Posted by Robert Kaestner

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Grant Miller, Diana Pinto and Marcos Vera-Hernandez present the results of an evaluation of publicly-financed health insurance for the poor in Colombia. The study is excellent and carefully conducted. However, the lack of statistical power that characterizes the study, particularly with respect to health outcomes, renders the study largely uninformative with respect to arguably the most important question of whether the 100% to 200% increase in the use of services that occurred was associated with better health. Standard errors in Table 4 for the four health outcomes are unable to detect reliably very large effect sizes. For example, the only statistically significant effect among the four health variables pertains to days lost to illness, and the standard error of the estimate is equal to the mean. So it is only because the effect size was over 200% of the mean that the estimate was statistically significant.