

INVITATION

Retirement and healthcare utilization

When: Thursday, 13 December 2018, 15:00

Where: WU Vienna, Room D4.3.106

Presenter: Univ.-Prof. Dr. Gerald Pruckner

Abstract:

Pension systems and reforms thereof are often discussed in the context of financial viability. In industrialized countries, these debates grow in intensity with the aging of the population; however, an increase in retirement age may create unintended side effects with regards to retiree health or healthcare costs. This study empirically analyzes the effect of (early) retirement on individual inpatient and outpatient healthcare expenditure in Austria. We use comprehensive labor market and retirement data from the Austrian Social Security Database, together with detailed information about individual inpatient and outpatient healthcare service utilization in the province of Upper Austria. To account for endogeneity in retirement decisions, we exploit exogenous variation in the early retirement age as induced by two Austrian pension reforms (i.e., those in 2000 and 2003). We find there to be significant negative effects of retirement on healthcare expenditure. For both genders, retirement reduces subsequent expenditure for outpatient medical attendance and hospitalization. Based on the analyses of disaggregated components of healthcare expenditure, we interpret the results as evidence for positive health effects and behavioral changes in the utilization of healthcare services after retirement.

The **Department of Socioeconomics** and the **Health Economics and Policy Group** cordially invites you to join this seminar talk by **Prof. Gerald Pruckner** who is the head of the Institute of Health Economics at the Johannes Kepler University Linz and the head of the Christian Doppler Laboratory for Aging, Health and Labor Markets.