Opponent's Report on Dissertation Thesis

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| Title of the Thesis: | Essays on health economics and health policy |
| Type of Defense: | DEFENSE |
| Date of Pre-Defense | October 3, 2019 |
| Opponent: | Andrea Menclová Ph.D. |

Address the following questions in your report, please:

- a) Can you recognize an original contribution of the author?
- b) Is the thesis based on relevant references?
- c) Is the thesis defendable at your home institution or another respected institution where you gave lectures?
- d) Do the results of the thesis allow their publication in a respected economic journal?
- e) Are there any additional major comments on what should be improved?
- f) What is your overall assessment of the thesis? (a) I recommend the thesis for defense without substantial changes, (b) the thesis can be defended after revision indicated in my comments, (c) not-defendable in this form.

(*Note:* The report should be at least 2 pages long.)

There is a lot to like about this thesis: it contains largely original work, contributes to several important policy issues (in the area of health care reforms in the Czech Republic), and the four substantive chapters/essays are well linked; they represent a coherent package of policy proposals.

In the following sections, I summarize my earlier substantive comments and evaluate Jana's responses.

Chapter 1:

This chapter is already very polished – and published. I am happy for it to stay as is.

Chapter 2:

My main concern with Chapter 2 was that the author had presented the natural experiment at hand – certain regions reimbursing user charges for inpatient hospital care – as a good proxy for imposing/abolishing user charges nationally. However, this is not strictly speaking the case as the estimated effect in the thesis potentially combines two mechanisms: 1. User charges reduce the length of stay per patient and 2. User charges incentivize patients to move

away from hospitals that effectively impose them to hospitals where charges are reimbursed (a possibility raised by the author herself). In a national scheme, mechanism #2 would not exist. Hence, Chapter 2 potentially overestimates the effect of national user charges on utilization of inpatient care.

I suggested that the author acknowledges the possibility of mechanisms #1 and #2 as described above and hence suggests that the estimated effects of user charges are an upper bound of the effects a comparable national policy would be expected to have. However, it should then also be emphasized that mechanism #2 was likely quite limited in practice as any cost savings from reimbursement could easily be outweighed by costs from selecting a hospital further from home.

Jana has taken these suggestions on board and now presents a very clear, consistent discussion of these issues on page 47. I like this discussion a lot, including the specific quantitative examples given. I also appreciate how Jana incorporated my other, smaller previous points.

Chapter 3:

In my earlier reading of Chapter 3, I was concerned about the 'perceived life expectancy' variable for a few reasons (including its source/reporting, low mean value, zero values in the data, and the seemingly counter-intuitive sign of the estimated effect).

I still find the following revised discussion on page 67 confusing: "Perceived life expectancy ('lifex') expresses respondent's probability of living in 10 years from the interview. Note that the mean of 56 % for the whole sample reveals that on average a respondent expects to be alive 10 years later with 56 % self-perceived probability, not that that 56 % of 50-60-year-olds expected to be alive in 10 years from the date of the interview." Is this referring to a difference between ex ante self-perceived probability vs. ex post true survival (so respondents are overly pessimistic)? Or is the "whole sample" in the above text different from 50-60-year-olds who are the focus of the study (so the earlier statement that "We use only the Czech part of the survey of individuals aged 50-60" does not apply here)? The number of observations reported in Table 3.1 (n=1,293) suggests that it is not the latter...

I had similar concerns about other variables in Table 3.1 (e.g., values outside of a set range, continuous vs. binary nature of variables, the interpretation of outcome variables as good vs. ill health). Jana has addressed all of these other concerns well and I appreciate her effort and diligence.

Chapter 4:

This chapter nicely ties together the policy implications of the author's work. In doing so, it does not oversell the results which is appreciated.

In my first reading of Chapter 4, I suggested that some expressions should be used more cautiously or avoided. For example, the author should avoid claiming that her empirical analysis 'proved' a certain point (as econometric models never 'prove' a result — at most, they 'fail to reject' it). Softer statements such as 'suggest', 'endorse' or 'corroborate' seem more appropriate.

Earlier, I also suggested that normative statements on fairness, equity or equality should be treated with great caution and terms like 'equal care', 'optimal level' and 'fair financing' should either be defined or avoided.

The revised chapter now uses appropriately softer language and normative-sounding terms are defined (e.g., 'fair financing' is now adequately defined in footnote 2).

Overall:

Overall, this thesis is a solid piece of original research and would be defendable at respectable universities internationally. Chapter 1 has already been published in an international academic journal and Chapters 2 and 3 also have that potential. I therefore recommend the thesis for defense without substantial changes.

| Date: | 1.4.2020 |
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| Opponent's Signature: | |
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