Section 2: Lectures

Question 1

1. Yes since the valve of beta is greater than 0, it shows that people who are insured have more doctor visits than people who are not insured. If the value were to be a negative it would imply that people with insurance have less doctor visits.
2. Yes, having insurance does have a causal effect on increasing doctor visits. When someone is not insured the price of a doctor's visit is much more expensive than it would be for someone who is insured. The people who are insured are more likely to go to the doctor’s for any illness while a person who is uninsured will only go when they are very ill.
3. It is not safe to say that the demand for doctor’s visits is downwards sloping because there are other factors that you must account for. People that are insured do have a higher rate of visiting the doctors but this could be that these people have higher education, resulting in them taking their health more seriously, hence the higher visits.

Question 2

1. It suggests that a person who was assigned insurance through the lottery draw is likely to have a higher amount of visits to the doctor than someone who is no insured.
2. There cannot be any relationships drawn between insurance and increased doctor visits because there are outside factors that play a part in their decision to visit the doctor. These outside factors include education and income, higher income allows people to get insurance and higher education means that those people are more educated on health risks and preventative check-ups.
3. Yes, you can say that having insurance leads to more doctor visits because having insurance allows the individual to go at a lower cost. They will be more likely to go for regular checkups like a physical or a cancer screening because of being insured.
4. The Oregon Health Insurance Experiment was a randomized control study where the state of Oregon analyzed the effect of public health care like Medicaid on the usage of the healthcare system, overall health of low-income people as well as the overall well being of people who are considered low income.

Section 3: Readings

1. The sample for this study was drawn from records of patients discharged from January 1, 1992 to December 31, 2002. In the United States when you turn 65 years old you are eligible for Medicare through social security. Being eligible for medicare leads to a higher doctor visits by those who are insured by it compared to people younger than 65. It was found that people who are 65 and have medicare have a lower 7-day mortality rate and a 20% reduction in deaths for severely ill patients. When people are 64 years old and are close to receiving free healthcare, they will wait until they are 65 to go to the doctors to address their illness, this can be fatal for people of that age. There were many increases when comparing people 64 years old to people who are 65 years old, admission rates were higher, procedures were higher, and higher list fees at the hospital.
2. In order to get around this, the researchers looked at the procedures the people had. Although going to the doctors for people who are 64 and 65 might not vary too much, having a procedure done is costly and regardless if they waited or not to visit the doctor, the procedure was needed to be done.
3. **i**- Insurance coverage of any kind jumps a significant amount when a person turns 65 years old because they are eligible for medicare.

**ii**- The quality of care when a person reaches the threshold of 65 years old increases because now that they are insured they don't have to pay out of their own pocket. They are now more willing to get procedures done, visit specialists, and get check-ups leading because it costs a lot less.

**iii-** The mortality outcome of people who are now of age and eligible for medicare shows a slight drop in mortality rate. It was found that medicare eligibility reduces the 7-day mortality rate by 1-.8 percentage points compared to those who are not eligible.

1. For this study there could be a few drawbacks. One drawback of this study could be that there could be heavy outliers of people who had medicare that had a terminal illness that went undetected that died as soon as they got admitted. These individuals went for regular checkups and screenings but it still went undetected, and as soon as they went to the docs because they were ill, they died. It is a rare instance but could very well happen and mess the data up.