

PROMOTION RECOMMENDATION

Approved by the Regents

May 17, 2007

The University of Michigan
School of Public Health
Department of Health Management and Policy

Richard A. Hirth, associate professor of health management and policy, with tenure, School of Public Health, is recommended for promotion to professor of health management and policy, with tenure, School of Public Health.

Academic Degrees:

Ph.D.	1993	University of Pennsylvania, Economics, Philadelphia
M.A.	1988	University of Pennsylvania, Economics, Philadelphia
B.A.	1987	Carleton College, Economics, Northfield, Minnesota

Professional Record:

2000 to present	Associate Professor of Health Management and Policy, with tenure, School of Public Health, University of Michigan
1997 to 1999	Associate Professor of Internal Medicine, without tenure, Medical School, University of Michigan
1993 to 2000	Assistant Professor of Health Management and Policy, School of Public Health, University of Michigan
1989 to 1991	Research Assistant, University of Pennsylvania
1988 to 1989	Teaching Assistant, University of Pennsylvania
1986 to 1987	Staff Consultant, Minnesota Department of Agriculture

Summary of Evaluation:

Teaching -- Professor Hirth has made substantial contributions to the teaching program in the Department of Health Management and Policy and has received excellent teaching scores. His primary didactic teaching responsibilities are at the masters' level and involve teaching microeconomics and health economics in both residential and executive master degree programs. The majority of students that Professor Hirth teaches in these required core courses have no background in economics and find the material quite challenging. Professor Hirth has the rare ability to make math-based and analytical subject matter approachable, understandable and even fun. He incorporates "active learning" techniques to complement lecture material. In particular, he has developed cases in which students eagerly discuss and prepare written economic analyses of current health policy topics. At the doctoral level, Professor Hirth teaches an advanced seminar in health economics. Through this seminar, students receive broad exposure to key health economics topics. Dr. Hirth is also a gifted and engaged mentor for doctoral students.

Research -- The overall objective of Professor Hirth's research is to improve the understanding of how health care markets and health care institutions operate in the current dynamic environment. His research not only makes significant and excellent contributions to the scholarly literature, it also provides policy makers, clinicians, and health care managers with information that will help improve the operation of the health care system both broadly and in terms of the delivery of specific health care services. Professor Hirth's research on long-term care, which has earned him numerous awards and accolades, includes work on the role of non-profit ownership in long-term care markets, consumer information/choices, quality of care, and rationalizing the home care allocation process. He has found that an increase in local non-profit market share improves the quality of care in competing for-profit nursing homes and in the market as a whole. Professor Hirth and colleagues also found that higher nursing home wages were associated with greater use of psychoactive drugs and lower quality of care.

Professor Hirth's research on end-stage renal disease is well regarded, and is serving as the basis for advising the design of a congressionally-mandated Medicare demonstration project on expanding the set

of dialysis-related services that are paid prospectively. This work is also providing the research background for a report to congress on reforms to dialysis payment. Other research in this area includes significant contributions to the understanding of the behavior of patients and dialysis facilities, including such issues as the impact of peritoneal dialysis and patients' ability to maintain employment, and the use of cost-saving, but potentially lower quality, practices. Dr. Hirth has also made several key contributions to the economic research literature on organ transplantation and the methods and application of cost-effectiveness analysis. Professor Hirth has sustained significant extramural support for his research. Since his last promotion in 2000, he has been Principal Investigator on four separate awards.

Recent and Signification Publications:

- Hirth, R.A., M.E. Chernew, and S.M. Orzol. Ownership, competition, and adoption of new technologies and cost-saving practices in a fixed price environment. *Inquiry* 37:282-294, Fall 2000.
- Hirth, R.A., P.J. Tedeschi, and J.R.C. Wheeler. The extent and sources of geographic variation in Medicare end stage renal disease expenditures. *American Journal of Kidney Diseases* 38:824-831, October 2001.
- Chernew, M.E., R.A. Hirth, and D.M. Cutler. Increased spending on health care: How much can the United States afford? *Health Affairs* 22(4):15-25, July-August 2003.
- Ubel, P.A., R.A. Hirth, M.E. Chernew, and A.M. Fendrick. What is the price of life and why doesn't it increase at the rate of inflation. *Archives of Internal Medicine* 163:1637-41, July 28, 2003.
- Hirth, R.A., R.A. Wolfe, J.R.C. Wheeler, E.C. Roys, P.J. Tedeschi, A.S. Pozniak, and G.T. Wright. Is case-mix adjustment necessary for an expanded dialysis bundle? *Health Care Financing Review* 24(4):77-88, Summer 2003.
- Hirth, R.A., M.E., Chernew, M.N. Turenne, M.V. Pauly, S.M. Orzol, and P.J. Held. Chronic illness, treatment choice and workforce participation. *International Journal of Health Care Finance and Economics* 3(3):167-181, September 2003.
- Hirth, R.A., J.C. Banaszak-Holl, B.E. Fries, and M.N. Turenne. Does quality influence consumer choice of nursing homes? Evidence from nursing home to nursing home transfers. *Inquiry* 40(4):343-361, Winter 2003/2004.
- Hirth, R.A., E.C. Roys, J.R.C. Wheeler, J.M. Messana, M.N. Turenne, R. Saran, A.S. Pozniak, and R.A. Wolfe. Economic impact of case-mix adjusting the dialysis composite rate. *Journal of the American Society of Nephrology* 16(5):1172-1176, May 2005.
- Cawley, J., D.C. Grabowski, and R.A. Hirth. Factor substitution in nursing homes. *Journal of Health Economics* 25(2):234-247, March 2006.

Service -- Professor Hirth has been engaged in an impressive amount of service activity throughout his career. In 2006, he became Deputy Editor of *Medical Care*, one of the leading journals in the field of health services research. In addition, Professor Hirth has served the U.S. Health Research and Services Administration as a member of the Scientific Advisory Committee on Organ Procurement Organizations since 2004. At the University of Michigan, he served as a member of the University's Committee on Health Insurance Premium Design in 2003-2004. Within the department, Professor Hirth has done a superb job of directing the doctoral program in Health Services Organization and Policy since 2001. In this role, he has maintained a strong record in admissions and job placements, and has energetically reviewed and revised the curriculum. Because he is a model citizen and team player, Professor Hirth has been involved in numerous other activities that provide service to the department, the school, the university, and to the professions of economics and health services research.

External Reviewers:

Reviewer (A): "I think of Dr. Hirth as one of the leading scholars in two areas: the economics of long-term care, and the economics of health insurance...Even before seeing the material you sent, I believed that Dr. Hirth was one of the handful of leading mid-career health economists in the United States. After examining the material, I am quite sure that this is the case."

Reviewer (B): "Dr. Hirth has made one fairly seminal contribution to the field, a number of additional contributions that have substantial import, and has a commitment to translate his academic work into policy."

Reviewer (C): "In my estimation, the ability to bring new creative solutions to old problems is the scarce resource in the research field and someone who possesses that ability, such as Dr. Hirth, has the capacity to make important contributions."

Reviewer (D): "Richard's primary contribution is his research, which reaches several audiences through high-quality publications in various journals...I strongly recommend him for promotion to Full Professor."

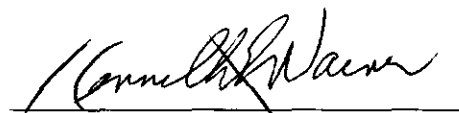
Reviewer (E): "Professor Hirth is a serious and very productive scholar whose research in the area of long-term care, health insurance and financing, cost-effectiveness analysis, and end-stage renal disease has been characterized by its conceptual and empirical rigor and very clear relevance to public policy. What I find particularly impressive about Professor Hirth's accomplishments is his success in focusing on several areas of research and teaching...Professor Hirth has attained a national and international reputation as an outstanding health economist and health services researcher."

Reviewer (F): "Dr. Hirth's papers are placed in high quality journals. As a health economist, he would be expected to publish in disciplinary, health services research and potentially clinical and health policy journals. Dr. Hirth is well represented in all four categories... This is indicative of a well-rounded and very productive health economist. I know that his record of achievement would result in promotion at my institution."

Reviewer (G): "In the area of long term care health economics, I consider...and Richard Hirth the top two theorists/ empirical researchers in the field...and it is clear to me that Richard is by far the stronger theorist of the two. In establishing his base for his health services research/public health career in economics with a specialty in health economics, this is most important for establishing Richard's international reputation."

Summary of Recommendation:

Dr. Hirth is a well-recognized and highly regarded economist who has made significant contributions to the fields of health economics and health services research. He is an accomplished scholar with an international reputation for work that spans a number of disciplines and audiences. He is known for excellent scholarship and for having the rare ability to make contributions that not only advance theory and understanding of important issues faced by health care institutions and markets, but that also provide useful and important information used by clinicians, health care administrators, and health care policy makers at the state and federal level. Professor Hirth has also made numerous and key contributions to the teaching and service missions of the University and his profession. With the support of the Department of Health Management and Policy, the School of Public Health Advisory Committee on Academic Rank, and the School of Public Health Executive Committee, I enthusiastically recommend Richard Hirth for promotion to professor of health management and policy, with tenure, School of Public Health.



Kenneth E. Warner
Dean, School of Public Health

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