

The Economics of Not Using the Health Insurance Card: Theory and Evidence from Vietnam

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In this paper we propose a theoretical framework of health insurance utilization determination. The empirical investigation using Vietnam household living standard survey focuses on the role of income, health status, information, types of health insurance and care providers on health insurance utilization. The results show that:

- Using health insurance to pay for outpatient treatment is perceived as an inferior good.
- Income, however, has no impact on the use pattern of the health insurance card in inpatient treatment.
- The ill have higher utilization rates than the healthy.
- The insured with more information use the health insurance card more often in outpatient but not in inpatient treatment.
- Utilization rates vary by types of insurance schemes and care providers.