Review

Article Title: Support for a Tax Increase to Provide Unrestricted Access to an Alzheimer’s Disease Medication: A Survey of The General Public in Canada.

Authors: Mark Oremus, Jean-Eric Tarride, Natasha Clayton, and Parminder Raina

Reviewer: William F. Vásquez
Department of Economics, DMH 301
Fairfield University
1073 North Benson Rd.
Fairfield, CT 06824
Tel. 203-254-4000 x 2363
Email: wvasquez@fairfield.edu

This paper investigates public support for an increase in annual personal income tax to fund a public program of unrestricted access to medication for Alzheimer’s disease (AD). As the authors argue, the study addresses an important research question as the Canadian population to be affected by AD is expected to increase in the following years, and private health insurance fails in covering household expenditures on AD medication. Household survey is collected to elicit public preferences on four programs: 1) medication to treat symptoms with no side effects, 2) medication to treat symptoms with side effects, 3) medication to halt the disease with no side effects, and 4) medication to halt the disease with side effects. The paper presents evidence that suggest that the public support an income tax increase to provide unrestricted access to AD medication.

In general, the paper is well written and the discussion of results is supported by the data. However, I still find some shortcomings in the study that may compromise its relevance for policy purposes, and its validity as a contingent valuation study.

Major Comments
1. In my first review, I commented that respondents are expected to be sensitive to the different bids they are confronted with in referendum questions such as the ones used by the authors to investigate public support for AD public programs. Contingent valuation studies should test for price (or tax) sensitiveness as a validity check and to estimate willingness to pay (see Whitehead 1995; Nocera et al. 2005; Negrin et al. 2008; among many others). While the authors included descriptive statistics on willingness to pay, this is not appropriate to check for price (or tax) sensitiveness. The bids presented in the CV questions should be included as independent variables in corresponding models. If this variable is not statistically significant, the authors should explain why so is, and unfortunately the results are not useful for policy and publication purposes (i.e. should not be published at least as a CV study).

2. Also, in my first review, I pointed to the fact that results are not robust across different models, which put into question the validity of the results, particularly for policy recommendations. In the response to this comment, the authors argue that “the scenario-specific regression analyses were conducted as ‘exploratory’ analyses to supplement the primary analysis (support for a tax increase under at least one scenario).” However, it is that exploratory analysis which would be of interest for policymakers. That is, estimating the willingness to pay for each scenario would provide useful information on preferences for AD public programs. That can be done by including the bids as independent variables into corresponding models.

References

