Two-tier stochastic frontier analysis for the social sciences.

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README for Application ch. 6.2-2TSF Binary Response Random Treatment Effects

Files and their contents

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| --- | --- |
| gretl\_code\_2TSF\_BR\_RTE.inp | Gretl code to run the 2TSF BR RTE model |
| gretl\_code\_2TSF\_BR\_RTE.txt | The same, in .txt format |
| Gretl\_2TSF\_BR\_RTE\_artificial\_data.gretl | The gretl session file with artificial data |
| Artificial\_Data.csv | The artificial data sample in .csv format |

DATA SAMPLE

The data sample used in the book pertaining to a US Hospital could not be released into the wild due to strict non-dissemination clauses. Instead, we created an artificial data set using the same sample size (n=17424) and variables with the same name and having the same nature. The "\_f" add-on to their labels is to indicate that they are fake data.

| **Label in software** | **Variable description** | **Name in book** | **Comments** |
| --- | --- | --- | --- |
| RA\_f | 30-day Hospital re-admission |  | Binary (1 = readmission). Dependent variable |
| HHC\_f | Provision of Home Health care after discharge |  | Binary (1 = HHC provision) |
| LgLOS\_f | Length of stay (days) |  | In logarithms |
| DiagnScore\_f | Average of Diagnoses score |  | [0-1] variable |
| M12\_f | Number of prior admissions in the previous 12 months |  | Integer values |

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