

Economics 3710
Economic Analysis of Canadian Public Issues
Spring 2012

Tuesday, March 20, and Thursday, March 22, 2012

Readings:

Drummond, Don. 2011. "Therapy or Surgery? A Prescription for Canada's Health Care System," CD Howe Institute Benefactors Lecture.

Dodge, David A., and Richard Dion. 2011. "Chronic Healthcare Spending Disease: A Macro Diagnosis and Prognosis," CD Howe Institute Commentary No. 327.

Discussion Questions #10

1. What are some of the reasons that healthcare costs are expected to rise above the rate of inflation over the next few years? Is this a bad thing?
2. What is the Canada Health Act? Who has the jurisdiction over the healthcare decisions in Canada? How does the federal government become involved in healthcare?
3. What is the difference between chronic and acute care? How has our health system been organized historically? What role does preventative medicine play in health care today?
4. Why don't the provinces and the federal government work together towards reducing health care costs?
5. What makes healthcare different than most of the other goods and services that we consume?
6. Why is age so important when we talk about healthcare in Canada?
7. Speculate as to why there have not been large increases in productivity in the delivery of healthcare in Canada?
8. Why is the demand for healthcare in Canada so price inelastic?
9. What are some of the things that the provincial and federal governments could do to reduce healthcare costs in the longer term?
10. Allowing "less-skilled" individuals to perform routine medical tasks is often discussed when it comes to reducing costs. What are some of the obstacles to this changing?
11. What role do physicians and other healthcare providers (who are able to create their own demand) play in rising healthcare costs?
12. What is the role of pharmaceutical companies in rising costs?
13. How might consumers of healthcare be responsible for the increasing costs in the system today? Does education play a role in the behaviour of healthcare consumers?
14. Some have talked about instituting market reforms for the healthcare system. What types of changes might work? What are the limitations of these reforms?
15. What are some of the obstacles to reforming healthcare in Canada?
16. Canada does not too well internationally when we compare outcome/cost ratios (i.e., our ratio is pretty low . . . in other words, our system is costly compared to that of other OECD countries). If you were responsible for reforming healthcare, how would you do it?