

Medical expenditure after marginal cut of cash benefit among public assistance recipients in Japan: Natural experimental evidence

Supplementary Files

Table S1. Characteristics of the study households migrating in/out public assistance and those on public assistance throughout the study period.

Character	Category	Households migrating in/out of the public assistance program (n=413)	Households on the public assistance program throughout the study period (n=63)
Observed months	Mean (SD)	10.3 (8.6)	30 (0)
Number of households	Mean (SD)	3.3(1.3)	3.4 (1.4)
Types of Households	With single parent	41(65.1%)	256(62.0%)
	With disabled person	1(1.6%)	7(1.7%)
	With older people	5(7.9%)	53(12.8%)
	Others	16(25.4%)	97(23.5%)
Municipality	A	15(3.6%)	2(3.2%)
	B	3(0.7%)	0(0)
	C	37(9.0%)	4(6.3%)
	D	167(40.4%)	29(46.0%)
	E	191(46.2%)	28(44.4%)

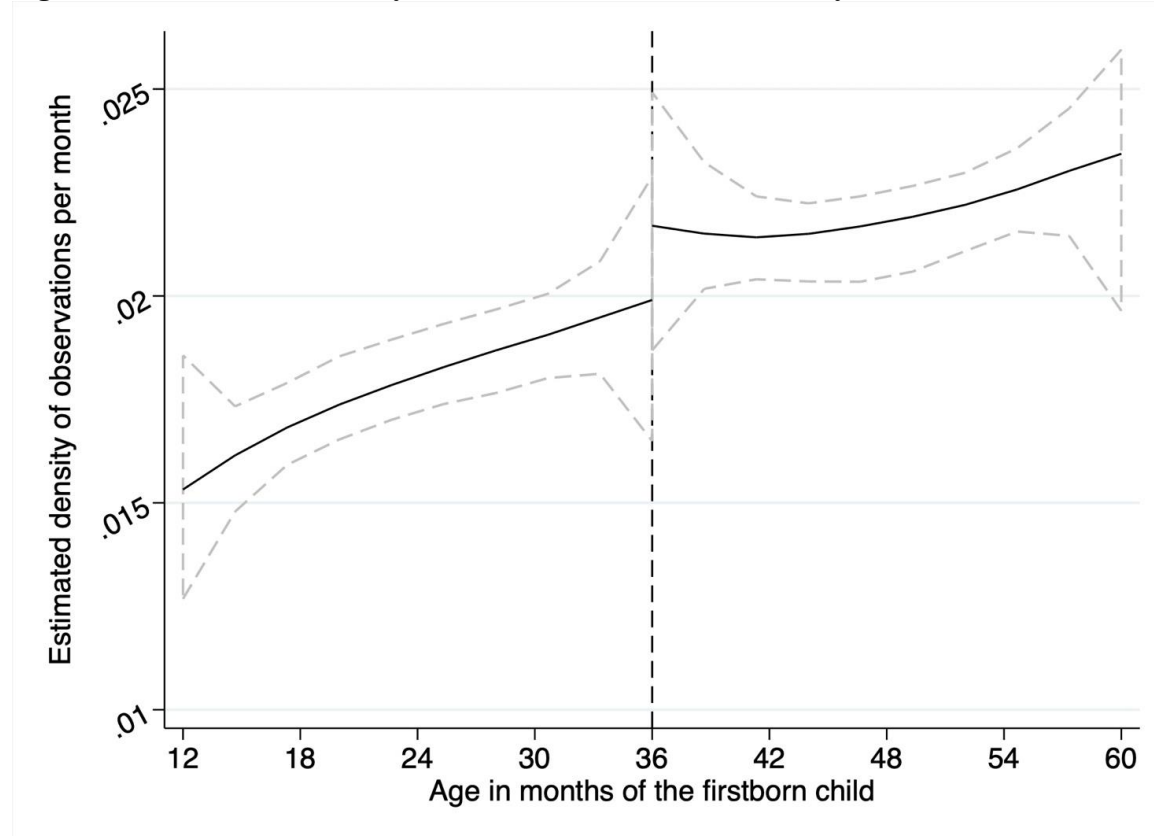
The characteristics of the households were similar between the households migrated in/out and those on public assistance throughout the study periods.

Table S2. Results of the continuity tests regarding household characteristics.

Characters	Categories	RD Estimator	p-value	95% CI	
Number of people in each household		0.03	0.91	-0.49	0.56
Proportion of households					
	with single parent	-0.04	0.58	-0.17	0.09
	with disabled person	-0.01	0.72	-0.06	0.04
	with older people	-0.01	0.92	-0.11	0.10
Municipalities					
	A	0.02	0.64	-0.05	0.08
	B	0.05	0.32	-0.04	0.14
	C	-0.06	0.48	-0.22	0.10
	D	0.03	0.63	-0.08	0.13
	E	-0.03	0.74	-0.18	0.13

The basic characteristics of the study households were sufficiently continuous around the cutoff month.

Figure S1. Results of the density test: Trend of the estimated density of observations in terms of the firstborn child's age in months.



We failed to reject the null hypothesis of a smooth density across the threshold ($p = 0.70$).

Table S3. Results of the continuity-based analysis of placebo cutoffs.

Alternative Cutoff (months-age)	RD Estimator	p-value	95% CI	
24	512.6	0.10	-100.3	1125.5
25	-70.6	0.84	-762.7	621.5
26	-546.3	0.29	-1547.2	454.6
27	266.7	0.17	-114.9	648.2
28	361.9	0.07	-27.9	751.7
29	167.9	0.21	-96.3	432.1
30	-102.6	0.48	-388.6	183.4
31	-126.1	0.45	-449.5	197.4
32	-142.1	0.48	-539.9	255.6
33	156.1	0.37	-183.4	495.6
34	-176.1	0.25	-477.2	125.0
35	116.9	0.23	-72.0	305.8
36 (Default)	248.6	0.03	25.4	471.7
37	232.3	0.14	-74.8	539.4
38	-88.6	0.68	-503.5	326.2
39	-309.8	0.13	-709.9	90.3
40	-234.6	0.15	-551.5	82.2
41	283.2	0.15	-99.3	665.7
42	172.8	0.29	-149.2	494.8
43	-110.7	0.67	-624.7	403.4
44	-218.1	0.41	-733.9	297.7
45	-26.2	0.88	-354.5	302.1
46	433.9	0.07	-23.9	843.9
47	-245.4	0.35	-759.2	268.3
48	-356.1	0.12	-802.0	89.9

Continuity-based analysis of placebo cutoffs indicated that the intervention assignment was exogenous.

Table S4. Results of the continuity-based analysis of donut hole tests.

Donut hole radius (months)	RD Estimator (USD)	p-value	95% CI	
0 (Default)	248.6	0.03	25.4	471.7
1	396.7	0.02	69.2	724.1
2	704.1	0.03	59.2	1348.9

Continuity-based analysis with the donut hole approach showed no systematic bias caused by non-random behavioral changes close to the threshold.

Table S5. Results of sensitivity analyses featuring several bandwidths.

Bandwidth (month)	RD Estimator (USD)	p-value	95% CI	
6	163.2	0.31	-149.7	476.0
11.4 (optimal, default)	248.6	0.03	25.4	471.7
12	227.3	0.03	20.2	434.5
18	195.3	0.03	15.2	375.4
24	220.0	0.01	51.5	388.5

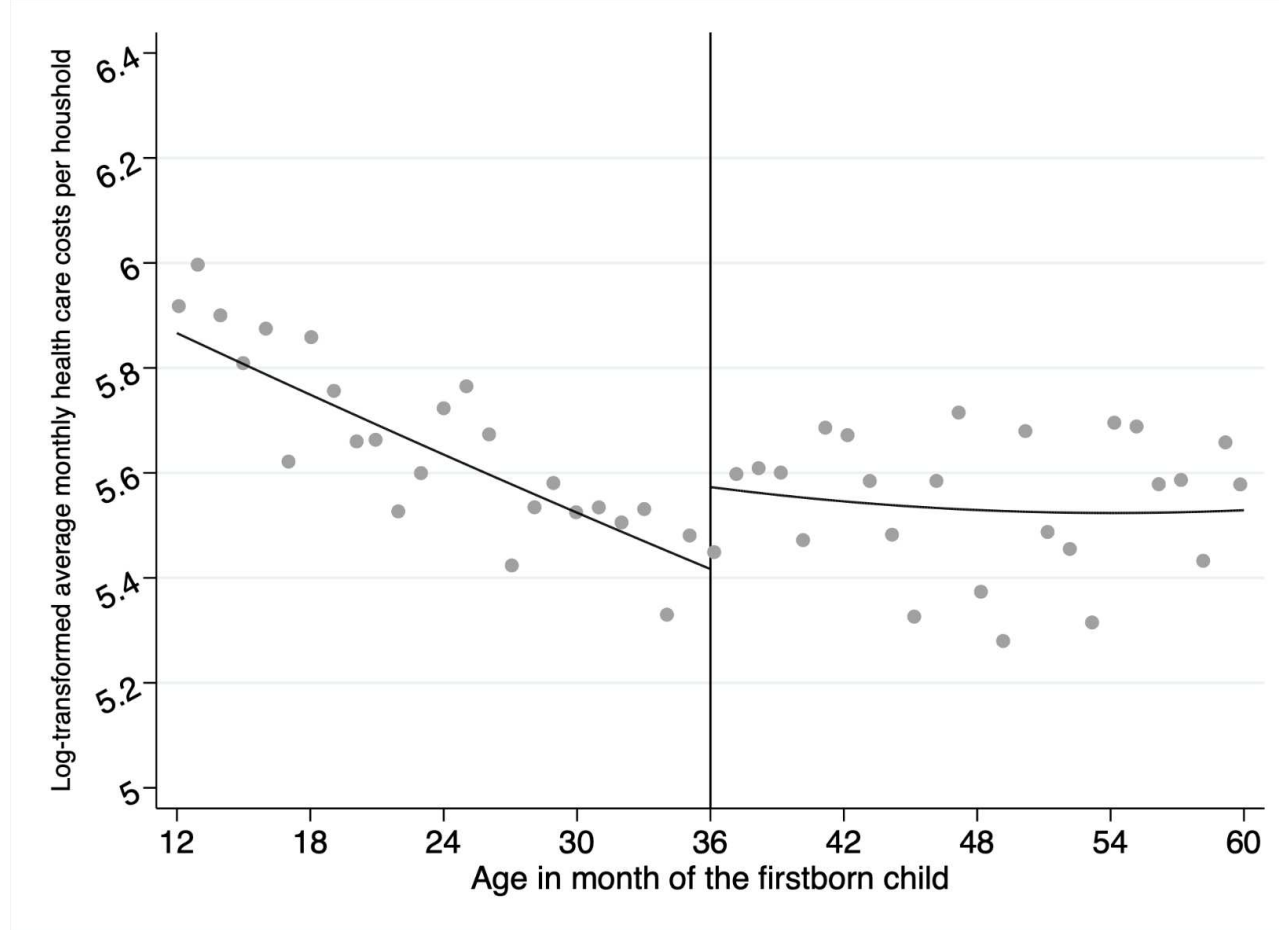
Continuity-based analysis featuring several bandwidth choices returned similar results.

Table S6. Results of sensitivity analyses featuring several different specifications of the running variables.

Polynomial orders	RD Estimator (USD)	p-value	95% CI	
Linear	213.0	0.01	55.5	370.5
Quadratic (Default)	248.6	0.03	25.4	471.7
Cubic	264.4	0.04	12.2	516.5
Quartic	246.0	0.16	-94.9	586.9

Continuity-based analysis featuring several polynomial orders returned similar results.

Figure S2. Log-transformed average monthly medical expenditure per household in terms of the firstborn child's age in months.



After considering the skewness of the health care costs, a significant upward jump in medical expenditure (coef. 0.15, 95%CI 0.02-0.28) was also observed when the firstborn child reached 36 months (the time at which income reduction occurs).

Table S7. Brief characteristics of the study municipalities in the study period.

Municipality	Approximate number of populations	Proportion of people receiving public assistance (%)	Proportion of older people (%)	Unemployment rate (%)
A	50000	1.34%	28.5%	6.1%
B	80000	1.07%	35.8%	5.7%
C	100000	1.68%	24.9%	7.8%
D	190000	2.32%	22.8%	7.6%
E	200000	2.69%	25.9%	6.9%