

Health Reform: Political Dynamics and Policy Dilemmas
HPM 757
Fall 2011
Mondays 5-7:30PM Rosenau 228

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Course Description

In March 2010, President Barack Obama signed landmark health reform legislation into law. The Patient Protection and Affordable Care Act (ACA) contains a dizzying array of new policies and programs that aim to expand insurance coverage, control health care spending, and transform medical care delivery.

Federal and state governments are now implementing the ACA's first provisions, while private insurers and medical providers are moving ahead with highly anticipated delivery and payment system reforms. Yet at the same time, legal and political challenges to the ACA are mounting. In addition, Medicare is now part of a fierce partisan debate over how to reduce the federal budget deficit. And this is all happening against the backdrop of a struggling economy that is at risk of entering another recession and the looming 2012 elections.

In short, this is a crucial, fluid, and ultimately, exhilarating moment in U.S. health care policy. The American health care system is at a crossroads, but it remains unclear what paths we will take. How did we get here? How do we make sense of the various trends in and pressures on health policy? And what's next for health reform?

This course focuses on the dynamics of health care politics and policy. We will explore the political history of health reform, the dilemmas confronting public and private insurers as health care costs continue to rise, and political conflicts over health policy.

We will take full advantage of this extraordinary time in American health politics by focusing on the 2010 health reform law. We will investigate how the Affordable Care Act became law, what the law does, and why health reform took the form that it did, as well as implementation issues and the repeal battle going into the 2012 elections. We will examine the renewed debate over Medicare, entitlement reform, and the implications of debt and deficit politics for health policy.

We will explore how the U.S. health system got to this point. Why is health reform so hard to enact in the U.S.? How did past struggles over national health insurance shape our system and set the stage for the 2009-10 battle? What can these struggles teach us about the politics of health care and American politics?

This course will also focus on private sector-led health reform, including the rise and fall of managed care, consumerism, and emerging delivery and payment system reforms, including value-based purchasing.

And we will consider lessons from other countries' experiences in financing and delivering medical care: why does the U.S. spend so much more on medical care than other nations?

The goal is to understand how health politics shape health policymaking, lessons from past failures and successes in health care policy, the contemporary state of health reform, emerging controversies in health policy, and options for reform.

Course Objectives & Topics

By the end of the course you will come away with a better understanding of:

1. The history of American health policy and how that history (including conflicts over national health insurance) shapes the current health care system
2. The politics of health care reform and how American political institutions, ideology, and interests impact the substance and process of health policymaking in this country
3. The 2010 Affordable Care Act and its impact on the health system.
4. Political and policy issues related to Medicare and Medicaid
5. Health care spending and cost control
6. International health systems and the differences between those systems and the American approach

Readings, E-Reserves, and Blackboard

Course readings for each session are posted as electronic links. Some are available through Electronic Reserves: <http://eres.hsl.unc.edu/eres/coursepage.aspx?cid=2025>
The readings on e-reserves are listed in order of the syllabus.

Additional readings are posted on the course Blackboard site under course documents:

<http://blackboard.unc.edu/> or are linked directly in the syllabus. There should be no problem with the direct links for articles in e-journals that UNC carries, but with book chapters and other journal articles, it's a different story. And depending on whether you are accessing the system on campus or at home, you may have to go through e-reserves above or the UNC library to access those articles. Please let me know about any problems that you encounter opening material and links immediately.

Regardless of where you link to the readings, I strongly encourage you to print out all readings for the course. These are not the sort of readings meant to be read on computer. From time to time I will also post other course materials—additional readings, assignments, web links to materials, and so on—on Blackboard.

Assignments

There will be a midterm, a final, and one paper (assignments for PhD students will differ from these requirements and PhD students must speak with me about these arrangements). The midterm and final will be in-class exams, with questions primarily essay and short-answer. The paper will be around 10 pages in length. It should be succinctly written and cogently argued, carefully edited, professionally presented, and well-organized; we will talk much more in detail about the paper when it is assigned. Papers will be graded on the basis of substantive content, research effort, and writing quality.

When you submit your paper, be sure that it has a title page with your name. Your name should not appear anywhere else on the paper so I can grade anonymously. Papers are due at the beginning of class on the designated date. Late papers will be penalized 10 points for each additional day after the due date. If there is an unexpected event, such as illness, or another compelling reason why you cannot turn in the paper on time, you must speak with me *beforehand* to get an extension.

Plagiarism

UNC rules about plagiarism will be strictly enforced in this class. Please take the time to carefully read these rules: <http://www.unc.edu/depts/wcweb/handouts/plagiarism.html>

See also the tutorial available from the Health Sciences Library:
<http://www.hsl.unc.edu/services/tutorials/PlagiarismTutorial/intro.html>

Before the first paper is assigned we will go over how to write a research paper, what constitutes plagiarism, proper citation form and standards, proper research methods, the difference between plagiarism and paraphrasing, and other related issues. These principles are crucial for you to learn given the temptations inherent in a web-based age of cut and paste. Students who plagiarize often don't think they are doing anything wrong—that is why it is vital that you read and understand the rules regarding plagiarism and the standards for academic research outlined in

the links above. Please feel free to discuss any questions about these rules with me.

Your papers for this course must be original work. You cannot use someone else's paper or copy material without attribution from another source. Nor can you use a paper that you have written or are writing for another course. Papers in this course have the status of exams—you are to complete all work yourself and you are not to receive help from others with writing your paper.

Students who commit plagiarism can be referred to the UNC Honor Court. Plagiarism is an honor code violation and according to UNC rules is punishable by course failure and suspension.

Grading

Course grades will be determined as follows:

Midterm	30%	October 17
Paper	35%	November 7
Final	35%	December 9

The grading scale for the class is:

High Pass:	93-100
Pass:	75-92
Low Pass:	65-74
Fail:	<65

Participation

I believe in a highly interactive form of teaching. This class emphasizes active learning and regular class discussions and never uses Power Point. Student participation is crucial to the course's success. I encourage you to ask questions and get involved in class discussions, you have much to learn from each other and I have much to learn from you. **Attendance at all course sessions is expected and chronic absenteeism will result in a failing grade.**

While I hope and expect that you will participate regularly in class discussions, there is no participation grade for the class. In my view, the size of the class makes it impossible for me to fairly assign such a grade.

Our discussions will often revolve around and take off from course readings, and it is critical that you read and reflect on these selections before each class. You should focus on the main concepts and arguments in each article, and not get bogged down trying to memorize the endless details we will encounter. Instead, you should think about the authors' major themes, what they are arguing and the implications of those arguments, whether the analysis, evidence and

arguments are persuasive, and what alternative explanations or arguments might look like. Even if we do not discuss every reading in class, you are responsible for reading and understanding the main points of assigned articles.

I have tried to make the reading load as manageable and compelling as possible, though at times it will be heavy because of the ground we need to cover. I have high expectations regarding your engagement with the readings (and exams will cover readings as well as material discussed in class). Some of the material we will cover may be confusing or unfamiliar and some of it is certainly provocative. I encourage you to voice your comments on the readings and raise questions during class, email me or drop by my office to further discuss the course (or anything else on your mind).

There is nothing that kills discussion more than surfing the web during class. Unless you are using them to take notes, I do not allow computers in the classroom. That goes double for cell phones. Texting during class is prohibited.

Background Materials

Many of you enrolled in this course are already familiar with the basics of American health insurance arrangements and issues in health reform. For those who wish to increase their familiarity with or brush up on those topics, I recommend these optional readings as background:

Bernadette Fernandez et al. 2009. *Health Reform: An Introduction*. Congressional Research Service. http://assets.opencrs.com/rpts/R40517_20090831.pdf

Diane Rowland and Adele Shartzer. 2008. America's Uninsured: The Statistics and Backstory. *Journal of Law, Medicine and Ethics*: 618-628. <http://onlinelibrary.wiley.com/doi/10.1111/j.1748-720X.2008.00316.x/pdf>

Gary Claxton and Janet Lundy. 2008. *How Private Health Coverage Works: A Primer*. Kaiser Family Foundation. <http://www.kff.org/insurance/upload/7766.pdf>

Auditing

You may only audit this class with my permission and by completing the appropriate forms with the registrar. Auditors must regularly attend class and are expected to complete course readings.

Students who are in degree programs and are eligible to enroll in 757 may not audit the class.

Schedule of sessions

August 29

Introduction: Health Policy and Political Analysis

Richard Hillestad et al. 2005. Can Electronic Medical Record Systems Transform Health Care? *Health Affairs* 24(5): 1103-1117.

<http://content.healthaffairs.org/content/24/5/1103.full.pdf+html>

Jonathan Oberlander. 2003. The Politics of Health Reform: Why Do Bad Things Happen to Good Plans? *Health Affairs* (w3): 391-404. **Read only pages 391-397.**

September 12

Past as Prologue: The Politics of National Health Insurance

James Morone. 1992. The Bias of American Politics: Rationing Health Care in a Weak State. *University of Pennsylvania Law Review* 140: 1923-1938. **Read only pages 1923-1932.**

Paul Starr. 1982. *The Social Transformation of American Medicine* (Basic: New York). "The Mirage of Reform," pp. 235-57 and 266-289.

<http://blackboard.unc.edu/>

September 19

Medicare and Medicaid

Jonathan Oberlander. 2011. Medicare: The Great Transformation. Forthcoming in James Morone and Dan Ehlke, eds., *Health Politics and Policy*, 5th edition. **Read pages 1-19 only.** <http://blackboard.unc.edu/>

Lawrence Brown and Michael Sparer. 2003. Poor Program's Progress: The Unanticipated Politics of Medicaid Policy. *Health Affairs* 23: 31-44. <http://content.healthaffairs.org/content/22/1/31.full.pdf+html>

David King and Esther Scott. 1995. Kennedy School of Government Case #1278.0, *Catastrophic Health Insurance for the Elderly*.

Note: you must purchase this case at the following URL (it costs \$3.45):

<http://www.ksgcase.harvard.edu/casetitle.asp?caseNo=1278.0>

There is also an appendix available for purchase (also \$3.45) with more background on how the Medicare Catastrophic Coverage Act became law, but that is strictly optional.

September 26

The Rise and Fall of the Clinton Plan

Alain Enthoven. 1993. The History and Principles of Managed Competition. *Health Affairs* 12 (supplement): 24-46.

http://content.healthaffairs.org/cgi/reprint/12/suppl_1/24.pdf

Walter Zelman. 1994. The Rationale Behind the Clinton Health Care Reform Plan. *Health Affairs* 13(1): 9-29.

<http://content.healthaffairs.org/cgi/reprint/13/1/9.pdf>

Paul Starr. 1995. What Happened to Health Care Reform? *American Prospect*

<http://www.prospect.org/web/page.wv?section=root&name=ViewPrint&articleId=4948>

October 3

After the Fall: Managed Care and Consumer-Driven Care

David Mechanic. 2004. The Rise and Fall of Managed Care. *Journal of Health and Social Behavior* 45 (Extra Issue): 76-86.

<http://www.jstor.org/stable/3653825>

Daniel Gitterman et al. 2003. The Rise and Fall of a Kaiser Permanente Expansion Region. *The Milbank Quarterly* 81(4) 567-601.

<http://www.blackwell-synergy.com/doi/pdf/10.1046/j.0887-378X.2003.00295.x>

James Robinson and Paul Ginsburg. 2009. Consumer-Driven Health Care: Promise and Performance. *Health Affairs* 28:2w272-281.

<http://content.healthaffairs.org/content/28/2/w272.full.pdf#page=1&view=FitH>

October 10

Against All Odds: The Obama Administration and (Im)possible Politics of Health Reform

Jonathan Cohn. 2010. How They Did It: The Inside Story of Health Care Reform's Triumph, *The New Republic*, June 10: 14-25.

<http://blackboard.unc.edu/>

Lawrence Brown. 2011. The Elements of Surprise: How Reform Happened. *Journal of Health Politics, Policy and Law* 36: 419-427.

<http://jhjpl.dukejournals.org/cgi/reprint/36/3/419>

David Blumenthal and James Morone. 2010. *The Heart of Power: Health and Politics in the Oval Office* (University of California Press): 409-420. <http://blackboard.unc.edu/>

Mollyann Brodie et al. 2010. Liking the Pieces, Not The Package: Contradictions in Public Opinion During Health Reform. *Health Affairs* 29: 1125-1130. <http://content.healthaffairs.org/content/29/6/1125.full.pdf+html>

October 17 **Midterm Exam**

October 24 **Understanding the Affordable Care Act**

John McDonough. 2011. *Inside National Health Reform* (University of California Press, 2011): Chapter 5, 107-139, “The Three-Legged Stool.” <http://blackboard.unc.edu/>

Optional:

Kaiser Family Foundation. 2010. *Summary of the New Health Reform Law*. <http://www.kff.org/healthreform/upload/8061.pdf>

Patient Protection and Affordable Care Act. 2010. <http://blackboard.unc.edu/>

Health Care and Education Reconciliation Act. 2010. <http://blackboard.unc.edu/>

October 31 **The ACA’s Future: Political, Legal, and Fiscal Prospects**

Wendy Mariner et al. 2011. Can Congress Make You Buy Broccoli? And Why That’s a Hard Question. *New England Journal of Medicine*: 364: 201-203. <http://www.nejm.org/doi/pdf/10.1056/NEJMp1014367>

Jonathan Oberlander. 2011. Under Siege—The Individual Mandate for Health Insurance and its Alternatives. *New England Journal of Medicine* 364: 1085-87. <http://www.nejm.org/doi/pdf/10.1056/NEJMp1101240>

Congressional Budget Office. 2010. Cost Estimate of the Final Health Care Legislation.

<http://www.cbo.gov/ftpdocs/113xx/doc11379/AmendReconProp.pdf>

Douglas Holtz-Eakin and Michael J. Ramlet. 2010. Health Care Reform is Likely to Widen Federal Budget Deficits. Not Reduce Them. *Health Affairs* 29: 1136-41.

<http://content.healthaffairs.org/content/29/6/1136.full.pdf+html>

November 7

International Health Systems: Lessons from Abroad

*******Papers Due in Class 11/7*******

November 14

Cost Control I: Why is U.S. Spending so High?

Henry J. Aaron and Paul Ginsburg. 2009. Is Health Spending Excessive? If So, What Can We Do About It? *Health Affairs* 28(5): 1260-1275.

<http://content.healthaffairs.org/content/28/5/1260.full.pdf+html>

Joseph White. 2010. The Cost of Health Care in Western Countries. *Oxford Handbook of Medicine*, 5th ed., David Warrell et al., eds.: 112-116.

<http://blackboard.unc.edu/>

Atul Gawande. 2009. The Cost Conundrum. *New Yorker*, June 1, 2009.

http://www.newyorker.com/reporting/2009/06/01/090601fa_fact_gawande

November 21

Cost Control II: Will Health Reform Bend the Cost Curve?

Peter Orszag and Ezekiel Emanuel. 2010. Health Care Reform and Cost Control. *New England Journal of Medicine* 363 (7): 601-603.

<http://www.nejm.org/doi/pdf/10.1056/NEJMp1006571>

David Cutler, Karen Davis and Kristof Seremikis. 2010. The Impact of Health Reform on Health System Spending.

http://www.commonwealthfund.org/~media/Files/Publications/Issue%20Brief/2010/May/1405_Cutler_impact_hlt_reform_on_hlt_sys_spending_ib_v4.pdf

Jonathan Oberlander. 2011. Throwing Darts: Americans' Elusive Quest

for Health Care Cost Control. *Journal of Health Politics, Policy and Law* 26 : 477-484. <http://jhppl.dukejournals.org/cgi/reprint/36/3/477>

Michael Chernew et al. 2011. Private-Payer Innovation in Massachusetts: The Alternative Quality Contract. *Health Affairs* 30: 51-60. <http://content.healthaffairs.org/content/30/1/51.full.pdf+html>

November 28

Medicare Reform: Medicare Advantage and Part D

Jonathan Oberlander. 2011. Medicare: The Great Transformation. Forthcoming in James Morone and Dan Ehlke, eds., *Health Politics and Policy*, 5th edition. **Read pages 19-29.** <http://blackboard.unc.edu/>

Patricia Neuman and Juliette Cubanski. 2009. Medicare Part D Update—Lessons Learned and Unfinished Business. *NEJM* 361(4): 406-414. <http://content.nejm.org/cgi/reprint/361/4/406.pdf>

Timothy McBride. 2008. Medicare Advantage: What Are We Trying to Achieve Anyway? *St. Louis University Journal of Health Law & Policy* 405-423. http://law.slu.edu/healthlaw/journal/archives/McBride_Article.pdf

December 5

Medicare Reform: Budget Pressures and Cost Control

Chapin White. 2008. Why Did Medicare Spending Growth Slow Down? *Health Affairs* 27: 793-802. <http://content.healthaffairs.org/content/27/3/793.full.pdf+html>

Joseph Antos. 2011. Medicare Reform and Fiscal Reality. *Journal of Policy Analysis and Management*, forthcoming: 1-8. <http://blackboard.unc.edu/>

Henry Aaron. 2011. How Not to Reform Medicare. *New England Journal of Medicine* 364: 1588-89. <http://www.nejm.org/doi/pdf/10.1056/NEJMp1103764>

Lieberman-Coburn Plan. 2011. <http://lieberman.senate.gov/index.cfm/issues-legislation/health-and-social-policy/saving-medicare-the-liebermancoburn-plan>

December 9

Final Exam 7PM (tentative time)