## JOINT 2015 AHEW & 7th AWEHE

# The Joint 2015 Annual Health Econometrics Workshop and

the Seventh Australasian Workshop on Econometrics and Health

December 11-14, 2015

University of Hawaii, Mānoa, USA



## Joint 2015 AHEW and 7th AWEHE

Welcome to the Joint 2015 Annual Health Econometrics Workshop and the 7th

Australasian Workshop on Econometrics and Health Economics. The workshop will be held at the University of Hawaii, Manoa, USA from Dec 11-14, 2015. We received 68 highly qualified papers this year. Due to time constraints, we were able to include only 18 papers in the program. We would like to thank our discussants for taking the time to provide feedback on these papers at the workshop. Their insights into the econometric and health economics issues are the highlight of the program. We also thank Professor Petra Todd of the University of Pennsylvania for agreeing to deliver the key-note speech of the conference.

We gratefully acknowledge the support of our sponsors, Agency for Healthcare Research and Quality (AHRQ), Pfizer Inc, the University of Melbourne, Monash University, University of Hawaii at Manoa and the University of Washington School of Public Health without whom this conference would not be possible.

We hope you will find the workshop stimulating. See you all in December!

#### Joint Organizing Committee

Anirban Basu, University of Washington
Partha Deb, Hunter College, CUNY
Donna Gilleskie, UNC at Chapel Hill
Paul Grootendorst, University of Toronto
Timothy Halliday (Local Chair), University of Hawaii
John Mullahy, University of Wisconsin-Madison
Edward Norton, University of Michigan
Michael Shields, Monash University
Anthony Scott, University of Melbourne

And Willard G. Manning (1946-2014), Co-Founder & Member













## In Memoriam—Willard G. Manning, 1946-2014

Willard G. ("Will") Manning died on November 25, 2014, after an extended illness. At the time of his death, Will was a Professor Emeritus of Public Policy and of Public Health Sciences at the University of Chicago. He held previous faculty or senior economist positions at the University of Minnesota, the University of Michigan, the RAND Corporation, and the Kennedy School at Harvard. Will received his Ph.D. from Stanford in 1973 and his B.S. from CalTech in 1968. Among other commendations, Will was honored in 2010 with ASHE's Victor Fuchs Lifetime Achievement Award and in 2009 with AcademyHealth's Distinguished Investigator Award. In addition, Will's research was recognized with the Association for Health Services Research's Best Article of the Year Award in both 1990 and 1993, and with the International Health Economics Association's Arrow Award for the best paper in health economics in 2001. Will was elected to membership in the Institute of Medicine in 1995. Beyond these well-deserved formal accolades, Will's dedication to professional citizenship was inspiring and humbling. He was instrumental in launching the Annual Health Econometrics Workshops and was an inaugural board member of ASHEcon (then called ASHE).



By any standards Will was one of the most influential and productive health
economists our field has known. Will published over 150 articles and chapters in his career, most of them in the area of health
economics, and was co-author of at least four books. Will was probably best and most widely known for his work on the RAND
Health Insurance Experiment (HIE). Not only has this work on the RAND HIE been hugely influential in academic and policy
thinking about insurance design and its implications, it also generated a series of important methodological contributions that
have had lasting impact on econometric practice in health economics and health services research. Beyond the RAND insurance
work, Will also made important substantive contributions to an extraordinary number of areas in health economics including, but
not limited to: mental health; tobacco and alcohol use, and poor health habits; rural healthcare; health insurance theory and
design; hospital-based healthcare delivery; and healthcare disparities. Will's research also provided major advances in the
conceptual and statistical underpinnings of cost-effectiveness analysis. There is no question that Will's applied work has had
significant influence on the way policymakers think about the costs of illness, taxation of unhealthy commodities, design of
health insurance, healthcare access, and many other important policy domains.

In addition to his applied work, Will also made prominent contributions to the everyday empirical toolkit of health economists and health services researchers. Indeed, in some circles Will was best known and properly regarded as the field's top health econometrician. His applied work itself generated significant methodological advances, including the RAND HIE work mentioned above and quantile and count data regression applications tailored to health economics applications. Beyond these, Will was responsible for developing many of the methods still commonly used to analyze health care cost or spending outcomes. Even towards the end of his life Will continued to make important methodological contributions. Two are particularly noteworthy: one, on beta-binomial regressions and bimodal outcomes, solved an analytical challenge on which Will worked for many years; another, on overfitting in nonlinear models, provided important novel insights on the overfitting issue, a topic whose importance Will emphasized repeatedly over the years.

Will's wisdom, wit, and warmth are sorely missed.

(Composed by: John Mullhay)

#### Friday, December 11, 2015

6:30-9:00 PM: Pre-conference Welcome Session at Hawaii Prince

#### Saturday, December 12, 2015

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: Bus pick up from Hawaii Prince to EWC
7:30 AM
   8:00 - 8:30 AM : Breakfast
    8:30-8:50 AM: Welcome & Introductions
   8:50 - 9:40 AM: Paper # 1, Neha Bairoliya (Discussant: Daniel Miller)
  9:40 - 10:30 AM: Paper # 2, Susan Mendez (Discussant: Robin Lumsdaine)
  10:30 - 11:00 AM : Coffee Break
  11:00 - 11:50 PM: Paper # 3, Brenda Gannon (Discussant: Michael Shields)
  11:50 - 12:40 PM: Paper # 4, Anirban Basu (Discussant: Richard Lindrooth)
   12:40 - 1:30 PM : LUNCH
   1:30 - 2:20 PM: Paper # 5, Nicholas Papageorge (Discussant: Victoria
   2:20 - 3:10 PM: Paper # 6, Shiko Maruyama (Discussant: Audrey Laporte)
   3:10 - 3:40 PM : Coffee Break
   3:40 - 5:10 PM: Keynote Speech by Prof. Petra Todd
          5:30 PM: Bus pick up from EWC to Hawaii Prince
          6:30 PM: Walk to Hilton Hawaiian Village
   7:00 - 10:00 AM: Social Event at Hilton Hawaiian Village
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#### Sunday, December 13, 2015

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7:30 AM: Bus pick up from Hawaii Prince to EWC
8:00 - 8:30 AM: Breakfast
8:30 - 9:20 AM: Paper # 7, Silvia Mendolia (Discussant: Norma Coe)
9:20 - 10:10 AM: Paper # 8, Tzu-TingYang (Discussant: Ange Suziedelyte)
10:10 - 10:30 AM: Coffee Break
10:30 - 11:20 PM: Paper # 9, Hyunwoo Lim (Discussant: Susan Mendez)
11:20 - 12:10 PM: Paper # 10, Paul Makdissi (Discussant: Dennis Petrie)
12:10 - 1:30 PM: LUNCH
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CONTINUED....

(All papers will be available for download at the conference website: www.healtheconometrics.org)

#### Sunday, December 13, 2015—Continued

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1:30 - 2:20 PM: Paper # 11, Audrey Laporte (Discussant: David Byrne)
2:20 - 3:10 PM: Paper # 12, Mark Harris (Discussant: Maarten Lindeboom)
3:10 - 3:40 PM: Coffee Break
3:40 - 4:30 PM: Paper # 13, Ou Yang (Discussant: Don Kenkel)
4:30 - 5:20 PM: Paper # 14, Peter Siminski (Discussant: Xueyan Zhao)
5:30 PM: Bus pick up from EWC to Hawaiian Prince
6:30 PM: Bus pick up from Hawaii Prince to The Willows
7:00 - 10:00 PM: Social Event at The Willows to Hawaii Prince
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#### Monday, December 14, 2015

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7:30 AM: Bus pick up from Hawaii Prince to EWC

8:00 - 8:30 AM: Breakfast

8:30 - 9:20 AM: Paper # 15, Gabriella Conti (Discussant: Randy Ellis)

9:20 - 10:10 AM: Paper # 16, Rusty Tchernis (Discussant: Denzil Fiebig)

10:10 - 10:40 AM: Coffee Break

10:40 - 11:30 PM: Paper # 17, Georgios Effraimidis (Discussant: James O'Malley)

11:30 - 12:20 PM: Paper # 18, David Powell (Discussant: Kevin Straub)

12:30 PM: BOX LUNCH & ADJOURN

1:00 PM: Bus pick up from EWC to Hawaii Prince
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(All papers will be available for download at the conference website: www.healtheconometrics.org)

All authors would have the opportunity to submit their papers in the Sep/Oct 2017 Issue of *Health Economics*. Submissions will follow full peer-review. Details to be given during the workshop.

Saturday, December 12, 2015 3:40 -5:10 PM

#### Prof. Petra E. Todd

Alfred L. Cass Term Professor of Economics University of Pennsylvania, USA



## Structural estimation and policy evaluation

The development of methods for the estimation of discrete choice dynamic programming (DCDP) models that began 25 years ago opened up new frontiers for empirical research in a host of areas, including development economics, labor economics, industrial organization, economic demography, health economics, and political economy. This review shows the value of these tools for empirical policy evaluation. It describes the DCDP paradigm and its use in previous studies to address diverse, substantively important and challenging policy questions. Although some of these studies assess the impact of existing policies, what could be considered ex post evaluation, they also aim to perform ex ante policy evaluation by assessing the impact of policies outside of historical experience. I consider examples of how DCDP models can be used to evaluate health-related policies.

## Biographical Sketch of Keynote Speaker

#### Prof. Petra E. Todd

Alfred L. Cass Term Professor of Economics University of Pennsylvania, USA

Professor Todd is also a Research Associate of Penn's Population Studies Center. She serves as an Associate Editor for the American Economic Review and the Journal of Human Capital.

Her main fields of research are social program evaluation, labor economics, and microeconometrics. She has published papers on the determinants of cognitive achievement, testing for discrimination in motor vehicle searches, sources of racial wage disparities, and methods for evaluating and optimally designing conditional cash transfer programs.

She is currently working on implementing a large-scale randomized school incentive program in Mexican high schools, on analyzing the effects of school vouchers in Chile and on assessing the effects of government regulation on the operation of the privatized pension market in Chile.

## **Detailed Program**

#### Saturday, December 12, 2015

8:30 - 8:50 AM : Welcome & Introductions

SESSION # 1 Chair—Anirban Basu, University of Washington

 $8:50-9:40\ \mathrm{AM}$  : Consumer Learning, Product Differentiation, and The Value

OF GENERIC PHARMACEUTICAL ENTRY

Primary Author: Neha Bairoliya, University of Minnesota, USA

**Discussant:** Daniel Miller, Clemson University

9:40 - 10:30 AM : PARALLEL TRADE OF PHARMACEUTICALS: THE DANISH MARKET FOR

**STATINS** 

Primary Author: Susan J. Mendez, The University of Melbourne

**Discussant**: Robin Lumsdaine, American University

10:30 - 11:00 AM : Coffee Break

SESSION # 2 Chair— Anthony Scott, The University of Melbourne

11:00 - 11:50 PM : NEW APPROACHES TO ESTIMATING THE CHILD HEALTH-PARENTAL

**INCOME RELATIONSHIP** 

Primary Author: Brenda Gannon, University of Manchester

**<u>Discussant</u>**: Michael Shields, Monash University

11:50 - 12:40 PM : 2SRI vs 2SPS: Appropriate Methods for Rare Outcomes and/

OR RARE EXPOSURES

<u>Primary Author</u>: Anirban Basu, University of Washington <u>Discussant</u>: Richard Lindrooth, University of Colorado

12:40 - 1:30 PM : LUNCH

SESSION # 3 Chair— Maarten Lindeboom, VU University Amsterdam

1:30 - 2:20 PM : POSITIVELY AWARE? EXPERT DRUG REVIEWS, ERRORS AND THE

**DARK SIDE OF INFORMATION** 

<u>Primary Author</u>: Nicholas Papageorge, Johns Hopkins University

<u>Discussant</u>: Victoria Baranov, University of Melbourne

2:20 - 3:10 PM : INVESTMENT IN HEALTH AND HUMAN CAPITAL OVER THE LIFE-CYCLE

<u>Primary Author</u>: Shiko Maruyama, University of Technology Sydney

Discussant: Audrey Laporte, University of Toronto

3:10 - 3:40 PM : Coffee Break

## **Detailed Program**

#### Saturday, December 12, 2015 (Contd.)

#### SESSION # 4 Chair - Tim Halliday, University of Hawaii

3:40 - 5:10 PM : **KEY-NOTE SPEECH** 

Speaker: Petra Todd, University of Pennsylvania

Topic: STRUCTURAL ESTIMATION AND POLICY EVALUATION

## 7:00 - 10:00 PM : Social Event & Dinner at HILTON HAWAIIAN VILLAGE

#### Sunday, December 13, 2015

#### SESSION # 5 Chair - Justin Robertson, University of Washington

 $8:30-9:20\,\mathrm{AM}$  : Youth Unemployment and the Effect of Personality Traits

Primary Author: Silvia Mendolia, University of Wollongong

**Discussant**: Norma Coe, University of Washington

#### $9:20-10:10\,\mathrm{AM}$ : Patient Cost-Sharing and Healthcare Utilization in Early

#### CHILDHOOD: EVIDENCE FROM A REGRESSION DISCONTINUITY DESIGN

Primary Author: Tzu-Ting Yang, University of British Columbia

**Discussant**: Ange Suziedelyte, Monash University

10:10 - 10:30 AM : Coffee Break

#### SESSION # 6 Chair - Edward Norton, University of Michigan

10:30 - 11:20 AM : A STRUCTURAL ANALYSIS OF DETAILING, PUBLICITY, AND

**CORRELATED LEARNING: THE CASE OF STATINS** 

<u>Primary Author</u>: Hyunwoo Lim, Ajou University, South Korea <u>Discussant</u>: Susan J. Mendez, The University of Melbourne

## $11:20-12:10\ PM$ : Robust Wagstaff Orderings of Distributions of Self-Reported Health Status

Discussant: Paul Makdissi, University of Ottowa

Primary Author: Dennis Petrie, The University of Melbourne

12:10 - 1:30 PM : LUNCH

## **Detailed Program**

#### Sunday, December 13, 2015 (Contd.)

#### SESSION # 7 Chair— Monica Garcia-Perez, St. Cloud State University

 $1:\!30\ -\ 2:\!20\ PM$   $\ :$  Efficiency Estimation with Quantile Regression: An

APPLICATION USING PANEL DATA FROM NURSING HOMES IN ONTARIO, CANADA

<u>Primary Author</u>: Audrey Laporte, University of Toronto <u>Discussant</u>: David Byrne, The University of Melbourne

2:20 - 3:10 PM : MODELLING ILLEGAL DRUG PARTICIPATION

<u>Primary Author</u>: Mark Harris, Curtin University

Discussant: Maarten Lindeboom, VU University Amsterdam

3:10 - 3:40 PM : Coffee Break

#### SESSION # 8 Chair-Nicholas Papageorge, Johns Hopkins University

3:40 - 4:30 PM : Pre-School Children's Demand for Sugar Sweetened

BEVERAGES: EVIDENCE FROM STATED-PREFERENCE PANEL DATA

Primary Author: Ou Yang, The University of Melbourne

<u>Discussant</u>: Don Kenkel, Cornell University

4:30 - 5:20 PM : SOCIAL CONTEXT AND SEXUAL ASSAULT ON COLLEGE CAMPUSES:

**EVIDENCE FROM BIG-TIME SPORTING EVENT** 

Primary Author: Peter Siminski, University of Wollongong

Discussant: Xueyan Zhao, Monash University

7:00 - 10:00 PM: Social Event at The WILLOWS

#### Monday, December 14, 2015

#### SESSION # 9 Chair - Brenda Gannon, University of Manchester

8:30 - 9:20 AM : EQUILIBRIUM LABOR MARKET EFFECTS OF NON-CONTRIBUTORY

**HEALTH INSURANCE: EVIDENCE FROM MEXICO** 

<u>Primary Author</u>: Gabriella Conti, University College London

**Discussant**: Randy Ellis, Boston University

## $11:20-12:10\ PM$ : What Can We Learn About the Effects of Food Stamps on Obesity in the Presence of Misreporting

Discussant: Rusty Tchernis, Georgia State University

Primary Author: Denzil Fiebig, UNSW Australia Business School

### Monday, December 14, 2015 (Contd.)

10:10 - 10:40 AM : Coffee Break

#### SESSION # 7 Chair—Michael Shields, Monash University

10:40 - 11:30 AM : SOCIAL INTERACTION EFFECTS IN DURATION MODELS

**Primary Author:** Georgios Effraimidis, University of Southern Denmark

**Discussant**: James O'Malley, Dartmouth University

#### 11:30 - 12:20 PM : MEDICAL CARE SPENDING AND LABOR MARKET OUTCOMES:

#### **EVIDENCE FROM WORKER'S COMPENSATION REFORMS**

Primary Author: David Powell, RAND

**Discussant**: Kevin Straub, The University of Melbourne

12:20-1:30 PM: BOX LUNCH

1: 30 PM: ADJOURN

Lodging All registered nonlocal participants will be provided up to three nights (Dec 11-13, 2015) of accommodations at

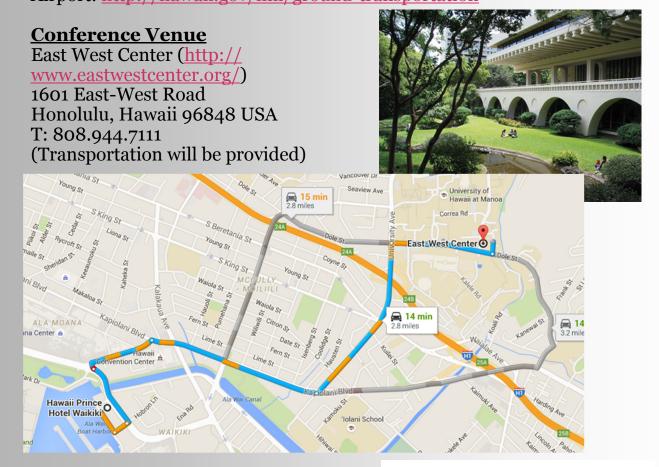
Hawaii Prince Hotel, Waikiki 100 Holomoana St Honolulu, HI 96815, USA



http://www.princeresortshawaii.com/hawaii-prince-hotel-waikiki/index.php

NEAREST AIRPORT FROM HOTEL: **Honolulu International Airport** <a href="http://hawaii.gov/hnl/">http://hawaii.gov/hnl/</a>

GROUND TRANSPORTATION OPTIONS AT Honolulu International Airport: <a href="http://hawaii.gov/hnl/ground-transportation">http://hawaii.gov/hnl/ground-transportation</a>



#### Pre-conference Welcome Session (December 11, 2015)

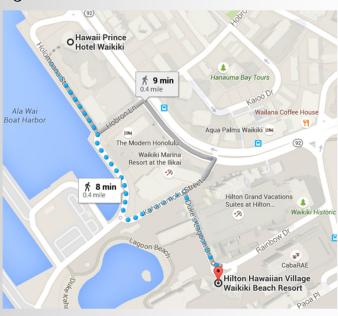
Promenade Terrace Hawaii Prince Hotel (Conference Hotel)

#### Saturday Conference Dinner (December 12, 2015)

Hibiscus Suite, Hilton Hawaiian Village Waikiki Beach Resort 2005 Kalia Rd. Honolulu, HI 96815

(8 min walk from conference Hotel)





#### Sunday Conference Dinner (December 13, 2015)

Kapaakea Room, THE WILLOWS 901 Hausten Street Honolulu, Hawaii 96826

(Transportation from Conference Hotel will be provided)

