



Three Essays on Policy Impact Evaluation

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Abstract

1. Re-assessing health care decentralization and its impact on infant mortality: evidence from the EU countries

In this work, we propose to test the effects of health-care sector decentralization on infant mortality, a proxy for the quality of citizens' health, adopting as unit of analysis 25 EU countries between 1995 and 2013. Moreover, we discuss and address the endogeneity of the model due to possible mismeasurement of the decentralization of the health-care sector, when proxied by the sole fiscal decentralization. Our results suggest that the positive effects of fiscal decentralization on the citizen's health occur in institutional contexts in which central authorities have delegated political or managerial powers and made local authorities directly accountable in health matters. On the other hand, when the institutional or managerial requirements are absent the sole fiscal decentralization is not a guarantee of improvement for citizens' health.

2. Does purchase centralization reduce public expenditure? Evidence from the Italian health-care system

The introduction of Central Purchasing Bodies within the regional health care systems in Italy during the first decade of 2000s constituted a call for cost reduction and public expenditure restraint in the public health sector. Indeed, regional CPBs operating for local hospitals were introduced to centralize purchases of goods and services, with the aim of reducing prices and facilitate cost reductions, mainly leveraging on economies of scale and larger bargaining power. In this work, we examine this hypothesis adopting a difference-in-difference model to test the causal relationship of the introduction of regional CPBs operating in the health-care systems. Our findings show that per capita total expenditure is reduced to a range of 3-4%, according to the specification of the model, where local hospitals are supplied through a regional CPB. Specifically, this reduction is mainly driven by a subset of supplies, that is health services, while the impact on goods and other non-health services

expenditure is not significant. Moreover, the obtained expenditure reduction is achieved without a significant downsizing of local services to citizens.

3. The Impact of 1974 Budget Act on U.S. Spending and Debt: a synthetic control approach

The 1974 Budget Act marked a turning point in U.S. fiscal history. With the Act, Congress decisively asserted its budgetary power, becoming more independent from the President in developing the budget and setting overall levels of federal expenditures. Lawmakers at the time believed that the status quo, wherein Congress approved the budget in a piecemeal fashion, limited their budgetary authority and had caused deficits and spending to increase. In this work, we set out to discover how Congress's solution – the 1974 Congressional Budget and Impoundment Control Act (or, 1974 Budget Act) – ultimately fared at restraining spending and debt. More specifically we use a synthetic control model to ask what would have happened without the 1974 Budget Act and finds that after the introduction of the Act, public debt-to-GDP and public expenditures-to-GDP both increased, but less than what would have happened without the Act.