

The economic value of health – scope effects and risk preferences in mortality and morbidity valuation

The research project aims to investigate the economic value of health by studying preferences and valuation methods in the context of mortality and morbidity. The project focuses on addressing scope sensitivity issues, which occur when respondents' stated preferences or willingness to pay (WTP) do not accurately reflect the true value they place on a specific attribute. Insufficient scope sensitivity can lead to biased estimates of economic values, potentially underestimating or overestimating the true value of the attribute.

The project proposes several strategies to mitigate the scope sensitivity problem, including range selection, attribute bundling, anchoring and calibration, sensitivity analysis, and accounting for other factors such as experimental designs, cognitive and behavioral factors, and alternative elicitation formats. Additionally, the project aims to investigate the influence of risk preferences on valuation and explore the heterogeneity and domain-specificity of risk preferences in relation to observed WTPs and health policy indicators.

The significance of the project lies in its potential to improve the reliability and validity of stated preference-based value estimates of health effects. It aims to bridge the gap between stated preference methods used in health economics and state-of-the-art research in other fields, such as environmental economics and transport economics. The research findings could have implications for shaping efficient health-related public policies and may also be relevant for other fields like psychology or behavioral sciences.

The project proposes three empirical studies using discrete choice experiments (DCEs) to investigate scope effects in health effects valuation. The surveys will be designed based on state-of-the-art recommendations for stated preference studies and will include carefully chosen treatments to verify research hypotheses and gain insights into the research questions. The studies will cover important topics related to public health policies and involve representative samples of the target populations. Advanced models accounting for preference heterogeneity will be applied to the data.

The expected outcomes of the project include publishing at least five papers in leading journals, presenting results at international conferences, and establishing an integrated research group dedicated to this area of economics in Poland. The project aims to make a significant contribution to the validity of preference models and value estimates in health economics and improve the reliability of stated-preference valuation of health effects.