Universität Hamburg
DER FORSCHUNG | DER LEHRE | DER BILDUNG

FAKULTÄT
FÜR WIRTSCHAFTS- UND
SOZIALWISSENSCHAFTEN

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Microeconomic Perspectives on Quality of Care

Winter Term 2024/25

The course covers key aspects of quality provision from a microeconomic perspective. The focus is on quality of health care but the analysis can be applied to quality provision issues in general. We consider both vertical and horizontal quality differentiation. Quality choice is analyzed both in a monopoly and a competitive setting. We give particular attention to discrimination and selection issues. Furthermore, we provide an introduction in the analysis of credence goods. Finally, we consider the design of optimal payment schemes in a principal-agent framework. We discuss contractibility issues both in a single and multi-task environment.

Outline

1. Introduction
2. Modelling Quality
3. Quality Choice by a Monopolist
4. Quality and Competition
5. Quality in Health Insurance Markets
6. Credence Goods
7. Paying Providers and Quality

Dates

March 6th, 7th, 10th, 11th, 9 to 15:30 hrs. in Esplanade 36, Room 4030/31.

Tasks and Assessment

Prior to the course, students will be assigned to groups and prepare presentations of scientific articles to be held during the course.

The second task is to write a short paper with a length of 1,500 to 2,000 words (text without bibliography) related to the course material.

Students will develop the topic themselves and hand it an exposé (one page without bibliography) until **March 31th**. Feedback will be given until April 4th.

The short paper is due **May 2nd, 2025**.

Exposés and Papers to be handed in in Word or Open Office format at mathias.kifmann@uni-hamburg.de.

Grading: presentation (1/3) and short paper (2/3).

Literature

The course is based on papers. We also draw on two textbooks on industrial economics:

Bester, H., 2017. *Theorie der Industrieökonomik*, Berlin, Heidelberg: Springer.

Tirole, J., 1988. *The Theory of Industrial Organization*, Cambridge, MA: MIT Press.

Literature will be made available on OpenOLAT where also all other material will be posted.