

Topics in U.S. Health Economics, Sociology, and Policy

Health Studies (HSTD) 35401

Law (LAWS) 97002

Sociology (SOCl) 50038

Public Policy (PPHA) 35400

Winter Quarter, 2006

Mondays, 3-5:30 PM

Room G in the Law School

Professor: Lawrence Casalino M.D., Ph.D.

Department of Health Studies

PLEASE NOTE: The Law School will begin its quarter on January 2; the rest of the University on January 3. Martin Luther King Day (January 16) is a University holiday. **We will hold the first meeting of this class on January 9.** We will try to find a mutually compatible time to schedule an “extra” class early in the quarter, so that we may have 10 class meetings.

This seminar course will explore three related topics: (1) should quality be evaluated and rewarded in health care? if so, how should this be done? (2) does the U.S. medical malpractice system facilitate or obstruct efforts to improve quality and reduce medical errors? (3) U.S. medical care has high costs of administrative complexity. Compared to a single payer system, these costs result from using the market to provide health care. To what extent does this complexity generate benefits as well as costs? What modifications, if any, might reduce the costs of complexity without losing benefits? We will approach these topics by drawing from debates in the literatures of health policy, law, and organizational and institutional sociology and economics.

Each student will write a paper related to one of the above topics and will give a presentation in class that presents his or her work in progress on the paper. There will be no exams. Class size will be limited to 12. Admission to the course is by permission of the instructor (may be obtained in advance or at the first class). The course is intended for graduate students in law, business, sociology, economics, and public policy, as well as for physicians involved in fellowships in the medical school. Depending on space, fourth year medical students may be admitted, again with permission of the instructor.

Course Instructor:

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Grading:

1. class participation: 30%
2. presentation of paper/work-in-progress: 25%
3. paper: 45%

Paper requirements:

1. Length: 12-18 pages, double spaced (approximately 3,600-5,400 words), not including figures, tables or references.
2. Topic: may be drawn from any of the three main areas covered in class. It is helpful to discuss your proposed topic with Dr. Casalino.
3. Your paper is likely to be easier to write, and better, if you center it on answering one or two questions that you explicitly state.
4. You should do some reading (though not necessarily a great deal) in addition to the assigned reading as necessary to write your paper.
5. Types of paper acceptable (note that the intention is for you to choose a format and write your paper in the mode of the format you choose, not that your paper will be ready for publication in that format):
 - a) a law review article (albeit briefer than most)
 - b) a think piece that clearly lays out a problem, alternative solutions, and your preferred solution, and that incorporates key ideas and evidence available (use as a model think pieces in the main journals in your academic field)
 - c) a research proposal that states one or more research questions, reviews the evidence available to answer these questions, and proposes in some detail how you would go about investigating the questions.

d) a policy briefing report written for a legislative committee or regulatory agency or for a corporation or coalition of corporations defining a problem and alternative solutions/courses of action that the committee/agency/corporation or coalition might take, with your suggestion as to the appropriate one. For this paper, you should specify the type of organization at which the report is aimed (e.g. congressional committee, CMS, the Washington Business Group on Health ...)

e) a legal summary about a specific problem written for a judge.

f) a business plan for a health plan, medical group, or hospital that specifies a problem, discusses alternate strategies that the firm might adopt, gives pros and cons of each, and recommends one and gives the reasons why.

g) other types of papers may be acceptable – please discuss with me.

Presentation requirements:

1. Presentations will take place during weeks 8-10.
2. Presentation should last approximately 25 minutes, with 15 more minutes allocated to class discussion.
3. Presentation need not be highly formal: purpose will be to present your work in progress and get feedback from other students and from the instructor.

Readings for Topics in U.S. Health Economics, Sociology, and Policy

Week 1 (January 9): Introduction; Quality And Variation In U.S. Medical Care; Key Features Of The Organization Of The System

A. Mediocre Quality and Unexplained Variation

1. McGlynn EA, Asch SM, Adams J, et al. The Quality of Health Care Delivered to Adults in the United States. *New England Journal of Medicine* 2003;348(26):2635-45.
2. Fisher ES. Medical Care - Is More Always Better? *New England Journal of Medicine* 2003;349(17):1665-67.
3. Fisher ES, Wennberg DE, Stukel TA, Gottlieb DJ, Lucas FL, Pinder EL. The Implications of Regional Variations in Medicare Spending. Part 1: The Content, Quality, and Accessibility of Care. *Annals of Internal Medicine* 2003;138(4):273-87.

B. Key Features of the Organization of the System

1. Background Brief on Costs (2 pages)
2. Medicare Fact Sheet (2 pages)
3. Casalino LP. Physicians and Corporations: A Corporate Transformation of American Medicine? *Journal of Health Politics, Policy and Law* 2004;29(4-5):869-84.
4. Robinson JC. The End of Managed Care. *Journal of the American Medical Association* 2001;285(20):2622-28.

Week 2: Problems With Measuring And Rewarding Quality In Health Care

1. M.W. Meyer. "Measuring Performance in Economic Organizations." In: N. Smelser, and R. Swedberg, eds. *Handbook of Economic Sociology*. Princeton, NJ: Princeton University Press; 1994:556-580.
2. Casalino LP. Unintended Consequences of Measuring Quality on the Quality of Medical Care. *New England Journal of Medicine* 1999;341:1147-50.
3. Landon BE, Normand S-LT, Blumenthal D, Daley J. Physician Clinical Performance Assessment: Prospects and Barriers. *Journal of the American Medical Association* 2003;290(9):1183-9.
4. Chassin MR. Achieving and Sustaining Improved Quality: Lessons From New York State and Cardiac Surgery. *Health Affairs* 2002;21(4):40-51.
5. Werner RM, Asch DA. The Unintended Consequences of Publicly Reporting Quality Information. *Journal of the American Medical Association* 2005;293(10):1239-44.
6. Dimick JB, Welch HG, Birkmeyer JD. Surgical Mortality as an Indicator of Hospital Quality: The Problem with Small Sample Size. *Journal of the American Medical Association* 2004;292(7):847-51.

Week 3: Is There A Business Case For Quality In Medical Care?

1. Mehrotra A, Bodenheimer T, Dudley RA. Employers' Efforts to Measure and Improve Hospital Quality: Determinants of Success. *Health Affairs* 2003;22(2):60-71.

2. Galvin RS, Delbanco S. Why Employers Need to Rethink How They Buy Health Care. *Health Affairs* 2005;24(6):1549-53.
3. Rosenthal MB, Fernandopulle R, Song HR, Landon BE. Paying for Quality: Providers' Incentives for Quality Improvement. *Health Affairs* 2004;23(2):127-41.
4. Shaller D, Sofaer S, Findlay SD, Hibbard JH, Lansky D, Delbanco S. Consumers and Quality-Driven Health Care: A Call to Action. *Health Affairs* 2003;22(2):95-101.
5. Vladeck BC. If Paying for Quality is Such a Bad Idea, Why is Everyone for It? *Washington & Lee Law Review* 2003;60:1345-64.
6. Casalino L. Markets and Medicine: Barriers to Creating a Business Case for Quality. *Perspectives in Biology and Medicine* 2003;46(1):38-51.

Week 4: Medical Malpractice: Origins Of The Problem; Limited Vs. Sweeping Proposals For Reform (I)

1. Studdert DM, Mello MM, Brennan TA. Medical Malpractice. *New England Journal of Medicine* 2004;350(3):283-92.
2. The Medical Malpractice "Crisis": Recent Trends and the Impact of State Tort Reforms. *Health Affairs*, 2004. (Accessed at
3. Sage WM. The Forgotten Third: Liability Insurance and the Medical Malpractice Crisis. *Health Affairs* 2004;23(4):10-20.

Week 5: Medical Malpractice: Limited Vs. Sweeping Proposals For Reform (Ii)

1. Arlen J, McLeod WB. Malpractice Liability for Physicians and Managed Care. *New York University Law Review* 2003;78:1929-2003.
2. Havighurst CC. Vicarious Liability: Relocating Responsibility for the Quality of Medical Care. *American Journal of Law & Medicine* 2000;26(1):7.
3. Hyman DA, Silver C. The Poor State of Health Care Quality in the U.S.: Is Malpractice Liability Part of the Problem or Part of the Solution? *Cornell University Law Review* 2005;90:893.

Week 6 Administrative Waste Or Cost Of Using The Market? (I)

1. Reinhardt UE, Hussey PS, Anderson GF. U.S. Health Care

- Spending in an International Context. *Health Affairs* 2004;23(3):10-25.
2. Woolhandler S, Campbell T, Himmelstein DU. Costs of Health Care Administration in the United States and Canada. *New England Journal of Medicine* 2003;349(8):768-75.
 3. Kahn JG, Kronick R, Kreger M, Gans DN. The Cost of Health Insurance Administration in California: Estimates for Insurers, Physicians, and Hospitals. *Health Affairs* 2005;24(8):1629-39.
 4. Miller RH, Luft HS. HMO Plan Performance Update: An Analysis of the Literature, 1997-2001. *Health Affairs* 2002;21(4):63-86.
 5. Iglehart JK. Revisiting the Canadian Health System. *New England Journal of Medicine* 2000;342(26):2007-12.
 6. Detsky AS, Naylor CD. Canada's Health Care System - Reform Delayed. *New England Journal of Medicine* 2003;349(8):804-10.
 7. Lewis S. Physicians, It's in Your Court Now. *Canadian Medical Association Journal* 2005;173(3):275-7.
 8. Schumacher A. Doctors Put Patients First in Health Care Debate. *Canadian Medical Association Journal* 2005;173(3):277-8.
 9. Sibbald B. CMA Okays Private Health Care for Waiting Patients. *Canadian Medical Association Journal* 2005;173(6):585-6.

Week 7: Administrative Waste Or Cost Of Using The Market? (Ii); First Student Presentations Of Work In Progress

1. Hussey PS, Anderson GF. A Comparison of Single and Multi-Payer Health Insurance Systems and Options for Reform. *Health Policy* 2003;66:215-28.
2. Physicians' Working Group for Single-Payer National Health Insurance. Proposal of the Physicians' Working Group for Single-Payer National Health Insurance. *Journal of the American Medical Association* 2003;290(6):798-805.
3. Enthoven AC, Singer SJ. Markets and Collective Action in Regulating Managed Care. *Health Affairs* 1997; 16:26-32.

Weeks 8-10: Student Presentations Of Work In Progress

An additional resource are web sites such as the following:

Health Affairs www.healthaffairs.org

Center for Health Policy, Law and Management <http://www.hpolicy.duke.edu/>

Center for Studying Health System Change <http://www.hschange.com/>

Kaiser.edu <http://www.kaiseredu.org/>

Dartmouth Atlas of Health Care <http://www.dartmouthatlas.org/default.php>

Improving Chronic Illness Care <http://www.improvingchroniccare.org/>

Disease Management Association of America <http://www.dmaa.org/>

Washington Business Group on Health <http://www.wbgh.org>

Midwest Business Group on Health <http://www.mbgh.org>

the Leapfrog Group <http://www.Leapfroggroup.org>

Integrated Healthcare Association <http://www.iha.org>

Bridges to Excellence <http://www.bridgestoexcellence.org/bte/>

Foundation for Accountability <http://www.facct.org/facct/site/facct/facct/home>

National Quality Forum <http://www.qualityforum.org>

National Committee for Quality Assurance <http://www.ncqa.org>

Pacific Business Group on Health <http://www.pbgh.org>

Pursuing Perfection

<http://www.ihi.org/IHI/Programs/PursuingPerfection/PursuingPerfection.htm>

Rewarding Results <http://www.leapfroggroup.org/RewardingResults/index.htm>

Joint Committee for the Accreditation of Healthcare Organizations

<http://www.jcaho.org/>

Physician Insurers Association of America http://www.thepiaa.org/public_home.asp

Managed Care Litigation <http://www.managed-care-litigation.com/>

Risk Management Foundation <http://www.rmfm.harvard.edu/default.asp?v=flash>