

Doctors, economist, write prescription for protecting people from themselves

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Policy makers, employers and others can use the science of behavioral economics to steer people toward wiser choices — and dramatically improve their health — without limiting their freedom to do as they please, according to an article published in the Nov. 28 issue of the *Journal of the American Medical Association*. The paper was written by researchers at Carnegie Mellon University, the University of Pennsylvania, Aetna Inc. and the Philadelphia Veterans Affairs Medical Center.

This approach can counter one of the underlying causes of major health problems in the United States and other developed nations — bad decision-making on the part of individuals. Tobacco use, obesity and alcohol abuse account for nearly one-third of all deaths in the United States. What's more, the full benefits of many medical advances — such as medication to control blood pressure, lower cholesterol and prevent strokes — go unrealized because people fail to adhere to their treatment. For example, the authors note that one year after suffering a heart attack about half of patients prescribed drugs to lower cholesterol have stopped taking them.

So, why do people make choices they know are bad for them, or fail to do things, like take medication, which they know will be helpful" Unlike conventional economics, which assumes that when presented with adequate information people will make decisions that are in their own best interests, behavioral economics recognizes that individuals are prone to biases that impede their ability to make good choices. The

authors advocate exploiting these decision-making biases to help people make better decisions — without taking away their freedom of choice — a strategy they label “asymmetric paternalism.”

Take weight loss. Many of us, around the holidays, resolve to lose weight starting after the New Year. But when the time comes, many people fail to make good on this resolution. Rather than a simple lack of willpower, the authors explain that this is an example of a present-biased preference: the tendency of individuals to place disproportionately greater weight on the costs and benefits of their choices in the present than in the future. The cost of giving up food one enjoys is immediate, while the benefits are realized in the future. Without a mechanism to enforce self-control, a person’s resolve often fails.

Another common decision-making bias is the tendency to favor the status quo or default option. This bias explains, for example, why the organ donation rate in the United States is so much lower than in France, where almost everyone is an organ donor: In the United States, a person must sign-up to be an organ donor, but in France, a person is automatically registered as a donor unless they choose to opt out.

These biases can be exploited by making the healthiest choice the one that follows the path of least resistance. For example, fast food restaurants that now offer soda as the default choice with a combo meal can instead make a bottle of water the default option, with soda being a substitution available only on request. A cafeteria line could be arranged so that the healthiest foods appear first, with unhealthy foods requiring the most effort to select. Employers can provide chilled bottles of water within easy access of workers, while placing soda machines in out-of-the-way locations. Vending machines could be installed in workplaces with access codes that an individual must activate to buy snacks or soda on the following day. Present-biased preferences, meanwhile, can be utilized by providing patients with up-front rewards for healthier

behavior. Such incentive-based approaches have been found to be effective in areas such as smoking cessation and even abstinence from drugs such as cocaine.

“We’ve only scratched the surface of potential applications. The possibilities for using decision errors to improve health behaviors and thereby improving the health of the population is enormous,” said study author George Loewenstein, the Herbert A. Simon Professor of Economics and Psychology at Carnegie Mellon.

Asymmetric paternalism can be used to help people get better medical care, give up bad habits such as smoking, or even exercise more. Gym visits or routine lab tests, such as cholesterol screenings, can be automatically scheduled so that the patient has to incur added inconvenience to cancel them rather than, as is currently the case, to schedule them. People often miss out on routine but life-saving medical tests simply because they fail to schedule appointments. Health care providers should automatically schedule the next test when the patient comes in for the current test. The potential for these approaches to improve health is immense, and some of the up-front costs of incentive programs could be paid by employers or insurers in anticipation of improvements in health and productivity that likely would follow.

The paper was co-authored by Kevin Volpp, a staff physician at the Philadelphia Veterans Affairs Medical Center and an assistant professor at the University of Pennsylvania School of Medicine and the Wharton School; and Troy Brennan with Aetna Inc.

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