**TRANSITION GUIDE: ANNOTATED TABLE OF CONTENTS**

**Economics of Health and Medical Care, Sixth Edition**

**Lanis L. Hicks, PhD**

**Introduction** – UPDATED

* Updated data
* Expanded discussion on evaluative economics
* Reorganization of chapters: Chapter 17 is now before Chapter 13Updated bibliography

Ch 1 – **Output of the Healthcare Sector** – UPDATED

* Updated data
* Updated information on DRGs to include discussion of MS-DRGs
* Updated discussion of uninsured children
* Replaced discussion of DALE with HALE
* Updated bibliography

Ch 2– **Economic Dimensions of the Health Care System** – UPDATED

* Updated data
* Expanded discussion of employer insurance
* Added discussion of high-risk pools
* Revised discussion of Medicare to include all four parts
* Revised discussion of Medicaid to include health care reform
* Updated discussion of percent of GDP going to health care
* Updated bibliography

Ch 3 – **Demand for Medical Care: A Simple Model** – UPDATED

* Updated data
* Expanded discussion of model characteristics
* Expanded discussion of assumptions
* Added discussion of substitution definition
* Added discussion of normal and inferior goods
* Added discussion of expectations
* Added example for slope of a linear demand curve
* Updated bibliography

Ch 4 – **Additional Topics in the Demand for Health and Medical Care** – UPDATED

* Updated data
* Expanded discussion of implications of being uninsured
* Added graph on shift in demand due to insurance with explanation
* Added discussion on rationing
* Added explanation of utility
* Updated bibliography

Ch 5 – **Health Care Production and Costs** – UPDATED

* Updated data
* Expanded discussion of transforming inputs into outputs
* Updated examples of substitution in production process
* Expanded discussion on economic profit
* Updated findings from research on examples of implications of production
* Updated bibliography

Ch 6 – **Behavior of Supply** – UPDATED

* Updated data
* Updated terminology from for profit and not for profit to investor owned and tax exempt
* Included review of the basic conditions of the supply model
* Expanded discussion of non-patient revenues and factors causing shifts
* Expanded discussion of physicians and hospital relationships
* Updated discussion of type of ownership relative performance
* Updated bibliography

Ch 7 – **Provider Payment** – UPDATED

* Updated data
* Included discussion of critical access hospitals
* Expanded discussion of principal-agent relationship, information asymmetry, and risk aversion of providers
* Included discussion of Patient Protection and Affordable Care Act of 2010 and bundled payments
* Expanded discussion on capitation and salaried physicians
* Included discussion of DRG payment system for hospitals, including an example of calculations, RBRVS payment system for physicians, and RUGs-IV system for long-term care
* Updated bibliography

Ch 8 – **Competitive Markets** – UPDATED

* Updated data
* Expanded discussion on urban-rural comparisons
* Expanded discussion on managed care as a rationing tool
* Updated bibliography

Ch 9 – **Market Power in Health Care** – UPDATED

* Updated data
* Updated discussion on accepting assignment by physicians
* Expanded discussion on nursing home market
* Expanded discussion on economies of scale
* Expanded discussion on mergers and acquisitions and price competition
* Expanded discussion of PPOs
* Updated bibliography

Ch 10 – **Health Insurance** – UPDATED

* Updated data
* Included section on the theory, conditions, and role of insurance markets
* Expanded discussion of moral hazard, including Nyman’s model
* Updated bibliography

Ch 11 – **The Labor Market** – UPDATED

* Updated data
* Expanded discussion of employer-based insurance implications
* Expanded discussion of substitution and income effects
* Expanded discussion of relationship between health and productivity
* Updated bibliography

Ch 12 – **Economic Evaluation of Health Services** (was chap 17) – UPDATED

* Updated data
* Included section on the steps in performing any economic analysis
* Included section on ICER method
* Expanded discussion on net-benefit approach and benefit-cost ratio approach
* Included discussion of life tables
* Updated bibliography

Ch 13 – **Value Judgments and Economic Evaluation** (was chap 12) – UPDATED

* Updated data
* Included table on relationship between wealth and utility
* Updated bibliography

Ch 14 – **Financing Health Care** (was chap 13) – UPDATED

* Updated data
* Included section on insurance terminology and implications
* Expanded discussion of employer-based insurance and premiums
* Expanded discussion of tax-exemption of employer-based insurance premiums
* Expanded discussion of mandated benefits, including new provisions of health reform bill and Massachusetts health insurance reform
* Expanded discussion of administrative costs
* Updated bibliography

Ch 15 – **Public Health Insurance** (was chap 14) – UPDATED

* Updated data
* Updated sections on Medicare and Medicaid to include new coverage
* Expanded discussion of methods of paying the providers
* Expanded discussion of Medicare alternative policies
* Included section on Medicare pay-for-performance initiative
* Updated bibliography

Ch 16 – **Reform of the Health Care Market** (was chap 15) – UPDATED

* Updated data
* Included discussion of Patient Protection and Affordable Care Act of 2010
* Expanded discussion of types of managed care organizations
* Expanded discussion of performance measurement
* Updated bibliography

Ch 17 – **Regulation and Antitrust Policy in Health Care** -- (was chap 16) – UPDATED

* Updated data
* Expanded discussion on regulation of health care
* Expanded discussion of the structure of health care markets
* Updated bibliography

Ch 18 – **Evolving Issues in Health Care** – NEW

* Discussion of current issues in health care
* Discussion of implications of issues for efficiency in health care
* Discussion of focus on value-added services in health care
* Discussion of consumer engagement in health care

Glossary -- UPDATED