Why Professional Masters in Health Economics Matters

Heba Nassar
Cairo University

Part I: Why study of Health Economics

Theoretical Foundation

Economic, Social Institutional and Demographic needs
Part II: Link between HE and financing strategies (Main Questions raised in Health Economics Courses)

II-Q1-“Are we doing things right”

Resources may be used in a technically inefficient way, leading to WASTE.
Nexus of efficiency and inefficiency

Part II
-Question.2-“Are we doing the right things?”

Resources may be allocated in ways that do not reflect societal priorities, thus imposing a “cost” on the households

Opportunity cost examples: Spending on tertiary vs. primary care
Part II-Question 3-How can we contain costs?

Cost escalation or uncontrolled spending often attributable to more inclusive health entitlements, inflationary provider payments, new technologies, aging populations, and changing epidemiology

Example: brand name drugs or generic drugs

Part II-Question 4-What mix of public and private financing is likely to be optimal in view of maximizing individual and societal goals?

LAST QUESTION
What are the challenges of health care financing?
Part III- Professional Masters in Health Economics at the Faculty of Economics and Political Science in collaboration with the Faculty of Medicine

Mission

• to introduce participants to the language of economics to be able to apply the economic tools to issues such as:
  ➢ The appropriate role of government and the private sector in the health sector;
  ➢ Resource allocation critical to addressing equity and efficiency of public spending;
  ➢ Resource transfer mechanisms to hospitals and health care providers and the incentive systems that underlie it.

Part III-Intended Learning Outcomes:

At the end of the course participants can:

➢ Use the economic rationale arguments to determine what government should or should not do;

➢ Apply economics to improve allocative efficiency in the health sector;

➢ Analyze economic arguments to help improve technical efficiency in the health sector;

➢ Explain how economics can help improve equity in the health sector;

➢ Correctly use the tools on market failures to justify the role of the public sector;

➢ Apply the different dimensions of efficiency to ensure a larger return to investments in the health sector;
Part III - Course Structure:

The course consists of ten modules, divided into three clusters.

- **Cluster 1** asks the question – “Why Health Economics?” It attempts to answer this question by introducing the concepts of Equity (module 1) and Efficiency (module 2).

- **Cluster 2** delves into what markets are and how they are different in the Health Sector. Modules 3-7 deal with the concepts of markets, supply and demand, and reasons why market would not function well in the health sector.

- **Cluster 3** then asks – “Who pays for what?” Modules 8-10 are concerned with health financing mechanisms (Module 8), health insurance (Module 9), and funding and remuneration in the health sector (Module 10).

Part IV - Outcome of PHE: Health Economic Society - Egypt (HESEGYPT) www.hes-egypt.org

**HESEGYPT will act as a “Knowledge broker for policy advocacy” through capacity development and exchange of good practices**

1-Vision: to be the lighthouse of health economists in Egypt

2-Mission: to provide a platform for health economists to advocate for equity and efficiency in resource allocation
2_ HESEGYPT-Activities:

Knowledge Brokering for Policy Advocacy

- Thematic Research focus and Policy issues
- Stock taking Mapping
- Knowledge generation and Gap
- Knowledge sharing/clearing house/information
- Policy advocacy through policy briefs and policy forum
- Platforms, events to engage stakeholders to advance evidence-based knowledge

3-FOCUS AREA of HESEGYPT activities:

- Capacity building
- Policy Oriented Research (Research)
- Economic Policy Advocacy (Dissemination, Conferences, Forums, Meetings, Policy Brief, website, observatoire..)
Part III-Course Structure:

The detailed structure is as follows:
Module 1: Introductory to microeconomics

Module 2: Introductory to macroeconomics

Module 3: Health Economics Overview
- Economic determinants of health, illness and death
- Health and economic growth
- Market failure in health and governments' role

Module 4: Measurement of health
- Health statistics: concepts, sources and methods
- Burden of disease
- Defining health, disease and death
- Health outcomes in various developmental settings
- Pathways to improving health outcomes
Part III-Course Structure:

Module 5: Equity, Efficiency, Inequality
- Economic definitions
- Aspects in equity, efficiency, and inequality in health care
- Role of economic theories in health and health care delivery
- What is a Market?
- Markets for Kidneys
- Measuring Costs & Efficiency
- Principles of Cost-Benefit Analysis
- Equity in the Health Sector

Module 6: Analysis of health care systems
- Analyzing different health care systems
- Privatization
- Quality of health care
- Health Sector Performance in Egypt – Progress, Economic Issues & Bottlenecks
- Assessing Equity using Benefit-Incidence Analysis

Module 7: Demand side for health care
- Purchasing health card and consumer choice
- Needs assessment, time preference and management choice
- Induced demand and increased supply

Module 8: Supply side for health care
- Nature of Supply
- Cost of Health Care: markets for health care providers
- Technology frontiers
- Training
- Different types of service delivery
- Contracting, provider payment, pricing
- Quality control
Part III-Course Structure:

Module 9: Health insurance and public – private partnership
- Health insurance system: concept, types, characteristics and indications of use of each type, principles of good contracting and negotiation skills.
- Markets for Private Health Insurance
- Market failure in health care: analysis of health care insurance
- Adverse selection and remedies
- Public - private partnership in health care service delivery

Module 10: Economic evaluation
- Methods of economic evaluation
- Monetary assessment of quality of life
- Technical & Allocative Efficiency