# NHESG online meeting 2021 August 26th-27th

## Register here

Zoom link: <a href="https://gu-se.zoom.us/j/69714757410">https://gu-se.zoom.us/j/69714757410</a>

Meeting ID: 697 1475 7410

# Program overview:

Thursday 26 <sup>th</sup> of August		
12.30-12.45	Welcome	
12.45-14.15	Session I	
15.00-16.30	Session II	
Friday 27th of	August	
12.40-12.45	Welcome to day II	
12.45-14.15	Session III	
15.00-16.30	Session IV	

For a detailed schedule see the next page.

#### **NHESG Procedural rules:**

- Each paper is assigned 40 minutes.
- Authors will not summarise or even introduce their papers.
- Discussants will open the proceedings and will have about 15 minutes to briefly summarise the contents of the paper and secondly critically discuss methods, theory and conclusions.
- Authors may then and not before then reply to clear up misunderstandings or make clarifications. General discussion will then take place moderated by the chairman
- Authors and discussants have the same (nearly!) rights to participate as anyone else.
- Discussants and Author, in that order, will have the final say (e.g. 5 minutes each at the end) if so desired.
- See more details of the NHESG Procedural rules on the meeting webpage

#### Additional online rules:

- Use your actual name (think of it as your nametag)
- Turn on the camera
- Use "raise hand"-function to get the chair's attention.

<u>The papers are available here</u>. (All registered attendees will receive a password to the papers).

Note: The Frisch Centre and HELED will arrange a physical/hybrid Norwegian Hub in Oslo. In addition to following the meeting on Zoom in an auditorium we will arrange a dinner at 17:30 on the Thursday at a restaurant in Oslo. For registration see <a href="https://forms.gle/9TfybxMs9cegaxEg6">https://forms.gle/9TfybxMs9cegaxEg6</a>

# DETAILED PROGRAM NHESG online meeting 2021 August 26<sup>th</sup>-27<sup>th</sup>

THURSDAY	
12:30-12.45	
	Session 1:Health care quality (Chair: Kristian Bolin)
•	The quality and efficiency of public and private firms: evidence from ambulance services
	Daniel Knutsson IFN (Tyrefors)
	David Slusky
	Office Visits Preventing Emergency Room Visits: Evidence From the Flint Water Switch
	David Slusky, Kansas (Danagoulian, Grossman)
discussant	Gustav Kjellsson
15.00-16.30	Session II: Field experiments in primary care (Chair: Sverre Kittelsen)
Paper 1	Effects of information interventions in primary care on care quality
author	Lina Maria Ellegård, Lund (Anell, Dietrichson, Kjellsson)
discussant	Geir Godager, UiO
Paper 2	The Tone from Above: A field Experiment of General Practitioners Claiming of Fees
	Ole Kristian Aars, UiO (Godager, Kaarbøe, Moger)
discussant	Kim Rose Olsen, SDU
FRIDAY	
12:40-12.45:	Welcome to day two
12.45-14.15	Session III: Health and human capital (Chair: Gawain Heckley)
Paper 1	Labour market consequences of cerebral palsy in Sweden: a register-based study
author	Derek Asuman, Lund (Gerdtham, Alriksson-Schmidt, Nordin, Jarl)
discussant	Henri Salokangas, Turku
Paper 2	Family Affair? Spillover Effects of Health Shocks
author	Henri Salokangas, Turku (Vaalavuo, Böckerman, Kortelainen)
discussant	Johan Jarl, Lund
15:00-16.30	Session IV: Early life interventions (Chair: Søren Rud Kristensen)
Paper 1	Early health investments and human capital formation: the long-term effects of school doctors in Sweden
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author	Devon Spika, Lund (Nilsson, Karlsson)
	Daniel Knutsson, IFN
discussant	
discussant Paper 2	Daniel Knutsson, IFN

#### Session I

# The quality and efficiency of public and private firms: evidence from ambulance services

Economic theory predicts that outsourcing public services to private firms will reduce costs, but the effect on quality is ambiguous. We explore quality differences between publicly and privately owned ambulances in a setting where patients are as good as randomly assigned to ambulances with different ownership statuses. We find that privately owned ambulances perform better in response to contracted quality measures but perform worse in response to noncontracted measures such as mortality. In fact, a randomly allocated patient has a 1.4% higher risk of death within 3 years if a private ambulance is dispatched (in aggregate, 420 more deaths each year). We also present evidence of the mechanism at work, suggesting that private firms cut costs at the expense of ambulance staff quality.

#### Office Visits Preventing Emergency Room Visits: Evidence From the Flint Water Switch

Emergency department visits are costly to providers and to patients. We use the Flint water crisis to test if an increase in office visits reduced avoidable emergency room visits. In September 2015, the city of Flint issued a lead advisory to its residents, alerting them of increased lead levels in their drinking water, resulting from the switch in water source from Lake Huron to the Flint River. Using Medicaid claims for 2013–2016, we find that this advisory, which became national news, increased the share of enrollees who had lead tests performed by 1.7 percentage points. Additionally, it increased office visits immediately, and led to a reduction of 4.9 preventable, non-emergent, and primary-care-treatable emergency room visits per 1000 eligible children (8.3%). This decrease is present in shifts from emergency room visits to office visits across several common conditions. Our analysis suggests that children were more likely to receive care from the same clinic following lead tests and that establishing care reduced the likelihood parents would take their children to emergency rooms for conditions treatable in an office setting. Our results are potentially applicable to any situation in which individuals are induced to seek more care in an office visit setting.

#### Session II

#### Effects of information interventions in primary care on care quality

In many health systems, patients are allowed to choose their healthcare provider. Choice may theoretically improve the matching of patients and providers, but the link between patient choice and welfare may be weakened by market frictions, such as imperfect information or hassle costs. This paper examines if policy interventions intended to mitigate such frictions may help patients receive better healthcare. We study data from two randomised field experiments that documented frictions on the market for primary care setting in a Swedish region. The experimental interventions manipulated the access to provider information and small switching costs of one percent of the adult population and half of all new residents in a three-months period. Treated individuals received a leaflet (sent by postal mail) including comparative information on their current primary care provider and its closest competitors. Most of the treated individuals also received a form that would facilitate switching. The interventions have previously been shown to increase the probability of switching to another primary care provider. This study examines the impact of the intervention on care quality by studying long-term effects on a number of outcomes measured at the individual level. The outcome variables encompass aspects such as continuity of care, appropriate treatment of chronic conditions, infections, and depression, access to specialist care, and hospitalisations (overall and avoidable). We find no effect of the intervention on any of these measures.

# The Tone from Above: A field Experiment of General Practitioners Claiming of Fees

Audit and feedback is often used as a strategy in healthcare to better understand and change clinical practice - both for specialized and primary care. General practitioners in Norway are largely remunerated based on a fee-for-service scheme. One of the most widely used fees is a duration dependent fee that can be used if consultations have a duration for 20 min or longer. The purpose of this study is to measure the effect an email-based intervention following an audit of the use of this fee in 2019, conducted by the Norwegian Heath Economics Administration (HELFO). In the audit, the 700 GPs with the highest use of the duration dependent fee were identified and thereafter randomized into three groups in an experiment: A control group and a "mild" and "strong" intervention group. The two latter groups received an email informing a about usage of the fee, only differing in the intensity of the feedback. Our analysis shows an initial 2-5 percentage points drop in the use of the fee for intervention groups, which was sustained over the whole 14-month study period. While there was no significant difference between the two intervention groups, the control group also saw a borderline significant drop of around 1 percentage points 0-4 months following the intervention. This could be attributed to the sharing of information between GPs in closed Facebook groups. While the effects may have been small in relative terms, in absolute terms a conservative estimation is that it constituted a reduction of almost € 5 million in annual savings for the Norwegian taxpayers for the intervention groups.

# Session III

# Labour market consequences of cerebral palsy in Sweden: a register-based study

The labour market consequences of early-onset or congenital disabilities have received little attention in the literature. In this paper, we study the consequences and main pathways of cerebral palsy (CP), a lifelong early onset disability, on employment and earnings. We use data from multiple linked Swedish National Population Registers between 1990 and 2015 and apply both regression and causation mediation analysis. Our results show as expected a strong negative effect of CP on employment and earnings but also that the social insurance system compensate for some of the earnings losses. In addition, the results indicate that CP affects labour outcomes through several mediators where indicators related to health and work absenteeism account for the largest mediated effects. The results also suggest that the direct effects of CP per se, has prominent impact on labour market outcomes. This may be considered when designing interventions that aim at mitigating the labour market consequences of CP.

## Family Affair? Spillover Effects of Health Shocks

Using linked administrative registers, we analyse the effects of spouse's cancer diagnosis on individual's labour supply adjustment and family income. We use nationwide data on all cancer patients and their spouses from Finland over the period 1995-2019. Our identification strategy is based on plausibly exogenous cancer diagnosis and dynamic difference-in-differences framework. Our main finding is that spouses of the affected do not reduce their labour supply after the cancer diagnosis. For female spouses, we observe a significant increase in employment, which is consistent with the added worker effect. These heterogeneous effects should be taken into account in policy designs that aim to compensate for the lost earnings due to severe health shocks.

# Session IV

# Early health investments and human capital formation: the long-term effects of school doctors in Sweden

It is well-established that events in utero and infancy can have important consequences for later life outcomes. Less, however, is known about the impact of events occurring between early childhood and adulthood, both in the short and the long run. This paper investigates the long-term health and socioeconomic effects of the introduction of state-funded, free, universal health services in Swedish primary schools starting in 1944. Adoption of the reform was not immediate across all school districts, creating variation over space and time in the implementation of these state-funded school health services. We harness this variation across time and space using a two-way fixed effects approach, and use population-based administrative data to identify the causal effect of access to school health services on longterm health and socioeconomic outcomes. We find that each year of exposure to school health services during primary school significantly reduced the lifetime risk of outpatient hospitalisations for preventable diagnoses by 0.0095 of a standard deviation. We also find that any exposure to school health services led to a statistically significant increase in lifetime earnings of 1.3%, an effect driven by individuals exposed for only one year. Interestingly, exposure to school health services did not have a statistically significant effect on educational attainment. Our results suggest that access to state-funded school health services, the focus of which was prevention, had an important effect on health behaviours, contributing to the reduction in lifetime hospitalisations due to preventable illnesses among those individuals exposed to school health services.

# Effects of C-section on infant health: Evidence from a rationing policy

We take advantage of a rationing policy introduced by the Brazilian government in the late 1990's to study the health consequences of C-section in the first year of life. Because the policy introduced a fixed threshold to the monthly rate of C-sections that all public providers would be compensated for, the extent to which it was binding to each provider depended on their rate of C-section in the baseline period. In a differences-in-differences analysis, we find that, indeed, municipalities most likely to be exposed to the policy (i.e. those with higher baseline C-section rate in the public health system) experienced a higher decrease in their overall rate of C-section after the policy was implemented. Using pre-policy C-section rate at the municipality level as a measure of policy exposure to instrument likelihood of this type of childbirth procedure, we find that C-section increases both Apgar scores and hospitalization rates within the first year of life. Our results, thus, point to a positive impact of C-section in health at birth and negative impact within the first year of life. We argue that our marginal Csection are driven by ex-ante low-risk births as physicians are expected to respond to the policy by cutting C-sections that are not justified on medical grounds. To our knowledge, this is the first study to investigate the causal health effect of C-sections not only in a lower middleincome country, but in one with the highest C-section rate in the world.