Access to Care in Equilibrium[*]

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September 23, 2020

Abstract

This paper studies access to care as an equilibrium outcome of a market without prices. I estimate an empirical matching model where patients match with physicians, using data from the Northern Ontario primary care market. In the model, the market is cleared by a non-price mechanism: the effort it takes to find a physician who is accepting patients. I find that access to care is lower in rural areas than urban or suburban areas. This is not caused by lower physician-to-population ratios in rural areas, but the distances patients must travel. Young adults in urban and suburban areas also face low access to care, caused by difficulties in finding physicians who are accepting patients. Two policies are analyzed. Alternative payment systems are found to increase access to care by incentivizing larger patient panels. Grants to attract physicians to areas with low access to care are found to be inefficient, because they are allocated according to imprecise measures of access to care.