ABSTRACT

Prepared to assist students at Empire State College in developing learning contracts for the study of the economics of health care delivery, this study guide discusses various aspects of the topic, suggests student projects, and provides an extensive bibliography. First, introductory material discusses the relationship of economics to health care delivery, examining such relevant economic concepts as resource allocation, opportunity cost factors, laws of supply and demand, elasticity, and cost-benefit analysis. In addition, the importance of an understanding of economics is underscored with respect to rising medical costs and the increasing proportion of government expenditures going to health care. A list of introductory economics texts is provided for students who lack the necessary background in economics principles. Next, 56 possible student projects are suggested, requiring students to investigate topics such as the role of government in the health care system, the advantages and disadvantages of socialized medicine, pollution and health, the costs of health care, and productivity in health care delivery. Students are advised to select one or more projects in consultation with their instructor or mentor. Then, a guide is presented to assist students in preparing programs in health care management, which includes lists of required and suggested courses. A list of health care organizations and a 374-item bibliography are included....(HB)
STUDY GUIDE IN

Health Economics

GEORGE DAWSON & BERT JABLON

EMPIRE STATE COLLEGE

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STUDY GUIDE
IN
Health Economics

GEORGE DAWSON & BERT JABLON

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HEALTH ECONOMICS: A STUDY GUIDE

George Dawson & Bert Jablon

Introduction

Many students at Empire State College are involved in the health care delivery system, and many wisely choose to include the study of the economics of health in their degree programs. Because every person is in some way affected by our health care system, those who are not working in the health care field might also consider the study of this important subject. Directly or indirectly, we all help to bear the costs of health care. Directly or indirectly, we all derive some of the benefits produced by our health care delivery system. In short, the subject of health care is one that should be of interest to everyone. This study guide and bibliography has been prepared to assist students who wish to develop "learning contracts" in the economics of health, although it should be of some use to anyone in the field.

Before beginning a study of the economics of health, the student ought to have some understanding of basic economic principles. How can economics contribute to a better understanding of the problems of providing adequate health care? The answer lies in the fact that economics deals with the problem of scarcity. Human wants appear to be unlimited, but the resources available to satisfy those wants are limited. Because our productive resources are limited we cannot have everything we want, and thus we must choose from among alternatives. This is what economics is all about -- it is the study of the ways in which we allocate our scarce resources in an effort to satisfy our wants.

Clearly, the problem of resource allocation exists in the health care field. With too few resources to solve all the problems or to satisfy all the wants that people have for health care, how can we best use our existing re-
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sources? This is a central question that health care economics tries to answer. Choices must be made, and economic analysis can help to identify the true costs and benefits of the various alternatives.

Economics cannot provide the answer to every health care question. Values and ethical considerations enter into the picture, and goals are set by society as a whole. Given the goals established by our society, however, economists can use the tools of their discipline to help determine the most efficient ways of achieving those goals. For example, economists can identify the opportunity cost (or real cost) of an action. Given the fact that our productive resources are limited, the real cost of building more facilities to deal with health problem "X" is the sacrifice of the opportunity to use those resources to deal with problem "Y". This simple opportunity cost concept is one of the most important and most basic principles in economics. Every time a health care professional makes a decision on the allocation of his or her resources, the opportunity cost ought to be taken into account.

Many other economic principles can be brought to bear as well. Even though a substantial part of our health care delivery system is in the public sector (that is, it is provided by government), there is a large private market for health care also. The laws of supply and demand play an important role. If the demand for a particular medicine is high, but the supply is low, the price of the medicine can be expected to rise. The wages and salaries of health workers and professionals, the prices of various medicines and treatments, and the costs of health care facilities and equipment are affected by supply and demand. The way in which economists study and analyze costs can shed light on the reasons for the rising price of health care in recent years.

Students of the economics of health care should be aware of the ways in
which the health care market differs from the markets for other goods and
services in our economy. For example, the demand for health services and
products is likely to be relatively inelastic. That is, a large change in
price may result in only a small change in the quantity purchased. A person
who needs a certain medicine to control severe pain or to remain alive will
most likely continue to purchase the medicine even if the price soars. That
person will probably reduce his or her purchases of some other product (such
as phonograph records) in order to be able to continue to consume the needed
medicine. In short, the demand for some things that we buy (such as luxury
items) is elastic. We can do without phonograph records, so a large increase
in price will probably result in a more than proportional drop in sales. This
factor of elasticity is one that must be considered in any analysis of the
health care market.

Because of the need to make choices from among alternatives, cost/benefit
analysis is important in the study of health care delivery. If we choose to
use method "A" in treating a particular disease, how much will it cost us and
how many lives will we save? If we choose method "B", how much will it cost
and how many lives will be saved? Generally, we will select the method that
yields the greatest benefit for the lowest possible cost. These are but a few
of the economic concepts that should be understood by health care professionals
and by any citizen concerned about our health care problems.

The problems relating to our health care system today are known to every
well-informed citizen. For example, in 1982 the cost of medical care increased
by 11 percent, while the Consumer Price Index rose by only 3.9 percent. That is,
the cost of medical care was rising nearly three times as much as consumer
prices as a whole. Hospital room rates rose by 13.3 percent, and insurance
costs went up 15.9 percent (while 25 million Americans were without any health insurance coverage at all). The premiums charged by some insurance companies for health insurance have increased by as much as 40 percent in a single year. It was reported in 1983 that one in 10 families were spending more than 10 percent of their incomes on health care, and that three million families had catastrophic "out-of-pocket" expenses exceeding 20 percent of their incomes. (New York Times, August 26, 1983, p. D2.)

The rising cost of health care is being felt in both the private and the public sectors. Health care is becoming an increasingly important factor in the cost of doing business, and between 1980 and 1983 the corporate health care bill doubled (from $50 billion to $100 billion). Nearly 30 million Americans are covered by the government's Medicare program, and Medicare costs soared from $7.5 billion in 1971 to nearly $51 billion in 1982. (If we add Medicaid to Medicare, the outlay for 1982 was $83 billion.) With the outlays for Medicare rising by nearly 700 percent in about a decade, it was predicted in 1983 that the Hospital Insurance Trust Fund would be exhausted by 1996 — or possibly even by 1988! The following graphs illustrate the problem.

**The problem**

**Hospital Insurance Trust Fund goes steadily deeper in debt...**

(year-end balances in billions of dollars)

![Graph showing steadily increasing debt in Hospital Insurance Trust Fund](source: Congressional Budget Office)
...as disbursements exceed income

![Graph showing total disbursements exceeding total income from 1966 to 1990. Source: Federal Hospital Insurance Trust Fund.]

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**Leading causes**

**Soaring hospital costs**
(1967 = 100)

![Graph showing the index of hospital room costs and the consumer price index (all items). Source: Bureau of Labor Statistics.]

**The payroll tax shortfall**
(Increase in percent of workers' paycheck that would be needed to cover Medicare hospital costs)

![Graph showing the payroll tax shortfall from 1983 to 2005. Source: Federal Hospital Insurance Trust Fund.]

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**Growing numbers of eligible elderly**
(as a percent of total population)

![Bar chart showing the percentage of the population over 65 and over 80 from 1965 to 1982. Source: Bureau of the Census.]

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The cost of health care is accounting for a larger and larger portion of total expenditures in the United States. In 1979, expenditures on health care in the United States represented 8.9 percent of GNP (Gross National Product) -- that is, 8.9 percent of all goods and services produced in that year. By 1982, 10.5 percent of GNP was being devoted to health care. During the recession of the early 1980s, the health care industry was the only large part of the American economy that grew steadily. Indeed, 7.7 million people were employed in the health care industry -- over 7.5 percent of all employed persons in the United States. (Some argue, however, that these trends are not necessarily bad. The implication here is that Americans are wisely shifting their resources from other things to health care. If higher health care expenditures represent more real resources going into the health care field, then this argument is supported by the figures. If, however, the higher expenditures simply represent increasing prices for health care and health care products, then the argument is not well supported.)

From these few facts, it is clear that the health care field is an extremely important part of the American economy and that its problems have an impact on everyone. In the next section we suggest a variety of problems or topics that students might wish to pursue in a course or "learning contract" in the economics of health. Students who have not studied basic economics are advised to obtain a good introductory textbook in the principles of economics and to read it before attempting an intensive study of the economics of health. A book designed for a comprehensive one-semester course in basic economics may suffice. The latest edition of any of the following books will provide the student with some background in the economic principles, concepts, and theories that can be used in a study of the economics of health.
In addition to these relatively short texts, there are a few books that can introduce the student to economics in a brief and non-technical way. The following are not text books, but they do show how economics can be used in approaching problems. They introduce some basic economic concepts without using many graphs, charts, or mathematical formulas.


Robinson, Marshall A.; Morton, Herbert C.; and Calderwood, James D., AN INTRODUCTION TO ECONOMIC REASONING. Garden City, N.Y.: Anchor Press.

(Note: The fact that we have included a book in these lists does not necessarily imply that we agree with every position taken by the authors or that we support every conclusion.)

Suggested Projects

In this section we are listing many projects that pertain to the economics of health and health care delivery. The student should examine this list carefully, and select the project or projects that appear to be most interesting and meaningful. The student should then consult his or her instructor (or "mentor" at Empire State College) before deciding to do one or more of these projects. The student may wish to combine two or more related projects into one, to modify a project, to expand upon one of the projects, or to work on a project not included in this list. These are only suggestions, not prescriptions. Before attempting any project, the student ought to be sure that there will be sufficient material available and that he or she has the necessary background to handle the work of the project. Again, the instructor (or mentor) can be a source of advice in this matter.

- Study health care as a major U.S. industry. What is its role in the American economy? What is the structure of the industry? How is it similar to, or different from, other major industries? What are its major problems? What are some possible solutions?

- Examine inflation and the health care system. How has inflation affected the system? To what extent have health care costs been a factor in the rate of inflation? What might be done about the increasing costs of health care?

- What is the role of government in U.S. health care delivery? Evaluate government's actions and policies, and tell what government's role ought to be. Provide a rationale for your conclusion, considering such social goals as fairness and efficiency.

- How do major economic principles apply to health care? Examine a standard textbook in the principles of economics. How do the laws of supply and demand apply to health care? How does the concept of elasticity apply? Also consider such things as the opportunity cost principle, fixed costs, variable costs, and price determination.
- Compare the U.S. health care system with the systems of other industrial nations. How (and why) are they similar? How (and why) do they differ? How would you evaluate the U.S. system in comparison with the others?

- Study the controversy over socialized medicine. Give both sides of the issue objectively, then provide your own answer. Should we adopt socialized medicine? If so, why? If not, why not? Should there be some intermediate system — partially public and partially private? Consider economic efficiency and equity in justifying your answer.

- Examine health problems and health care in your own community. (Define your "community" in terms of geography, political division, socioeconomic character, and so on.) What are the major problems? How are these being handled now? What improvements, if any, are needed in the handling of these problems?

- Study the Medicaid and/or Medicare programs. What are the programs like? What are their strengths and weaknesses? Evaluate them and suggest ways of improving them.

- Make a study of labor relations in health care in general or in a given health occupation or institution. What is the role of unions, if any? How would you characterize labor-management relations? Study any existing union-management contracts and evaluate them. What problems exist, and how would you attempt to solve them?

- Study a particular health care facility in your area. (A hospital, a clinic, a nursing home, a laboratory, or whatever interests you.) How is the facility managed? What is its role in the community? What does it cost to run it? How effective is it? What problems does it have, and how would you solve those problems?

- Do research on a health problem that interests you. (Heart disease, cancer, alcoholism, mental illness, or whatever.) What does this problem cost our society? What is being done about it? What ought to be done? Use such things as cost/benefit analysis to justify your answer.

- Analyze health care education in America. (Or, you might concentrate on the education of a particular group such as physicians, nurses, or dentists.) What are the costs of providing this education? How effective is it? What improvements, if any, are needed?

- Examine the market for health care workers and professionals. What is the market like now? What is it apt to be like in the future? Where will the demand be? How can that demand be met most efficiently?

- Study health care problems in industry, or in a particular industry. What problems exist because of accidents, work-related illnesses, absenteeism because of health, etc.? What is this costing the industry? What improvements might be made?
- Do research on Health Maintenance Organizations (HMOs). What role are they playing in our health care delivery system? How effective are they? (Use cost/benefit analysis.)

- Make a study of health, hospital, and dental insurance. (Or, you might concentrate on only one type of insurance.) How do they affect the supply of health services? How do they affect the demand? What do they cost? How are the prices established? Are they effective? What should be done about people who do not have coverage and can't afford it?

- Examine the health problems of a particular group, such as the elderly, the poor, women, particular minorities, or veterans. Are their needs being met? Are the benefits exceeding the costs? What changes, if any, should be made in facilities, programs, or plans designed to meet their needs?

- Study the cost of medical and health care (including insurance) to the average American consumer. How important is medical and health care to the average person or family? What part of the average consumer budget is devoted to health care? How are people affected by catastrophic health and medical problems? How can consumers best plan for providing themselves with adequate care?

- Do research on the effects of pollution on health. What medical and health problems are created by environmental pollution? What are these problems costing our society? What is being done about them? What further steps (if any) should be taken to deal with pollution?

- Select two or more books from the bibliography. Consult your mentor about your choices, but be sure to select books that present different views on important health-related issues. Compare and contrast the two books, evaluate each argument, and draw your own conclusions. Justify your conclusions, using economic analysis.

- Examine the positions of the major political parties on the issue of public health care. How are they similar? How, and why, do they differ? Compare and contrast their positions. Which position would you support, and why? Or, would you take a different position?

- Make a case study of a hospital that has closed recently (such as New York's Jewish Memorial Hospital in 1983). What factors led to the closing? What problems will this cause for the community? For the health care system? What might have been done to prevent the closing?

- Design a research project related to the marketing of a health care product or service. How would you determine the potential market for this product or service? How would you decide on the price? (This activity should be undertaken only by students who have studied -- or who are currently studying -- research methods, statistics, or marketing research.)
- Study laws pertaining to health care. What are the economic aspects or economic effects of these laws? What purposes do the laws serve? Are they efficiently achieving the goals set for them by the lawmakers? If not, what changes ought to be made?

- Examine malpractice insurance and/or the problem of malpractice suits. What does such insurance cost medical professionals? What impact does the cost have on fees? On services? Are patients protected by malpractice suits? Are juries awarding excessive damages? Are there unscrupulous lawyers who are "getting rich" on such suits? If so, what might be done about the problem?

- Make a thorough study of the cost of operating a medical or dental office, or some other health care facility that interests you. Identify both the fixed and variable costs. Which are more important? Include implicit as well as explicit costs. How are resources allocated? How might the costs be reduced and the resources be allocated more efficiently?

- Study the investor-owned hospital chains (such as Hospital Corporation of America). Why have their revenues been increasing? How do they compare with non-profit hospitals? How do they establish their prices? How and why do their prices and costs differ from those of non-profit hospitals? Are they more (or less) efficient than non-profit hospitals? How are they affecting the non-profit institutions? What is their probable future in American health care delivery?

- Examine the health insurance and other health benefits provided by American industry in general, by a particular industry, or by a major firm. How are these benefits financed? How effective are they in meeting employee health needs? Should employees pay more of the costs? Should they pay taxes on the value of these benefits? How can these costs be kept down?

- Study the hospice programs for the terminally ill. What hospice facilities exist in your area? How are they financed and managed? How do they relate to other health care institutions? Are they cost-effective? Is there a need for more of them? If so, how can this need be met?

- Look into the activities of important health organizations such as the American Medical Association. Where do they stand on major health issues? (Such as hospital cost-containment legislation.) Why are they taking these positions? What is their role in our health care delivery system? How effective are they? What ethical standards do they support, and why? What are their lobbying activities? How do they help to maintain standards in the profession?
- Investigate "multiple-choice" insurance plans. Would they be an improvement over existing plans? Would they lower or increase costs? Would they provide better (or worse) coverage for employees?

- Study the growth of technology in health care. How has this affected costs and efficiency? How might it change health care delivery in the future?

- Do research on the role of women in the health care field. What types of positions do women hold? Why are women more prevalent in some jobs than in others? Is this evidence of discrimination? Does it represent a misallocation of human resources? Do women have equality of opportunity in health care fields? Do they receive equal pay? What can be done to correct any problems you discovered?

- Study and evaluate the new (in 1983) Medicare system under which the government will pay uniform prices for the treatment of particular ailments. Will this reduce costs? Will it shorten the length of hospital stays for Medicare patients? Why was the new system developed? Will it be better for the hospitals? For the patients?

- What is the role of unions in promoting health and safety in the workplace? How effective are union-management safety and health committees? (See Kochan, Dyer, and Lipsky, THE EFFECTIVENESS OF UNION-MANAGEMENT SAFETY AND HEALTH COMMITTEES, listed in the bibliography.) What should the role of unions be? Write a paper on your findings.

- Note the payment rates for Medicare patients established in 1983. How do you account for the regional differences, and the urban-rural differences? Are the differences justified? Should rates be the same everywhere? Why, or why not?

- Examine and evaluate a variety of national health insurance plans. Use economic principles in comparing and contrasting the plans and in formulating feasible and cost-effective plans that you might support. If you oppose all such plans, explain your position by using economic analysis.

- What are the alleged abuses of Medicare and Medicaid? How extensive are these abuses? How serious are they? What do they cost our society? What should be done about them?

- Make a study of physicians' (or dentists') fees and how they are established. How are they now established? By whom? Why are there differences? Are these differences justified? How, and by whom, should fees be established? What are the economic facts, principles, and concepts to consider in deciding on appropriate fees?
- Study the financial management policies and practices of hospitals or other health care institutions. Evaluate these policies and practices from the point of view of economic efficiency. If you find them to be inefficient, what kinds of changes would you suggest?

- Examine the influence of each of the following groups on health care economic policies: (1) health professionals; (2) governments at all levels; (3) consumers. What are the goals, objectives, and interests of each group? To what extent is each group concerned with the consumer of health care? How does each group contribute toward our health care system? What problems, if any, does each group cause? How would you evaluate the efforts of each group?

- Study the economic aspects of designing and planning health care facilities, and the staffing and supplying of those facilities. (See Owen Hardy and Lawrence Lammers, HOSPITALS: THE PLANNING AND DESIGNING PROCESS. Aspen Publications, 1977.) What economic principles and concepts would you use in the planning and design process? In staffing and supplying?

- Prepare a grant proposal for a project in which you are interested. Learn all you can about grants. Include cost estimates and explain each item. Show that you have done careful studies of probable fixed and variable costs. Give evidence that you have considered cost/benefit analysis. See such works as GRANTSMANSHIP by Armand Lauffer (Beverly Hills, Calif.: Sage Publications); ANNUAL REGISTER OF GRANT SUPPORT (Chicago: Marquis Who's Who, Inc.), GRANT BUDGETING AND FINANCE by F.E. Sladek and E.L. Stein (New York: Plenum Publishing); and GRANTS MAGAZINE (New York: Plenum).

- Do research on the mergers of health care facilities or on the combining of facilities as means of controlling costs. Are these feasible ways of keeping the "lid" on costs without reducing efficiency?

- What is the role of volunteers in the health care system? Do they add to the efficiency and output of the system? What costs do they impose on the paid professionals (such as real costs and money costs of training them and supervising them)? Should the use of volunteers be encouraged?

- Pick a subject within the category of "health economics" and compile a long annotated bibliography. Give an evaluation of each item listed. What does each book cover? How useful is it? For whom is it useful? Is it objective, thorough, accurate, and analytical?
Study the problem of "cost shifting." It is charged that because the full cost of services for Medicare patients is not paid by the government, hospitals must make up the difference by shifting the shortfall to private patients and their insurers. Is this charge valid? If so, what problems does it cause? What might be done about it?

Examine the need for "extended-care" services; that is, services for patients who do not need full hospital services but need more intensive nursing and rehabilitative services than many nursing homes can provide. What can be done to provide extended care economically and efficiently?

Look into the so-called "medical-speciality shops" -- private companies offering a single medical service, such as cardiac and hypertension care, outpatient surgery, or geriatric care. How rapidly are they growing? Why have they been growing? Why are their prices sometimes lower than prices charged by conventional hospitals? Do they provide quality service? Are they cost-effective? How would you evaluate them in terms of providing adequate care at reasonable prices?

Interview several health care administrators. What do they see as major problems in health economics? What kinds of solutions do they propose? Evaluate their solutions, using economic analysis.

Develop ways of analyzing the cost-effectiveness of some of the new equipment and/or techniques for health care. (This should be undertaken only by students who already have strong backgrounds in economics, research methods, and statistics.)

Develop a fund-raising plan for a health care institution or project. What economic aspects would you include? Why? How would you present these economic aspects to the public?

Write a history of the American health care system, with emphasis on costs and other economic factors.

Study productivity in health care delivery. How would you measure productivity (generally defined as output per hour of labor)? How might productivity be improved?

Design a study to ascertain community health problems and needs. (For suggested procedures, see NEEDS ASSESSMENT: A MODEL FOR COMMUNITY PLANNING by K.A. Neuber, W.T. Atkins, J.A. Jacobson, and N.A. Reuterman. Beverly Hills, Calif.: Sage Publications.)
Many students at Empire State College are interested in developing degree programs in health care administration or health care management in general. Others are interested in narrower aspects of the health care field, such as "Patient Advocacy" or "Labor Relations in the Health Care Field." Once you have clearly established your goal, consult with experts in the field. You should also examine programs offered by other colleges and material available from such professional organizations as the American College of Hospital Administrators (840 Lake Shore Drive, Chicago, Illinois 60611).

At Empire State College you will be expected to prepare a well-rounded program that provides for cultural and intellectual enrichment as well as rigorous learning experiences in your chosen field. Some of the subjects you study may seem to be unrelated to health care. We believe, however, that a well-rounded person who has studied American history, government and politics, sociology, psychology, literature, writing, economics, mathematics, science, and the like, will be better prepared to work in the health care field than one whose education is narrowly confined to his or her special area of interest. It is often possible to relate some of these subjects in the liberal arts and sciences directly or indirectly to health care. A knowledge of psychology may help you to understand the problems and feelings of patients and their families. The study of sociology could help you to place health care problems in the context of social structures and issues in general. By improving your writing skills you may be preparing yourself to write clearer reports or even to write articles for the professional journals in your field.

Several of the subjects that will help you meet the College's requirements for work in the liberal arts and sciences can serve as "tool subjects" for your chosen area of concentration. Mathematics and statistics can be used in planning research projects or surveys. At the very least, a knowledge of these disciplines will give you a better understanding of the research that is reported in your professional journals. Knowing something about American history, government, and politics will help you to understand the controversy over national health insurance or socialized medicine. Economics provides a method of analysis that can be applied to the problem of resource allocation in health care. In short, do not look upon the liberal arts and sciences requirement as something that detracts from your efforts to learn healthcare management.

Although it is probably desirable to complete many of the liberal arts and sciences subjects and "tool subjects" before concentrating heavily in health care management, it is also possible to study some of these topics along with your learning contracts in health care administration. You can work this out with your faculty advisors. As for the subjects to be included in
your concentration, we have obtained the opinions of hospital administrators, examined programs offered by other colleges, and reviewed degree programs that other students at Empire State College have found to be useful in helping them attain their goals. Subjects to consider as core or required studies are as follows:

PLURALISM OF THE HEALTH CARE SYSTEM. Survey of hospitals, nursing homes, extended care facilities, and the like. How the industry is organized. Sociological, historical, and philosophical aspects. The multiplicity of systems. Public and proprietary institutions: Veterans Administration, city, and county facilities. Doctor-owned or stockholder-owned profit-making facilities. This would be a survey course at the introductory level. (4 credits.)

HEALTH CARE ADMINISTRATION. This should probably be preceded by a study of management theory and practices in general. Managerial skills and theories applied to health care institutions. How to plan, organize, delegate, and control. Managerial organizations of health care institutions. Duties of various officers, medical staff, boards of directors. Relations with the community. Upper level. (4 credits)

LEGAL ASPECTS OF HEALTH CARE ADMINISTRATION: Laws pertaining to licensing, regulations, malpractice suits, patient rights, arbitration, etc. Government's role. Medicare and Medicaid. Upper level. (4 credits.)

PERSONNEL MANAGEMENT AND LABOR RELATIONS IN HEALTH CARE. This might be preceded by a study of personnel management in general. It should include such things as hiring, training, evaluating, and managing hospital and other health care employees. Labor relations and unions in the field. Upper level. (4 credits) (A student specializing in this area could divide this into two contracts and increase the total amount of credit involved.)

FINANCIAL MANAGEMENT IN HEALTH CARE. It would be desirable to study introductory accounting and fundamentals of finance at the introductory level before approaching this contract. This contract would include the financial management of health organizations, accounting for management analysis and control, cost analysis, budgeting, rate setting, etc. Upper level. (4 credits.)

GOVERNMENT AND HEALTH CARE. Government's role in the health care system. Government health policies and programs at all levels (federal, state, and local). Government regulations, subsidies, grants, relevant taxes, and the like. Public policies -- how they are formulated, administered, and evaluated. Upper level. (4 credits.)
DATA PROCESSING AND THE USE OF COMPUTERS IN HEALTH CARE. Because of the growing use of computers in health care facilities, managers ought to have a basic knowledge of the application of data processing and computers in this field. This would be lower level if the student is being introduced to data processing and computers. It might be considered more advanced if the student has already had introductory courses or learning contracts and is now learning more sophisticated concepts and applications. (4 credits.)

THE ECONOMICS OF HEALTH CARE. Students must study basic economics before studying the economics of health care. This subject applies economic principles to the health care market, to the demand for health care, to the supply of health care services and products, to costs of delivery in health care, to government's role, etc. Upper level. (4 credits.)

The subjects listed above would provide a 32-credit "major" or concentration in health care management. With the approval of your adviser and/or the College's Assessment Committee, you might be able to substitute other subjects for some of those listed. Changes could be made in the credits involved to enable you to incorporate another subject into your program. For example, three of the subjects could become three-credit learning contracts instead of four-credit contracts, providing room in a "tight" degree program for another three-credit component in a subject you consider essential (such as PUBLIC RELATIONS IN HEALTH CARE).

If you have room in your degree program, there are many other subjects pertaining to health care that you might want to consider. Among these are the following:

HISTORY OF HEALTH CARE.
CONSUMERISM IN THE HEALTH CARE FIELD.
PATIENT ADVOCACY.
HEALTH CARE STATISTICS.
RESEARCH METHODS IN HEALTH CARE.
GRANTS MANAGEMENT IN HEALTH CARE.
GOVERNMENT AND HEALTH CARE IN OTHER COUNTRIES.
HEALTH CARE MARKETING.
PUBLIC RELATIONS IN HEALTH CARE.
COMMUNICATIONS IN HEALTH CARE.
COMPARATIVE HEALTH CARE SYSTEMS.
TRAINING, EDUCATION, AND CAREER DEVELOPMENT IN HEALTH CARE.
COMMUNITY HEALTH AND MEDICAL CARE.
HEALTH POLICY ANALYSIS.
ACCOUNTING FOR THE HEALTH FIELD.
COST ANALYSIS AND BUDGETING IN THE HEALTH FIELD.

Note that some of these subjects might overlap with others. For example, GOVERNMENT AND HEALTH CARE IN OTHER COUNTRIES would contain much of the same material as COMPARATIVE HEALTH CARE.
It is unlikely, therefore, that you would be permitted to include both subjects in your degree program unless you could establish very clearly that one does not duplicate the other, or that one takes you to a higher level of knowledge and understanding. Similarly, you would not be allowed to study COST ANALYSIS AND BUDGETING IN THE HEALTH FIELD after having studied FINANCIAL MANAGEMENT IN HEALTH CARE unless you could show that the former substantially augments the learning acquired in the latter and that it indicates progression to a more sophisticated level.

"Don't worry, we'll have you on your feet and out of here in no time. Your hospital insurance doesn't cover much."
Health Care Organizations

Students interested in entering the health care field might find that one or more of the following organizations can provide useful information on job opportunities in various health care specialties:

AMERICAN ART THERAPY ASSOCIATION, Suite 400, Two Skyline Place, 5203 Leesburg Pike, Falls Church, Va. 22041.


AMERICAN ASSOCIATION FOR MUSIC THERAPY, 211 East 43rd St., New York, N.Y. 10017.

AMERICAN ASSOCIATION FOR REHABILITATION AND THERAPY, P.O. Box 93, North Little Rock, Arkansas. 72116.

AMERICAN ASSOCIATION FOR RESPIRATORY THERAPY, 1720 Regal Row, Dallas, Texas. 75235.

AMERICAN ASSOCIATION OF BIOANALYSTS, Suite 918, 818 Olive St., St. Louis, Missouri. 63101.


AMERICAN ASSOCIATION OF MEDICAL ASSISTANTS, Suite 1575, 20 N. Wacker Dr., Chicago, Ill. 60606.

AMERICAN ATHLETIC TRAINERS ASSOCIATION, 638 West Duarte Rd., Arcadia, Calif. 91006.

AMERICAN BOARD FOR CERTIFICATION IN ORTHOTICS AND PROSTHETICS, 717 Pendleton St., Alexandria, Va. 22314.

AMERICAN COLLEGE OF HOSPITAL ADMINISTRATORS, Suite 11-W, 840 North Lakeshore Dr., Chicago, Ill. 60611.

AMERICAN COLLEGE OF NURSING HOME ADMINISTRATORS, 4650 East-West Highway, Bethesda, Maryland. 20814.

AMERICAN CORRECTIVE THERAPY ASSOCIATION, c/o David Ser, 259-08 148 Rd., Rosedale, N.Y. 11422.

AMERICAN DANCE THERAPY ASSOCIATION, 2000 Century Plaza, Columbia, Maryland. 21044.

AMERICAN DENTAL HYGIENISTS ASSOCIATION, 444 N. Michigan Ave., Chicago, Ill. 60611.

AMERICAN DIETETIC ASSOCIATION, 430 N. Michigan Ave., Chicago, Ill. 60611.
AMERICAN HEALTH CARE ASSOCIATION, 1200 15th St., N.W., Washington, D.C. 20005.

AMERICAN HOSPITAL ASSOCIATION, 840 North Lake Shore Dr., Chicago, ILL. 60611.

AMERICAN INDUSTRIAL HYGIENE ASSOCIATION, 475 Wolf Ledger Parkway, Akron, Ohio. 44311.


AMERICAN MEDICAL ASSOCIATION, Dept. of Allied Health Education, 535 North Dearborn St., Chicago, Ill. 60610.

AMERICAN MEDICAL TECHNOLOGISTS, 710 Higgins Road, Park Ridge, Ill. 60068.

AMERICAN OCCUPATIONAL THERAPY ASSOCIATION, 1383 Piccard Dr., Rockville, Maryland. 20850.

AMERICAN OPTOMETRIC ASSOCIATION, 243 North Lindberg Blvd., St. Louis. Missouri. 63141.

AMERICAN PHYSICAL THERAPY ASSOCIATION, 1156 15th St., N.W., Washington, D.C. 20005.


AMERICAN SCHOOL HEALTH ASSOCIATION, P.O. Box 708, Kent, Ohio. 44240.

AMERICAN SOCIETY FOR MEDICAL TECHNOLOGISTS, 330 Meadow Fern Dr., Houston, Texas. 77067.

AMERICAN SOCIETY FOR MICROBIOLOGY, 1913 1 St., N.W., Washington, D.C. 20006.

AMERICAN SOCIETY FOR PHARMACOLOGY AND EXPERIMENTAL THERAPEUTICS, 9650 Rockville Pike, Bethesda, Md. 20814.

AMERICAN SOCIETY OF CLINICAL PATHOLOGISTS, P.O. Box 12270, Chicago, Ill. 60612.


AMERICAN SOCIETY OF ELECTROENCEPHALOGRAPHIC TECHNOLOGISTS, 6th at Quint, Carroll, Iowa. 51401.

AMERICAN SOCIETY OF RADIOLOGIC TECHNOLOGISTS, 55 East Jackson Blvd., Chicago, Ill. 60604.
AMERICAN SOCIETY OF SAFETY ENGINEERS, 850 Busse Highway, Park Ridge, Ill. 60068.

ASSOCIATION OF MEDICAL ILLUSTRATORS, c/o Peggy Henry, Route 5, P.O. Box 311F, Huguenot Springs Rd., Midlothian, Va. 23113.


ASSOCIATION OF SCHOOLS OF PUBLIC HEALTH, Suite 404, 1015 15th St., Washington, D.C. 20005.

ASSOCIATION OF SURGICAL TECHNOLOGISTS, Caller E., Littleton, Colorado. 80120.

ASSOCIATION OF UNIVERSITY PROGRAMS IN HEALTH ADMINISTRATION, Suite 503, 1911 North Port Myer Dr., Arlington, Va. 22209.

ENVIRONMENTAL MANAGEMENT ASSOCIATION, 1019 Highland Ave., Largo, Florida. 33540.

HEALTH SCIENCES COMMUNICATIONS ASSOCIATION, Route 5, P.O. Box 311F, Midlothian, Va. 23113.

HEALTHCARE FINANCIAL MANAGEMENT ASSOCIATION, Suite 500, 1900 Spring Rd., Oak Brook, Ill. 60521.

INTERNATIONAL SOCIETY FOR CLINICAL LABORATORY TECHNOLOGY, Suite 918, 818 Olive St., St. Louis, Missouri. 63101.

JOINT COMMISSION ON ALLIED HEALTH PERSONNEL IN OPHTHALMOLOGY, 1812 North St. Paul Rd., St. Paul, Minn. 55109.

NATIONAL ASSOCIATION FOR MUSIC THERAPY, Inc., Suite 206, 901 Kentucky St., P.O. Box 610, Lawrence, Kansas. 66044.

NATIONAL ASSOCIATION FOR PRACTICAL NURSE EDUCATION AND SERVICE, INC., 254 W. 31st St., New York, N.Y. 10001.


NATIONAL ASSOCIATION OF PHYSICAL THERAPISTS, P.O. Box 367, West Covina, Calif. 91793.

NATIONAL ATHLETIC TRAINERS ASSOCIATION, 1001 East Fourth St., P.O. Drawer 1865, Greenville, N.C. 27834.

NATIONAL ENVIRONMENTAL HEALTH ASSOCIATION, Suite 704, 1200 Lincoln St., Denver, Colorado. 80203.
NATIONAL FEDERATION OF LICENSED PRACTICAL NURSES, Inc.,
214 South Driver St., P.O. Box 11038, Durham, N.C. 27703

NATIONAL HOME CARING COUNCIL, 235 Park Ave. South, New
York, N.Y. 10003.

NATIONAL REHABILITATION COUNSELING ASSOCIATION, Suite A305,

NATIONAL THERAPEUTIC RECREATION SOCIETY, 310 Park Center Dr.,
12th floor, Alexander, Va. 22302.

OPTICIANS ASSOCIATION OF AMERICA, 1250 Connecticut Ave.,

SOCIETY FOR PUBLIC HEALTH EDUCATION, Suite 535, 703 Market
St., San Francisco, Calif. 94103.

SOCIETY OF NUCLEAR MEDICINE, 475 Park Ave. South, New
York, N.Y. 10016.

U.S. DEPT. OF HEALTH AND HUMAN SERVICES, HEALTH RESOURCES
ADMIN., Room 4441, Center Bldg., 3700 East-West Highway,
Hyattsville, Md. 20782.

U.S. DEPT. OF TRANSPORTATION EMERGENCY MEDICAL SERVICES
DIVISION, NTS-42, 400 7th S.W., Washington, D.C. 20590.
BIBLIOGRAPHY ON THE ECONOMICS OF HEALTH

The publications listed in this bibliography deal with the economics of health directly or indirectly. Some are included because they contain material pertaining to health economics, even though the focus is upon some other subject. They range from books written for the lay person to highly technical works suitable only for persons with advanced training in economics. Some are quite old but have been included because they might be of historical interest. The fact that a publication is listed here does not necessarily mean that we agree with the views expressed therein, nor does it constitute a recommendation of the work. Instructors and students who are considering the use of any of these items ought to examine them before making adoption decisions.

Abel-Smith, Brian, VALUE FOR MONEY IN HEALTH SERVICES: A COMPARATIVE STUDY. New York: St. Martin's Press, 1976. 230 pages. (Financing health in different countries.)

Aday, Lu Ann, and Andersen, Ronald, DEVELOPMENT OF INDICES OF ACCESS TO MEDICAL CARE. Ann Arbor, Michigan: Health Administration Press, University of Michigan, 1975. 308 pages.


Anderson, Ronald; Kravits, Joanna; and Anderson, Odin W., eds. EQUITY IN HEALTH SERVICES: EMPIRICAL ANALYSES IN SOCIAL POLICY. Cambridge, Mass.: Ballinger Publishing Company, 288 pages.


Bentley, Judith, THE NATIONAL HEALTH CARE CONTROVERSY. New York: Franklin Watts, 1981. 113 pages. (Both sides of the issue are presented.)


Cullis, John G., and West, Peter A., THE ECONOMICS OF HEALTH: AN INTRODUCTION. New York: NYU Press, 1979. 309 pages. (Suitable for undergraduates who have had a one-year economics course.)


Feldstein, Paul J., HEALTH CARE ECONOMICS. New York: Halsted Press, John Wiley & Sons, 1979. 457 pages. (The reader should have had some background in microeconomics.)


Frederickson, Keville, OPPORTUNITIES IN NURSING. Culver City, Calif.: Social Studies School Service (Vocational Guidance Series), 1983. 149 pages.


Georgopoulos, Basil S., HOSPITAL ORGANIZATION RESEARCH: REVIEW AND SOURCE BOOK. Vol. 1 of series "Health Care Organization & Administration." Philadelphia: W.B. Saunders, 1975. 500 pages. (Resource allocation; workforce; work relations; etc.)


Grant, Dean E., HOW TO NEGOTIATE PHYSICIAN CONTRACTS. Chicago: Teach'em, 1979. 254 pages.


Health Care Finance Administration, HEALTH CARE FINANCING NOTES. Published periodically by the U.S. Dept. of Health and Human Services. (Order from ORDS Publications, Room 1E9 Oak Meadows Bldg., 6340 Security Blvd., Baltimore, Md. 21235.)


Health Insurance Institute, SOURCE BOOK OF HEALTH INSURANCE DATA. New York: Health Insurance Institute.


HOSPITAL ADMINISTRATION CURRENTS. Journal. Ross Laboratories, 625 Cleveland Avenue, Columbus, Ohio 43216.


JOURNAL OF HEALTH ECONOMICS. Elsevier Science Publ. Co., 52 Vanderbilt Ave., New York, N.Y. 10017. (3 times a year)

Kacer, Alex, OPPORTUNITIES IN PARAMEDICAL CAREERS. Culver City, Calif.: Social Studies School Service Vocational Guidance Series, 1983. 147 pages.


Lasko, Keith Alan, THE GREAT BILLION DOLLAR MEDICAL SWINDLE. Indianapolis, Indiana: Bobbs-Merrill, 1980. (Fee-splitting; "Medicaid Mills," etc.)


Peterson, John; Manchester, David; and Toan, Arthur, ENHANCING HOSPITAL EFFICIENCY: A GUIDE TO EXPANDING BEDS WITHOUT BRICKS. Ann Arbor: Health Administration Press, University of Michigan, 1980. 154 pages.


Rapoport, John; Robertson, Robert L., and Stuart, Bruce, UNDERSTANDING HEALTH ECONOMICS. Rockville, Md.: Aspen Systems, 1982, 554 pages. (Text for health professionals.)


Roche Laboratories, NATIONAL HEALTH ISSUES: THE BRITISH EXPERIENCE. Santa Monica, Calif.: Roche Laboratories, 1980.

Roemer, Milton I., HEALTH CARE SYSTEMS IN WORLD PERSPECTIVE. Ann Arbor: Health Administration Press, University of Michigan.


Wischnitzer, Saul, BARRON'S GUIDE TO THE HEALTH PROFESSIONS. New York: Barron's.


ADDENDA


Bose, Ashish, and Desai, P.B.; STUDIES IN SOCIAL DYNAMICS OF PRIMARY HEALTH CARE. Delhi, India: Hindustan, 1983. 228 pages.


Appendix: Bibliography

A. Careers in Health Care

Several of the works listed in the bibliography deal with careers in the health care field. To enable students to locate these quickly, we are listing them below by last name of primary author and by title. Complete bibliographical information can be found on the pages indicated.

Cavallaro, THE PHYSICIAN'S ASSOCIATE. Page 48 (Addenda section)

Earle, YOUR CAREER IN MEDICAL TECHNOLOGY. Page 48

Frederickson, OPPORTUNITIES IN NURSING. Page 30

HEALTH CAREERS: WHERE THE JOBS ARE... Page 33

Kacen, OPPORTUNITIES IN PARAMEDICAL CAREERS. Page 35

Karlin, YOUR CAREER IN ALLIED DENTAL PROFESSIONS. Page 35

Nassif, HEALTH PROFESSION CAREERS IN MEDICINE'S NEW TECHNOLOGY. Page 38

Snook, OPPORTUNITIES IN HEALTH AND MEDICAL CAREERS. Page 42

Snook, OPPORTUNITIES IN HOSPITAL ADMINISTRATION. Page 42

United Hospital Fund, HEALTH CAREERS. Page 43

U.S. Dept. of Labor, HEALTH CAREERS GUIDEBOOK. Page 44.

U.S. Government, EXPLORING CAREERS IN HEALTH SERVICES ADMINISTRATION. Page 44.

U.S. Government, HEALTH CAREERS GUIDEBOOK. Page 44

Weiss, A GUIDE TO THE HEALTH PROFESSIONS. Page 46

Wischnitzel, BARRON'S GUIDE TO THE HEALTH PROFESSIONS. Page 46

Zimmerman, CAREERS IN HEALTH. Page 47

B. Labor Relations in the Health Field

For the benefit of students who are interested primarily in labor relations in the health care field we are listing those works in the bibliography that deal with this subject. The names of the primary authors and the titles are given below. For full bibliographical information see the pages indicated.


Bean, UNDERSTANDING HOSPITAL LABOR RELATIONS. Page 47 (under Addenda)

Berkley, LABOR RELATIONS IN HOSPITALS AND HEALTHCARE FACILITIES. Page 25

Boyer, EMPLOYEE RELATIONS AND COLLECTIVE BARGAINING IN HEALTH CARE FACILITIES. Page 26

Jacobson, LABOR RELATIONS IN THE HEALTH CARE INDUSTRY. Page 35

Metzger, THE ARBITRATION AND GRIEVANCE PROCESS: A GUIDE FOR HEALTH CARE SUPERVISORS. Page 37

Metzger, PERSONNEL ADMINISTRATION IN THE HEALTH SERVICES INDUSTRY. Page 37

Metzger, LABOR-MANAGEMENT RELATIONS IN THE HEALTH SERVICES INDUSTRY. Page 37

Sethi, INDUSTRIAL RELATIONS AND HEALTH SERVICES. Page 41

Shepard, HEALTH CARE LABOR LAW. Page 41

Skoler, HEALTH CARE LABOR MANUAL. Page 42

Werther, LABOR RELATIONS IN THE HEALTH PROFESSIONS. Page 46