Mengdi (Maggie) Shi
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Dear Professors Handel, Ho, and Kolstad,

I am writing to apply for the 2019 NBER Health Economics Research Bootcamp. I am a fourth year economics PhD student at Columbia University interested in US health policy.

Please see the attached essay explaining my rationale for attending the bootcamp and my curriculum vitae. My letter of recommendation will be submitted by my advisor, Wojciech Kopczuk.

Thank you for your consideration. I hope to hear from you soon.

Sincerely,
Maggie Shi

My name is Maggie Shi, and I am a fourth year student in the economics PhD program at Columbia University. My research interests fall in the intersection of public economics and health economics in the U.S. context. I am particularly interested in studying the effect of US healthcare policy on patients and providers. I want to attend the NBER Health Economics boot camp for two reasons. First, I would like to learn from the experts in the field. Not only do I want learn about the work they're doing at the research frontier, but I also hope to learn how to frame and present a project. Second, I think the bootcamp would be a great opportunity to meet other graduate students with similar interests who could potentially become collaborators.

I grew up in the Washington, DC area in the years leading up to the passage of the Affordable Care Act. After seeing how heated the US healthcare debate became in those years (and in the years following), I began to understand just how important healthcare policy is to the average American. Healthcare strikes a chord in people because it is deeply personal – the difference between having and not having health insurance is not just measured in the price of a premium, but could be the difference between detecting a life-threatening disease or not. Given the amount of attention devoted to healthcare policy, there is a need for unbiased research to inform voters and policymakers. I hope to contribute to the US healthcare policy conversation by producing relevant and informative research that fills this need. Since the researchers featured in last year's bootcamp all have extensive experience collaborating and communicating with policymakers, I hope that this year's bootcamp will also feature experts with similar policy-relevant experience that I can learn from.

The bootcamp will also serve as a fantastic learning opportunity to learn about how best to frame and present a project, which is especially useful for a fourth year student like me who is headed into the "dissertation-writing" phase of my PhD. My PhD courses at Columbia have already helped me hone the technical skills required to produce good research. In my Health Economics class, Professor Doug Almond stressed the importance of having a clean identification strategy and taught us how to ensure that our research met the standard of causal identification. In my Public Finance classes, I learned from Professors Wojciech Kopczuk and Michael Best how to apply our causally identified estimates to answer policy questions, like what the optimal policy is or what the welfare effect of a policy change was. And while these classes have thoroughly prepared me for the technical aspect of doing research, I believe there are "softer" skills integral to the research process that can only be learned by seeing examples. One of these skills is in how to frame and present results. In my discussions with peers and advisors, I have seen how a good framing can highlight the importance of a research question and draws people in, while a bad framing can confuse or even bore the audience. I spent this summer reading papers written by some of last year's bootcamp presenters, and I tried to focus not only on their results but also *how they write about* their results. This has been an incredibly useful exercise, and I would love the opportunity to further see how the bootcamp speakers translate their writing into a good presentation, which is another skill in and of itself. I saw one example of this when I watched Amanda Kowalski present at Columbia last year – her presentation was

a skillful balance between being general enough to interest a wide audience, but still included all the technical details to highlight the novelty of her approach. I hope that at this year's bootcamp, I can watch and learn from other experts' presentations.

I also look forward to meeting and learning from the other participants of the bootcamp. Doing policy-related work requires paying the fixed cost of understanding numerous institutional details. With US healthcare research, I have found that this can often become a barrier for finding collaborators, since many may not be interested in paying this high fixed cost. At the bootcamp, I hope to meet other PhD students interested in US health policy who have either already spent time understanding the institutional details, or who are willing to dive in. And given that one can never know every institutional detail, I also hope to learn about other facets of the healthcare system that I may not have previously looked into. Government agencies are constantly conducting policy experiments by tweaking rules and regulations, and I would love to be able to discuss and learn about such policy experiments with like-minded peers.

In terms of current and future research, I am working on three projects related to US health policy. The first one looks at the effect of the Affordable Care Act on labor supply. Specifically, I ask whether parents delayed retirement in order to take advantage of ACA's dependent mandate, which effectively required many employer-sponsored insurance plans to cover dependents until age 26. I find a large effect – on average, eligible parents delayed 0.7 years to take advantage of the policy. This finding is particularly striking in the context of the literature on retirement, which finds that retirement behavior is not very responsive to monetary incentives. This paper is currently in the submission process and I had the chance to present this paper at two conferences this summer, SOLE and ASHEcon. I am currently revising it based on the feedback I received from referees and conference participants.

My other two research projects revolve around understanding provider responses to Medicare policy. One of my projects looks at how Medicare audits of the "medical necessity" of an inpatient admission affected providers' admission decisions. Medicare pays for inpatient stays on a per-stay basis, so hospitals have an incentive to admit healthier, lower-cost patients for whom an inpatient stay may not be "medically necessary," but would be profitable for the hopsital. Medicare introduced a controversial audit program in which auditors look over the medical record of Medicare claims, and can deny them if they find a lack of medical necessity. Using Florida discharge-level data, I find that hospitals responded to a higher threat of audit by reducing inpatient admissions, especially for observably healthier patients.

Another project I recently started working on looks at the effects of pay transparency on provider labor supply – in particular, I look at the effect of the Wall Street Journal's release of searchable, detailed Medicare payment data for individual providers who participate in Medicare Part B. This project is still in the very preliminary stages, so I would love to get feedback on it from the experts and participants at this year's bootcamp.

Attending the healthcare bootcamp would be an extremely useful experience for me to learn from experts and peers in this field. I would greatly appreciate the opportunity to participate.

MENGDI (MAGGIE) SHI

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September 2019

EDUCATION

PhD	2016 -	Columbia University (Expected graduation: May 2022) Economics
BA	2012 - 2016	Rice University Mathematical Economic Analysis and Statistics *magna cum laude*

FIELDS

Health Economics, Public Finance, Labor Economics

AWARDS AND FELLOWSHIPS

2018	Harriss Prize (runner-up) Best second-year paper in PhD program Columbia University
2016 -	Dean's Fellowship and Faculty Fellowship Columbia University
2016	Peter Mieszkowski Prize for Honors Program Research Best paper in undergraduate honors program Rice University

WORKING PAPERS

Job lock, retirement, and dependent health insurance: Evidence from the Affordable Care Act

Abstract: The 2010 Affordable Care Act dependent mandate expanded health insurance coverage to dependents up to age 26, allowing some parents to add adult children to their employer-sponsored plans. I leverage this policy to understand the role adult children play in their parents' labor supply and consider whether it induced job lock for parents. I find that affected parents' retirement rate fell by 2.9 percentage points in the years after policy enactment, causing them to delay retirement by 0.74 years. Early retirees are the most responsive. An estimated 500,000 parents delayed retirement in order to obtain coverage for their children.

WORKS IN PROGRESS

When the clock strikes twelve: The effect of audits on physician decision-making

Abstract: Improper payments to medical providers represent a major source of waste in Medicare -- in 2018, the Medicare fee-for-service program paid out $32 billion (8% of total payments) in improper payments. In this paper, I explore the effectiveness of claims auditing as a tool to combat improper payments for medically unnecessary inpatient admissions. I leverage a Medicare rule which effectively

increases the audit rate for some patients but not others. Using data on 2010-2016 Florida emergency department visits, I find that the high audit risk patients are less likely to be admitted as inpatient and more likely to be assigned observation status. After the policy is enacted, the high audit risk patients who *are* admitted are older, have more chronic conditions, and are likely to have a recent hospital visit. This suggests that in the face of audits, providers screen for sicker patients when deciding who to admit. Thus, claims audits may be a useful tool in reducing unnecessary medical procedures and expenses.

Free to spend? The effect of fiscal autonomy on local government spending (with Andrea Tulli)
Abstract: In recent decades, many countries have devolved expenditure and taxation responsibilities from national to subnational levels of government. This paper considers how granting more fiscal autonomy to local governments affects public spending behavior in the context of Italian municipalities. We leverage a 2012 decentralization policy reform which simultaneously increased municipal tax revenue and decreased transfers to municipalities, thus changing the source of a municipality's revenue but not the overall amount of revenue. Using this policy reform, we instrument for municipal fiscal autonomy and study its effect on municipal procurement spending behavior.

GRANTS

2019	Applied Microeconomics Colloquium Travel Grant Columbia University
2019	Program for Economic Research Travel Grant Columbia University
2018, 2019	Program for Economic Research Data Grant (2x) Columbia University

TEACHING EXPERIENCE

Fall 2018, Fall 2019	The American Economy (Claudia Halbac)
Spring 2019	Intermediate Microeconomics (Wouter Vergote)
2017 - 2018	Principles of Economics (Ron Miller, Nicola Zaniboni)

RESEARCH ASSISTANTSHIP

2019 -	Adam Sacarny, David Silver, Tal Gross
2018 -	Michael Best, François Gerard

INVITED CONFERENCES

May 2019	Society of Labor Economists Annual Meeting
June 2019	American Society of Health Economists Annual Conference

COMPLETED PHD COURSES

2016-2017: Microeconomic Analysis I & II, Macroeconomic Analysis I & II, Introduction to Econometrics I & II, Math Methods for Economists, Perspectives on Economics

2017-2018: Public Finance (Kopczuk), Behavioral Economics (Dean), Political Economy (Naidu), Public Economics and Development (Best), Microeconometrics (Lee), Topics in Health Economics (Almond), Demographic Economics and Development (Soares)

SKILLS

Stata, R, Python, ArcGIS, QGIS, ArcPy

CITIZENSHIP

USA

COLUMBIA UNIVERSITY
IN THE CITY OF NEW YORK
ECONOMICS

Wojciech Kopczuk
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Columbia University
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October 10, 2019

To: Selection Committee for the NBER Health Economics Research Boot Camp for Graduate Students

I am writing to recommend Maggie Shi for the NBER Health Economics Research Boot Camp for Graduate Students. Maggie is a fourth year PhD student at the Department of Economics at Columbia University and I'm her main advisor. She is also working with Michael Best and Adam Sacarny. She took my public finance class and her interestsa lie at the intersection of health and public economics. She is one of the most promising students that I have ever advised - that includes Petra Persson, Maya Rossin-Slater, Lesley Turner, Hitoshi Shigeoka, Katherine Meckel and a number of others who are in the process of very fruitful research careers. She is squarely in that group. She impresses with her ability to ask interesting questions and energy to make very quick progress on them. She is just overall very smart and creative.

Her already completed paper is very interesting - it focuses on the effect of the ACA on labor supply, focusing on the discontinuity in eligibility of dependent coverage at 26 and looking at the effect on their parents' behavior. The focus there is on people approaching retirement and primarily on decision to retire, including (early eligibility) Social Security claiming. This is a completed paper that started as a term paper in her second year and it is currently under submission. Her second project looks at the effect of Medicare audits of inpatient admissions on hospital behavior, in particular the extent to which they reduce admissions and change the composition of admitted patients. I am a public finance economist and you can see where I come here - labor supply responsiveness and noncompliance are very much of interest to me - but these are also and predominantly health papers. Health is the direction where she is heading - she has recently started working with Adam Sacarny on topics that are a little bit further afield for me but I believe very much within your focus.

I have no doubt that she would greatly benefit from participating in the Boot Camp, that

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she is prepared for it, and that she fits the profile of who you might be looking for - a student that's already advanced in the program, approaching final research dissertation stage but still with time left in grad school, and one that's extremely motivated and interested in health economics. I recommend her very enthusiastically.

Sincerely,



Wojciech Kopczuk
Professor of Economics and
of International and Public Affairs
Columbia University

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