# Health Economics and Policy Annual Report 2016

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## Health Economics and Policy (HEP) Division

2016 Annual Report of activity

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## 1. The Health Economics and Policy (HEP) division

#### 1.1. The team

#### Simone Ghislandi, Professor of Health Economics, Head of the HEP division

Simone Ghislandi is Professor of Health Economics at the Department of Socioeconomics of WU (Vienna University of Business and Economics). He holds a degree in Economics from Bocconi University, an MPhil and a DPhil in Economics from the University of Oxford. He joined the WU from the Department of Policy Analysis and Public Management of the University of Bocconi. He is also a member of IIASA (Vienna), of the Centre of Health Economics and Management (CERGAS, Milan) and of the Carlo F. Dondena Centre for Research on Social Dynamics and Public Policy (Milan).

His research focuses on issues related to the ex-ante and ex-post analysis of health policies and interventions, on the socioeconomics of health and well-being and on the regulation of the pharmaceutical industry. On these topics, he has published in a variety of international economics, health policy and public health journals.

#### Mujaheed Shaikh, Assistant Professor, HEP division

Mujaheed joined the Health Economics and Policy Division of Vienna University of Economics and Business as an Assistant Professor (non-tenure track) in July 2016. He completed his MSc in International Health Management with a distinction from Imperial College London in 2012 and his PhD in Health Economics from Frankfurt School of Finance and Management, Germany in 2016.

His research is in the field of health economics and management with a particular focus on the impact of different types of health spending such as pharmaceutical expenditures on health and economic outcomes. He also has a keen interest in policy related issues such as inequity in malaria funding, social determinants of health system responsiveness, inequity in healthcare utilization etc. in developing countries. Some of his research work also relates to organizational changes in hospitals and its effect on productivity.

#### Daniela Weber, Assistant Professor, HEP division

Daniela Weber is a mathematician and statistician. She joined the Health Economics and Policy Division at the Vienna University of Economics and Business in fall 2016. She is also a research scholar within the World Population Program at the International Institute for Applied Systems Analysis, Laxenburg. Dr. Weber graduated in technical mathematics at the Vienna University of Technology in 2005 and in 2012 she graduated in statistics at the University of Vienna. She completed her PhD at the Vienna University of Economics and Business in 2015 with the dissertation entitled "An International Perspective on Aging and Cognitive Decline".

Her research focuses on aging and health, whereas the international perspective is of particular interest to her. Next to societal determinants of cognitive and physical aging such as differential effects of societal living conditions on men's and women's cognitive functioning, she is also interested in behavioral and socioeconomic determinants.

#### Anna-Theresa Renner, PhD student, HEP division

Anna-Theresa Renner joined the Health Economics and Policy Division at the Vienna University of Economics and Business in fall 2016 as a Doctorate student. Her dissertation is using administrative data to investigate geographical and socioeconomic inequalities in the access to primary care, focussing in particular on Austria. Anna holds a Master of Science in Health Economics Policy and Law from Erasmus University (The Netherlands) and a Master in Economics (Mag.rer.soc.oec) from the Department of Economics of the University of Vienna. Before joining the Division, Anna was a researcher at the Austrian Public Health Institute, Department for Health Economics (Gesundheit Österreich GmbH).

The main research objective of her dissertation will be the exploration of the drivers of regional variations in ACSC hospitalisation and primary health care utilisation. The research will be based on a panel data set containing information about hospitalisation rates, socioeconomic characteristics, demographics, and data on health care provision in the in- and outpatient sector of the Austrian political districts. In the first part of the thesis the drivers of regional variations in avoidable hospitalisations will be investigated. The second part will be concerned with the associations between supply and utilisation of primary health care. Ultimately, the insights of part 1 and 2 will be combined to find out whether the drivers of ACSC hospitalisations are mitigated or amplified by primary health care utilisation.

#### Tina Radler, Administrative Assistant, HEP Division

Tina has a Master in Theater, Film and Media (Mag.phil.) from the University of Vienna. She arrived at HEP in February 2016. She is HEP's eyes and ears when it comes to administrative duties, but she also follows research projects from a close perspective and developed the HEP website. Before joining HEP, she has worked as an assistant for an orthopaedic surgeon in Vienna and in the HR Department of a publicly traded real estate company. Tina is familiar with standard computer packages and with film-editing and web-editing programs. Her mother tongue is German, she's perfectly fluent in English and she will soon be fluent in French too.

For more information and for the long-version CVs of all the members, please visit the HEP website:

https://www.wu.ac.at/healtheconomy/

## 1.2. Timeline of hiring activity

Hiring high level and promising candidates for the team was considered a priority.

- January 2016
  - $\circ$  Simone Ghislandi starts (1<sup>st</sup> January).
  - Selection of the assistant: 17 applicants, 4 interviews. Position filled by Tina Radler. (report 3992, WU)
- February 2016
  - Tina Radler starts as administrative assistant (15<sup>th</sup> February).
- March 2016:
  - Call for one post-doc in Health Economics (Assistant professor, full, time, non tenure-track, 4 years; call 3040). Advertised internationally on the International Health Economics Association website, Researchgate and Inomics. Received 56 applications.
- April 2016
  - Selection of shortlisted applicants for position 3040. Interviews of 8 candidates from 6 countries in Europe and the USA. Position offered to Mujaheed Shaikh. Offer accepted.
  - Call for one position as a prae-doc Teaching and Research associate position in Health Economics, 30 hrs p/w, 4 years. Received 10 applications. (call 3051). Three candidates shortlisted and interviewed.
- May 2016
  - $\circ$   $\quad$  Position 3051 offered to Anna-Theresa Renner. Offer accepted.
  - Call for one part-time post-doc position (Assistant professor, 20 hrs p/w, non tenure-track, 4 years; call 3074). Received 6 applications. Only one person shortlisted and interviewed. Position offered to Daniela Weber. Offer accepted.
- June 2016
  - The Health Economics and Policy Division is registered at WU, within the Institute of Social Policy.
- July 2016
  - $\circ$  Mujaheed Shaikh starts (1<sup>st</sup> July)
- September 2016
  - $_{\odot}$   $\,$  Daniela Weber and Anna-Theresa Renner start (1st September).
  - Website for Health Economics and Policy Division goes online (<u>https://www.wu.ac.at/en/healtheconomy/</u>)

## 2. Teaching and supervision

The diffusion of a culture of health economics and policy in the Viennese and Austrian context must pass through a serious definition of a consistent academic curriculum for undergraduate and graduate students.

At full capacity, HEP will be in charge of 16 hours of teaching per week. This represents a heavy workload that in these early stages could not be spent entirely on new courses directly related to health economics topics. New courses must indeed be gradually introduced in order to fit the purposes and the objectives of ongoing programmes, especially within the Department of Socioeconomics.

Here we outline the courses defined and taught in 2016 by HEP members. In bold, we underlined the courses that were newly started by HEP.

Courses	Program	Members of the group teaching	Content	Period
Foundations of Health Economics	Bachelor	Mujaheed Shaikh	<i>Basic course in Health Economics</i>	WS2016, SS2017
Socioeconomics of Health	Bachelor	Simone Ghislandi Daniela Weber	Investigates the relation between income, employment, education and health	WS2016, SS2017
Economics, policy and demography of migration	Bachelor	Simone Ghislandi Daniela Weber	Investigates the reasons of migration and its consequences at a societal level.	WS2016, SS2017
Contemporary Global Policy Challenges: Health	Master in Socio- Ecological Economics and Policy	Simone Ghislandi	<i>Introduces master students to health topics at a global level.</i>	WS2016
Globalization and Social Policy II	Master in Socio- Ecological Economics and Policy	Simone Ghislandi Mujaheed Shaikh	Follows students in the writing and presentation of a research article on health topics	WS2016
Economic and Social Policy	Master in Economics	Simone Ghislandi	Deals with methods and theory of program evaluation in health economics and selected social policy areas.	SS2017
Health Economics and Policy	Research Seminar, PhD level	Simone Ghislandi		SS2016
Policy Evaluation	Research Seminar, PhD level	Simone Ghislandi		WS2017

In addition, Daniela Weber is teaching the course of Statistics and Mujaheed Shaikh will be in charge of the Econometrics course in the Master of Economics.

#### 2.1. Completed and ongoing supervised theses

List of completed and ongoing supervised theses:

- Seewald David: Analyse des österreichischen DRG Systems. Bachelor Thesis
- Schlemm Katrin Sarah: Markteintritt von neuen innovativen Medikamenten in Europa: Die Frühe Nutzenbewertung eines Prostatakrebsmedikaments in Deutschland, Master Thesis
- Switula Michael: The Pharmaceutical Industry in the digital age: The role of cross-industry innovation for a competitive advantage, Master Thesis

- Schnur Michael: Impact of trade agreements and patent protection on access to essential medicines in developing countries (Bachelor thesis, ongoing)
- Schrogl Fabian: Healthcare equity/equality and the misalignment of corporate and social goals in health provision, Master Thesis (ongoing)
- Renner Anna-Theresa: Eine Erforschung der sozioökonomischen Gradienten über den Zugang zu primärer Gesundheitsversorgung, PhD Thesis (ongoing)

#### 3. Research

#### 3.1. International publications in 2016

The list of publications published, accepted for publication, in submission or about to be submitted in 2016 by the members of HEP is the following:

- Clark A, D'Ambrosio C, Ghislandi S. Adaptation to Poverty in Long-run Panel Data. Review of Economics and Statistics. 2016; 98 (3); 591-60
- Barazzetta, Ghislandi. Family income and material deprivation: do they matter for sleep quality and quantity in early life? Evidence from a longitudinal study. Forthcoming, SLEEP (IF 5.7)
- Ghislandi, Kuhn. Asymmetric information in the access to market. Submitted Journal of Public Economics.
- Ghislandi S. Muttarak R. Fair choices in universal health coverage in Thailand. *The Lancet*, 2016; Vol. 388: 1155-1156
- Marini, Miraldo, Kosova, Shaikh: Reforms, Economies of Scale and Scope, and the English NHS (submitted to Journal of Health Economics)
- **Shaikh**, Mueller. Your retirement and my health behavior: Evidence on retirement externalities from a fuzzy regression discontinuity design. (R&R to *Journal of Health Economics*)
- Weber D., Dekhtyar S., and Herlitz A. The Flynn effect in Europe effects of gender and region. Intelligence (IF 3.2)

#### 3.2. Projects

• Intergenerational transmission of health and well-being: The role of psychological well-being as a mediator for the socioeconomic gradient.

The project we propose aims to follow individual well-being and health over the early stage of life and trace out their consequences on future outcomes. Considering parents and family health and socioeconomic background at birth and genetics as the starting conditions of a dynamic system, we take a life course perspective and analyse the mechanisms through which the socioeconomic dimension can influence the pathways of child development. Our approach considers the psychological well-being as a socioeconomic-related mediating factor that exerts its influence since the early stages of one's life, in turn affecting the development pathways. HEP will gain access to the Avon Longitudinal Study of Parents and Children (ALSPAC), a unique dataset following more than 14,000 children since before they are born until they are 20 years old and providing important genetic, health and behavioral information. The project has already received the approval of the ALSPAC committee and data will be available soon (1400 variables + 300 genes).

#### HEP researchers involved

Simone Ghislandi, Anna-Theresa Renner, Mujaheed Shaikh, Daniela Weber

#### • Analysis of the association between outpatient physician supply and health care utilisation in Austria

The proposed research project will focus on the utilisation of outpatient services in Austria and the drivers of variations in the frequency of outpatient contacts. We will investigate whether a patient's utilisation (proxied by the number of eCard contacts), and hence his/her resource use, is driven by the level of regional physician supply

and which role other factors, such as sociodemographic characteristics of the region and the socioeconomic status of the patient, play. The findings of this analysis will add to the evidence base for policies that aim to achieve efficient distribution of services and resources in the Austrian outpatient health care sector.

HEP researchers involved:

Anna-Theresa Renner

#### Generic vs Branded Prescription in Austria: The Role of Physicians, Patients, and Pharmacies

The present project focusses on the demand side of the pharmaceutical market, where patient, physicians, and, to a lesser extent, pharmacies, interact and determine prescription patterns and behaviors. The purpose of this project is two-fold. First of all, we will analyse the variation of prescription patterns across doctors (and regions), identifying the extent to which different doctors' prescription behaviours can affect market share of generics and can drive the demand towards more expensive products. Second, we will assess the role that patients and pharmacies have in the prescription/consumption decisions. This is important because if patients' preferences actually play a role in determining the demand for a pharmaceutical product, then any regulation addressing patient's incentives can be expected to affect market shares. Formally, this step will require an analysis of the variance of the prescription behaviours across doctors and patients based on existing prescription patterns data.

#### HEP researchers involved:

Simone Ghislandi, Mujaheed Shaikh

#### • The economics of incentives and the Austrian Health System.

The Austrian Health System (AHS) is the results of a series of a complex bargaining process among a relevant number of stakeholders. Local, Regional and National level authorities interact with different public and private interest groups (e.g. doctors, hospitals, pharmaceutical companies) in order to define mutually optimal strategies under an existing distribution of powers and roles. Observed from a social point of view (e.g. benevolent dictator), the setting emerging from such a decentralized decision process might not be optimal. In particular, different stakeholders might be subject to a series of distortive incentives which can alter their behaviour, preventing the system from working efficiently. In the present project, researchers aim to analyse the main dimensions of the AHS from the perspective of the incentive theory, highlighting the extent to which actual regulations and praxes could induce e costly or irrational behaviours among the prominent actors in the AHS. To this purpose, researchers are planning to set a series of interviews with the main donors.

#### HEP researchers involved

Simone Ghislandi, Anna-Theresa Renner

## Fertility and sex preferences: what role for intergenerational transmission and gender equality? Evidence from India.

In the present project we search for the determinants of family size and sex selection in India. This topic is particularly relevant in light of the "missing women" puzzle typically affecting specific countries such as India or China. The analysis will use a longitudinal dataset reporting many health and socioeconomic characteristics of more than 40,000 Indian women in two points in time: 2005 and 2012/2013. Besides the issue of transmission of preferences, researchers will be able to identify the role of many other potential determinants of fertility preferences, such as education and income.

## HEP researchers involved:

Simone Ghislandi, Mujaheed Shaikh

## 3.3. Conferences

The group is active in building and maintaining an international network. Conferences, workshops and seminars attended when already at WU by any of the group member:

- Austrian Health Economic Association (ATHEA), Vienna, February 2016
- Singapore (subjective well-being and ageing), March 2016
- GÖG, Vienna, May 2016
- American Association of Health Economics meeting, Philadelphia, USA, June 2016
- European Population Conference (EPC), Meinz, Germany, July 2016
- European Health Economics Association (EUPHA), Hamburg, Germany, July 2016
- Strategic Management Society conference, Berlin, Germany, August 2016
- Australian Health Economics Society conference, Perth, Australia, September 2016
- European Public Health Association, Vienna, November 2016
- LBG meeting for health sciences (keynote speaker), Vienna, November 2016

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