

You are cordially invited to attend the Science Tuesday on **13 April, 2021 at 13:00** when Professor Aurelien Baillon will present the paper

## **Leveraging Probability Distortion to Target Prevention? Evidence from a Lottery Experiment on Cardiovascular Risk**

The paper is joint work with Joseph Capuno, Aleli Kraft, Jenny Kudymowa and Owen O'Donnell. Please join the workshop and ZOOM webinar using the link <https://us02web.zoom.us/j/83731740380>

Working language of the workshop and webinar is English.

### **Abstract:**

Targeting is critical to making disease prevention programs cost-effective. We use a randomized experiment in the Philippines to test whether a lottery incentive for a medical check-up succeeds in targeting those who would otherwise underinvest in prevention because they distort probabilities. A lottery is expected to appeal more to those who display inverse S-shaped probability distortion, which is also a characteristic that discourages prevention of intermediate risks. We find that probability distortion partly explains under-prevention at baseline. The intervention provided only partial support for the predictions. Lottery incentives attracted risk seekers, and, only to some extent, those with inverse S-shaped probability distortion.

### **About the speaker:**

Aurelien Baillon is Professor of Economics of Uncertainty, in the Behavioral Economics group, at Erasmus University Rotterdam. His work focuses on individual decision making under risk and ambiguity, and the elicitation of private information. Through both empirical and theoretical studies, his research addresses issues in subjective probability elicitation, models of attitude towards risk and ambiguity, and aggregation of expert opinions.