Discussion of the paper:

Will you still need me, will you still feed me when I’m 64?
The Health Impact of Caregiving

By Eduard Suari-Andreu

University of Groningen

Netspar Pension Day, Utrecht 14/10/2016
The paper touches on the very relevant topic of assessing the costs of informal caregiving. Four waves of SHARE data are used to study the impact of caregiving on the health of the caregiver. The authors rely on observables to mitigate potential selection bias, and use propensity score matching to estimate the effects of interest. They find an impact on mental health and overall well-being. The effects do not hold in the long run, which might be due to selective attrition.
The topic of the paper is very interesting and relevant.

The current policy changes in the Netherlands rely on informal care as a cheaper alternative to formal care.

However, a big part of the costs of informal care are usually ignored.

More knowledge on this is very important, to make a proper assessment of the costs and benefits of informal care.
You argue that a simple correlation between health and caregiving would potentially be affected by third variables affecting both.

You observe most of these “third variables” or at least you can find proxies for them in the SHARE data.

Solving the selection problem is not the rationale to use PSM, which relies on observables for matching.

You solve the selection problem due to the observables at hand. Why not a simple and straightforward regression analysis controlling for the “third variables”? What results do you get?
Major Comments

> You present to main selection issues: (1) Healthier people are more likely to give care. (2) People with less resources are more likely to give care.

> When you present these two problems explain which variables exactly allow you tackle them.

> For (1) these are variables that correlate with health and care giving. For (2) these are variables that proxy socioeconomic status.
You explain that the PSM procedure entails nontrivial decisions such as the type of Kernel and the band with.

It would be nice to see sensitivity analysis on these decisions.

I believe you have to show how much common support you have.

You argue that the matching works well (meaning that there are enough observations with similar PS in treatment and control groups). But you have to show this.
Minor Comments

> Explain a bit more in detail the IV approach use in the literature.

> Why not fixed effects? Would allow you for any residual OVB left after introducing your controls.

> Is it possible to know about history of caregiving before the 1st wave? Maybe with SHARELIFE?

> I believe the average treatment on the non-treated is potentially more interesting.

> Are your results affected by changed the definition of the treatment? I believe three months is rather short.
Minor Comments

> You drop observations due to: (1) Respondents not being present in both waves one and two. (2) Resp. not having a partner. (3) Resp. providing care in wave 1. (4) Resp. not having all relevant information available.

> You go from 47100 to 10472 observations.

> How many are dropped for each reason? Is any of these reasons potentially causing selection bias?
Minor Comments

› Have you considered including income and/or wealth measures to account for socioeconomic status?

› Is it possible to extend your work to see the effects on labour supply? The effects of exiting the labour market can be very severe at the end of the working life.

› Could be interesting to dig deeper into policy implications in the discussion. How can the costs of informal care be compensated? How can they be compared with the costs of formal care?
Minor Comments

> I believe clarity of writing needs to be improved sometimes.

> Two examples: (1) One but last phrase in the last paragraph of page 4. (2) Footnote 3.