H638 Public and Private Health Insurance
College of Public Health and Human Sciences
Chunhuei Chi
Term: Fall 2012

Category II Proposal Number: 84548

**Course Name:** Public and Private Health Insurance

**Course Number:** H638

**Course Credits:** 3, 3 hours per week

**Course Catalog Description:** Introduction to the principles and practices of public or social and commercial health insurance, their finance mechanisms, and theoretical foundation behind the selection of certain system of health insurance and finance method.

**Prerequisites:** H533 Health Systems Organization (or equivalent)

**Measurable Student Learning Outcomes:**

Upon the completion of this course, students will be able to:
1. design a health insurance system, including the public and/or private health insurance mechanism, for a nation or region;
2. critically analyze current U.S. health system finance;
3. develop criteria in order to analyze health care system reform;
4. formulate critical questions about health system finance.

**Course Content:**

1. INTRODUCTION: PRINCIPLES OF FINANCING HEALTH CARE SYSTEMS

**TOPICS:**
1. Historical overview and the nature of financing health care systems
2. Alternatives of financing health care systems
3. An introduction to current issues in financing health care systems
4. Analytical frameworks for studying health insurance

**Readings:**

**Textbook:**
1. Morrisey, Chapter: 1

**Articles:**

2. PRINCIPLES OF INSURANCE AND HEALTH INSURANCE, AND RISK POOLING MECHANISMS

**TOPICS:**
1. The nature of risk and insurance
2. Organization and finance of health insurance
3. Fundamentals of risk pooling
4. The nature of health insurance

**Readings:**

**Textbook:**
1. Morrissey, Chapters: 1 -3, 5, 6

**Articles:**
5. Hall MA. The three types of reinsurance created by federal health reform. *Health Affairs* 2010;29:1168-1172.

3. CHALLENGES TO HEALTH INSURANCE: ADVERSE SELECTION, MORAL HAZARD, AND COST-SHARING

**TOPICS:**
1. Adverse selection and its consequences
2. Private insurer’s strategies to prevent adverse selection
3. Moral hazard
4. Cost-sharing
Readings:

Textbook:
1. Morrisey, Chapters: 4, 7, 8

Articles:

4. THE NATURE OF PRIVATE HEALTH INSURANCE SYSTEMS AND ALTERNATIVE PRIVATE HEALTH SYSTEM FINANCE

TOPICS:
1. The nature of private health insurance market
2. Finance of private health insurance in the U.S.
3. State regulation of private health insurance
4. Alternatives of private health insurance
5. Self-Insurance

Readings:

Textbook:
1. Morrisey : Chapters: 6, 9 - 19

Articles:

5. BIAS SELECTION AND ITS IMPACTS ON A HEALTH CARE SYSTEM

**TOPICS:**
1. Bias selection
2. Impacts of bias selection on health insurance market
3. Impacts of bias selection on society

**Readings:**
**Textbook:**
1. Morrisey, Chapters: 4, 5

**Articles:**

6. FUNDAMENTALS OF PUBLIC HEALTH INSURANCE

**TOPICS:**
1. Rationales for state’s involvement in financing health care
2. Alternatives of state financed health care systems
3. Sources of state finance for health care
4. Financing of Medicare
5. Financing of Medicaid
6. Medical Savings Account

**Readings:**
**Textbook:**
1. Morrisey : Chapters: 4, 5, 14, 20-23

**Articles**

7. NATIONAL HEALTH INSURANCE AND NATIONAL HEALTH SERVICES,

TOPICS:
1. The Nature of National Health Insurance (NHI)
2. Variations of NHI Systems
3. National Health Services (NHS)

Readings:
Textbook:
1. Morrisey, Chapter: 14, 20, 21-23

Articles:
3. Ikegami N, Anderson GF. In Japan, all-payer rate setting under tight government control has proved to be an effective approach to containing costs. Health Affairs 2002;31:1049-1056.

8. PUBLIC-PRIVATE MIX AND RISK ADJUSTMENT

TOPICS
1. The Netherlands’ Model
2. Risk Adjustment
3. Defining Essential Health Benefits

Readings:
Textbook:

Articles:
the Netherlands. *Health Affairs* 23(3):45-55.

9. **EQUITY IN FINANCIAL BURDEN OF AND BENEFIT FROM HEALTH CARE**

**TOPICS:**
2. Criteria for Evaluating Benefit from Health Care

**Readings:**

**Articles:**

10. **CRITICAL ASSESSMENT OF HEALTH CARE REFORM**

**TOPICS:**
1. The Nature of Health Care Reform and Finance
2. Health Care Finance Reform

**Readings:**

**Articles:**
1. Fineberg HV. A successful and sustainable health system—How to get there from here. *NEJM* 2012; 366(11):1020-1027
2. Hsiao WC, Knight AG, Kappel S, Done N. What other states can learn from Vermont’s bold experiment: Embracing a single-payer health care financing system. *Health Affairs* 2011; 30(7):1232-1241.
4. Pollock AM, Macfarlane A, Godden S. Dismantling the signposts to public health? NHS data


**Evaluation of Student Performance:**

1. Class Discussions [Individual Work] 10 %
2. In-class/Take Home Writing Assignments [Individual Work] 15%
3. Comprehensive Exam [Individual Work] (Take Home) 40%
4. Group Project [Group Work] 35%

**Group Project Guidelines:**

During the second week, all students will be formed into different groups, each composed of 2 to 3 students. The Group Project consists of two parts, an oral and paper presentation.

The purpose of this group project is to integrate and apply the course contents to critically analyze a real system of national health care finance.

Each group will select one national health care finance system, and critically analyze the system’s features by examining the following structure and functions:

1. The nature, philosophical foundation, and the objective of this system.
2. The distributive justice criteria your group chooses for this analysis.
3. The financing mechanism of this system: (this should be the focus of the project)
4. How were the financial burdens distributed under this system?
5. Who were covered under this system, and how does it affect access and quality of health care?
6. A general evaluation of this system, its strength and weakness, especially focus on equity and efficiency based on your distributive justice criteria.

In your analysis, you should focus on the following issues:

(A) The nature, philosophical foundation, and the objective of this health care financing system.
(B) The distributive justice criteria your group chooses for this analysis.
(C) The financing system (source, agent, and mechanism) of this system:
(D) How were the financial burdens distributed under this scheme?

This project includes two parts:

1) *Oral Presentation:*

Each group will present your plan/system to the class (15 minutes), followed by comments and discussions.
2) **Written Presentation:**
Each group will hand in a written Plan during the last week of class. (10 pages, 1.5 lines spaced, 12 points font; this page limit excludes supplemental materials such as tables, references, or figures.)

**Learning Resources**:

**Textbook**

**Articles**
In addition to the textbook, there are required readings of articles that are listed in the syllabus. During the class, the instructor will post additional web-links to relevant articles or documents as they become available.

**Statement Regarding Students with Disabilities**
"Accommodations are collaborative efforts between students, faculty and Disability Access Services (DAS). Students with accommodations approved through DAS are responsible for contacting the faculty member in charge of the course prior to or during the first week of the term to discuss accommodations. Students who believe they are eligible for accommodations but who have not yet obtained approval through DAS should contact DAS immediately at 737-4098."

**Link to Statement of Expectations for Student Conduct**
http://oregonstate.edu/admin/stucon/achon.htm

**Diversity Statement:**
The College of Health and Human Sciences strives to create an affirming climate for all students including underrepresented and marginalized individuals and groups. Diversity encompasses differences in age, color, ethnicity, national origin, gender, physical or mental ability, religion, socioeconomic background, veteran status, sexual orientation, and marginalized groups. We believe diversity is the synergy, connection, acceptance, and mutual learning fostered by the interaction of different human characteristics.

**Religious Holiday Statement**
Oregon State University strives to respect all religious practices. If you have religious holidays that are in conflict with any of the requirements of this class, please see me immediately so that we can make alternative arrangements.