Health status over the life cycle
Raun van Ooijen, Rob Alessie and Marike Knoef

International Pension Day. Leiden, 27 January 2016

Discussant: Pilar García-Gómez
Erasmus University Rotterdam and Netspar

This paper

- Estimate a health model combining administrative data with survey data

  – Obtain good predictions using administrative data

  – Very useful to exploit the advantages of large datasets available

My comments

- Your model
  - Assumptions
  - Interpretation
  - Alternatives
- Data
- Previous literature

Your model(s) I

- ## Very complete model
  - ### Several assumptions
    - How does this model compare with "simpler" or more common alternatives (like regular ordered probit or principal component analysis)
    - u_{it} captures health shocks that are rather persistent
      - Do we expect health shocks to be persistent or health? Health shocks put individuals in a different health trajectory?
    - What is the rationale behind the four demographic groups you use to model the thresholds?
    - You impose that only threshold parameters vary across demographic groups
      - How can this assumption influence the predicted patterns?

Your model(s) II

- In model in levels: "health evolves over life cycle in a rather erratic way"
  - How does observed SRH evolve?

- Interpretation of the coefficients
  - Why not calculate marginal effects
  - You cannot compare with other studies, and… can you compare between your different models (levels vs. levels and changes)?
  - You find that the coefficient of cancer changes more than the coefficient in diabetes when you compare the different models, any intuition why this may be the case?

- You "test" your model with in-sample predictions, why not out-sample predictions?

Data

- LMR
  - Not all hospitals reported information
    - Sensitivity analysis excluding regions with no reporting?
  - You use mainly information from drugs, but maybe worth considering other health shocks that may not translate into consumption of drugs (or specific illness)
    - Accidents, hip fracture, (pregnancy)

- Severity or pain?
  - "Males are more positive about their health"

- Timing
  - All information is measured in the same year, but SRH can be measured before the health variables
    - Can explain some of the discrepancies
    - Implications for the analysis?

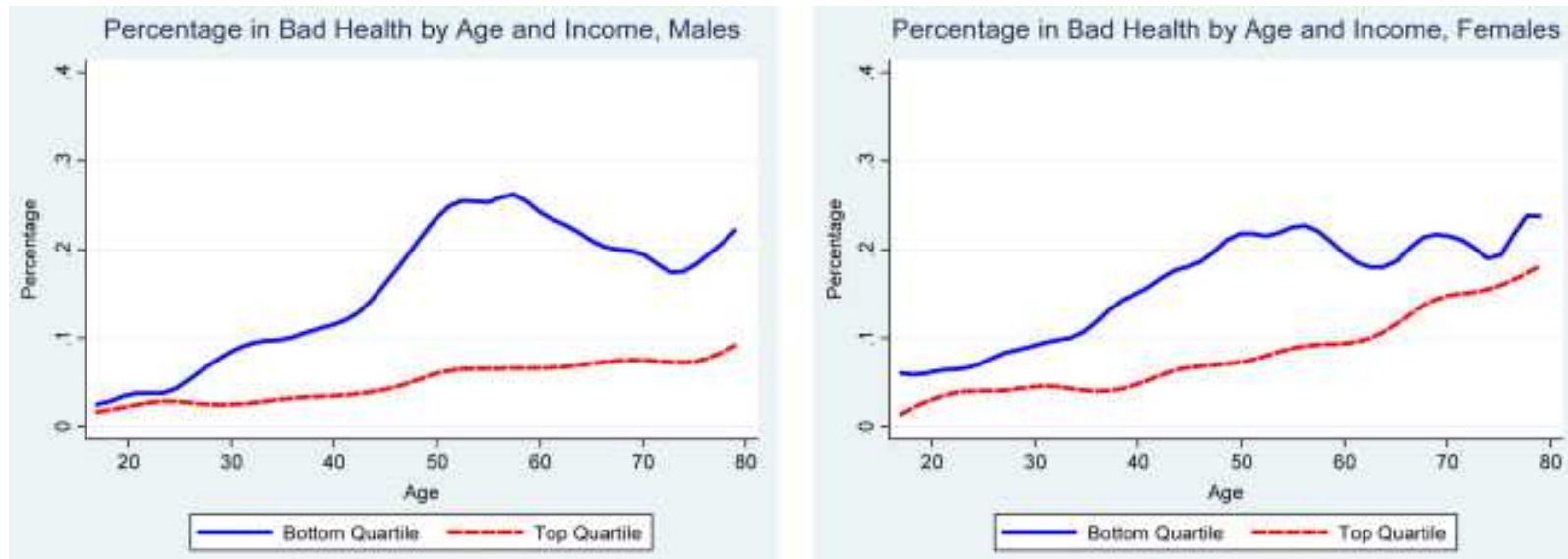# Compare to previous literature

Fig. 1. Self-reported health by age, split according to income quartile and gender. Source: Authors' calculations from CBS Health Interview Surveys, 1983–2000. Sample weights applied.

Hans van Kippersluis, Owen O'Donnell, Eddy van Doorslaer, Tom Van Ourti

Socioeconomic differences in health over the life cycle in an Egalitarian country ☆

Compare to previous literature

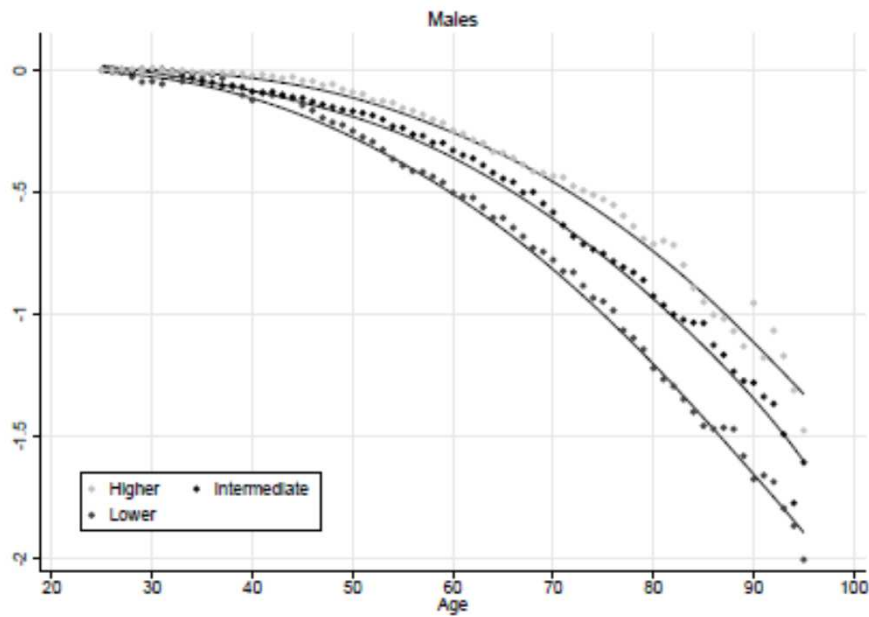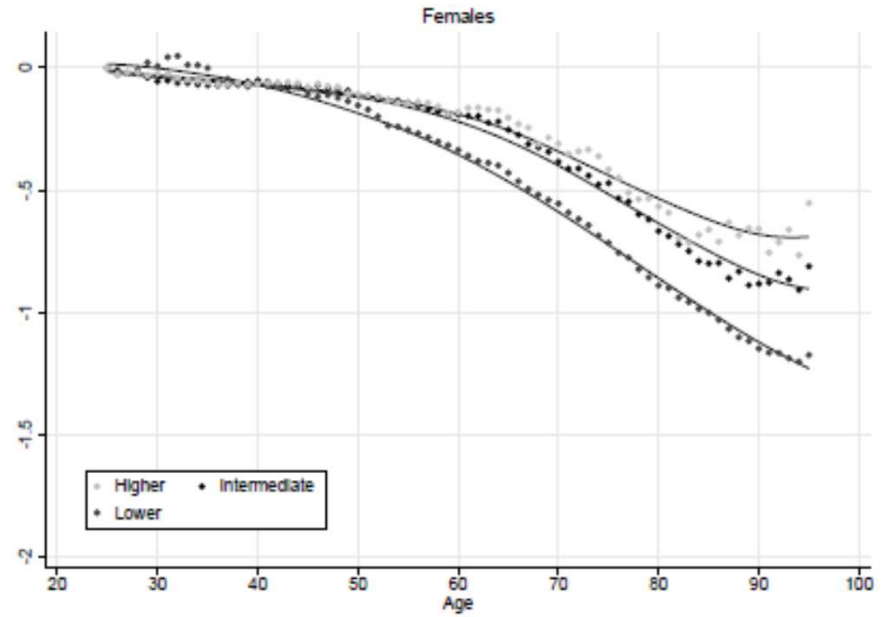Figure 3: Predicted health by age and education - males

Figure 4: Predicted health by age and education - females

Compare to previous literature

- In your conclusions: "These stylized facts are able to explain the variation in the decline in health status for different socio-economic groups which is also reported in other studies using SRH"

    – Can you help the reader see how those two pictures present similar evidence?

    – Maybe prepare a similar figure using your model?

    - Predict prob(bad or very bad health)

    - Do you observe the same pattern?