README for REPLICATION of

A Denial A Day Keeps the Doctor Away

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Overview

The code in this replication package constructs exhibits and analysis files using Stata and Matlab. Public sources are provided, proprietary data are stored in BEA servers. Two main files run all of the code to generate the data for the figures and tables in the paper and appendix. The replicator should expect the code to run for about 1 week.

NOTE: The data for this article was securely stored in a server at the Bureau of Economic Analysis. Replicator might need to adjust folder paths, depending on the structure of local directories on the BEA server.

Data Availability

The three main data files are obtained from IQVIA and processed by the BEA using SAS. The input files for this article, stored in the BEA servers are:

"***merged_RC_RCS_line_dx2015.dta***"

"***merged_RC_RCS_line_dx2014.dta***"

"***merged_RC_RCS_line_dx2013.dta***"

All auxiliary datasets are publicly provided.

Computational requirements

Software Requirements

- Stata (code was run in May 2023 with Stata on the BEA servers)
- Matlab (code was run with Matlab Release 2016a)

Runtime Requirements

Using BEA servers (as of May 2023), the code for the main body of the text excluding Appendix A4 runs in 3 days. Appendix A4 requires 7 additional days, depending on resources.

Description of programs/code

- Programs in **code/main_article/** will execute all the analysis in the article.
- The main Stata DO file is **code/main_article/000_Setup_and_Run.do**, this invokes **code/main_article/00_Run.do** to run scripts collected in **code/main_article/programs** .

- Programs in **code/main_article/Matlab** generate Figure 8 and Supplementary Appendix Figure S.3 using Matlab.
- Programs in **code/online_appendix** will generate tables and figures in the online appendix, except for Figure S.3.

Instructions to Replicators

- Edit **code/main_article/000_Setup_and_Run.do** to adjust the default path and the proprietary data locations, if necessary.
- Run **code/main_article/000_Setup_and_Run.do**. This will populate the output folders, create all exhibits in the main article except Figure 8, and create **simulation_input.csv** in **output/counterfactuals**
- Edit **code/main_article/Matlab/import_for_simulations.m** with the location of the file **output/counterfactuals/simulation_input.csv.**
- Run **code/main_article/Matlab/welfare_simulations.m** .

Details

code/main_article/000_Setup_and_Run.do

(described above)

code/main_article/00_Run.do

executes

code/main_article/programs/0_data_processing.do

creates the main analysis dataset from the raw proprietary data

code/main_article/programs/1_data_merge.do

merges the main dataset with physician group identifiers

code/main_article/programs/2_summary_stats.do

produces Tables 1,2,3,4

code/main_article/programs/3_denial_probabilities.do

estimates denial probabilities (see eq (B.7),(B.8))

code/main_article/programs/4_stop_probabilities.do

estimates stopping probabilities (see eq (SUF))

code/main_article/programs/5_value_function_computation.do

estimates value functions for each resubmission option (eq (B.6))

code/main_article/programs/6_model_estimation.do

estimates resubmission costs via maximum likelihood (eq (B.9))

code/main_article/programs/7_compute_CIP.do

computes the CIP and tau values for every visit

code/main_article/programs/8_model_exhibits.do

generates Figures 3,5 and Tables A.3, A.4.

code/main_article/programs/9_indices.do

estimates indices for tau and log(pi)

code/main_article/programs/10_regression_analysis_cross_state.do

runs the cross-state regression analysis and produces Table 7

code/main_article/programs/11_regression_analysis_mover.do

runs the mover regression analysis and produces Table 6 and Figure 7

code/main_article/programs/12_prepare_counterfactuals.do

prepares `simulation_input.csv`. to be used in Matlab for counterfactuals

code/main_article/programs/Figure_2.do

produces Figure 2

code/main_article/programs/Table_5.do

produces Table 5

code/main_article/programs/Figure_4.do

produces Figure 4

code/main_article/programs/Figure_6.do

produces Figure 6

code/main_article/programs/Appendix.do

produces Tables and Graphs in the main appendix

code/online_appendix/000__Master_Online_Appendix.do

runs programs collected in **code/online_appendix** to generate all the supplementary material (see comments in **000__Master_Online_Appendix.do** for details)

code/main_article/Matlab/welfare_simulations.m

produces Figure 8 and Supplementary Appendix Figure S.3.