

PREFACE TO THE THIRD EDITION

The new edition of *The Economics of Health Reconsidered* greatly expands on the previous versions. In response to comments from users, we have re-conceived the book to better meet the needs of health economics professors and students. It covers much more material, making it possible for instructors to use it as a stand-alone text in health economics courses. Instructors should further note that password-protected instructor's resources that provide (among other things) a list of concepts, discussion questions, and further readings for each of the main chapters in the book are available. For access to the instructor's resources, e-mail hapl@ache.org.

In addition to substantial revision of and updates to existing chapters, three chapters are entirely new:

- Chapter 2 attempts to synthesize the relevant microeconomic theory necessary in a health economics class, thereby obviating the need to purchase a separate microeconomics textbook.
- Chapter 7 discusses for-profit versus nonprofit organizations in health-care, including specialty hospitals and the nursing home and pharmaceutical industries.
- Chapter 8 employs labor economics theory as applied to healthcare workforce issues—and in particular, the markets for physicians and nurses.

Another change in this edition is a second author: Lynn Unruh. Dr. Unruh is trained as an economist and as a nurse. Her research has focused on the market for nurses and on hospital and nursing home organization and financing. While both authors were substantially involved in all aspects of the book, Dr. Unruh focused on the three chapters related to healthcare supply.

Despite these changes, the basic theme of the book remains consistent with the first edition, published more than ten years ago. It attempts to show that, despite assertions to the contrary, neither economic theory nor evidence shows that reliance on market forces leads to superior healthcare systems. Government has a critical role to play in making the healthcare sector not only more equitable, but more efficient as well.

Tom Rice
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