

Study guide for exam 1

Questions to review (will be updated and changed throughout semester)

- In the context of healthcare who are the main payers?
- What is the difference between a payer and a provider?
- What are the main ways that people pay for healthcare? Know approximately the breakdowns in %'s.
- What is guaranteed issue?
- What does community rating mean?
- What natural problem would occur in the insurance market if both guaranteed issue and community rating are required? What is the "solution" to this problem offered by the ACA?
- What is the iron triangle of health care? Be able to explain why this is an important concept in some detail
- How much does the US spend on healthcare annually in dollars? in dollars per person? as a percentage of GDP? Be able to understand why we care about these numbers
- How do the above numbers compare to other countries
- What is GDP? Be able to understand when something would be considered in our GDP and when it would not, based upon the definition.
- Roughly how many people are employed in the healthcare field?
- How does the US compare to other countries in terms of access to medical care? Give a few example
- How does the US compare to other countries in terms of quality of medical care? What about quality of outcomes? Give examples

- What are some inputs that go into producing high quality health? How important is health care to this health production function?
- What are the leading determinants of overall health? What are the biggest three groups and how much do they matter?
- Be able to understand the concept of a health production function and be able to use it as we did in class to think about cost effectiveness
- What are diminishing returns? Why is this related to the health production function?
- Across the three time periods we divided US history, what were the respective changes in life expectancy in each period and what drove the life expectancy changes in each period? Give some examples within each.
- What is the relationship between income and life expectancy?
- What is the relationship between mortality and body mass? How would you graph it?
- How has the health of the population, as measured by length of life, changed over the last 265 years?
- How important has medical care been in improving population health relative to other factors, and has the impact of medical care changed over time?
- What is the relationship between acute and chronic causes of death across time?
- List the factors contributing to the persistent growth of US health care spending. Be able to describe in some detail the "perfect spending storm."
- What is meant when we say medical technology? Give some examples.
- Consider the two scenarios given in class regarding medical spending growth. Be able to succinctly argue the reasons that would make you prefer one scenario to the other.
- In order to understand if increased medical spending is "worth it" we talked about cost-benefit analysis. How is Value of a Statistical Life related to this? What are some estimates of VSL? What does Cutler use? How does quality factor in?
- What does Cutler think about the value to cost ratio of all medical care (combined) since 1950?
- Do his conclusion apply to ALL types of medical care? Give an example of one technology that doesn't fit his analysis.
- How are drug prices determined in the US?
- How is drug and medical technology regulated in the US?
- Be sure to be familiar with all of the articles (That is, able to summarize all of the readings).