IS GREAT INFORMATION GOOD ENOUGH? EVIDENCE FROM PHYSICIANS AS PATIENTS

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Abstract

Efforts to reduce health care spending and improve care quality often embrace demand-side initiatives that attempt to incentivize more direct consumer engagement in the choice of health care services. A major concern with demand-side approaches is that incentivizing patient involvement in care decisionmaking could lead to inappropriate care choices if patients lack the requisite level of information, a concern that motivates policymakers to couple such initiatives with greater levels of information disclosure to patients. In this paper, we attempt to shed light on the potential for information-forcing policy efforts of this nature to improve the quality of patient care choice.

A natural way to explore this potential is to look at the care received by a group of patients that should have the best possible information on health care efficacy: physicians. The decisions of physicians about which type of care to receive would likely place an upper bound on how well non-physicians could do in selecting their health care treatments if fully informed. Unfortunately, other than Johnson and Rehavi (2016), who focused on cesarean sections, there is no work which has been able to study the role of physicians as patients. We address this shortfall by gathering claims records for all beneficiaries of the Military Health System (MHS) over a ten-year period. Critical for our purposes, these data include claims for MHS physicians when they are treated as
patients themselves. We then assess whether physicians receive more services deemed “high value” by the medical literature (e.g., statin therapy for patients with cardiovascular disease) and fewer services deemed “low-value” (e.g., chest x-rays before eye surgery), in each case relative to the less-informed non-physician-patient comparison group.

A key challenge with this analysis is that physicians may be of different health and have different tastes for medical interventions than non-physicians. We address this concern in five ways. First, we choose conditions where there is widespread agreement in the medical community about how care should be provided. Second, we control for a rich set of health indicators, including prior-year medical spending. Third, we compare physicians to other military officers to control for underlying tastes. Fourth, in alternative specifications, we compare dependents of physicians with dependents of military offices, two groups that one might believe, ex ante, are more similar along unobservables. Fifth, by examining both low and high value care, we can rule out one-sided bias – e.g. if physicians are unobservably healthy, they will get less low value care, but also less high value care.

Our results suggest that physician-patients—our fully informed group—do slightly better than non-physician-patients, but not by much and only in the case of some types of care. Physicians receive less low-value care than do non-physicians, but the differences are modest, and generally amount to less than one-fifth of the gap between what is received by non-physicians and recommended guidelines. The results are slightly more mixed in the case of high-value care, though generally, we find that physicians receive high-value care at roughly the same rate received by non-physicians.