**Health Economics in Developing Countries**

**HAD7001H-S3**

**Winter 2020**

**Course Structure:** Reading Course

**Instructors:**

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**Course Description:**

This reading course examines health issues in developing countries from the standpoint of applied health economics. Specific topics include: (1) understanding the disease burden in developing countries; (2) identifying bi-directional relationship between economic growth and health; (3) recognizing unique issues such as human resource and administration/governance, impact health in a development context and (4) understand the differences between optimal health decisions from an individual and national perspective and health preferences.

The course includes both a guided reading list of key topics and an independent reading list designed and developed by the participant. The reading list include a series of recent and pivotal papers in the health economics field that highlights concepts, methods and case studies across different countries and all set within the health economics framework.

**Course Objectives:** By the end of the course, participants are expected to achieve the following outcomes:

1. Understand the unique challenges of health care and possible solutions in developing countries through a series of practical case studies and key papers in health economics in this field.
2. Understand topical health policy issues as it applies to developing countries
3. Critically evaluate key health economic issues within the guided reading list as well as participant’s area of interest, the methods used to analyse these issues and the conclusions reached.

**Method of Instruction:** This is both a guided and independent reading course with select weekly mandatory readings for half the course and participants own list of readings for the other half of the course. Participants are required to submit a proposal for the reading list of their choice and the objectives for their independent reading list. Proposal should cover different health economic concepts including methodology, case studies, empirical studies all set in developing countries. A list of potential themes will also be provided at the beginning of the course. Participants are also required to submit a research proposal that covers the theme and readings from the independent reading list. A final paper is due at the end of the course.

At any time, participants are expected to inform either of the instructors if they are having difficulty with the papers on the reading list, and these difficulties are to be addressed in through skype or zoom or any other time through emails. Course announcements as well as additional course readings will be posted on the course website.

**Evaluation Objectives:** Participants will be evaluated on the understanding and appreciation of the key health economic and health policy issues pertaining specifically to developing countries. Participants will be evaluated on their reading list and learning objectives, research proposal and the final research paper that will need to incorporate key learnings from the reading course. Participants should familiarize themselves with issues addressed in all the readings, including methodology used, the data sources, how the results are derived, the conclusion reached and the strengths and limitations of each paper both from the assigned reading list and participants’ independent reading list.

**Reading List Proposal:** Participant’s proposal for their own independent reading list should cover 6 themes/topics (one per week) with 4-5 peer reviewed readings per week. Proposal should state the objective for the reading list and the learning goals to be achieved. All topics have to be focussed health economics or health policy issues related to one or more developing countries. Reading list should aligned with the research topic of the final report.

The reading list proposal is due **January 25th**.

**Research Proposal**:

Participants will submit a research proposal for their final research report. The research proposal will pertain to a health economics or policy issue and can involve independent empirical study, econometrics, literature review, methodological review, qualitative or quantitative analysis. Participants are encouraged to reach out to either or both of the co-instructors on their ideas for the final paper before completing their research proposal.

The research proposal is due **February 8th** and has a maximum of five pages.

**Final Paper:**

The final paper can relate to original research on a relatively self--contained topic within the field of health economics in one or more developing countries, or can be a critical survey of health literature that addresses a particular health economics issue or challenge in the developing country. The deadline for receipt of the final paper is **April 12th**.

The final paper may have the following general components:

* Country background: A description of the current health system and burden of disease of the country. Reference papers from the reading list
* Research question: A description of the key issue and research question
* Intervention: A description of the proposed intervention and about what is already known regarding its impact. Include findings from papers from the reading list and other relevant studies.
* Theory or Conceptual Model: A description of the economics conceptual model pertaining to the issue.
* Methods: Description of the method and data sources– either quantitative (econometrics) or qualitative analysis (e.g. lit review) that may be used as part of the analysis.
* Summary of Findings and Discussion: Provide detailed findings, discuss the findings and provide conclusion to the study

Max number of words: 5,000

The reading list, research proposal and final paper has to be in PDF format. Reports submitted after the due date will be penalized at the rate of 4% per day.

**Summary of Course Grade:**

Reading List Proposal: 20%

Research Paper Proposal: 20%

Engagement: 10%

Final Research Report: 50%

**Total: 100%**

Co-instructors will jointly grade the reading list proposal, research proposal and the major paper. Co-instructors will also jointly feedback on the reading list proposal and research paper proposal.

**Outline of Reading Course**

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| **Topic** | **Instructor** |
| Session 1 (January 4th)  Epidemiological Shift  Description: To understand the epidemiological shift in disease in developing countries over the last few decades and the corresponding demands on the types of healthcare and measures of healthcare for developing countries. Responses to the COVID-19 pandemic and implications for public health in developing countries. | Hussain |
| **Readings**  Abate, K. H., Abay, S. M., Abbafati, C., Abbasi, N., Abdelalim, A., Abdollahpour, Academy, S. (2018). Global, regional, and national disability-adjusted life-years (DALYs) for 359 diseases and injuries and healthy life expectancy (HALE) for 195 countries and territories, 1990–2017: A systematic analysis for the global burden of disease study 2017. The Lancet (British Edition), 392(10159), 1859-1922.  Measuring performance on the healthcare access and quality index for 195 countries and territories and selected subnational locations: A systematic analysis from the global burden of disease study 2016. (2018). The Lancet, 391(10136), 2236.  Shillcutt, S. D., Walker, D. G., Goodman, C. A., & Mills, A. J. (2009). Cost effectiveness in low- and middle-income countries: A review of the debates surrounding decision rules. Pharmacoeconomics, 27(11), 903-917.  <https://www.who.int/heli/economics/costeffanalysis/en/>  Mills, A. (2005). Mass campaigns versus general health services: What have we learnt in 40 years about vertical versus horizontal approaches? Bulletin of the World Health Organization, 83(4), 315-316.  Buffardi, A. L. (2018). Sector-wide or disease-specific? implications of trends in development assistance for health for the SDG era. Health Policy and Planning, 33(3), 381-391.  COVID-19: TBD |  |

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| Session 2 (January 11th)  Health and Economic Development  Description: To understand the bi-directional linkage between health and economic development. | Rebeira |
| **Readings**  Weil D. (2007). Accounting the effect of health on economic growth, Quarterly Journal of Economics 122(3), 1265-1306.  Bloom D., Canning D., Sevilla J. (2001). The effect of health on economic growth: theory and evidence. (NBER Working Paper, no. 8587).  Reeves A., Basu S., McKee M., Meissner K., Stuckler D. Does investment in the health sector promote or inhibit economic growth? Global Health 2013 9:43  Daron Acemoglu and Simon Johnson, "Disease and Development: The Effect of Life Expectancy on Economic Growth," Journal of Political Economy 115, no. 6 (December 2007): 925-985.  Heights and Human Welfare: Recent Developments and New Directions Richard H. Steckel NBER Working Paper No. 14536 December 2008, Revised January 2009 JEL No. N00,O1 |  |

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| Session 3 (January 18th )  Governance and Institutional Arrangements  Description: To understand governance and how it is characterized, describe information asymmetry, adverse selection and moral hazard in the health sector, Analyze principal -agent relationship in the context of patient, provider, payer/administrator and identify specific strategies that may help strengthen the relationship | Hussain |
| **Readings**  Kaufmann, D., & Kraay, A. (2007). Governance indicators: Where are we, where should we be going? The World Bank Research Observer, 23(1), 1-30.  Brinkerhoff, D. W., & Bossert, T. J. (2013). Health governance: Principal-agent linkages and health system strengthening. Health Policy and Planning, 29(6), 685-693.  Kaplan, A. D., Dominis, S., Palen, J. G. H., & Quain, E. E. (2013). Human resource governance: What does governance mean for the health workforce in low- and middle-income countries? Human Resources for Health, 11(1), 6-6.  Powell-Jackson, T., Purohit, B., Saxena, D., Golechha, M., Fabbri, C., Ganguly, P. S., & Hanson, K. (2019). Measuring management practices in india's district public health bureaucracy. Social Science & Medicine (1982), 220, 292-300. |  |

**\*\*\*Reading List Proposal due \*\*\* (Jan 25th)**

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| Session 4 (January 25th)  Universal health care coverage  Description: To understand financing and other challenges towards universal health care coverage in developing countries. | Rebeira |
| **Readings**  Sen A., Lamont T.W. (2015). Universal Health Care: The Affordable Dream. HPHR, vol. 5.  Chapman, Audrey R. and Samath Dhamminda Dharmaratne. “Sri Lanka and the possibilities of achieving universal health coverage in a poor country.” *Global Public Health* 14 (2018): 271 - 283.  Wagstaff A. (2009). Social health insurance vs. tax-financed health systems - evidence from the OECD (English). Policy Research working paper; no. WPS 4821. Washington, D.C.: World Bank Group.  World Health Organization. Health systems financing: the path to universal coverage. World Health Report 2010, WHO, Geneva. |  |

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| Session 5 (February 1st)  Health workforce  Description: To understand how health workforce shortage is characterize, access supply and demand factors associated with the health workforce sector, and analyze concepts of skill-mix, scale up and productivity in the health care sector | Hussain |
| **Readings**  Edson, C. A., Timothy, G. E., & Maeda, A. (2016). Using economic analysis in health workforce policy-making. Oxford Review of Economic Policy, 32(1), 41.  Bangdiwala, S. I., Fonn, S., Okoye, O., & Tollman, S. (2010). Workforce resources for health in developing countries. Public Health Reviews, 32(1), 296-318.  Ahmed, S. M., Hossain, M. A., Rajachowdhury, A. M., & Bhuiya, A. U. (2011). The health workforce crisis in bangladesh: Shortage, inappropriate skill-mix and inequitable distribution. Human Resources for Health, 9(1), 3-3.  Nair, M., & Webster, P. (2010). Medical education in review: Education for health  professionals in the emerging market economies: A literature review: Educational issues in emerging economies. Medical Education, 44(9), 856-863.  Liu, J. X., Goryakin, Y., Maeda, A., Bruckner, T., & Scheffler, R. (2017). Global health workforce labor market projections for 2030. Human Resources for Health, 15(1), 11. |  |

**\*\*\*Research Proposal Due \*\*\* (February 8th)**

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| Session 6 (February 8th)  Women, Health and Development & Health Preferences  Description: (i) To understand the role of women in population health and (ii) to understand health preferences in developing countries | Rebeira |
| **Readings**  Duflo, Esther. 2012. "Women Empowerment and Economic Development." Journal of Economic Literature, 50 (4): 1051-79.  Philipp Hessel, María José González Jaramillo, Davide Rasella, Ana Clara Duran, Olga L. Sarmiento. 2020. Increases In Women’s Political Representation Associated With Reductions In Child Mortality In Brazil. Health Affairs 39:7, 1166-1174.  Duflo, Esther & Chattopadhyay, Raghabendra. (2004). Women as Policy Makers: Evidence from an India-Wide Randomized Policy Experiment. Econometrica. 72. 1409-1443. 10.1111/j.1468-0262.2004.00539.x.  World Health Organization. World Health Organization, cost-effectiveness thresholds. 2012. Available from: [〈http://www.who.int/choice/costs/CER\_thresholds/en/index.html〉](http://www.who.int/choice/costs/CER_thresholds/en/index.html).  Newall A.T., Jit M., Hutubessy R. Are current cost-effectiveness thresholds for low- and middle-income countries useful? Examples from the world of vaccines. Pharmacoeconomics. 2014;32:525–531.  Woods, B., Revill, P., Sculpher, M., & Claxton, K. (2016). Country-Level Cost-Effectiveness Thresholds: Initial Estimates and the Need for Further Research. Value in health : the journal of the International Society for Pharmacoeconomics and Outcomes Research, 19(8), 929–935. https://doi.org/10.1016/j.jval.2016.02.017  Shiroiwa T., Sung Y.K., Fukuda T. International survey on willingness-to-pay (WTP) for one additional QALY gained: what is the threshold of cost effectiveness? Health Econ. 2010;19:422–437.  World Health Organization, Thresholds for the cost–effectiveness of interventions: alternative approaches. <https://www.who.int/bulletin/volumes/93/2/14-138206/en/> |  |

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| Session 7 (February 22nd)  Student Independent Reading List #1 | Hussain |

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| Session 8 (March 1st)  Student Independent Reading List #2 | Rebeira |

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| Session 9 (March 8th)  Student Independent Reading List #3 | Hussain |

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| Session 10 (March 15th)  Student Independent Reading List #4 | Rebeira |

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| Session 11 (March 22nd)  Student Independent Reading List #5 | Hussain |

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| Session 12 (March 29th)  Student Independent Reading List #6 | Rebeira |

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| April 12th (Monday)  **\*\*\*Dateline: Final paper due\*\*\*** |  |