

Home > Health Care Management Science > Article

Managed care, deficit financing, and aggregate health care expenditure in the United States: A cointegration analysis

Published: September 2000

Volume 3, pages 279–285, (2000) [Cite this article](#)

Health Care Management

Health Care Management Science

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

- > **Store and/or access information on a device**
- > **Personalised advertising and content, advertising and content measurement, audience research and services development**

Accept all cookies

Reject optional cookies

Manage preferences

managed care enrollment is found to be negatively associated with the level of health care spending, (ii) supply disinduced demand effects of physicians tend to moderate health expenditure, and (iii) government deficit financing is positively related to health care spending. The observed sign and magnitude of the income coefficient are consistent with health care being a luxury good.



This is a preview of subscription content, [log in via an institution](#)  to check access.

Access this article

Log in via an institution →

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to [springer.com](#) and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

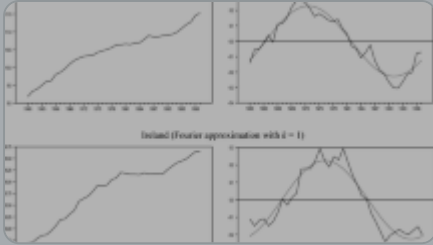
Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

Accept all cookies

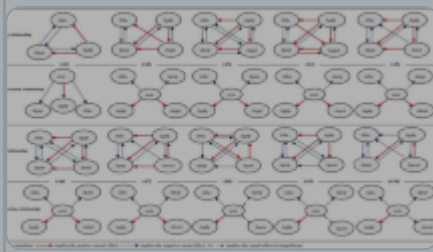
Reject optional cookies

Manage preferences



Stationarity and cointegration of health care expenditure and GDP: evidence from tests with smooth structural shifts

Article | 07 September 2018



The relationship between insurance development, population, economic growth, and health expenditures in...

Article | Open access
13 November 2024



The relationship between healthcare expenditure and disposable personal income in the US states: a fractional...

Article | 08 July 2017

Explore related subjects

Discover the latest articles and news from researchers in related subjects, suggested using machine learning.

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

Accept all cookies

Reject optional cookies

Manage preferences

versus trend stationarity in macroeconomic time series, *Econometrica* 60 (1992) 423–431.

[Article](#) [Google Scholar](#)

[5] F.X. Diebold and G.D. Rudebush, On the power of Dickey-Fuller tests against fractional alternatives, *Economics Letters* 35 (1991) 155–160.

[Article](#) [Google Scholar](#)

[6] R.F. Engle and C.W.J. Granger, Co-integration and error-correction: Representation, estimation and testing, *Econometrica* (1987) 251–276.

[7] B.J. Fox, L.L. Taylor and M.K. Yücel, America's health care problem: An

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

- [11] T.E. Getzen, Macroeconomics and health care spending: The policy implications of delayed response, in: *Readings in Public Policy*, ed. J.M. Pgodzinski (Blackwell Business, 1995).
- [12] J. Gonzalo and T.-H. Lee, Pitfalls in testing for long-run relationships, *Journal of Econometrics* 86(1) (1998) 129–154.
- [Article](#) [Google Scholar](#)
- [13] H. Hansen and K. Juselius, *CATS in RATS - Cointegration Analysis Time Series* (Estima, IL, 1995).
- [14] P. Hansen and A. King, Health care expenditure and GDP: Panel data unit root tests, *Journal of Health Economics* 17 (1999) 277–291.

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

in developing countries, *Journal of Health Economics* (1992) 173–181.

- [19] S. Johansen and K. Juselius, Maximum likelihood estimation and inference on cointegration - with applications to the demand for money, *Oxford Bulletin of Economics and Statistics* (1990) 169–210.
- [20] B. Jönsson and U.-G. Gerdtham, Health care systems internationally, in: *Handbook of Health Economics*, Vol. 1A, eds. A.J. Culyer and J.P. Newhouse (North-Holland, 2000) pp. 11–53.
- [21] G. Karatzas, On the effect of income and relative price on the demand for health care - the EEC evidence: A comment, *Applied Economics* (1992) 1251–1253.

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to [springer.com](#) and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

(1994) 14–31.

[26] W.G. Manning et al., Health insurance and the demand for medical care, American Economic Review (1987) 251–277.

[27] S.K. McCoskey and T.M. Selden, Health care expenditures and GDP: Panel data unit root test results, Journal of Health Economics 17 (1998) 369–376.

[Article](#) [Google Scholar](#)

[28] N.R.V. Murthy and V. Ukpolo, Aggregate health care expenditure in the United States: New results, Applied Economics Letters 2 (1995) 419–421.

[Article](#) [Google Scholar](#)

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

[33] Organization for Economic Cooperation and Development, *OECD Health Data 98* (Washington, 1998).

[34] M.H. Pesaran and B. Pesaran, *MICROFIT 4.0* (Oxford University Press, Oxford, 1997).

[Google Scholar](#)

[35] P.C.B. Phillips and B.E. Hansen, Statistical inference in instrumental variables regression I(1) process, *Review of Economic Studies* (1990) 99–125.

[36] P. Phillips and P. Perron, Testing for a unit root in time series regression, *Biometrika* (1988) 335–346.

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **partners**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **privacy policy** for more information on the use of your personal data. Your consent choices apply to springer.com and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

**Department of Economics and Finance, College of Business
Administration, Creighton University, 2500 California Plaza, Omaha, NE,
68178, USA**

N.R. Vasudeva Murthy

**Department of Economics, The University of Memphis, Campus Box
526450, Memphis, TN, 38152, USA**

Albert A. Okunade

Rights and permissions

[Reprints and permissions](#)

About this article

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 **[partners](#)**, also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our **[privacy policy](#)** for more information on the use of your personal data. Your consent choices apply to [springer.com](#) and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

[Accept all cookies](#)

[Reject optional cookies](#)

[Manage preferences](#)

Navigation

Find a journal

Publish with us

Track your research

Your privacy, your choice

We use essential cookies to make sure the site can function. We, and our 96 [partners](#), also use optional cookies and similar technologies for advertising, personalisation of content, usage analysis, and social media.

By accepting optional cookies, you consent to allowing us and our partners to store and access personal data on your device, such as browsing behaviour and unique identifiers. Some third parties are outside of the European Economic Area, with varying standards of data protection. See our [privacy policy](#) for more information on the use of your personal data. Your consent choices apply to [springer.com](#) and applicable subdomains.

You can find further information, and change your preferences via 'Manage preferences'. You can also change your preferences or withdraw consent at any time via 'Your privacy choices', found in the footer of every page.

We use cookies and similar technologies for the following purposes:

Store and/or access information on a device

Personalised advertising and content, advertising and content measurement, audience research and services development

Accept all cookies

Reject optional cookies

Manage preferences