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# The Role of Health Insurance in the Health Services Sector

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National Bureau Committee for  
Economic Research



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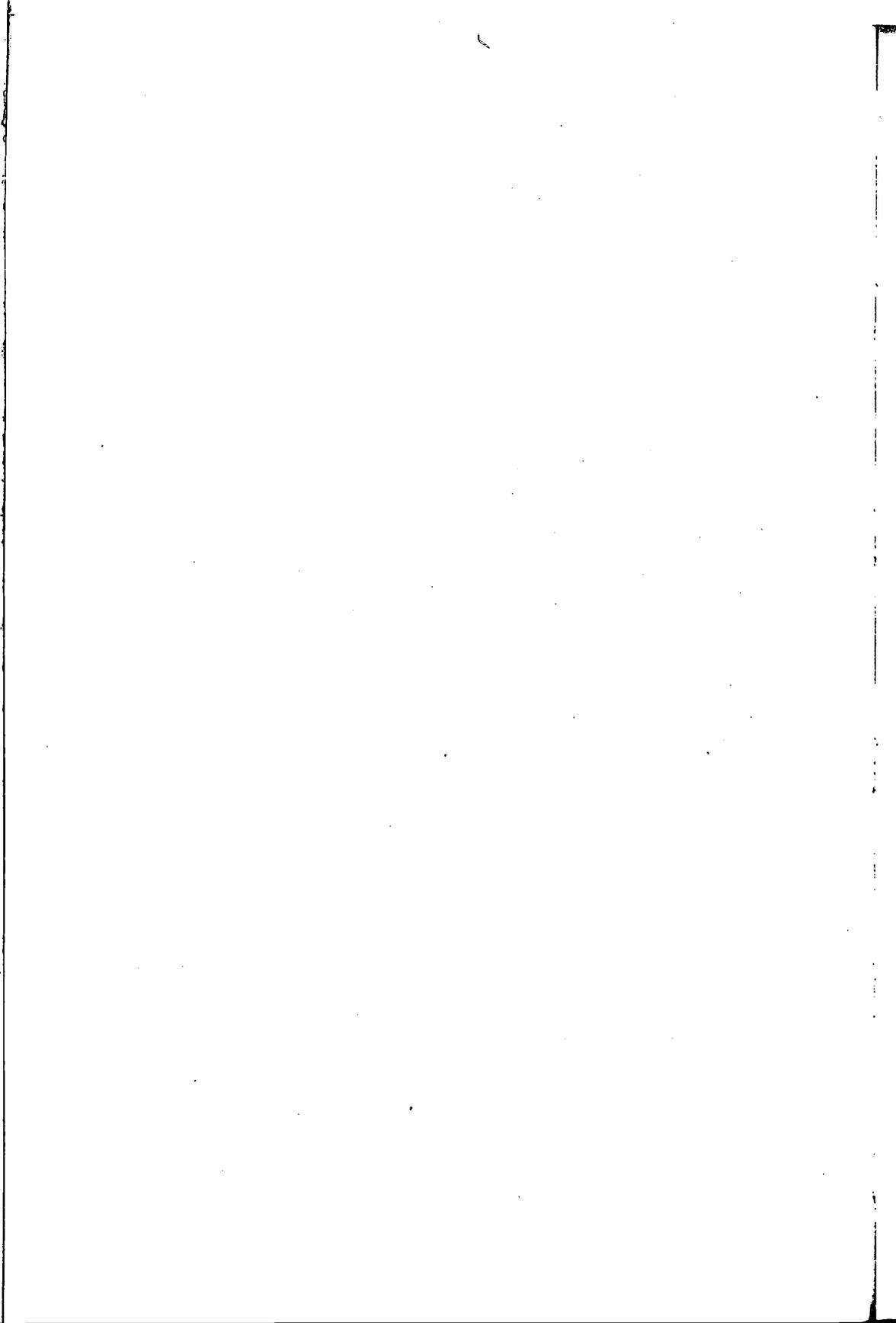
# Preface

Conferences are sponsored by the Universities-National Bureau Committee for Economic Research in order to focus attention on major new areas of research. The economics of health easily satisfied the criteria for sponsorship. Though empirical and institutional studies of health economics can be found even in the earliest literature on economics, no major economic theorist concerned himself with any of the questions that are peculiar to the field until Kenneth Arrow published "Uncertainty and the Welfare Economics of Medical Care" in 1963. Since then, partly stimulated by rising public interest in national health insurance and partly attracted by the extremely interesting theoretical questions raised by Arrow, economists have increasingly turned their attention to health, applying sophisticated analysis to vast bodies of data newly made available by government agencies and various professional organizations and private survey centers.

Thus, when a committee was formed (consisting of Martin Feldstein, Michael Grossman, and myself) to organize a conference on an extremely important but narrowly defined topic in health economics, it was easy to find a dozen papers for which research was already in progress. Indeed, it would have been almost as easy to find twice that number, and many of the participants who served as discussants are themselves engaged in research that could appropriately have been included.

Michael Grossman and Martin Feldstein did much of the work of selection for the conference and therefore deserve a share of whatever credit or blame derives from it. Finally, Feldstein deserves an additional share for having had some part in the education of fully half the participants.

RICHARD N. ROSETT



# The Role of Health Insurance in the Health Services Sector

