

# PUBH 600

## Introduction to the U.S. Health System

Sue Tolleson-Rinehart, Ph.D.  
suetr@unc.edu  
843-9477  
231D MacNider Hall  
(readily available by appointment)

Summer II, 2008  
1 July – 9 August  
T, Th 9:00am – noon  
INCLUDING one session on Friday 13 July from 9:00a to noon

1305 McGavran-Greenberg

The purpose of this course is to introduce you to the fundamental organization, behavior, financing, and challenges of the health system of the United States. The course treats the entire edifice of American health care as "the American health system," and intends to examine it *in toto*, including by comparing it to other national health systems, and in part, by examining critical components of the system.

The course takes a strong perspective that the health system is importantly shaped by the political system. In particular, accepting the definition of politics as *the authoritative allocation of values*, this course approaches the health system by asking how the authoritative allocation of the values associated with health care – paying and managing the **cost** of care, ensuring **access** to care, and creating and sustaining **quality** of care – has occurred over time. What ideologies and technologies have governed the values' allocations, and how have these shifted, if they have? How have their definitions changed? The health system does not exist in a vacuum, but rather shapes and is shaped by the larger political system.

The course flows from a general system overview down to specific aspects of the system and back out to major contemporary system-wide preoccupations. It is intended to provide you with a broad and yet analytically coherent conceptual framework upon which you can continue to build or, alternatively, against which you can construct your own health system critique.

### I. Required Texts, Monographs and Other Readings:

Birkland, Thomas A. *An Introduction to the Policy Process*, 2<sup>nd</sup> Ed. Armonk, NY: M.E. Sharpe.  
World Health Organization. 2000. *World Health Report 2000 – Health Systems: Improving Performance*.  
Geneva and New York: World Health Organization. (download from link – see August X date)  
Skocpol, Theda. 1997. *Boomerang: Health Care Reform and The Turn Against Government (with a new Afterword)*. New York: W.W. Norton.

Other required readings are available on line at the course's Blackboard site.

### II. Course Objectives

In this course, I look forward to our creation of what one scholar calls a "natural critical learning environment" – natural because I hope you will be taking on questions about the health system that you find inherently interesting and worthwhile; *critical* because we will be reasoning from the evidence, evaluating the quality of our reasoning, and sharpening our analytical approach (Bain, K, *Chronicle of Higher Education* April 9, 2004: B7-B9.) The topic, the American health care system and its politics and policy, may be new to you, but the lively spirit of critical inquiry will not be! Your completion of this course should confer certain areas of background understanding, knowledge, and analytical skills. The advantages I hope you will take from the course include but are not limited to

- a general understanding of the American political and policy making systems and processes;
- a general understanding of the influence of significant political, economic, contextual and historical influences on the shaping of the American health care system and the making of health policy;
- a general understanding of the broad components of the American health care system;
- an understanding of the meaning of *cost*, *quality* and *access* as organizing concepts for analyses of the health care system;
- a general understanding of the economics of the health care system (although detailed health care finance is beyond the scope of this course);
- a preparation, based on a firm understanding of the system's origins, behavior, and responses to its environment, for understanding future developments in the system of American health care, and a readiness to build on this foundation with more focused, detailed knowledge.

### III. Course Requirements

#### A. Student and Instructor Responsibilities

Students' acceptance of this syllabus constitutes an agreement on the part of each student to abide by the requirements described herein for participating in and completing this course. I, the instructor, agree to provide assistance and guidance as you work through the readings; direction and moderation of class discussions; any advice you may require on the completion of your assignments; prompt, thorough, and transparent evaluation of those assignments; and help with synthesizing the course information generally.

Your attendance in class meetings is, of course, required. Class sessions are group discussions; to be good discussions, they require collegiality, and assume a shared conceptual base. In other words, please complete the readings on each topic before that topic's class session occurs, and be prepared to engage in spirited but civil inquiry. The heaviness of the reading load varies somewhat from class to class; plan your time accordingly. I do also appreciate that much of the reading may be unlike the kind of literature you have been used to consulting in the recent past – if you will bear with me, you can expect rather quickly to get used to it – and maybe even to enjoy it!

*The principles of academic honesty, integrity, and responsible citizenship govern the performance of all academic work and student conduct at the University as they have during the long life of this institution. Your acceptance of enrollment in the University presupposes a commitment to the principles embodied in the Code of Student Conduct and a respect for this most significant Carolina tradition. Your reward is the practice of these principles.*

*Your participation in this course comes with the expectation that your work will be completed in full observance of the Honor Code. Academic dishonesty in any form is unacceptable, because any breach in academic integrity, however small, strikes destructively at the University's life and work. Academic dishonesty includes even unwitting failures to cite the work and/or ideas of others, for the failure to attribute credit to the originator of a piece of work is theft of intellectual property.*

*If you have any questions about your responsibility or the responsibility of faculty members under the Honor Code, please consult with someone either in the Office of the Student Attorney General (966-4084) or the Office of the Dean of Students (966-4041).*

## B. Assignments and Methods of Evaluation

The minimum course requirement for a grade of **PASS** is the completion of **3 (three)** short (5 to 10 pages excluding bibliography in 11 point font) critical essays on three course topics of your choice, **AND a revision of one of those essays – that is, you will rewrite and improve one of your 3 original essays, for a total of four submitted papers.** I will ask you to declare your choices at the beginning of the semester, and each of your papers will be **due at the beginning of the class meeting DURING WHICH its topic will be discussed.** I would advise you to have one copy of your essay to turn in to me, and notes on the topic for yourself, as you will be expected to help shape the discussion on the days one of your topics will be discussed. I will penalize late essays 10% of the grade they would have earned had they been submitted on time. Should emergency, one's own illness or the illness of a loved one, or some other unforeseen circumstance cause you to be unable to complete your essay on time, you are encouraged to speak to me as soon as possible. I will handle these cases as they arise.

Please note: **ONE of your three essays needs to consider the policy leadership required to effect change.** In this essay, you must explicitly consider the politics of changing health policy and practice; given any particular reform you wish to see adopted, what would the policy entrepreneur leading the change effort need to consider, and to do, to make change happen?

**In your OTHER TWO ESSAYS, even though you are not explicitly trying to consider leadership, you may still find it helpful, as have so many past students, to pretend you are the Chief White House Health Advisor;** your essays need to illuminate the issue for the President him- (or her)self. They need to be at a fairly high level – a good analytical overview -- but they must also be detailed enough that they can serve as the President's guide to the issue.

Students wishing to earn a **HIGH PASS** must complete each of the course requirements with distinction.

**Simple completion of 3 essays and 1 revised essay is not, alone, sufficient to guarantee a grade of pass.** Each essay must also be of high enough quality to merit a good evaluation, and students must also make a constructive contribution to class discussion, defined as coming to class prepared by having read that day's material and being capable of discussing and analyzing the material in a collegial spirit. Good essays are well-written and well-constructed expositions, with sophisticated and yet intelligible theoretical frameworks, strong analytical foci, a firm grounding in the literature, and an evident understanding of the context of the problem.

**A word about the papers:** these essays may be unlike most writing assignments you have had before! I am looking for analytical essays – articles in the journals *Health Affairs*, *Journal of Health Politics, Policy and Law* of *The Milbank Quarterly* may be helpful illustrations of the kinds of essays we write in this class, although you are not, of course, expected to write at such length or to produce original research findings! Do, however, note the approach. **Good writing is always important, but never more so than when one is attempting to convey new knowledge to others.** Good writing is not always highly valued, or perhaps even understood for the craft that it is, in the health sciences, so our unusually strong emphasis on it may be novel in your course experience. My preoccupation – some may say obsession – with good writing means that I will pay more attention to this aspect of your essays than you might have expected. I am an irremediable copy editor to boot. I want to put emphasis on two points: writing, and timely planning.

First, on writing: I care greatly about the clear, correct and concise exposition of ideas and findings. I believe that poor writing hampers the entry of new ideas into the living stream of human knowledge, and makes it very difficult to move those ideas from one subspecialty of knowledge into the wider world. I also understand, though, that no one is born writing well. She becomes a fine writer the same way she gets to Carnegie Hall: practice, practice, practice! Or to put it in the words (by all accounts) of one of our legendary Supreme Court Justices, Louis D. Brandeis: there is no good writing, only good rewriting.

One needs to keep the rules of good writing fresh in one's mind, and one needs to cultivate one's ability to be one's own first and best editor. I invite you to join me in this most valuable enterprise by using your essays as opportunities to enhance your own writing skills. To that end, on the first day of class I will emphasize the the tools in the "Writing Resources" section of the course's Blackboard site.

Second, on timely planning: although I appreciate the beauties of procrastination as much as does anyone, I nonetheless strongly urge you to choose an early date for the submission of your first essay. This summer course is a brief but intense experience. I find that students who pace themselves steadily through the essays do

better and learn more. Students who get a first essay in early, and then see my comments, can expect improvement in the ease with which they learn to tackle thorny analytical problems in an elegantly small space. I also promise to do everything in my power to return each essay to you during the class period immediately following that during which you submitted it, so that you can have my comments as soon as possible.

You may also find past examples of very successful student essays, published with the students' permission, on the course's Blackboard site, in the "Writing Resources" section. Please do review these essays as examples of what your own essays might look like! Students tell me that these are of great help. Please also pay careful attention to ALL the documents in the "Writing Resources" section of the course's Blackboard site – I will be evaluating the essays on the assumption that you are using these writing tools.

#### **IV. Grading System**

You may earn a possible total of 100 points in this course. These are the course elements and their weights:

Each essay (described above):	0-20 points, depending on quality of essay
Class participation	0-20 points, depending on strength of contribution to discussion

Each of these elements will be summed to provide a final grade according to the following scale:

H:	90-100	P:	80-89
L:	70-79	F:	<69

...with the use of "+" and "-" to indicate gradations within the categories

#### **V. Schedule of class meetings:**

##### **T 7/1 Introduction: High-level Overview and Path Dependence**

*Readings:*

Synthesis of Jervis, Robert. 1997. *System Effects: Complexity in Political and Social Life*. Princeton: Princeton University Press. Chapters 1-2. **Precis prepared by STR and made available on course blackboard site**

**Poisaal, John A., Christopher Truffer, Sheila Smith, Adneia Sisko, Cathy Cowan, Sean Keehan, Bridget Dickensheets, and the National health Expenditure Accounts Projections Team. Health spending projections through 2016: Modest changes obscure Part D's impact. *Health Affairs* 26, no. 2 (2007): w242–w253 (published online 21 February 2007; 10.1377/hlthaff.26.2.w242)]**

McGlynn, Elizabeth A., Steven M. Asch, John Adams, Joan Keeseey, Jennifer Hicks, Alison DeCristofaro and Eve A. Kerr. 2003. The Quality of Health Care Delivered to Adults in the United States. *The New England Journal of Medicine* 348(26): 2635-2645.

Jacobs, Lawrence R. 1993. *The Health of Nations: Public Opinion and the Making of American and British Health Care Policy*. Chapter 3, pp39-56.

*Suggested additional readings:*

Starr, Paul. 1982. *The Social Transformation of American Medicine*. New York: Basic Books. Book One: Introduction and Chapter 1, pp 3-59

Chassin, Mark R. 1998. Is Health Care Ready for Six Sigma Quality? *The Milbank Quarterly* 76(4): 565-591

##### **Th 7/3 Further Down the Path: the Establishment of Fundamental Pieces of the System and The Shape of the Current System: A Public-Private Hybrid**

*Readings:*

Hacker, Jacob S. 2002. *The Divided Welfare State: The Battle Over Public and Private Social Benefits in the United States*. Chapters 4-5, pp 191-269

Jacobs, Lawrence R. 1993. *The Health of Nations: Public Opinion and the Making of American and British Health Care Policy*. Conclusion, pp217-236.

HANDOUT on history and structural elements in the system, posted on Blackboard by STR.

*Suggested additional readings:*

- Starr, Paul. 1982. The Social Transformation of American Medicine. New York: Basic Books. Book Two, Chapter One, pp 235-289
- Rosner, David and Gerald Markowitz. 2003. The struggle over employee benefits: the role of labor in influencing modern health policy. *The Milbank Quarterly* 81(1): 45-73.
- Kizer, Kenneth W. 1999. The "new VA": a national laboratory for health care quality management. *American Journal of Medical Quality* 14(1): 3-20.
- Rosenbaum, Sara. 2002. Medicaid. *The New England Journal of Medicine* 346(8): 635-640. Available on line at <http://content.nejm.org/cgi/reprint/346/8/635.pdf> (last visited on 7 June 2005).
- Iglehart, John K. 1999. The American health care system-expenditures. *The New England Journal of Medicine* 340(1): 70-76. Available on line at <http://content.nejm.org/cgi/reprint/340/1/70.pdf> (last visited on 3 May 2004). Note CORRECTION published in NEJM 340:576: "On page 71, the sentence that begins on line 2 of the left-hand column should have read, "The question is important because as employers steer their workers into insurance arrangements that employers select, very few *employers that offer insurance to their employees provide a choice of plans* (17 percent of *private employers* in the most recent estimate<sup>10</sup>)," not "very few *employees* (17 percent in the most recent estimate<sup>10</sup>) *have* a choice of plans," as printed. Also, on page 73, the sentence that begins on the first line of the left-hand column should have read, "By 2007, the agency projected that national health expenditures would total \$2.1 trillion," not "By 2002," as printed."

**T 7/8 (class ends early)**

Blendon, Robert J. and John M. Benson. 2001. Americans' views on health policy: a fifty-year historical perspective. *Health Affairs* 20(2): 33-46.

Woolhandler, Steffie and David U. Himmelstein. 2002. Paying for national health insurance – and not getting it. *Health Affairs* 21(4): 88-98.

**Th 7/10 NO CLASS – STR away at meeting**

**T 7/15 Case Study I: The Attempted Clinton Reforms – and thinking about 2008**

*Reading:*

Skocpol, Theda. 1997. *Boomerang: Health Care Reform and the Turn Against Government (with a new Afterword)*. New York: W.W. Norton & Company. **Entire book.**

**Th 7/17 Riding the Tiger: Seeking Ways to Measure and Allocate Care**

*Readings:*

Donabedian, Avedis. 1966. Evaluating the quality of medical care. *Milbank Memorial Fund Quarterly* 44 (July supplement, Part 2): 166-206.

Roper, William L., William Winkenwerder, Glenn M. Hackbarth and Henry Krakauer. 1988. Effectiveness in health care: An initiative to evaluate and improve medical practice. *The New England Journal of Medicine* 319(18): 1197-1202.

Institute of Medicine. 1993. *Access to Health Care in America*. Michael Millman, Editor. Committee on Monitoring Access to Personal Health Care Services in America. Reading: Executive Summary, pp 1-18, available as pdf document at [http://books.nap.edu/execsumm\\_pdf/2009.pdf](http://books.nap.edu/execsumm_pdf/2009.pdf) (last visited on 30 April 2004).

**F 7/18 (Make-up for 7/10) Contemporary Calls for Quality, Safety and Access**

*Readings:*

Institute of Medicine. 2001. *Envisioning the National Health Care Quality Report*. Committee on the national Health Care Quality Report. Washington: National Academy Press. Executive Summary, pp1-18, available on line at [http://books.nap.edu/execsumm\\_pdf/10073.pdf](http://books.nap.edu/execsumm_pdf/10073.pdf) (last visited on 7 June 2005).

Institute of Medicine. 1999. *To Err is Human: Building a Safer Health System*. Washington: National Academy of Sciences. Executive Summary, pp1-14, available on line at [http://books.nap.edu/execsumm\\_pdf/9728.pdf](http://books.nap.edu/execsumm_pdf/9728.pdf) (last visited on 7 June 2005).

Institute of Medicine. 2001. *Crossing the Quality Chasm: A New Health System for the 21<sup>st</sup> Century*. Committee on the Quality of Health Care in America. Washington: National Academy Press. Executive Summary, pp 1-22, available on line at [http://books.nap.edu/execsumm\\_pdf/10027.pdf](http://books.nap.edu/execsumm_pdf/10027.pdf) (last visited on 7 June 2005).

Leatherman, Sheila, Donald M. Berwick et al. 2003. The Business Case for Quality: Case Studies and an Analysis. *Health Affairs* 22(2): 17-30 (handed out).

Doty, Michelle M. and Alyssa Holmgren. 2004. Unequal Access: Insurance Instability Among Low—Income Adults and Minorities. Issue Brief #729. New York: The Commonwealth Fund.

*Suggested additional reading:*

Davis, Karen, Cathy Schoen, Stephen C. Schoenbaum, Anne-Marie J. Audet, Michelle M. Doty, and Katie Tenney. 2004. *Mirror, Mirror On The Wall: Looking At The Quality Of American Health Care Through The Patient's Lens*. The Commonwealth Fund, report number 683.

*Additionally:*

Visit and explore the Leapfrog Group's web site:

<http://www.leapfroggroup.org>— this is a bold attempt by a powerful group of purchasers to compel greater safety – so bold, in fact, that they have recently agreed to weaken their safety standards. This site last visited for this syllabus on 7 June 2005.

**T 7/22 *Managing Care and delivering quality: Is It Possible, Given the Difficulty of Understanding Demand, and the Context of Our System's Dynamics?***

*Readings:*

Berk, Marc L. and Alan C. Monheit. 2001. The concentration of health care expenditures, revisited. *Health Affairs* 20(2): 9-18.

Robinson, James C. 2003. The Curious Conversion of Empire Blue Cross: In New York, It's All Politics, All the Time. *Health Affairs* 22(4): 100-118.

Robinson, James C. 2004. Reinvention of Health Insurance in the Consumer Era. *JAMA* 291(15): 1880-1886.

Bodenheimer Thomas. 2005a. High and rising health care costs. Part 1: seeking an explanation. *Ann Intern Med*. May 17;142(10):847-54.

Bodenheimer Thomas. 2005b. High and rising health care costs. Part 2: technologic innovation. *Ann Intern Med*. Jun 7;142(11):932-7.

Bodenheimer Thomas. 2005c. High and rising health care costs. Part 3: the role of health care providers. *Ann Intern Med*. Jun 21;142(12 Pt 1):996-1002

Bodenheimer Thomas and Alicia Fernandez. 2005. High and rising health care costs. Part 4: can costs be controlled while preserving quality? *Ann Intern Med.* Jul 5;143(1):26-31

*Suggested additional readings:*

- Kuttner, Robert. 1998. Must good HMOs go bad? First of two parts: the commercialization of prepaid group health care. *New England Journal of Medicine* 338(22): 1558-1563.
- Kuttner, Robert. 1998. Must good HMOs go bad? Second of two parts: the search for checks and balances. *New England Journal of Medicine* 338(22): 1635-1639.
- Iglehart, John K. 1999. The American health care system-medicare. *The New England Journal of Medicine* 340(4): 317-332.
- Iglehart, John K. 1999. The American health care system-medicaid. *The New England Journal of Medicine* 340(5): 403-408.

**Th 7/24 National Systems of Care: The US in Global Perspective**

*Readings:*

- World Health Organization. 2000. *World Health 2000 Health Systems: Improving Performance*. Geneva: World Health Organization (absorb as much as you can; make sure you understand the variables they have developed and their central arguments!)
- Blendon, Robert J., Minah Kim and John M. Benson. 2001. The public versus the World Health Organization on health system performance. *Health Affairs* 20(3): 10-20.

**T-Th 7/29 - 31 Case Study II: Medicare Reform**

*Readings:*

- Oberlander, Jonathan. 2003. *The Political Life of Medicare*. Chicago: University of Chicago Press. Readings: Chapter 5, The State Rises: The Politics of Regulation; and Chapter Seven, The New Politics of Medicare.
- Iglehart, John K. 2004. The New Medicare Prescription Drug Benefit: A Pure Power Play. *New England Journal of Medicine* 350(8): 826-833.

*Additionally:*

Handouts on organization of Medicare. Also see <http://www.cms.hhs.gov/medicare/>.

**T 8/5 Case Study III: Medicaid and State reforms  
Steve Wegner JD MD, President and Chief Medical Officer, AccessCare**

- Altman, Drew. 2008. Perspectives on State Health Reform.  
[http://www.kff.org/pullingittogether/061108\\_altman.cfm](http://www.kff.org/pullingittogether/061108_altman.cfm) (site last visited for this syllabus on 11 June 2008).
- Jacobs, Lawrence, Theodore Marmor and Jonathan Oberlander. 1999. The Oregon Health Plan and the political paradox of rationing: what advocates and critics have claimed and what Oregon did. *Journal of Health Politics, Policy & Law* 24(1): 161-180.
- Iglehart, John K. 2003. The Dilemma of Medicaid. *The New England Journal of Medicine* 348(21):2140-2148. Note CORRECTION in 349(100), July 3<sup>rd</sup>, to wit: "On page 2143, line 11 of the left-hand column should have read 'from an estimated \$4.8 billion to \$21.0 billion,' rather than 'to \$210 billion,' as printed."
- Long, Sharon K. 2008. On the road to universal coverage: impacts of reform in Massachusetts at one year. Health Affairs Web Exclusive 3 June, w270-w284.**  
<http://content.healthaffairs.org/cgi/reprint/hlthaff.27.4.w270v1> (site last visited for this syllabus 11 June 2008).

**Th 8/7 Conclusion: The Health Care Market is in a Political Marketplace**

*Readings:*

Oberlander, Jonathan. 2003. The Politics of Health Reform: Why Do Bad Things Happen to Good Plans? *Health Affairs Web Exclusives* 27 August 2003, W3-391 – W3-404.

*Suggested additional reading:*

Schlesinger, Mark. 2002. On values and democratic policy making: the deceptively fragile consensus around market-oriented medical care. *Journal of Health Politics, Policy and Law* 27(6): 889-925.