

PREFACE TO THE FOURTH EDITION

We are pleased to have the opportunity to provide a fourth edition of *The Economics of Health Reconsidered*. Like the third edition, this one has been designed to be used as a stand-alone textbook for graduate and advanced undergraduate courses in health economics, or in conjunction with key journal articles in the field. Instructors should note that there is an accompanying password-protected instructor's manual that provides a list of concepts, discussion questions, and additional readings for each of the main chapters in the book. Moreover, for the first time, an extensive set of PowerPoint slides is provided for each chapter. For access to these resources, e-mail hapbooks@ache.org.

All chapters, figures, and tables have been thoroughly updated in this edition. We have added two new chapters to the book:

- Chapter 10 provides a close examination of healthcare expenditures, both in the United States and in other high-income countries. It includes information on causes of high expenditures, their magnitude and growth, and different policies that have been used or proposed to help control them.
- Chapter 11 reviews the topic of economic evaluation in healthcare. It describes the types of economic evaluation in use in healthcare, provides some training in how to conduct an economic evaluation, and discusses issues related to the use of economic evaluations.

This book has had many updates in the 17 years since the first edition was published, but its basic theme has remained the same: Despite assertions to the contrary, neither economic theory nor evidence shows that reliance on market forces leads to superior outcomes in healthcare systems. Government has a crucial role to play in making the sector not only more equitable but more efficient as well.