Contents

List of figures ix
List of tables x
List of contributors xii

Introduction xvi
Andrew M. Jones

POPULATION HEALTH AND HEALTH CARE SYSTEMS

Part I Population health

1 Understanding the relationship between macroeconomic conditions and health
   Christopher J. Ruhm 5

2 The dynamics of health
   Andrew M. Jones, Nigel Rice and Paul Contoyannis 15

3 Health and work of older workers
   Maarten Lindeboom 24

4 Using observational data to identify the causal effects of health-related behaviour
   M. Christopher Auld 36

5 Economics of public health interventions for children in developing countries
   David Bishai, Divya Nair and Taghreed Adam 46

6 Health behaviours among young people
   Don Kenkel 60

7 Economics of obesity
   Peter J. Huckfeldt, Darius N. Lakdawalla and Tomas J. Philipson 70

8 Illicit drugs and drug-related crime
   Jody L. Sindelar and Todd Olmstead 81

Part II Health care finance and demand

9 The value of health insurance
   John A. Nyman 93

10 Incentive and selection effects in health insurance
   Pierre-Yves Geoffard 103

11 Prescription drug insurance and reimbursement
   Paul Grootendorst 114

12 The economics of social health insurance
   Peter Zweifel and Friedrich Breyer 123
### The Elgar companion to health economics, second edition

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Author(s)</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>Competition and health plan choice</td>
<td>Bryan Dowd and Roger Feldman</td>
<td>134</td>
</tr>
<tr>
<td>14</td>
<td>Empirical models of health care use</td>
<td>Partha Deb and Pravin K. Trivedi</td>
<td>144</td>
</tr>
<tr>
<td>15</td>
<td>Unofficial payments in low- and middle-income countries</td>
<td>Tim Ensor and Robin Thompson</td>
<td>154</td>
</tr>
<tr>
<td>16</td>
<td>Trade in health services: current challenges and future prospects of globalization</td>
<td>Richard Smith</td>
<td>164</td>
</tr>
</tbody>
</table>

### Part III Equity in health and health care

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Author(s)</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>Decomposition of inequalities in health and health care</td>
<td>Owen O’Donnell, Eddy van Doorslaer and Adam Wagstaff</td>
<td>179</td>
</tr>
<tr>
<td>18</td>
<td>Economic studies of equity in the consumption of health care</td>
<td>Hugh Gravelle, Stephen Morris and Matt Sutton</td>
<td>192</td>
</tr>
<tr>
<td>19</td>
<td>Equity in health and health care systems in Asia</td>
<td>Ravindra Rannan-Eliya and Aparnaa Somanathan</td>
<td>203</td>
</tr>
</tbody>
</table>

### Part IV Organization of health care markets

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Author(s)</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>Hospital competition and patient choice in publicly funded health care</td>
<td>Richard Cookson and Diane Dawson</td>
<td>219</td>
</tr>
<tr>
<td>21</td>
<td>Models of negotiation and bargaining in health care</td>
<td>Pedro Pita Barros and Xavier Martinez-Giralt</td>
<td>231</td>
</tr>
<tr>
<td>22</td>
<td>Contracts, information and incentives in health care</td>
<td>Martin Chalkley</td>
<td>240</td>
</tr>
<tr>
<td>23</td>
<td>Contracting-out health service provision in resource- and information-poor settings</td>
<td>Natasha Palmer and Anne Mills</td>
<td>250</td>
</tr>
<tr>
<td>24</td>
<td>Waiting times and waiting lists</td>
<td>Luigi Siciliani and Tor Iversen</td>
<td>259</td>
</tr>
</tbody>
</table>

### Part V Provider reimbursement, incentives and behaviour

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Author(s)</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>The physician as the patient’s agent</td>
<td>Thomas Rice</td>
<td>271</td>
</tr>
<tr>
<td>26</td>
<td>Capitation and incentives in primary care</td>
<td>Tor Iversen and Hilde Lurås</td>
<td>280</td>
</tr>
<tr>
<td>27</td>
<td>Optimal risk adjustment</td>
<td>Jacob Glazer and Thomas G. McGuire</td>
<td>289</td>
</tr>
<tr>
<td>28</td>
<td>The role of economic incentives in improving the quality of mental health care</td>
<td>Susan L. Ettner, Michael Schoenbaum and Jessica A. Williams</td>
<td>297</td>
</tr>
<tr>
<td>29</td>
<td>Nursing home quality of care</td>
<td>David C. Grabowski and Edward C. Norton</td>
<td>307</td>
</tr>
</tbody>
</table>
## Contents

30 Informal care

*David C. Grabowski, Edward C. Norton and Courtney H. Van Houtven*

31 Direct to consumer advertising for pharmaceuticals: research amid the controversy

*W. David Bradford and Andrew N. Kleit*

### Part VI Assessing the performance of health care organizations

32 Concepts and challenges in measuring the performance of health care organizations

*Peter C. Smith and Andrew Street*

33 The use of performance measures in health care systems

*Carol Propper and Deborah Wilson*

34 Productivity analysis in health care

*James F. Burgess Jr*

### EVALUATION OF HEALTH CARE

### Part VII Measuring benefits

35 Conceptual foundations for health utility measurement

*Han Bleichrodt and Jose Luis Pinto*

36 The multi-attribute utility approach to assessing health-related quality of life

*David Feeny*

37 Methods for developing preference-based measures of health

*John Brazier, Jennifer Roberts and Donna Rowen*

38 Distributional judgements in the context of economic evaluation

*Aki Tsuchiya*

39 The capability approach: an alternative evaluation paradigm for health economics?

*Richard Smith, Paula Lorgelly, Hareth Al-Janabi, Sridhar Venkatapuram and Joanna Coast*

40 Contingent valuation in health care

*Cam Donaldson, Helen Mason and Phil Shackley*

41 Using discrete choice experiments in health economics

*Mandy Ryan, Karen Gerard and Gillian Currie*

42 Design of choice experiments in health economics

*Leonie Burgess, Deborah J. Street, Rosalie Viney and Jordan Louviere*

### Part VIII Measuring costs and statistical issues

43 Estimating costs for economic evaluation

*Maria Raikou and Alistair McGuire*

44 Dealing with skewed data on costs and expenditures

*Willard Manning*
45 Future costs in medical cost-effectiveness analysis
David Meltzer
46 Selection bias in observational data
Daniel Polsky and Anirban Basu

Part IX Economic Evaluation and Decision Making

47 Decision rules for incremental cost-effectiveness analysis
Milton C. Weinstein
48 Generalized cost-effectiveness analysis: principles and practice
David B. Evans, Dan Chisholm and Tessa Tan-Torres Edejer
49 Decision rules in economic evaluation revisited
Stephen Birch and Amiram Gafni
50 Statistical methods for cost-effectiveness analysis alongside clinical trials
Andrew Briggs
51 Decision-making with uncertainty: the value of information
Karl Claxton, Elisabeth Fenwick and Mark J. Sculpher
52 Moving beyond mean-based evaluation of health care
David J. Vanness and John Mullahy
53 Priority setting methods in health services
Stuart J. Peacock and Craig Mitton
54 Economic evaluation and decision-makers
Michael Drummond

Index