are not submitting written work or presenting, you are expected to contribute to the class discussion. For the discussions to be successful, it is essential that you have carefully read and thought about the material. The reading load is heavy (2 to 5 articles per class meeting); do not start the night before.

You will be graded on the quality of your comments and your ability to respectfully engage your fellow students. You should plan to speak several times during each class. Students may be called upon to discuss the reading if they do not volunteer. There will be no right answers, but there are answers that are unsupported by a critical analysis.

Your active engagement in class discussion is essential to a successful class. Please note that class will not meet in every scheduled slot and will instead sometimes have alternative meeting times. It is your responsibility to come see me early if alternative times pose a problem for you. Also, please note that class will meet on the Tuesday of Thanksgiving week and attendance is expected on that day.

Assigned Readings

Friday, September 9th

Course Introduction

No reading due

Tuesday, September 13th

LG 1: How Do Economists Think About Health? (and Econometrics Review)

- Folland et al., from Chapter 1, “Does Economics Apply to Health and Health Care?,” pp.10-17.
- Cutler YMYL, Chapter 2, “Pricing the Priceless,” pp.10-21.
- Fuchs WSL, Chapter 1, “Problems and Choices,” pp.9-29.
- Folland et al., Chapter 6, “Demand for Health Capital,” pp. 125-139.
- Watson, Econometrics Review Materials, part I.

Friday, September 16th

LG 2: Introduction to Health Disparities (and Econometrics Review)

- Braveman, Paula, 2006. “Health Disparities and Health Equity: Concepts and Measurement,” *Annual Review of Public Health*, 27, pp. 164-97.
- Cutler, David, Angus Deaton, Adriana Lleras-Muney, 2006. “The Determinants of Mortality,” *Journal of Economic Perspectives*, 20(3), pp.97-120.
- Harris, Kathleen Mullan, 2010. “An Integrative Approach to Public Health,” *Demography*, 47(1), pp.1-22.
- Gruber PFPP, Chapter 3, “Empirical Tools of Public Finance,” pp.62-89.
- Watson, Econometrics Review Materials, part II.

Tuesday, September 20th

LG 3: Socioeconomic Status and Health

- Smith, James P. , 1999. “Healthy Bodies and Thick Wallets: The Dual Relation between Health and Economic Status,” *Journal of Economic Perspectives*, 13(2), pp. 145-166.
- Fuchs WSL, Chapter 2, “Who Shall Live?,” pp.30-55.
- Meara, Ellen R., Seth Richards, and David M. Cutler, 2008. “The Gap Gets Bigger: Changes in Mortality and Life Expectancy, By Education, 1981-2000,” *Health Affairs*, 27(2), pp. 350-360.

Friday, September 23rd

Small Group #1: SES and Health

- Lleras-Muney, Adriana, 2005. "The Relationship Between Education and Adult Mortality in the United States," *Review of Economic Studies*, 72(1), pp.189-221.
- Snyder, Stephen E. and William E. Evans, 2006. "The Effect of Income on Mortality: Evidence from the Social Security Notch," *The Review of Economics and Statistics*, 88(3), 482-495.

Tuesday, September 27th

LG 4: Introduction to Health Care and Insurance in the U.S. Part I

- Gruber PFPP, Chapter 15, "An Overview of Health Care in the United States," pp.413-440.
- Gruber PFPP, Chapter 16, "Health Insurance II: Medicaid, Medicare, and Health Care Reform," pp. 443-475.
- Kaiser Family Foundation "Summary of New Health Reform Law," April 2011.
- Congdon, William, Jeffery R. Kling, and Sendhil Mullainathan, 2011. "Chapter 4: Asymmetric Information," *Policy and Choice: Public Finance through the Lens of Behavioral Economics*. (Focus on pp.83-98.)

Friday, September 30th

LG 5: Introduction to Health Care and Insurance in the U.S. Part 2

- "The Uninsured: A Primer", Kaiser Family Foundation report, December 2010 .
- Baicker, Katherine, and Amitabh Chandra, 2008. "Myths and Misconceptions About U.S. Health Insurance," *Health Affairs Web Exclusive*, w533-w543.
- Levy, Helen, and David Meltzer, 2008. "The Impact of Health Insurance on Health," *Annual Review of Public Health*, 29, pp. 399-409.
- Goldhill, David, September 2009. "How American Health Care Killed My Father," *The Atlantic Monthly*.

Tuesday, October 4th

Small Group #2: Disparities in Insurance and Access to Care

- Aizer, Anna, Adriana Lleras-Muney, and Mark Stabile, 2004. "Access to Care, Provider Choice, and Racial Disparities in Infant Mortality," *National Bureau of Economic Research Working Paper* 10445.
- Almond, Douglas, Kenneth Y. Chay, and Michael Greenstone, 2006. "Civil Rights, The War on Poverty, and Black-White Convergence in Infant Mortality in the Rural South and Mississippi," *Massachusetts Institute of Technology Department of Economics Working Paper* 07-04.

Friday 10/7

LG 6: Early Life Conditions (or Mountain Day)

- Almond, Douglas and Janet Currie, 2011. "Killing Me Softly: The Fetal Origins Hypothesis," *Journal of Economic Perspectives*, 25(3), pp.153-172.
- Case, Anne, Darren Lubotsky, and Christina Paxson, 2002. "Economic Status and Health in Childhood: The Origins of the Gradient," *The American Economic Review*, 92(5), pp. 1308-1344.
- Johnson, Rucker C. and Robert F. Schoeni, 2011. "The Influence of Early Life Events on Human Capital, Health Status, and Labor Market Outcomes Over the Life Course," *B.E. Journal of Economic Analysis and Policy*, 11(3), Article 3.

Tuesday 10/11

Reading Period

Friday 10/14

LG 7: Local Environment & Stress (or Mountain Day, or 10/7 schedule)

- Morenoff, Jeffrey D. and John W. Lynch, 2004. "What Makes a Place Healthy? Neighborhood Influences on Racial/Ethnic Disparities Over the Life Course," pp. 406-449, in Norman B. Anderson et al., eds, *Critical Perspectives on Racial and Ethnic Differences in Health in Late Life*, National Academies Press, Washington, D.C.
- Sapolsky, Robert M., 2004. *Why Zebras Don't Get Ulcers*, Holt Paperbacks, New York, selected pages.
- Charles, Kerwin Kofi and Philip DeCicca, 2008. "Local labor market fluctuations and health: Is there a connection and for whom?," *Journal of Health Economics*, pp.1532-1550.

Tuesday 10/18

Small Group: Local Environment & Stress (or 10/14 schedule)

- Neidell, Matthew J. , 2004. "Air pollution, health, and socio-economic status: the effect of outdoor air quality on childhood asthma," *Journal of Health Economics*, 23, pp. 1209-1236.
- Aizer, Anna, Laura Stroud, and Stephen Buka, 2009. "Maternal Stress and Child Well-being: Evidence from Siblings," unpublished manuscript.

Friday 10/21 10/18 schedule or Mountain Day

Tuesday 10/25

LG 8: Health Behaviors

- Meara, Ellen, 2001. "Why Is Health Related to Socioeconomic Status? The Case of Pregnancy and Low Birthweight," *National Bureau of Economic Research Working Paper* 8231.
- Fertig, Angela, 2009. "Selection and the effect of Prenatal Smoking," *Health Economics*, forthcoming.
- Lehrer, Jonah, May 18, 2009. "Don't: The Secret of Self-Control," *The New Yorker*.

Friday 10/28

Small Group Meeting: Research Update #1, Summary Statistics Due

Tuesday 11/1

LG 9: Costs and the Use of Technology

- Goldman, Dana P. and Darius N. Lakdawalla, 2005. "A Theory of Health Disparities and Medical Technology," *Berkeley Electronic Journal Contributions to Economic Analysis and Policy*, 4(1), Article 8.
- Finklestein, Amy, 2007. "The Aggregate Effects of Health Insurance: Evidence from the Introduction of Medicare." *Quarterly Journal of Economics* 122 (3), pp. 1-37.
- Cutler, David M., Mary Beth Landrum, and Kate A. Stewart, 2008. "Chapter 6: Intensive Medical Care and Cardiovascular Disease Disability Reductions" in Cutler *HOA*.
- Gawande, Atul, June 1, 2009. "The Cost Conundrum: What a Texas Town Can Teach Us About Health Care," *The New Yorker*.

Friday 11/4

Guest Speakers: Dr. Deb Richter and Mr. Chip Joffe-Halpern

- Patel, Kavita, and John McDonough, 2010. "From Massachusetts to 1600 Pennsylvania Avenue: Aboard the Health Reform Express," *Health Affairs*, 29(6), pp. 1106-1111.
- Hsaio, William C., Anna Gasoline Knight, Steven Kappel and Nicolae Done, "What Other States Can Learn from Vermont's Bold Experiment: Embracing a Single-Payer Health Care Financing System," *Health Affairs*, 30(7), pp.1232-1241.

Tuesday 11/8

LG 10: Racial Health Disparities

- Cohen, Barney, "Chapter 1: Introduction" in CPRE.
- Chandra, Amitabh, and Jonathan Skinner, 2003. "Geography and Racial Health Disparities," *National Bureau of Economic Research Working Paper* 9513.
- Ellen, Ingrid Gould, 2000. "Is Segregation Bad for Your Health? The Case of Low Birth Weight [with comments by Cutler and Dickens]," *Brookings-Wharton Papers on Urban Affairs*, pp.203-238.
- Cutler, David M., Ellen Meara, and Seth Richards, 2009. "Induced Innovation and Social Inequality: Evidence from Infant Medical Care," *National Bureau of Economic Research Working Paper* 15316.

Friday 11/11

Guest Speaker: Dr. Jack Bergland, Policy Debate Draft Due

Tuesday 11/15

Small Group #4: What is 'Health Policy'?

- Johnson, Rucker C. and Steven Raphael, 2006. "The Effects of Male Incarceration Dynamics on AIDS Rates among African-American Women and Men," unpublished manuscript.
- Kling, Jeffrey R., Jeffrey B. Liebman, and Lawrence F. Katz, 2007. "Experimental Analysis of Neighborhood Effects," *Econometrica*, 75, 83-119.

Friday 11/18

Policy Debate

Tuesday 11/22

Small Group Meeting: Research Update #2, Results Section Due

Friday 11/25
Thanksgiving Break

Tuesday 11/29 – Friday 12/9
Research Presentations

Reference List for Book Chapters

Anderson, Norman B., Rodolfo A. Bulato, and Barney Cohen, eds., *Critical Perspectives on Racial and Ethnic Differences in Health in Late Life*, The National Academies Press, Washington, D.C., 2004. (Referred to above as CPRE.)

Cutler, David M., *Your Money or Your Life: Strong Medicine for America's Health Care System*, Oxford University Press, New York, 2004. (Referred to above as Cutler YMYL.)

Cutler, David M. and David A. Wise, eds., *Health at Older Ages: The Causes and Consequences of Declining Disability among the Elderly*, University of Chicago Press, Chicago, 2008. (Referred to above as HOA.)

Folland, Sherman, Allen C. Goodman, and Miron Stano, *The Economics of Health and Health Care*, 4th edition, Person Prentice Hall, Upper Saddle River NJ, 2004. (Referred to above as Folland et al.)

Fuchs, Victor R., *Who Shall Live? Health, Economics, and Social Choice, Expanded Edition*, World Scientific Publishing, Singapore, 1998. (Referred to above as Fuchs WSL.)

Gruber, Jonathan, *Public Finance and Public Policy, Second Edition*, Worth Publishers, New York, 2007. (Referred to above as Gruber PFPP.)