

2017-18 Health Economics Fellows

Vilsa Curto

Assistant Professor of Health Economics and Policy, Harvard T.H. Chan School of Public Health
Department of Health Policy and Management



At the roundtable, I presented my paper “Pricing Regulations in Individual Health Insurance: Evidence from Medigap,” in which I examine the market for insurance that the elderly may purchase to supplement their Medicare coverage. As in other individual health insurance markets, policymakers must decide whether insurers may vary their prices with age and health. My paper is the first to leverage individual-level data on Medigap purchases that is linked to administrative data on all Medicare enrollees, which I use to compare Medigap coverage and premiums in states with and without regulations prohibiting insurers from varying prices with age and health. I find that allowing insurers to vary prices leads to less adverse selection, higher levels of Medigap coverage, and lower premiums.

I recently presented my work at the annual meeting of the American Economic Association in January 2018. I also intend to present my work at the Junior Health Economics Summit and the annual conference for the American Society of Health Economists in 2018.

Sunita Desai

Assistant Professor, Department of Population Health, New York University Langone School of Medicine



My research aim is to address policy-relevant questions using well-identified empirical strategies that are motivated by economic theory. First, I study hospital incentives that could conflict with patient interests and how they impact hospital market structure and competition. For example, I examine the effects of the federal 340B Drug Pricing Program on consolidation in the health care delivery system and hospital provision of care. Second, I study the role of information in consumer decision-making in health care, with several projects examining whether and how consumers respond to price and non-price information in their provider choice and health care utilization.

I received valuable feedback on my research at the roundtable and have since had a part of my proposed work published recently in the *New England Journal of Medicine*. This work has garnered interest from reporters and staffers in the House of Representatives Energy and Commerce Committee—which has jurisdiction over the 340B Program—with whom I will be speaking soon.

Coleman Drake

PhD Candidate in Health Services Research, Policy, and Administration, University of Minnesota



Presenting at the roundtable furthered the evolution of my research agenda in health plan choice and narrow network health plans. David Meltzer challenged me to think about the theoretical underpinnings of my model. Another fellow and expert on Medicare plan choice, Vilsa Curto, provided insight on how to improve my model of plan choice in the individual health insurance market.

My dissertation examines the role physician network breadth plays in consumers' choice of a health plan in the individual health insurance market. My preliminary findings suggest that consumers prefer plans with broader networks, risk adjustment payments are necessary to prevent adverse selection on broad network plans, and consumers' tendency to remain in the same health plan from year to year may result in less insurer competition on network breadth. The fellowship also prepared me for the job market, and I will be joining the University of Pittsburgh School of Public Health's Department of Health Policy and Management as an assistant professor this fall.

Joshua Gottlieb

Associate Professor, University of British Columbia Vancouver School of Economics



Thanks to the Health Economics Fellowship, I have been able to begin a new line of research into a critical but under-studied topic: administrative costs in US health care. Compared with other industries and countries, administrative expenses are uniquely large in this sector, and economic explanations are lacking. I have developed new measures of administrative expenses to study the roles of government programs, regulations, and the private sector in these escalating costs by constructing novel measures of physicians' difficulty receiving insurance payments for each visit. I investigate how institutional and economic forces influence the administrative costs of billing for patient care. The first part of this project is close to publication in the leading health policy journal. I expect it to be very influential to society's understanding of administrative expenses in health care.

The roundtable improved my work and even facilitated a new collaboration with Pietro Tebaldi, in which we will study insurers' and doctors' specific decisions during the billing process and develop a more accurate measure of how much administrative expenses really cost the health care sector.

Mariano Irace

PhD Candidate in Economics, Northwestern University



My research lies at the intersection of Industrial Organization and the Economics of Health Care. I am currently working on two projects. First, I am quantifying patient loyalty to hospitals in the state of New York and its impact on health outcomes. Second, I am studying how long-term care hospitals are responding to a major regulatory reform that substantially reduced the payment these hospitals receive from Medicare. I presented a summary of the first project at the roundtable, where I received feedback from participants with expertise and insights in many different aspects of health economics that I had not considered before. At the conference, I was able to talk about both the big picture and subtleties of my project with one of the authors of the main paper I am using as a reference, which led to the development of new strategies to answer my research question.

The fellowship allowed me to focus solely on my research and make significant progress on all my projects. Thanks to the financial support, I was able to purchase the datasets required for my second project and accomplish many of my research objectives much sooner than expected. I am currently on the job market and looking forward to the next step in my career.

Anh Nguyen

PhD Candidate in Economics, Columbia University



My current research focuses on how government intervention could reduce inefficiency from asymmetric information in the health insurance market. This involves studying how consumer decisions affect market outcomes and how firms in the health insurance market behave very differently from firms in other markets in a systematic way.

Presenting my work at the roundtable and attending “The Health Sector and the Economy 2017” conference were valuable opportunities for me to receive feedback and learn about other pressing issues in health economics and health policies in general. I found it extremely useful to have discussions on the policy implications of my research with scholars from interdisciplinary backgrounds. The fellowship has also allowed me to purchase data that will help me further explore how policies that target household decision-making could help mitigate inefficiency from moral hazard and adverse selection in the US health insurance market. My experiences in Chicago also helped me shape another research project that focuses on physician incentives and inefficiency due to incomplete contract issues. I learned the importance of this issue from my discussions with established and emerging researchers during the roundtable and the subsequent dinner.

Molly Schnell

PhD Candidate in Economics, Princeton University



As a sixth-year PhD student focusing on health economics, both the generous financial support from the fellowship and the roundtable played indispensable roles in my preparation for the academic job market. In addition to allowing me to focus full-time on my research, the PFR has provided me with unique opportunities to receive feedback on my work and to develop relationships with both emerging and established scholars at the cutting edge of the field. At the roundtable, the

subsequent conference, and discussions that continued over dinner and around campus, I was challenged to approach my research on the role of physicians in the opioid epidemic from new and interesting angles. These conversations helped move my work in a more productive direction by pushing me to link both my theoretical and empirical results to a broader range of policy alternatives.

I have stayed in contact with students and faculty that I met through BFI, and I am confident that these productive and fulfilling relationships will continue to strengthen my research as I transition from being a PhD Candidate to an assistant professor in fall 2018. The BFI Health Economics Initiative is an innovative program fostering the exchange of ideas among scholars across the country, and I am extremely grateful to have the opportunity to both benefit from and contribute to the productivity and academic diversity of the initiative.

Priya Shanmugam

PhD Candidate in Economics, Harvard University



I am currently researching the role of physician decision-making bandwidth on the quality and efficiency of Emergency Department treatment choices. We know that human decision-makers are rationally constrained and that health care treatment decisions are riddled with bias, inefficiency, waste, and prediction errors. I aim to understand how these two phenomena relate and generate insights for both behavioral and health economics.

The Health Economics Fellowship allowed me to focus fully on my research in my final pre-job market year, develop presentation experience outside my home university, and gain access to the BFI's health economics research community. When I presented at the roundtable, I discussed some of the statistical issues surrounding the determination of physician schedules with Professor David Meltzer. His perspective as both an economist and a physician helped me iron out a few questions with which I had been struggling. I also spoke in detail with Professor Anup Malani, and his enthusiasm for a previous project that I was not planning to submit for publication led me to revise the paper and prepare for a submission attempt. Professor Bradley Shapiro was very encouraging as we discussed the challenges of the final stages of graduate school and the first few years as faculty. I'm deeply grateful for the opportunity to interface with the program's affiliated faculty and the other Fellows, whose energy and excellence push me to execute this project to even higher standards.