Healthcare Services Delivery: A Managerial Economic Approach

HCMG 852 / 352
Spring 2017
TR 1:30 – 3:00PM
SHDH 215

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Objectives  The purpose of this course is to apply economics to an analysis of the health care industry, with special emphasis on the unique characteristics of the US healthcare markets, from pre-hospital to post-acute care. This course focuses on salient economic features of health care delivery, including: the role of nonprofit providers, the effects of regulation and antitrust activity on hospitals, the degree of input substitutability within hospitals, competition in home health care, public versus private provision of emergency medical services, the effect of specialty hospitals and ambulatory surgery centers, innovative models of primary care delivery, defining and improving medical performance in hospitals, specialization and investment in physical and human capital, and shifting of services between inpatient and outpatient settings and its effect on health care costs and quality.

Grading
• Class Participation  15%
• Midterm Exam  60%
• Student presentation  25%

WebCafe
We have established a CANVAS site for HCMG852. This will serve as our primary communication channel. You can log on using your usual Wharton username and password. Registered students will automatically have access. Others can get an account online at: http://accounts.wharton.upenn.edu. In case of any problems, you can apply in person at F35 JMHH, which is the Wharton computer consulting office. If you have questions about using CANVAS, contact the CANVAS Team at: courseware@wharton.upenn.edu.

Readings: All readings will appear in an electronic format on Canvas. Note that all readings below are suggested and hence, optional. Most readings will be discussed in the classroom.
Dates, Topics and Reading Assignments

Thursday, January 12

Introduction to the U.S. Healthcare Industry and its Unique Characteristics


Tuesday, January 17

On the Objectives and Behavior of Nonprofit Hospitals in the U.S.


Thursday, January 19

Why do For-Profit and Nonprofit Providers Coexist in the Same Market?


Tuesday, January 24

Cost-Shifting and Cross-Subsidization Behavior of Hospitals and Physicians


Thursday, January 26

**A Major Challenge for Healthcare 2017: Separating facts from opinions, Dr. Donald Casey**, Managing Director, Alvarez & Marsal Health Industry Group

David M. Levine, Jeffrey A. Linder, and Bruce E. Landon, “The Quality of Outpatient Care Delivered to Adults in the United States, 2002 to 2013”, *JAMA Internal Medicine* (2016)


Karandeep Singh, Kaitlin Drouin, Lisa P. Newmark et al., “Many Mobile Health Apps Target High-Need, High-Cost Populations, But Gaps Remain”, *Health Affairs* 35, no.12 (2016)

Jiaquan Xu, Sherry L. Murphy, Kenneth D. Kochanek, and Elizabeth Arias, “Mortality in the United States, 2015”, NCHS Data Brief, No. 267, December 2016


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Tuesday, January 31

**Introduction to Antitrust and Regulation in Health Care**


Arizona v. Maricopa County Medical Society, Supreme Court of the United States, 1982 (457 U.S. 332, 102 St.Ct. 2466, 73 L.Ed.2d 48).


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Thursday, February 2


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Tuesday, February 7

**Clinical Integration: How Competitors can Collaborate?, Steven Levin**, MBA, Managing Director of The Chartis Group and **Keith Dickey**, PhD, Principal, The Chartis Group

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Thursday, February 9

**Innovation in Consumerism, Accountable Care and Population Health, Dr. Alan London**, Chief Medical Officer of AristaMD and Senior Strategy Advisor for BDC Advisors

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Tuesday, February 14

**Innovation in Primary Care**


**Thursday, February 16**

**Retainer-Based Medicine, Wayne Lipton**, Chief Executive Officer, Concierge Choice Physicians

**Tuesday, February 21**

**Personalized Healthcare, Dr. Andrea Klemes**, Chief Medical Officer of MDVIP

**Thursday, February 23**

**Division of Labor and Specialization: the Case of Hospitalists in the US**


**Tuesday, February 28**

**Hospital of the Future: Hospitalists Leading the Change, Dr. Laurence Wellikson**, Chief Executive Officer of the Society of Hospital Medicine

**Thursday, March 2**

**Public versus Private Emergency Medical Services**


---- SPRING BREAK ----
Tuesday, March 14

Regulation, Competition and Vertical Integration in Home Health


Thursday, March 16

An Overview of the “In-Home Medical Equipment and Services” Industry, Richard Chesney, Founder and Chief Executive Officer of Healthcare Market Resources

Tuesday, March 21

The Challenges of Managing a Home Health Agency, David Baiada, MBA, Practice Leader, Home Health, Bayada Nurses.

Thursday, March 23

Hospice and Physician House Calls: Caring for high risk patients with services that improve quality and reduce cost – Dr. Adam Groff, Hospice Practice Leader and Division Director, Bayada Nurses and Assistant Professor at Geisel School of Medicine at Dartmouth and at The Dartmouth Institute for Health Care Policy & Clinical Practice. Sharon Vogel, MBA, Director of Hospice Services, Bayada Nurses, and Jessica Son, MD, MBA, Bayada Hospice

Tuesday, March 28

Defining and Improving Health Care Organization Performance, Dr. Craig Samitt, Executive Vice President and Chief Clinical Officer for Anthem, Inc.

Thursday, March 30

The Changing Landscape of Health Care Delivery, Somesh Nigam, Ph.D., Vice President Information & Data Governance and Health Informatics, IBM Corporation.

Tuesday, April 4

A Consumer-Driven Culture of Health, Kenneth Abrams, MD, MBA, Managing Director, Deloitte Consulting LLP
Thursday, April 6

MIDTERM EXAM (1:30 PM – 2:50 PM)

Tuesday, April 11

Do Nonprofit Hospitals Justify their Tax Exempt Status?, Ralph Muller, Chief Executive Officer, University of Pennsylvania Health System

Thursday, April 13 – Tuesday, April 25

Student Presentations