PUBH 7556, SECTION 320
Health and Health Systems
Spring Semester Term A 2019

COURSE & CONTACT INFORMATION
Credits: 2
Meeting Day(s): January 5 and January 22-March 11, 2019

Instructor: Jon B. Christianson
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Office Hours: By Appointment
Office Location: 15-225 Phillips Wangensteen Building

COURSE DESCRIPTION
The course provides an overview of the U.S. health care system and current health policy issues. Topics are addressed from a health care management perspective.

COURSE PREREQUISITES
Students must be admitted to the University of Minnesota’s Master in Healthcare Administration Program or have consent of the instructor.

COURSE GOALS & OBJECTIVES
Specific goals and learning objectives are listed below for each class session.

METHODS OF INSTRUCTION AND WORK EXPECTATIONS
This course consists of an in-person introduction and 7 online lessons, with one lesson a week. Lesson activities include lecture, discussion, reading, and writing assignments. You may work ahead if you wish, but note that there are specific due dates throughout the semester.

Each lesson is introduced with narrated presentations, in which the instructor discusses significant issues with reference to the session readings.

For this course, you will:
• Complete a total of seven weekly written assignments consisting of four individual and three group assignments.
• Complete one synthesis pertaining to the session designated for your group.
• Work with the same group members throughout the course.
• Work with your group in a private forum to complete group assignments and synthesis.
  – Note: Although we recognize there are other means of communicating with your group, we ask for evaluation purposes that you make the private group forum your primary means.
  – I have access to the private group forum, and although I will not be an active participant in your private discussions, I may monitor the activity as part of evaluating each person’s contributions to group assignments.
• Share with your group members the lead role of coordinating and submitting assignments.
• Share your synthesis with the class.

If you have any questions about the course, please use the "Course Q&A, Announcements" forum. Email the instructor with private questions that are not relevant to others in the class.
Instructions: Group Synthesis

Your group is expected to provide a synthesis for one of the lessons as assigned. You will post your synthesis for that lesson for the other groups to read and discuss. I will read each synthesis and occasionally comment after a synthesis is posted. Use the private group forum to collaborate and communicate with your group.

The synthesis contributes up to 40 points (out of 200) towards your final grade. Your synthesis is intended to be a group effort, with the results reflecting discussion and consensus among group members. Every group member is expected to fully participate and every group member will receive the same grade. The grade will reflect the thoroughness of your work, the quality of your insights based on your reading of the suggested articles, and the quality of the writing.

To complete the group synthesis assigned to your group:

1. There is a list of suggested readings for each week, organized by different subheadings. Focus on 4 different subheadings (your choice) in preparing your synthesis. If there are fewer than four subheadings under a given topic, organize your synthesis around the headings that are available.

2. Based on the readings under each subheading, identify and discuss the challenges facing the health care system.
   
   a. For example, if your group is assigned Lesson 2, it might select “Physician Education” as one of the four subheadings to address. After reading these articles, identify the challenges facing the health care system relating to implementing successful strategies concerning physician education and briefly describe/discuss them. Do the same for each of the other three subheadings you select under Lesson 2.

3. Your task will be to synthesize the content of the articles under each of the 4 subheadings you choose, drawing out the most important challenges, as your group sees them. Clearly, some articles will be more useful than others in this respect. Do not simply summarize or repeat the content of each individual article.

4. Your synthesis should be fully referenced and footnoted. If you are quoting a source, put the quotes in quotation marks and include the source in your reference list. If you are citing a source, reference the source in the text and include it in your reference list.

5. Use a 10 point font or larger when drafting your synthesis, keeping the total length to under 4 pages, double-spaced. You may use headings and subheadings, but provide more than a list of bullet points.

6. Read the syntheses posted by other groups and engage in online discussions, especially when you feel there are additional points to be made that would be of interest to classmates.

COURSE TEXT & READINGS

1. All suggested readings have links to the article following the cite. Please make sure you are logged in to the University using your x500 ID and password particularly when using the link for journal articles. Click on the link to access the reading. If you have any problems accessing assigned readings online, contact Jim Harpole at harpo002@umn.edu. If you do not have a University of Minnesota Internet ID and password, call 301-HELP and support staff will help you set up an account (or set up your own account at www.umn.edu/initiate and follow the directions.)

2. The readings for each class session are divided into two parts: Suggested readings and Further readings. The Suggested readings are organized by subtopic. For some sessions, the list of suggested readings is long, but many individual readings are quite brief. Starred readings should receive first priority. There are no Required readings. The more of the Suggested readings that you are able to complete, the better prepared you will be for your quizzes, assignments, and class discussion; and, the better prepared you will be for your career. In sessions where there are a large number of Suggested readings, you may want to divide responsibility among study group members, with each member summarizing a subset of readings. The Further readings provide additional information on the topics covered in each session. They are intended to be useful in clarifying areas that you feel are not covered adequately in the Suggested readings, or in providing additional information on topics of particular interest to you. The following sources of information are useful in keeping up-to-date on current developments in the health care system and in health policy.

   Newspapers: New York Times (liberal perspective)
   Wall Street Journal (conservative perspective)
   Washington Post (political issues)

   AHIP Solutions Smart Brief
   The Hill

   Websites with short Research Briefs on Various Health Care Topics:
   Urban Institute
   AcademyHealth
   The Robert Wood Johnson Foundation
   The Commonwealth Fund
   Health Affairs
## COURSE OUTLINE/WEEKLY SCHEDULE

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Readings</th>
<th>Activities/Assignments</th>
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</table>
| January 5 (in person) | • Health System Performance: From Iron Triangle to Three-Legged Stool to the Triple Aim – Cost and Population Health  
• Health System Performance: From Iron Triangle to Three-legged Stool to the Triple Aim – Patient Experience | • Readings |                                                                                       |
| Week 1 – January 21 – 28 | • The Physician Workforce: Does Physician Training Need to Change? How Do Physicians Practice? Will There be a Physician Shortage?  
• Rethinking Primary Care: From Marcus Welby to Team-based Care? | • Readings | • Group Synthesis 1, January 21  
• Group Assignment 1, January 28 |
| Week 2 – January 28 – February 4 | • The Nurse Workforce: Is There a Nurse in the House?  
• Long-term Care: Can This Rubik’s Cube be Solved? | • Readings | • Group Synthesis 2, January 28  
• Individual Assignment 1, February 4 |
| Weeks 3 – February 4 – 11 | • The Hospital: From Doctors’ Workshop to Big Med?  
• Medical Technology and Devices: At the Cutting Edge?  
• Pharmaceuticals: What Price Progress | • Readings | • Group Synthesis 3, February 4  
• Group Assignment 2, February 11  
• Group Synthesis 4, February 11  
• Individual Assignment 1, February 11  
• Individual Assignment 2, February 18 |
• Group Assignment 3, March 4  
• Group Assignment 4, March 4  
• Individual Assignment 3, February 25  
• Individual Assignment 4, March 11 |
| Week 5 – February 18 – 25 | • Medicaid: How Can This Vast Public Enterprise Be Sustained? | • Readings |                                                                                       |
| Week 6 – February 25 – March 4 | • Paying for Care for Seniors: Why is Medicaid Complicated?  
• Medicare: A Program at the Brink? | • Readings |                                                                                       |

### SPH AND UNIVERSITY POLICIES & RESOURCES

The School of Public Health maintains up-to-date information about resources available to students, as well as formal course policies, on our website at [www.sph.umn.edu/student-policies/](http://www.sph.umn.edu/student-policies/). Students are expected to read and understand all policy information available at this link and are encouraged to make use of the resources available.

The University of Minnesota has official policies, including but not limited to the following:
- Grade definitions
- Scholastic dishonesty
- Makeup work for legitimate absences
• Student conduct code
• Sexual harassment, sexual assault, stalking and relationship violence
• Equity, diversity, equal employment opportunity, and affirmative action
• Disability services
• Academic freedom and responsibility

Resources available for students include:
• Confidential mental health services
• Disability accommodations
• Housing and financial instability resources
• Technology help
• Academic support

EVALUATION & GRADING

[Enter a detailed statement of the basis for grading here. Include a breakdown of course components and a point system for achieving a particular grade. Include expected turnaround time for grading/feedback. Please refer to the University’s Uniform Grading Policy and Grading Rubric Resource at https://z.umn.edu/gradingpolicy]

Grading Scale
The University uses plus and minus grading on a 4.000 cumulative grade point scale in accordance with the following, and you can expect the grade lines to be drawn as follows:

<table>
<thead>
<tr>
<th>% In Class</th>
<th>Grade</th>
<th>GPA</th>
</tr>
</thead>
<tbody>
<tr>
<td>93 - 100%</td>
<td>A</td>
<td>4.000</td>
</tr>
<tr>
<td>90 - 92%</td>
<td>A-</td>
<td>3.667</td>
</tr>
<tr>
<td>87 - 89%</td>
<td>B+</td>
<td>3.333</td>
</tr>
<tr>
<td>83 - 86%</td>
<td>B</td>
<td>3.000</td>
</tr>
<tr>
<td>80 - 82%</td>
<td>B-</td>
<td>2.667</td>
</tr>
<tr>
<td>77 - 79%</td>
<td>C+</td>
<td>2.333</td>
</tr>
<tr>
<td>73 - 76%</td>
<td>C</td>
<td>2.000</td>
</tr>
<tr>
<td>70 - 72%</td>
<td>C-</td>
<td>1.667</td>
</tr>
<tr>
<td>67 - 69%</td>
<td>D+</td>
<td>1.333</td>
</tr>
<tr>
<td>63 - 66%</td>
<td>D</td>
<td>1.000</td>
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<tr>
<td>&lt; 62%</td>
<td>F</td>
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</tbody>
</table>

• A = achievement that is outstanding relative to the level necessary to meet course requirements.
• B = achievement that is significantly above the level necessary to meet course requirements.
• C = achievement that meets the course requirements in every respect.
• D = achievement that is worthy of credit even though it fails to meet fully the course requirements.
• F = failure because work was either (1) completed but at a level of achievement that is not worthy of credit or (2) was not completed and there was no agreement between the instructor and the student that the student would be awarded an I (Incomplete).
• S = achievement that is satisfactory, which is equivalent to a C- or better
• N = achievement that is not satisfactory and signifies that the work was either 1) completed but at a level that is not worthy of credit, or 2) not completed and there was no agreement between the instructor and student that the student would receive an I (Incomplete).
### Scholastic Dishonesty, Plagiarism, Cheating, etc.

You are expected to do your own academic work and cite sources as necessary. Failing to do so is scholastic dishonesty. Scholastic dishonesty means plagiarizing; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; altering, forging, or misusing a University academic record; or fabricating or falsifying data, research procedures, or data analysis (As defined in the Student Conduct Code). For additional information, please see [https://z.umn.edu/dishonesty](https://z.umn.edu/dishonesty).

The Office for Student Conduct and Academic Integrity has compiled a useful list of Frequently Asked Questions pertaining to scholastic dishonesty: [https://z.umn.edu/integrity](https://z.umn.edu/integrity).

If you have additional questions, please clarify with your instructor. Your instructor can respond to your specific questions regarding what would constitute scholastic dishonesty in the context of a particular class—e.g., whether collaboration on assignments is permitted, requirements and methods for citing sources, if electronic aids are permitted or prohibited during an exam.

Indiana University offers a clear description of plagiarism and an online quiz to check your understanding ([http://z.umn.edu/iuplagiarism](http://z.umn.edu/iuplagiarism)).

<table>
<thead>
<tr>
<th>Evaluation/Grading Policy</th>
<th>Evaluation/Grading Policy Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Late Assignments</td>
<td>[Instructor to set policy]</td>
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<tr>
<td>Attendance Requirements</td>
<td>[Instructor to set policy]</td>
</tr>
<tr>
<td>Extra Credit</td>
<td>[Instructor to set policy]</td>
</tr>
<tr>
<td>Intellectual Property of Instructors' Material</td>
<td>The MHA program prohibits any current student from uploading MHA course content (e.g., lecture notes, assignments, or examinations for any PUBH 65XX or PUBH 75XX courses) created by a University of Minnesota faculty member, lecturer, or instructor to any crowdsourced online learning platform.</td>
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### CEPH KNOWLEDGE DOMAINS

<table>
<thead>
<tr>
<th>Knowledge Domain</th>
<th>Course Learning Objectives</th>
<th>Assessment Strategies</th>
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</thead>
<tbody>
<tr>
<td>Inform, educate and empower people about health issues.</td>
<td>To understand the different components of the United States health care system, how they relate to each other, the challenges health care managers face working within this system, and the impact of governmental policies at the state and federal level on system functioning and health care management.</td>
<td>Quizzes, group assignments (oral and written) and individual assignments.</td>
</tr>
<tr>
<td>Enforce laws and regulations to protect health and safety</td>
<td>To understand how the design and enforcement of government laws and regulations influences the functioning of the U.S. health care system</td>
<td>Quizzes, group assignments (oral and written) and individual assignments.</td>
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### NCHL HEALTHCARE LEADERSHIP COMPETENCIES FOR CAHME ACCREDITATION PURPOSES

<table>
<thead>
<tr>
<th>Competency</th>
<th>Course Learning Objectives</th>
<th>Assessment Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge of population health, health care delivery and financing.</td>
<td>Demonstrate a comprehensive understanding of the U.S. health care delivery and financing system and the role of public policy in shaping the system.</td>
<td>Quizzes, group assignments (oral and written) and individual assignments.</td>
</tr>
<tr>
<td>Managing and leading in complex organizations and environments.</td>
<td>Develop skills in participating in group projects.</td>
<td>Group assignments (oral and written)</td>
</tr>
<tr>
<td>Professionalism</td>
<td>Increase ability to use written and oral communications in an effective way.</td>
<td>Individual assignments.</td>
</tr>
</tbody>
</table>
The U.S. Health Care System and Prospects for Reform

January 5 (in person)
Health System Performance: From Iron Triangle to Three-Legged Stool to the Triple Aim – Cost and Populat
The U.S. health care system is incredibly complex (some would call it a non-system), characterized by a variety of d financing mechanisms and delivery systems. Before exploring that system in greater detail, the first two sessions of provide an overview of how the U.S. health care system performs relative to components of the Triple Aim: per capita patient experience, and population health. The performance of the U.S. health care system also is compared to th countries.

Learning Objectives
Students should be able to:
1. Discuss the different components of the Triple Aim and the performance of the U.S. health care system rel: • Cost per capita: components of costs, drivers of cost growth, variation in costs • Population health
2. Compare and contrast different views regarding whether, or under what circumstances, health care expenci grow at a faster rate than the rest of the economy should be regarded with concern.
3. Discuss evidence on geographic variation in health care costs in the United States.
4. Discuss and explain differences between the U.S. and other countries in health care costs and population l

Suggested Readings
The Triple Aim

Spending on Health Care
Trends

Variation in Health Spending


Drivers of Spending


17. Acramenico. Poll of emergency physicians shows more than half order tests as protection against being sued. May 26, 2011 http://californiaprevalingwage.wordpress.com/2011/05/26/poll-of-emergency-physicians-shows-more-than-half-order-tests-as-protection-against-being-sued/

Population Health

Trends


Illness-specific Measures


Disparities


International Comparisons


Learning Objectives

Students should be able to:

1. Discuss issues and evidence relating to access to care and deficiencies in the quality of health care in the United States.
2. Discuss the evidence regarding prevalence of medical errors in the U.S. health care system and their sources.
3. Use terminology related to medical errors accurately.
4. Discuss basic approaches being used in hospitals and other providers to reduce medical errors.
5. Discuss how poor communication and care coordination can affect medical errors, quality of care and patient outcomes.

Suggested Readings

Patient Safety and Medical Errors: Concepts, Terminology, and Impact

Overview

5. Makary M, Daniel M. Medical error—the third leading cause of death in the US. bmj. 2016;353:i2139. [https://www.bmj.com/content/353/bmj.i2139](https://www.bmj.com/content/353/bmj.i2139)


Causes of Medical Errors

1.* Jha A. Even a doctor can’t keep his father safe in the hospital. Cognoscenti, April 5, 2013. http://cognoscenti.wbur.org/2013/04/05/medical-errors-ashish-jha


Proposals and Interventions Aimed at Reducing Preventable Medical Errors


**Care Coordination and Communication Issues**


**How Patients Experience the Health Care System**


**Access to Care**


6. NPR. Medical bills still take a big toll, even with insurance, March 8, 2016. [http://www.npr.org/sections/healthshots/2016/03/08/468892489/medical-bills-still-take-a-big-toll-even-with-insurance]

**Quality of Care**

**Not Enough Care?**


Too Much Care?

The Wrong Care?

Further Readings


### Care Delivery

**Week 1: January 21-28**

**The Physician Workforce: Does Physician Training Need to Change? Will There be a Physician Shortage?**

People are the critical element in any health care delivery system. In this session, we will focus on physicians, particularly on physician education, changes in the ways that physicians have historically organized and practiced medicine, and concerns about the aggregate level of physician supply. There is now disagreement about whether there will be a major physician shortage in the future and, if so, how to address it. This session presents opposing perspectives on these issues and discusses the likelihood of a public policy response. Subsequent courses in the MHA program will cover material relating to physician payment and management of physician practices.

**Learning Objectives**

Students should be able to:

1. Explain the limitations of the present medical education system in meeting future demands for physician services.
2. Discuss ongoing changes in the way that physicians organize and practice medicine.
3. Discuss the points of controversy regarding the prediction of future shortages or surpluses in physician supply in America.
4. Discuss the public policy issues regarding expanding physician supply.

**Suggested Readings**

**Physician Education**

**Current Status**


Suggestions for Change


Physician Concerns About Medical Practice

Physician Concerns About Pay


Physician Concerns About Work Environment and Burnout


Physician Concerns About Profession


Physician Supply Projections

Changes in Traditional Physician Practice

1.* Bernstein L. How many patients should your doctor see each day? The Washington Post May 22, 2014. 
http://search.proquest.com/docview/1527270597/fulltext/FC95ED13FDFF42E4PQ/1?accountid=14586


3.* Kacik A. For the first time ever, less than half of physicians are independent. Modern Healthcare, May 31, 2017. 
http://www.modernhealthcare.com/article/20170531/NEWS/170539971

4.* Lagrelius TW. Computers are amazing, but electronic health records are not. The Hill, March 26, 2018. 
http://thehill.com/opinion/healthcare/380381-computers-are-amazing-but-electronic-health-records-are-not


doctors-dont-actually-know-how-often-you-should-see-them/


Physician Supply Projections

Shortage Estimates


Further Readings


Options for Increasing Physician Supply


Public Policy Issues and Concerns About Physician Supply


Further Readings


Rethinking Primary Care: From Marcus Welby to Team-based Care?
Improving the delivery of primary care is a growing challenge for policymakers, clinicians, and health care managers. The flaws in the present system are painfully evident, with various alternatives now being adopted in hopes of correcting, or at least mitigating, them. In this section, we describe the challenges currently facing primary care, with particular focus on new models for organizing the delivery of care, and the potential expanded role for advanced practice nurses in rethinking primary care.

Learning Objectives
Students should be able to:
1. Explain the reasons for the current focus on changing primary care delivery in the U.S.
2. Discuss changes in the workplace and work arrangements for primary care physicians.
3. Compare and contrast new models for reforming primary care.
4. Discuss how public policy, and health care reform in particular, is likely to affect primary care.

Suggested Readings
Overview of Primary Care
Challenges to Traditional Models of Primary Care Delivery


Changes in the Workplace for Primary Care Physicians


3.* Frakt A. You mean I don’t have to show up? The promise of telemedicine. The New York Times, May 16, 2016. http://nyti.ms/1rOSmec


New Models for Primary Care

Patient Centered Medical Homes (PCMHs) and Team Care


Increased Reliance on Advanced Practice Nurses


Further Readings


**Week 2: January 28 – February 4**

**The Nurse Workforce: Is There a Nurse in the House?**

Nurses have been called the backbone of the U.S. health care system. They work in all health care settings and organizations, including hospitals, clinics, long-term care facilities and insurance plans. Historically, at the aggregate level, maintaining an adequate supply of nurses has been a perplexing issue. At the micro-level, scope-of-practice and work environment have been particularly important questions for the nursing profession. This session provides an overview of the nurse workforce, addressing specifically the topics of nurse supply, scope of practice, and work environment, and public policies towards nursing.

**Learning Objectives**

1. Compare and contrast the various explanations for historical and more recent periods of nursing shortage.
2. Discuss nurse scope of practice and work force issues from the points of view of nurses and health care managers.
3. Discuss recent state and federal policy initiatives directed at nursing.

**Suggested Readings**

**The Supply of Nurses**


2.* Auerbach DI, Buerhaus PI, Staiger DO. Registered nurses are delaying retirement, a shift that has contributed to recent growth in the nurse workforce. *Health Aff*. 2014;33(8):1474-1480. [http://content.healthaffairs.org/content/33/8/1474.full.pdf+html](http://content.healthaffairs.org/content/33/8/1474.full.pdf+html)


11. CareFirst. CareFirst invests another $1 million in nursing shortage. May 29, 2013. [https://member.carefirst/dcms/wps/portal/lut/p/c4/04__SB8K8xKLL9MSszPy8xBz9CP0os3hLbzN_Q09LYwN_Fw9DA09f1BHZaAgQwNHM_2CbEdFanphzQf?WCM_GLOBAL_CONTEXT=wcmwps/wcm/connect/content-member/carefirst/memberportal/medianews/popup/medianews20130528](https://member.carefirst/dcms/wps/portal/lut/p/c4/04__SB8K8xKLL9MSszPy8xBz9CP0os3hLbzN_Q09LYwN_Fw9DA09f1BHZaAgQwNHM_2CbEdFanphzQf?WCM_GLOBAL_CONTEXT=wcmwps/wcm/connect/content-member/carefirst/memberportal/medianews/popup/medianews20130528)


Workplace Issues for Nursing


3. * McHugh MD, Berez J, Small DS. Hospitals with higher nurse staffing had lower odds of readmissions penalties than hospitals with lower staffing. *Health Aff.*, 2013;32(10):1740-1747. [http://content.healthaffairs.org/content/32/10/toc](http://content.healthaffairs.org/content/32/10/toc)


Rethinking the Role of Nurses


Public Policy Towards Nurses


Overview of Long

Suggested Readings

Students should be able to:

Learning Objectives

1. Describe the different types of long-term care and the characteristics of the people who receive this care.
2. Discuss the different mechanisms, public and private, that finance long-term care.
3. Compare and contrast delivery models for long-term care.
4. Discuss factors that affect the quality of long-term care, including the potential for patient abuse in long-term care settings.
5. Understand and compare different approaches to long-term care reform.

Suggested Readings

Overview of Long-Term Care and the Nursing Home Industry

Further Readings

10. Term Care: Can This Rubik’s Cube be Solved?

Quiz 1: Material from Sessions 1-8

Demands on our present system for delivering long-term care are expected to intensify as the baby boom generation ages. Traditional financing models are being challenged, as are existing models for delivering long-term care. At the same time, improving quality and reducing fraud and abuse continue to be thorny issues, provisions included in the federal health reform legislation relating to long-term care have been abandoned, and changes in Medicaid funding under proposed revisions of the ACA promise to have major financial implications for long-term care.

Learning Objectives

Students should be able to:

1. Describe the different types of long-term care and the characteristics of the people who receive this care.
2. Discuss the different mechanisms, public and private, that finance long-term care.
3. Compare and contrast delivery models for long-term care.
4. Discuss factors that affect the quality of long-term care, including the potential for patient abuse in long-term care settings.
5. Understand and compare different approaches to long-term care reform.

Long-Term Caregivers

Paid Caregivers

Unpaid Caregivers


**Issues Relating to Fraud, Abuse and Poor Quality**

**Fraud**


**Abuse**


**Poor Quality**


Approaches to Long-Term Care Reform

**Financing**


**Quality Measurement**


Students should be able to:

### Care Delivery


### Further Readings


6. Thomas KS, Mor V. Providing more home-delivered meals is one way to keep older adults with low care needs out of nursing homes. *Health Aff.* 2013;32(10):1796-1802. [http://content.healthaffairs.org/content/32/10.toc](http://content.healthaffairs.org/content/32/10.toc)


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### Week 3: February 4-11

**The Hospital: From Doctors’ Workshop to Big Med?**

Health care can be delivered in a variety of settings, but the relatively expensive care delivered in hospitals (inpatient care) has long been the focus of special attention from policy makers and health care payers. More recently, hospitals have expanded the outpatient care they provide. We discuss trends in hospital use and in the configuration of the hospital industry. We also address financial, care delivery, competitive and health policy challenges facing hospitals in the present environment. Material relating to the structure, management, and economics of hospitals will be covered in other courses in the MHA Program, as will issues relating to hospital finance.

### Learning Objectives

Students should be able to:

1. Describe recent changes in the configuration of the U.S. hospital industry and the public policy concerns they raise.
2. Understand the critical role emergency departments play for hospitals, and the ways in which that role is changing.
3. Discuss current changes and challenges in hospital/physician relations.
4. Describe the various financial challenges facing some U.S. hospitals.
Suggested Readings

Overview


Growth of Hospital Systems


Evolution of Hospital/Physician Relations


Technology Adoption


Operational Challenges and Changes


Role of the Emergency Department


Financial Challenges Facing Some U.S. Hospitals

7. Tuller D. Ambulance diversion. Efforts to mitigate ambulance diversion have been effective, but questions remain for future progress *Health Aff.* Health Policy Brief, June 2, 2016. http://www.rwjf.org/content/dam/farm/reports/issue_briefs/2016/rwjf429644

Financial Challenges Facing Some U.S. Hospitals

**Controversy Over Hospital Pricing**


Changes in Hospital Reimbursement and Their Implications


Other Strategies to Improve Finances


Hospitals Strategies to Improve Finances

Geographic Expansion


Providing Insurance

Product Diversification

Other

Patient Safety Issues – See Session 2 Readings

Potential Impact of Health Reform Legislation on Hospitals

Further Readings


17. Goldsmith J. Analyzing shifts in economic risks to providers in proposed payment and delivery system reforms. *Health Aff.* 2010;29(7):1299-1304. [http://content.healthaffairs.org/content/29/7/1299.full.pdf+html](http://content.healthaffairs.org/content/29/7/1299.full.pdf+html)


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**Week 4: February 11-18**

**Medical Technology and Devices: At the Cutting Edge?**

Some policy analysts emphasize the contribution of medical technology to increases in medical care costs, while others argue that, from a long run perspective, new technologies can save costs and/or improve quality of care and patient quality of life. This is often a front page debate, stimulated by rapid advances in surgical and diagnostic techniques, but also by questions about conflicts of interest between physicians and medical device companies as well as questionable marketing practices and disputes related to the regulation of the medical device companies by the FDA. Issues relating to medical technology are of critical importance to Minnesota because this state long has been an incubator for new technologies, and medical device companies are major employers in the state. In this class session, we discuss how medical technology fits in the current health care system and describe regulatory and market issues relating to medical devices.

**Learning Objectives**

Students should be able to:

1. Describe the process of new medical technology development in the U.S. from discovery to commercial product.
2. Discuss patient, provider and regulatory issues relating to the introduction of new medical devices and their integration into medical care treatment.
3. Discuss provisions of health care reform that may affect the medical device industry directly and indirectly.

**Suggested Readings**

**Overview of Medical Technology and the Medical Device Industry**


Concerns About Conflicts of Interest Involving Medical Device Manufacturers and Physicians


Controversial Practices in the Medical Device Industry


The Medical Device Industry and the FDA

1. The Economist. Left to their own devices. 400(8750):71-73, 2011. http://go.galegroup.com/ps/retrieve.do?swHiCountType=None&sort=DA-SORT&ln=PS&true&prodId=PROF&userGroupName=imnaunt&win&label=T003&searchId=R2&resultListType=RESULTLIST&listSegment=&searchType=AdvancedSearchForm&currentPosition=5&contentSet=GALE%7CA266486808&docId=GALE%7CA266486808&docType=GALE&role=


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Further Readings


Health Care Reform and the Medical Device Industry


Further Readings


Pharmaceutical Industry and the Role of Prescription Drugs in the Health Care System

Suggested Readings

Students should be able to:

1. Describe the pharmaceutical supply chain and pricing issues relating to the marketing of pharmaceuticals.
2. Discuss contrasting views pertaining to the proliferation of prescription drugs and the growth in spending on pharmaceuticals.
3. Explain what a pharmacy benefit management company is and describe the services it provides.
4. Compare and contrast the nature and significance of different regulatory issues relating to pharmaceuticals.

Suggested Readings

**Pharmaceutical Industry and the Role of Prescription Drugs in the Health Care System**

**Overview**

Spending on Pharmaceuticals


13. Merger, Acquisitions, and Affiliations


Lobbying


Spending on Pharmaceuticals


**Patients and Pharmaceutical Use**

7. Wolston M. An MS patient loses trust when she finds out her doctor is paid by drug companies. Health Aff. 2011;30(12):2449-2452. http://content.healthaffairs.org/content/30/12/2449.full.pdf+


**Pharmaceutical Pricing**


44. Pear R. Senate aims to stop firms from ‘buying up drugs and jacking up prices.’ The New York Times, December 21, 2016. http://nyti.ms/2ie26Kg


The Specialty Drug Challenge


**Drug Shortages**


**Controversial Practices in the Pharmaceutical Industry**

**Physician Relations**

2.* Jones RG, Another study finds link between pharma money and brand-name prescribing. Propublica, May 9, 2016. http://www.alternet.org/drugs/another-study-finds-link-between-pharma-money-and-brand-name-prescribing

**Marketing**


**Delaying Generic Entry**


**Drug Failures**


**Relationship between Pharmaceutical Industry and the FDA**

1.* Sanger-Katz M. Speedy drug approvals have become the rule, not the exception. The New York Times, May 1, 2015. [http://www.nytimes.com/2015/05/02/upshot/speedy-drug-approvals-have-become-the-rule-not-the-exception.html?_r=0&abt=0002&abg=0](http://www.nytimes.com/2015/05/02/upshot/speedy-drug-approvals-have-become-the-rule-not-the-exception.html?_r=0&abt=0002&abg=0)


3.* Ross JS, Dzara K, Downing NS. Efficacy and safety concerns are important reasons why the FDA requires multiple reviews before approval of new drug. Health Aff. 2015;34(4):681-688. [http://content.healthaffairs.org/content/34/4/681.full.pdf+html](http://content.healthaffairs.org/content/34/4/681.full.pdf+html)


Further Readings


Financing

Week 5: February 18-25

Health Insurance and the Private Health Insurance Market: What Works, What Doesn’t and How Might Health Reform Change It?
The private market for health insurance is under enormous stress. Medical care costs typically increase each year at a faster rate than employee income or overall GDP resulting in a growing share of employee compensation going for medical care. Employers, who are major actors in this market, continue to re-examine their traditional roles. One result is that an increasing number of people who purchase insurance through their employers are receiving more limited coverage than in the past. In this session we describe the nature of health insurance, how the health insurance market has evolved over time, the design of different health insurance products and the strengths and weaknesses of the current private health insurance system especially for the self-employed and employees of small firms. The efforts of health plans to control costs and improve quality, as well as the theoretical aspects of health insurance, are addressed in subsequent MHA courses.

Learning Objectives
Students should be able to:
1. Discuss the logistical foundations for health insurance.
2. Describe how the private health insurance market is structured and functions.
3. Contrast the characteristics of different types of health insurance benefit designs.
4. Describe the strengths and weaknesses of the current private health insurance system.

Suggested Readings

History and Current State of Private Health Insurance

Changing Health Benefit Designs


Weaknesses of the Current Private Health Insurance Market


Health Reform and the Health Insurance Market


Students should be able to:

Learning Objectives

1. Discuss the distribution of funding and administrative responsibilities between the states and the federal government under Medicaid.
2. Describe the relative importance of different categories of expenditures under Medicaid.
3. Describe the experience of Medicaid programs in contracting with managed care organizations.
4. Discuss how economic downturns and state efforts to respond to budget crises have affected Medicaid programs.
5. Discuss how health reform has affected Medicaid programs, along with changes that have been made in Medicaid through use of executive orders, CMS rule making, and use of CMS waiver authority.

Suggested Readings

Overview


Expenditures Under Medicaid and the Impact of Recessions on Medicaid Programs


Medicaid Contracting with Managed Care Plans


The ACA and Medicaid


Policy Proposals for Reforming Medicaid


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Further Readings

Week 7: March 4-11
Paying for Care for Seniors: Why Is Medicare Complicated?
Assignment 3 Due
Medicare is one of the largest single items in the federal budget. Changes in Medicare expenditures and payment regulations have rippled effects on other government programs and major impacts on the health care delivery system overall. The alleged shifting to private payers that occurs due to Medicare underpayments is only one of many ongoing policy issues. In this session we describe the structure of the Medicare program, some of the challenges it has faced since its inception, and how Medicare has affected, and been affected by, changes in the greater health care system.

Learning Objectives
Students should be able to:
1. Compare Medicare Parts A and B with respect to the way they are funded and the coverage they provide.
2. Describe the benefit coverage under Medicare and compare it to typical private insurance benefit coverage.
3. Discuss the structure and evolution of Medicaid Part C.
4. Describe how the Medicaid Part D prescription drug benefit is structured.
5. Compare and contrast how hospitals and physicians are paid under Medicare.

**Suggested Readings**

**The History and Structure of the Medicare Program**


7. Davis K, Stremikis K, Doty MM, Zezza MA. Medicare beneficiaries less likely to experience cost- and access-related problems than adults with private coverage. *Health Aff.* 2012;31(8):1866-1875. [http://content.healthaffairs.org/content/31/8/1866.full.pdf+html](http://content.healthaffairs.org/content/31/8/1866.full.pdf+html)


**Issues Facing Medicare**

**Hospitals**


**Physicians**


Health Plans

Further Readings

Medicare: A Program at the Brink?
The rising national debt, Congressional “borrowing” from Medicare, changing population demographics, the growing divergence of Medicare and private sector hospital payments, and growing pharmaceutical use and expenditures all pose formidable challenges for Medicare going forward. Both political parties have plans for the Medicare program. Medicare reform was an important topic in the past presidential election and seems likely to remain a contentious issue in upcoming national elections as well.

Learning Objectives
Students should be able to:
1. Discuss the challenges that enrollment growth poses for Medicare.
2. Explain how health reform and the growing federal government debt could affect Medicare.
3. Discuss why the growing divergence between Medicare and private sector payers to provides has important implications for Medicare.
4. Discuss how the growth of specialty drugs will affect Medicare.
5. Describe proposals for Medicare reform and their political prospects.

Suggested Readings
The Medicare Solvency Issue

The Impact of Health Reform on Medicare

Alternatives for Medicare Reform

Prospects for Near Term Changes in Medicare


Further Readings

