

*Preliminary
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**THE ROLE OF PERCEIVED QUALITY OF PUBLIC SERVICES
IN DETERMINING LIQUIDITY CONSTRAINTS
TO ACCESS PRIVATE SPECIALIST CARE[⊗]**

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Abstract In this paper we offer direct evidence on the role of perceived quality differences in publicly provided health care services, in determining the incentive to opt out for private services and, for poor individuals, short-run credit constraints in the access to these services. We build on Baldini and Turati (2006), concentrating on private specialist care, a category of services for which disparities in the access are the highest. We use the 1993 Bank of Italy - SHIW data and apply the Carneiro-Heckman procedure to identify the share of people constrained. We then study how perceived quality of public services affects the percentage of people short run constrained, and their expenditure. Our estimates suggest that short run constrained individuals are those judging (on average) more of inferior quality public services, hence with a greater incentive to opt out. Moreover, our findings suggest that these are mostly healthy people, who are looking for diagnostic and preventive care.

JEL Codes: D31, I10, I31

Keywords: health inequality, private specialist care, credit constraints, family background

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