

UCLA GRADUATE DIVISION

May 14, 2007

To: Todd Franke, Co-Chair, Graduate Council Committee on Degree Programs
Janice Reiff, Co-Chair, Graduate Council Committee on Degree Programs

FROM: Daniel J. Bennett, Assistant Dean
Graduate Admissions/Student and Academic Affairs

RE: Disestablishment of the Interdepartmental Ph.D. Program in Health Economics

At the request of Council Chair Savage, I am submitting this item for the agenda of the May 17 meeting of Committee on Degree Programs. Enclosed is the history of correspondence regarding this program. Although it was approved by the Office of the President to admit students for Fall 2006, the program actually was never launched due to a lack of resources.

The decision is for the Committee to vote to recommend to the Graduate Council that this program be disestablished. Given that this would be the first time a new graduate program has been disestablished without ever being opened, I believe that the Graduate Council will need to determine what other steps for disestablishment outlined in the Academic Senate's Appendix V are needed to formally remove this program from UCLA and UC records.

cc: John Richardson, Associate Dean
Roger Savage, Chair, Graduate Council
Jaime Balboa, Chief Administrative Officer, Academic Senate/Graduate Council

Bennett, Daniel

From: Roger Savage [rsavage@ucla.edu]
Sent: Wednesday, May 09, 2007 8:18 AM
To: Bennett, Daniel
Subject: FW: ph.d. in health economics
Follow Up Flag: Follow up
Flag Status: Flagged
Attachments: Letter from grad council may 1 2006.pdf

Dan,

Can we put this on the next CDP meeting agenda?

Roger

-----Original Message-----

From: Rice, Thomas [mailto:trice@conet.ucla.edu]
Sent: Wednesday, May 09, 2007 7:46 AM
To: Savage, Roger; Mitchell-Kernan, Claudia
Subject: FW: ph.d. in health economics

Dear Claudia and Roger,

In response to Roger's letter of May 1, 2006 (attached), I regret to inform you that all relevant parties agree that we cannot go forward with the IDP, "Ph.D. in Health Economics." As I actively worked on this since 2001, this is very disappointing, and was a conclusion arrived at most reluctantly. The email appended below explains the reasons. I am cc'ing the two Deans, Reynaldo Macias and Linda Rosenstock, who concur. Please let us know if you need them to write anything formal to you.

I am very grateful for the Council's support, and am sorry that so much effort on its part did not result in a viable program.

Sincerely,

Tom

Thomas Rice
 Vice Chancellor, Academic Personnel
 University of California, Los Angeles
 2138 Murphy Hall
 Box 951405
 Los Angeles, CA 90095-1405
 Campus Mailcode: 140501
 Phone: 310-206-9345
 Fax: 310-206-6030
 Email: trice@conet.ucla.edu

From: Rice, Thomas
Sent: Tuesday, May 08, 2007 12:19 PM
To: Macias, Reynaldo F.; Rosenstock, Linda; Hansen, Gary; Kaplan, Robert M.; O'Brien, Patricia
Cc: Kominski, Gerald; Leibowitz, Arleen; costa@mit.edu; Ettner, Susan; Waugh, Scott L.
Subject: ph.d. in health economics

Dear Pat, Linda, Reynaldo, Gary, and Bob,

As most of you know, the University system approved a Ph.D. in Health Economics a couple of years ago. With the departure of Janet Currie, it was put on hold for two successive years. Graduate Council had required that it be resurrected by this spring, or that it would withdraw the program from the books (before it admitted any students). Its

main concern was finding strong support among a broad array of faculty in the Department of Economics.

I want to thank Dora Costa, our newest hire in Econ, for her willingness to consider taking on co-leadership of the program upon arrival on campus; Susan Ettner, for her help and support these past months in Health Services; and Gary Hansen and Bob Kaplan, who both were very supportive, not only morally but also with regard to resources. However, after discussions with other faculty in Economics, it was concluded that there was not the enough will beyond Gary's and Dora's to make a go at it.

I am sorry, of course, at the demise of this incipient program, but I think it happened for all the right reasons. And this outcome cannot erase the positive step that was made in getting these two ostensibly very different units in north and south campus to come together in a program like this.

Linda and Reynaldo – I am happy to inform Graduate Division of this if you like. I don't know if they will require anything further from you.

Sincerely,

Tom



MEMORANDUM

Academic Senate Executive Office
Los Angeles Division
3125 Murphy Hall
140801

April 26, 2007

Professor Gary Hansen
Department of Economics

In Re: Health Economics Ph.D. Program

Dear Professor Hansen:

The Graduate Council set a deadline for April 23, 2007 for a departmental response on the future of this program because of the lead time needed for the Council to review, respond, and approve or deny a proposal either to disestablish the program or to begin admissions to the program for Fall 2008. While we understand your desire to allow the new faculty member time to become familiar with the previously approved Ph.D. program in Health Economics, we would appreciate a response earlier than the end of the academic year.

The response should include information documenting the critical mass of faculty available to service the program, if the Council is to open admissions. It is clear now that the original program proposal had too few faculty members to mount the program and we continue to have great concern about a new Ph.D. program whose future is primarily in the hands of a single faculty member.

Sincerely,

A handwritten signature in cursive script that reads 'R. Savage'.

Roger Savage
Graduate Council Chair

Cc: Dan Bennett, Assistant Dean of the Graduate Division
Jaime Balboa, Academic Senate CAO



DEPARTMENT OF HEALTH SERVICES
SCHOOL OF PUBLIC HEALTH
CAMPUS BOX 951772
LOS ANGELES, CA 90095-1772

Attachment B

To: Committee on Degree Programs

From: Tom Rice

Subj: Request for Second One-Year Delay in Implementation of Ph.D. in Health Economics

Date: April 7, 2006

This cover memo accompanies the memos from Deans Waugh (March 15, 2006) and Rosenstock (March 13, 2006), requesting a second one-year delay in accepting students for the Ph.D. in Health Economics. As you can see from the memos, they are requesting that new students begin their curriculum for the program in the Fall 2008 (soliciting students during the admissions process in the Fall of 2007).

Luisa enquired as to why this delay is happening so soon after the previous request was granted. I think the problem stemmed from the fact that the paperwork for this program got a bit lost, early on. President Dynes approved the IDP July 1, 2005, but somehow the appropriate paperwork did not get to Graduate Division until some months later. Once Graduate Division found out about the program, the two Deans immediately requested a delay so that students begin their studies in the Fall of 2007 rather than 2006. Now would seem to be the appropriate time to request an extension until Fall, 2008.

The two Deans' memos discuss the reasons for the requested further delay.



MEMORANDUM

Academic Senate Executive Office
Los Angeles Division
3125 Murphy Hall
140801

May 1, 2006

Professor Tom Rice, Co-Director
Health Economics Interdepartmental Program

Dear Professor Rice:

The Committee on Degree Programs and the Graduate Council reviewed the new request on April 14, 2006 for a delay in accepting applications until Fall 2007, with students enrolled in 2008. It was noted that the Deans of Social Sciences and Public Health supported this new request. The Council remains concerned that start-up of this interdepartmental program continues to be delayed by the lack of a co-director from the Department of Economics. The Council voted unanimously in favor of the requested delay of admissions until Fall 2007 with the following conditions:

- The Chair of the Department of Economics must submit a status report on the appointment of a senior economist to serve as Co-Director of the IDP in Health Economics by April 23, 2007.
- In light of the lengthy interval since the program was approved, the Council requests renewed faculty letters of commitment in April 23, 2007.
- Absent of the status report and the renewed faculty letters of commitment, the Council will move to discontinue the IDP in Fall 2007.

If you have any questions, please contact me or Luisa Crespo in the Academic Senate office.

Sincerely,

Anne Wuerker, Chair, Graduate Council

cc:

Gary Hansen, Chair, Department of Economics
Dean Scott Waugh, Social Sciences, College of Letters & Science
Dean Linda Rosenstock, School of Public Health
Mark Hansen, Co-Chair, Committee on Degree Programs
Roger Savage, Co-Chair, Committee on Degree Programs
Dean Claudia Mitchell-Kernan, Graduate Division
Associate Dean John Richardson, Graduate Division
Assistant Dean Daniel Bennett, Graduate Division
Luisa Crespo, Principal Policy Analyst, Graduate Council



To: John Richardson, Dean
Graduate Division

From: Linda Rosenstock, Dean *L.R.*
School of Public Health

Subject: Request for Delay in Accepting Applicants for the Ph.D. in Health
Economics

Date: March 15, 2006

The School of Public Health supports delaying the opening of admissions for the new IDP in Health Economics, which was approved by U.C. in July. We request that student applications be delayed until the Fall of 2007, with students beginning their studies in Fall, 2008.

The faculty in this IDP are largely from the Departments of Economics and Health Services, with one faculty member in each of these two Departments serving as Co-Director. Because half of all classes, admissions, and some desk space are being provided by the Department of Economics, it is critical that it be able to staff the Co-Director position. With the departure of Professor Janet Currie, we understand that the Economics Department plans to search for a replacement next fall. We therefore believe that a second one-year delay in implementation is essential.

Thank you very much.

Cc: Prof. Gary Hansen, Chair, Economics
Prof. Thomas Rice, Co-Director, IDP in Health Economics

OFFICE OF THE DEAN UCLA School of Public Health

16-035 Center for Health Sciences Box 951772 • Los Angeles, CA 90095-1772
Telephone (310) 825-6381 Fax (310) 825-8440 www.ph.ucla.edu



MEMORANDUM

Office of Dean Scott Waugh
Division of Social Sciences
College of Letters and Science
1312 Murphy Hall
143801

To: John Richardson, Dean
Graduate Division

From: Scott Waugh, Dean
Division of Social Sciences *S. Waugh*

Subject: Request for Delay in Accepting Applicants for the Ph.D. in Health
Economics

Date: March 13, 2006

I am writing to request that the opening of admissions for the new IDP in Health Economics, which was approved by U.C. in July 2005, be delayed for one more year. In particular, student applications should be accepted beginning in Fall of 2007, with students beginning their studies in Fall 2008.

The faculty in this IDP are largely from the Departments of Economics and Health Services, with one faculty member in each of these two Departments serving as Co-Director. Because half of all classes, admissions, and some desk space are being provided by the Department of Economics, it is critical that it be able to staff the Co-Director position in that department. With the departure of Professor Janet Currie, we understand that the Department of Economics will be looking for a senior economist with an interest in health during a search that will begin next Fall. We therefore believe that a second one-year delay in implementation is essential.

Thank you very much.

cc: Prof. Gary Hansen, Chair, Economics
Prof. Thomas Rice, Co-Director, IDP in Health Economics

MEMORANDUM

Office of the Chancellor
2147 Murphy Hall
140501

February 16, 2006

Executive Dean Patricia O'Brien
College of Letters and Science
2300 Murphy Hall
143801

Dean Linda Rosenstock
School of Public Health
16-035 CHS
177220

Dear Pat and Linda:

I am pleased to inform you that the Office of the President has approved the proposal to establish the interdepartmental PhD program in Health Economics, effective June 7, 2005. The program will be housed in the Department of Economics. My understanding is that additional resources and funding will be provided over the next two years through the Division of Social Sciences and the School of Public Health, including two to three new faculty appointments in the Department of Economics in the area of Health Economics. The Department of Health Services recently hired a faculty member trained in health policy and economics and is in the process of recruiting a new chair, who will also contribute to the IDP. The Economics and Health Services departments will alternate the allocation of a fellowship, and every other year one of the departments will fund a student from its block grant allocation.

Sincerely,



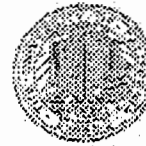
Daniel Neuman
Executive Vice Chancellor and Provost

Attachment

cc: Chancellor Albert Carnesale
Steven Olsen, Vice Chancellor, Finance and Budget
Claudia Mitchell-Kernan, Vice Chancellor, Graduate Division
Roberto Peccei, Vice Chancellor, Research
Donna Vredevoe, Vice Chancellor, Academic Personnel
Glyn Davies, Assistant Vice Chancellor, Academic Planning and Budget
John Hamilton, Assistant Provost
Dan Bennett, Director, Admissions/Student and Academic Affairs
Adrienne Lavine, Academic Senate Chair
Vivek Shetty, Academic Senate Vice Chair
Anne Wuerker, Graduate Council Chair
Robin Garrell, Chair, Faculty Executive Committee, College of Letters and Science
Roger Farmer, Chair, Faculty Executive Committee, Social Sciences
Paul Torrens, Chair, Faculty Executive Committee, Public Health
Scott Waugh, Dean, Social Sciences
Gary Hansen, Chair, Department of Economics
Robert Kaplan, Chair, Department of Health Services
Jaime Balboa, Chief Administrative Officer, Academic Senate
Luisa Crespo, Graduate Council Coordinator, Academic Senate
Maryann Gray, Director, Strategic Initiatives
Suzanne Klausner, Coordinator, UCOP
Kathleen Copenhaver, Associate Registrar
Leann Hennig, Registrar's Office
Valerie Romero, Registrar's Office
Caroline West, Director, AIM
Kelly Wahl, AIM

UNIVERSITY OF CALIFORNIA

BERKELEY • DAVIS • IRVINE • LOS ANGELES • MERCED • RIVERSIDE • SAN DIEGO • SAN FRANCISCO



MARYBARBARA • SANTA CRUZ

OFFICE OF THE PRESIDENT AND SENIOR VICE PRESIDENT -
ACADEMIC AFFAIRS

OFFICE OF THE PRESIDENT
1133 Franklin Street
Oakland, California 94612-1000

June 16, 2005

PRESIDENT DYNES

Dear Bob:

I recommend that you approve the proposal from UCLA to establish a Ph.D. program in Health Economics, effective June 7, 2005. The proposed Health Economics program has been included in the campus 5-year perspective. The Graduate Council, appropriate committees of the divisional Senate and Executive Vice Chancellor Neuman have endorsed the proposal. The Coordinating Committee on Graduate Affairs approved the proposal on June 7th.

Proposed Ph.D. in Health Economics, UCLA

The Department of Economics (College of Letters and Science) and the Department of Health Services (School of Public Health) will offer an interdepartmental Ph.D. program in Health Economics. Health Economics is an interdisciplinary field requiring knowledge of micro-economic theory, microeconomics, health services research methodology, applied health economics, and an understanding of the organization and financing of health care. Key issues include the form of ownership and governance of health care providers such as hospitals, the intensive government regulation of health markets, and major roles of insurers (e.g., Medicare, Medicaid).

Offering a Ph.D. in Health Economics by way of an Interdepartmental Program will be an excellent approach for training students without including courses that are peripheral to the field, e.g., microeconomics, or which are duplicative, e.g., bio-statistics theory and econometrics. Participating UCLA departments include Economics, Health Services, General Internal Medicine, Policy Studies, and Community Health Services. Faculty in these departments work with faculty from RAND Health, endorsed in an MOU between Chancellor Cunniff and President Thomson in 2002.

The rate of non-insurance coverage is high in Southern California, in part linked to the large immigrant population. Research has paid attention to employment and the fact that health insurance provision for the non-elderly population comes through employers. This situation has implications for labor mobility, the changing nature of the employment relationship, and public policy choices. Issues relate to differential access and treatment of persons according to their race, sex, income and insurance coverage, treatment in managed care settings, cost-effectiveness of competing medical interventions, the provision of adequate quality health services to underserved groups, and the household and labor market consequences of disabilities, poor health and limited access to health care.

Need for the Program

The increase in capital-based managed care plans in the U.S. and worldwide presents potentially conflicting goals between enhanced access and cost control. Furthermore, expensive medical technologies and pharmaceuticals, and the prospect of expensive genetic therapies in the future, will lead to a need to evaluate the cost-effectiveness of these technologies. Greater consumer advocacy will facilitate the enhancement of knowledge about the economics of health and health care, so that health

President Dynes
June 16, 2005
Page two

services are provided more efficiently and, therefore, to the greater benefit of the community. Health Economics research has been supported by grants from the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, the National Institute on Mental Health, the National Institute of Diabetes and Digestive and Kidney Diseases, the National Institute of Child Health and Human Development, the National Institute on Aging, the Agency for Health Care Research and Quality, and the Robert Wood Johnson Foundation.

UCLA will enroll two students for the first year, three in the second year, and four annually reaching twenty students in steady state after six years. It would not be difficult to recruit two to four students a year.

Resources

The Ph.D. program in Health Economics will consist of existing courses in the Departments of Economics and Health Services. One new course, a seminar in Health Economics Research, will be offered by these departments in alternating years. Participating faculty include seven in Health Services, four in Economics, and three in Public Policy. No additional faculty and staff FTE will be required. Existing computer equipment and services and space at the departments can accommodate the Ph.D. program in Health Economics.

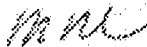
Employment Prospects

Health Economists could be employed at universities, consulting and insurance companies, government offices, and research enterprises. In seven letters of support from colleagues of the UCLA planners, faculty have reported that graduates in Health Economics, from universities outside of California, have been hired for faculty positions at Cornell University, University of Florida, University of Rochester or employed to conduct research at RAND or The Urban Institute.

Recommendation

The importance of the health care marketplace and the increasing availability of data to perform sophisticated econometric analyses support the relevance of a Ph.D. program in Health Economics. UCLA is in a position to offer such a program successfully because of its existing faculty expertise and instructional and research collaborations between Economics and Health Services. I recommend that you approve the UCLA proposal to establish a Ph.D. program in Health Economics, effective June 7, 2005.

Sincerely,



M.R. C. Greenwood
Provost and Senior Vice President
Academic Affairs

Approved


Robert C. Dynes

Date

7/1/05

cc: Vice Provost Zeimanowitz
Director Merritt



DANIEL NEUMAN
EXECUTIVE VICE CHANCELLOR AND PROVOST

2147 MURPHY HALL
BOX 951405
LOS ANGELES, CALIFORNIA 90095-1405

July 1, 2004

M.R.C. Greenwood
Provost and Senior Vice President
University of California, Office of the President
1111 Franklin Street, 12th Floor
Oakland, CA 94607-5200

Dear M.R.C.:

I am writing to request your approval on the attached proposal to establish an interdepartmental graduate degree program in Health Economics (Ph.D.) to be effective after official notice of approval is received. It has been approved by the UCLA Academic Senate and the campus administration endorses it. If approved, the Ph.D. in Health Economics will be the only such program in the country. Harvard and Johns Hopkins provide curricular offerings, but have not developed a doctoral program.

Additional resources and funding will be provided over the next two years through the Division of Social Sciences and the School of Public Health, including two to three new faculty appointments to the Department of Economics in the area of Health Economics. The Department of Health Services recently hired a faculty member trained in health policy and economics and is in the process of recruiting a new chair who will also contribute to the IDP. In addition, the Economics and Health Services departments will alternate the allocation of a fellowship. Every other year, one of the departments will fund a student from its block grant allocation.

If you have any questions, please contact Thomas Kunselman at (310) 825-5754; his e-mail address is tkunselman@ponet.ucla.edu.

Sincerely,

A handwritten signature in black ink that reads "Daniel Neuman".

Daniel Neuman
Executive Vice Chancellor and Provost

Attachment

cc: Chancellor Albert Carnesale
Vice Chancellor Donna Vredevoe
Assistant Vice Chancellor Glyn Davies
Vice Chancellor Steve Olsen
Vice Chancellor Claudia Mitchell-Kernan
Vice Chancellor Roberto Peccei
Associate Vice Chancellor Paula Lutomirski
Clifford Brunk - Chair, Academic Senate
Executive Dean Patricia O'Brien
Dean Scott Waugh
Dean Linda Rosenstock
Chair William Roy
Chief Administrative Officer John Tucker
Director Caroline West
Suzanne Klausner (attachment)
Luisa Crespo, Principal Policy Analyst (attachment)
Thomas Kunselman (attachment)
Dan Bennett
Kathleen Copenhaver
Leann Hennig
Valerie Romero