The healthcare industry accounts for nearly 20% of GDP in the United States. This course explores the links between major public policy events - for instance, healthcare reform or recent Medicare and Medicaid changes - and the financial prospects and implications for various healthcare industry sectors. Lectures examine how current and potential public policy decisions impact the bottom line and the behavior of key industry sectors including pharmaceutical companies, hospitals, doctors, insurance companies, and others. Students conduct research on an industry sector and a live public policy or regulatory issue of their choosing and present a report to the class from the perspective of a research analyst or industry strategy consultant. Students are expected to use their quantitative and analytic toolkit to evaluate how a key government policy (or potential policy within the health reform context) is likely to affect the industry's fortunes and behavior going forward, with implications for investors and firm management.

Requirements

Students are required to attend all meetings ready to discuss the assigned readings and having reviewed the provided data. During the semester every student will prepare an original paper/case study and make brief in-class presentation.

Presentations

Each student will join a two-person team that will create an 8-10 page report of the students’ own design. The presentation will examine a “live” policy issue from the perspective of either an investor or a manager in whichever industry segment the student chooses. The paper will lay out the potential change in policy, the issues that investors or managers will face, and the student’s prediction for how the change will impact investors or firm profitability.

Class Schedule

January 30: INTRODUCTION and THE US HEALTHCARE SYSTEM – MOVING PARTS and the ACA


Huberfeld, Nicole. “The Supreme Court Ruling That Blocked Providers From Seeking Higher Medicaid Payments Also Undercut The Entire Program.” Health Affairs, 2015, 34(7), 1156-1161. See http://content.healthaffairs.org/content/34/7/1156.full.html
Sparer, Michael S. “Medicaid at 50: Remarkable Growth Fueled By Unexpected Politics,” *Health Affairs*, 2015, 34(7), 1084-1091. See [http://content.healthaffairs.org/content/34/7/1084.full.html](http://content.healthaffairs.org/content/34/7/1084.full.html)

February 6: HEALTH INSURANCE and HOSPITALS: BUSINESS, POLICY, and the CONSOLIDATION WAVE

Sector Overview – to be posted on website


February 13: THE BIOPHARMACEUTICAL INDUSTRY: BUSINESS, POLICY and INCENTIVES FOR INNOVATION

**Guest Lecturer – Richard Evans, CEO of Sector and Sovereign, LLC; Former #1 rated pharmaceuticals analyst on Wall Street**

Industry background materials to be posted on course website.


February 20: PHYSICIANS: BUSINESS, POLICY, STUCK IN THE MIDDLE


February 27: MEASURING AND PAYING FOR VALUE IN HEALTHCARE – What Does It Mean for Healthcare Managers and Investors?


Readings to be posted.

March 6: STUDENT PRESENTATIONS, AND THE US HEALTHCARE SYSTEM: WHAT’S NEXT?

