



MODULE SPECIFICATION

Academic Year (student cohort covered by specification)	2026-27
Module Code	1504
Module Title	Economic Analysis for Health Policy
Module Organiser(s)	Laura Cornelsen; Meghna Ranganathan
Faculty	Public Health & Policy
FHEQ Level	Level 7
Credit Value	CATS: 15 ECTS: 7.5
Term of Delivery	Term 2
Mode of Delivery	This module is delivered by predominantly face-to-face teaching modes. Where specific teaching methods (lectures, seminars, discussion groups) are noted in this module specification these will be delivered by predominantly face-to-face sessions. There will be a combination of live and interactive activities (synchronous learning) as well as recorded or self-directed study (asynchronous learning).
Mode of Study	Full-time
Language of Study	English
Pre-Requisites	The Term 1 module, Introduction to Health Economics (1103), is a pre-requisite for this module
Accreditation by Professional Statutory and Regulatory Body	None
Module Cap (Indicative number of students)	60
Target Audience	This module targets a wide range of audience from the applied policy maker to those with greater interests in the underlying economic theories and real-world applications.
Module Description	This module draws on a number of economic concepts including information asymmetry, agency theory and incentives to analyse different ways of financing and organising health systems across high- and low- income settings.



	Through lectures students will be exposed to policy relevant examples and topics drawing on previously learned economic concepts. The seminars are applied and practice-based. Students will meet experienced health economists and health systems experts throughout the course who will describe the technical aspects of drawing on economic arguments for health policy making.
Duration	5 weeks at 2 days per week
Timetabling slot	D1
Last Revised (e.g. year changes approved)	August 2026

Programme(s)	Status
This module is linked to the following programme(s)	
MSc Public Health	Recommended
MSc Control of Infectious Diseases	Recommended
MSc Health Policy, Planning & Finance	Recommended
MSc Public Health for Global Practice	Recommended

Module Aim and Intended Learning Outcomes

Overall aim of the module

The overall module aim is to build on the economic theories and concepts introduced in Term 1, and apply them to analyse current issues and challenges in health policy and health systems in low-and-middle-income countries.

Module Intended Learning Outcomes

Upon successful completion of the module students should be able to:

1. Describe different ways of financing and organising health systems, and analyse them using the economic concepts of information, agency and incentives;
2. Identify different market structures used in the delivery of health services and key health service inputs such as human resources, discuss their associated strengths and weaknesses (market and policy failures) and potential ways of mitigating these effects. These will include the role and functioning of regulation and contracting for health services;
3. Explain the need for rationing in the health sector, and analyse different rationing mechanisms in terms of their implications for equity and efficiency;
4. Apply the tools of equity analysis (benefit incidence analysis and measurement of equity) to analyse the distribution of resources in the health sector;
5. Consider departures from the rationality assumption, through exposure to basic behavioural economics theories.

Indicative Syllabus

Session Content

The module is expected to cover the following topics:

- Introduction and overview
- Models of health system financing and organisation
- Markets, competition and choice in health
- Health insurance
- Agency and Contracting
- Human resources for health
- Pay for performance
- Rationing
- Tools for equity analysis
- Regulation
- Behavioural economics

Teaching and Learning

Notional Learning Hours

Type of Learning Time	Number of Hours	Expressed as Percentage (%)
Contact time	45	30%
Directed self-study	45	30%
Self-directed learning	5	3%
Assessment, review and revision	55	37%
Total	150	100%

Student contact time refers to the tutor-mediated time allocated to teaching, provision of guidance and feedback to students. This time includes activities that take place in face-to-face contexts such as lectures, seminars, demonstrations, tutorials, supervised laboratory workshops, practical classes, project supervision as well as where tutors are available for one-to-one discussions and interaction by email.

The division of notional learning hours listed above is indicative and is designed to inform students as to the relative split between interactive and self-directed study.

Teaching and Learning Strategy

Students participate in a combination of lectures and seminars. Lectures introduce concepts and ideas and clarify theories. Seminars use problem-based exercises and group discussions with the aim of supporting students' learning of economic principles and models, and enable them to apply these principles to specific issues of health system organisation and financing.

Students are encouraged to take an active role in their learning by selecting among the advanced readings and seeking out supporting materials where appropriate, in particular when researching their assignment.

Assessment

Assessment Strategy

The assessment for this module has been designed to measure student learning against the module intended learning outcomes (ILOs) as listed above. The grade for summative assessment(s) only will go towards the overall award GPA.

The assessment will be in the form of an applied policy analysis. Students will apply the concepts and theories they have been exposed to in this module by writing a policy brief on a health policy reform they propose in a country of their choice. They will be first asked to describe an inefficiency or inequity in the health system and then analyse the impact of the chosen health policy reform to address it.

Summative Assessment

Assessment Type	Assessment Length (i.e. Word Count, Length of presentation in minutes)	Weighting (%)	Intended Module Learning Outcomes Tested
Policy Brief (assessed assignment)	Written report (maximum 3000 words including tables, excluding figures and references)	100%	1,2, 3, 4, & 5

Resitting assessment

Resits will accord with [Chapter 8a](#) of the LSHTM Academic Manual



Resources

Indicative reading list

Guinness L and Wiseman V. 2011. Chapter 8 Health care markets and efficiency. In Guinness L and Wiseman V. eds. Introduction to health economics. Maidenhead: Open University Press.

Mills, A Martinez-Alvarez M, Ranson K. Chap 13: The Design of Health Systems. (p. 597-635) In Merson MH, Black RE, Mills AJ. Global Health: Diseases, Programs, Systems and Policies. 4 ed. Sudbury MA: Jones and Bartlett, 2018

Chapter 22 Comparative Health Care Systems in Folland S, Goodman AC, Stano M. *The Economics of Health and Health Care*. 7th ed, New International Ed. Harlow: Pearson, 2014. (pp 492 – 517)

Africa Health Workforce Investment Charter: enabling sustainable health workforce investments for universal health coverage and health security for the Africa we want. Brazzaville: WHO African Region, 2024. Licence: CC BY-NC-SA 3.0 IGO

Goddard M. (2015). Competition in Healthcare: Good, Bad or Ugly?. International journal of health policy and management, 4(9), 567–569.

Langenbrunner, Jack, Cheryl Cashin, and Sheila O'Dougherty. What, How, and Who: An Introduction to Provider Payment Systems. In: Langenbrunner, Jack, Cheryl Cashin, and Sheila O'Dougherty, eds. Designing and implementing health care provider payment systems: how-to manuals. World Bank Publications, 2009.

Palmer N, Mills A. 2013. Contracting-out health service provision in resource- and information-poor settings. In The Elgar Companion to Health Economics, 2nd edition, Edited by Andrew M. Jones.

Folland, S., Goodman, A., Stano, M.: The Economics of Health and Health Care (Pearson New International Edition, 7th Edition). Prentice Hall, New Jersey 2014 Chapter 8 "Demand and Supply of Health Insurance", section "Risk and Insurance". Read the section "Risk and Insurance"

Mossialos, E.; Dixon, A.; Figueras, J. and Kutzin, J. Chapters 6 and 12 (and Chapters 2 & 3) : Voluntary Health Insurance. Funding health care: options for Europe. (2003) Open University Press, Maidenhead <http://www.euro.who.int/document/e74485.pdf>



Ottersen, T.; Elovainio, R; et al.: Towards a coherent global framework for health financing: recommendations and recent developments. *Health Economics, Policy and Law* (2017), 12, pp 285-296

Barros AJ, Ronsmans C, Axelson H, Loaiza E, Bertoldi AD, França GV, Bryce J, Boerma JT, Victora CG. 2012. Equity in maternal, newborn, and child health interventions in Countdown to 2015: a retrospective review of survey data from 54 countries. *The Lancet* 379(9822):1225-33

Sheikh K, Saligram P, Hort K (2015) What explains regulatory failure? Analysing the architecture of health care regulation in two Indian states. *Health Policy and Planning*, 30, 1: 39-55

Fuchs V. The doctor's dilemma – what is “appropriate” care? *New England Journal of Medicine* 2011;365(7):585-7.

Mertens, S. et al. The effectiveness of nudging: A meta-analysis of choice architecture interventions across behavioural domains, *PNAS* 119(1) 2022 e2107346118

Teaching for Disabilities and Learning Differences

The module-specific site on Moodle gives students access to lecture notes and copies of the slides used during the lecture. Where appropriate, lectures are recorded and made available on Moodle. All materials posted on Moodle, including computer-based sessions, have been made accessible where possible.

LSHTM Moodle is accessible to the widest possible audience, regardless of specific needs or disabilities. More detail can be found in the [Moodle Accessibility Statement](#) which can also be found within the footer of the Moodle pages. All students have access to “[SensusAccess](#)” software which allows conversion of files into alternative formats.

Student Support Services can arrange learning or assessment adjustments for students where needed. Details and how to request support can be found on the [LSHTM Disability Support pages](#).