

Course Syllabus

HECON 510: Principles of Health Economics

Autumn Quarter

Course 1 of 3 in the *Certificate in Health Economics, Health Technology Assessment, and Market Access*

Instructors:

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Course Description

(2025-2026 curriculum; subject to slight changes for 2026-2027)

This course introduces students to the principles of economics as applied to health sector markets (health, healthcare, and health insurance). Instructors explain the foundational principles of economics as well as the features of health sector markets that make them unique. They consider the principles of demand and supply for medical care and health insurance and of private and public regulation in the full range of medical service markets. Instructors use contemporary examples to illustrate the key challenges facing healthcare systems.

Course Learning Outcomes

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

- Explain the principles of economics applied to health sector markets;
- Describe the characteristics of health sector markets;
- Explain the importance of healthcare insurance and its public vs. private provision;
- Explain the importance of information as an economic good; and
- Describe the sources of market failures and how they affect the health sector.

Course Lessons

- Module 1 – Introduction to Health Economics
 - Lesson 1: Introduction to Economics and Health Economics
 - Lesson 2: Market Failure in Health Sector Markets
 - Lesson 3: Production of and Demand for Health – Part 1
 - Lesson 4: Production of and Demand for Health – Part 2

- Lesson 5: Overview of Health Systems Performance and Organization
- Module 2 – Demand for and Provision of Health Insurance
 - Lesson 6: Demand for Health Insurance
 - Lesson 7: Moral Hazard and Cost-Sharing
 - Lesson 8: Adverse Selection
 - Lesson 9: Overview of US Health Insurance
- Module 3 – Healthcare Service Markets
 - Lesson 10: Provider Payment – Part 1
 - Lesson 11: Provider Payment – Part 2
 - Lesson 12: Economics of Hospitals
 - Lesson 13: Economics of Imaging
- Module 4 – Pharmaceutical Markets and Regulation
 - Lesson 14: Market Failure and Regulation
 - Lesson 15: Government Failure and Political Economy
 - Lesson 16: Economics of Pharmaceuticals – Part 1
 - Lesson 17: Economics of Pharmaceuticals – Part 2
- Module 5 – Healthcare Value
 - Lesson 18: Value Assessment Frameworks
 - Lesson 19: Economics of Comparative Effectiveness Research – Part 1
 - Lesson 20: Economics of Comparative Effectiveness Research – Part 2