James Bailey

Curriculum Vitae updated November 2016

Contact Information

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Positions

Assistant Professor of Economics, Creighton University (2014-)
Visiting Scholar, Federal Reserve Bank of Philadelphia (2016-)
Visiting Instructor of Economics, University of West Florida (2014)

Education

Temple University, Philadelphia PA

PhD in Economics (2014)
MA in Economics (2011)

University of Tulsa, Tulsa OK
BS Economics *cum laude* (2009)

Research Interests

Primary: Health Economics, Labor Economics
Secondary: Entrepreneurship, Applied Econometrics

Publications

"Health Insurance Benefit Mandates and the Firm-Size Distribution" (with Douglas Webber) *Journal of Risk and Insurance*, 2016

"The Effect of State Health Insurance Benefit Mandates on Premiums and Employee Contributions" (with Nathan Blascak), *Applied Economics Letters* 2016

"Did the Affordable Care Act's Dependent Coverage Mandate Increase Premiums?" (with Briggs Depew) *Journal of Health Economics,* 2015

"Employer-Provided Health Insurance and Job Mobility" (with Anna Chorniy) *Contemporary Economic Policy,* 2015

"Who Pays the High Health Costs of Older Workers? Evidence from Prostate Cancer Screening Mandates" *Applied Economics,* 2014

"The Effect of Health Insurance Benefit Mandates on Premiums," *Eastern Economic Journal,* 2013

"Who Pays for Obesity? Evidence from Health Insurance Benefit Mandates," *Economics Letters,* 2013

Working Papers

"Health Insurance and the Supply of Entrepreneurs: New Evidence from the Affordable Care Act's Dependent Coverage Mandate" (revisions requested at *Small Business Economics*)

"The Political Roots of Health Insurance Benefit Mandates" (with Douglas Webber, forthcoming at the *Journal of Economic Studies*)

"Certificate of Need Laws and All-Cause Mortality" (accepted at *Health Services Research*)

"Gigabit Fiber Networks & Speed Competition in the United States: Cross-Sectional Analysis at the Census Block Level?" (with Michael Kotrous)

"Regulation of Industry, Employment and Entrepreneurship" (with Diana Thomas)

"Can Health Spending Be Reigned In Through Supply Constraints? An Evaluation of Certificate of Need Laws"

Works In Progress

"Certificate of Need Laws: A Cost-Benefit Analysis" (with Christopher Conover)

"Potential Entrepreneurs and Regulation: Who Gets Stuck in the Red Tape?" (with Diana Thomas)

"Hospital Concentration and Healthcare Spending: Theory and Application to Certificate of Need Laws" (with Tom Hamami)

Courses Taught

Applied Economic Research
Labor Economics
Health Economics (Undergraduate and MBA)
Introduction to the Culture of Collegiate Life
History of Economic Theory
Microeconomic Principles
Macroeconomic Principles

Awards, Fellowships and Grants

Kauffman Dissertation Fellowship, 2013
Humane Studies Fellowship, 2011 - 2014
National Merit Scholarship, University of Tulsa, 2005 - 2009

Selected Presentations

2016: Bentley University, Public Choice Society, American Society of Health Economists, Association for Public Policy Analysis and Management, Southern Economic Association
2015: West Virginia University, Eastern Economic Association, University of New Orleans, Public Choice Society, Kauffman Midwest Research Workshop, Methodist University, Southern Economic Association
2014: American Economic Association, Creighton University, Wayne State University, Public Choice Society, Society of Labor Economists, American Society of Health Economists, Kauffman Emerging Scholars Conference, Southern Economic Association
2013: Eastern Economic Association, Western Economic Association, University of Alabama at Birmingham, Samford University, University of Tulsa, International Atlantic Economic Society, Louisiana State University, Southern Economic Association
2012: Southern Economic Association
2011: Northeast Business and Economic Association
2009: American Association for the Advancement of Science, Fed Economics Scholars Program

Professional Experience

Duke Center for the History of Political Economy Summer Institute 2011-2
Referee, *Applied Economics, Contemporary Economic Policy, Journal of Policy Analysis and Management, Social Science and Medicine, Health Services Research, Journal of Health Economics, Health Economics, American Journal of Health Economics, Journal of Entrepreneurship and Public Policy*

Personal

Citizenship: US

References

Dr. Douglas Webber (Advisor)
Department of Economics
Temple University
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Department of Economics and Finance
Creighton University
402-280-4823
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Dr. Michael Leeds
Department of Economics
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Dr. Erwin Blackstone
Department of Economics
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Research Proposal: The Effect of the Affordable Care Act on Entrepreneurship

I hope to join the entrepreneurship working group at NBER for the next year to expand my research into the links between health insurance and entrepreneurship. I would be taking leave from my tenure-track position, which I'd be happy to do for the chance to work with the many excellent scholars at NBER, especially for the next year as my wife has committed to a one-year fellowship at a Boston hospital. A description of one of my planned research projects, which I have begun to work on with NBER Research Associate Dhaval Dave, follows.

This project will be the first to determine the effect of the main provisions of the Affordable Care Act on entrepreneurship. Previous work has found substantial evidence that some Americans are deterred from self-employment because they are concerned about losing their employer-based health insurance. The Affordable Care Act (ACA) introduced several reforms aimed at improving the market for individual insurance, with one objective of reducing the problem of "entrepreneurship lock." We will assess whether, and the extent to which the ACA has made progress towards this objective, across various relevant margins and sub-populations, based on a quasi-experimental research design applied to multiple national datasets, including data from the American Community Survey, Current Population Survey, Medical Expenditure Panel Survey, and Internal Revenue Service Statistics of Income. The proposed research will provide important estimates, currently lacking in the literature, to inform debates on health policy, labor markets, and entrepreneurship in the United States.

Because many of the main ACA provisions took effect in January 2014, it is only now becoming possible to study their effects; previous work on the ACA and entrepreneurship could only investigate the effect of relatively minor early provisions such as the dependent coverage mandate (Bailey 2013). We are not aware of any prior study that directly examined how expanded insurance coverage under the main provisions of the ACA has impacted entrepreneurship and self-employment behaviors.

As potential entrepreneurs are deterred because of concerns over their ability to maintain health insurance when they start a company, it is important to understand whether and to what extent the ACA solves this market failure for various groups, as well as the extent to which further reforms would be needed to keep the employer-based health insurance system from distorting the labor market and slowing the formation of new businesses. This project will be the first to provide evidence on these questions. Market frictions that impede entrepreneurship may have adverse implications for efficient matching between worker skills and work and lead to labor market inefficiencies.

Our main analysis focuses on evaluating the net effect of the main ACA provisions as a whole. However, if policymakers aim to expand, scale back, or replace the ACA it will be important to understand potential effects of individual components. Because many of the main provisions, including guaranteed issue, community rating, and the subsidized exchanges began simultaneously on January 1, 2014, it is empirically difficult to separate their effects. Nevertheless, first-step evidence on the partial effects of some of these individual components can be gleaned by exploiting previous state laws mandating guaranteed issue and community rating and by further exploiting individuals from Massachusetts, who were subject to an individual mandate, as an additional control group.

To summarize, the proposed study will address and provide the first evidence on the following specific aims:

1) Estimate the net effects of the ACA on alternate measures of entrepreneurship and self-employment, based on four large-scale nationally-representative datasets.
2) Assess heterogeneity in the response across various sub-populations based on socioeconomic factors and other factors moderating the individual's perceived value of health insurance.
3) Assess differential effects across individual components of the ACA, including guaranteed issue and community rating.

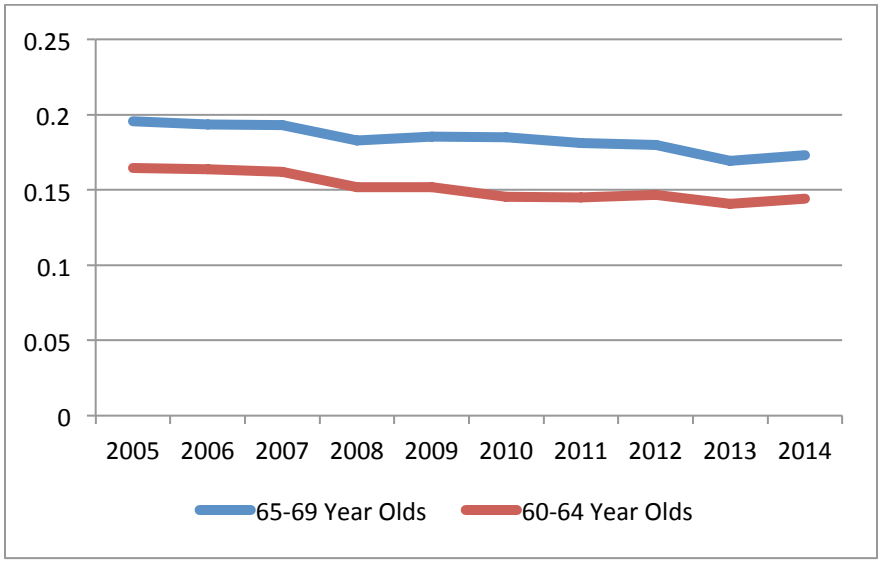
The employer-based health insurance system of the United States deters many Americans from striking out on their own to start a business (Fairlie, Kapur and Gates 2011), knowing that they must leave their large-group employer-based health insurance behind. The Affordable Care Act made enormous changes to this system, including increasing the demand for health insurance through individual and employer mandates, reforming the market for individual insurance through guaranteed issue and community rating, and subsidizing alternatives to employer-based insurance through state exchanges and Medicaid. We will determine the effect of these landmark reforms on the rate of self-employment in the United States, evaluating the extent to which the ACA has or has not reduced entrepreneurship lock and repaired the labor market distortions of the employer-based system for various groups. We will do this using difference-in-differences identification strategies that take advantage of control groups less affected by the ACA, and using multiple datasets (ACS, CPS, MEPS, and IRS Statistics of Income) whose complementary strengths will allow us to answer these questions with greater confidence. The findings from the proposed research will provide valuable estimates to inform debates on health policy, labor markets, and entrepreneurship in the United States.

References

Bailey, James. 2013. Health Insurance and the Supply of Entrepreneurs: New Evidence from the Affordable Care Act's Dependent Coverage Mandate. Working paper.

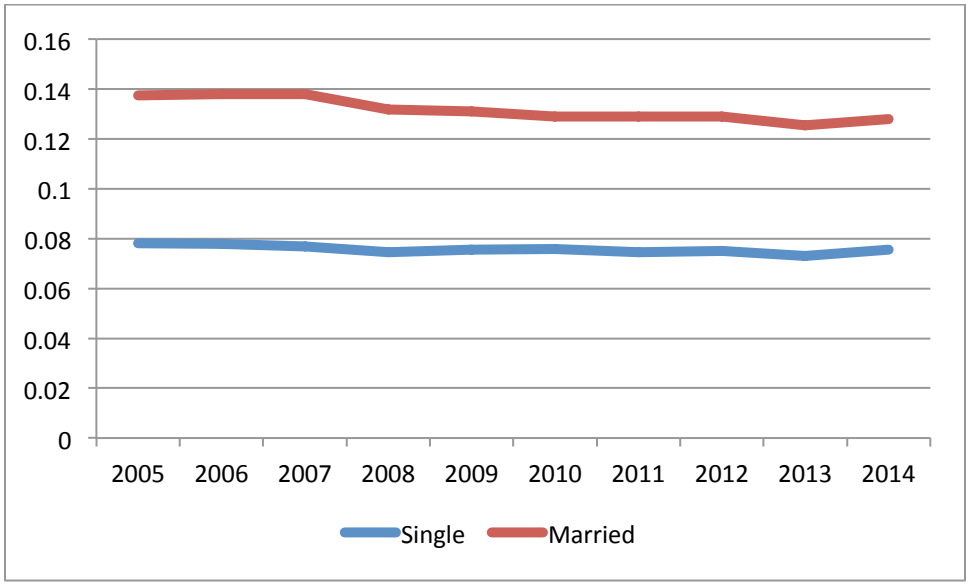
Fairlie, Robert, Kanika Kapur, and Susan Gates. 2011. Is Employer-Based Health Insurance a Barrier to Entrepreneurship? *Journal of Health Economics.*

Figure 1: Self-Employment Trends Among Planned Treatment and Control Groups (60-64 and 65-69 year olds), 2005-2014



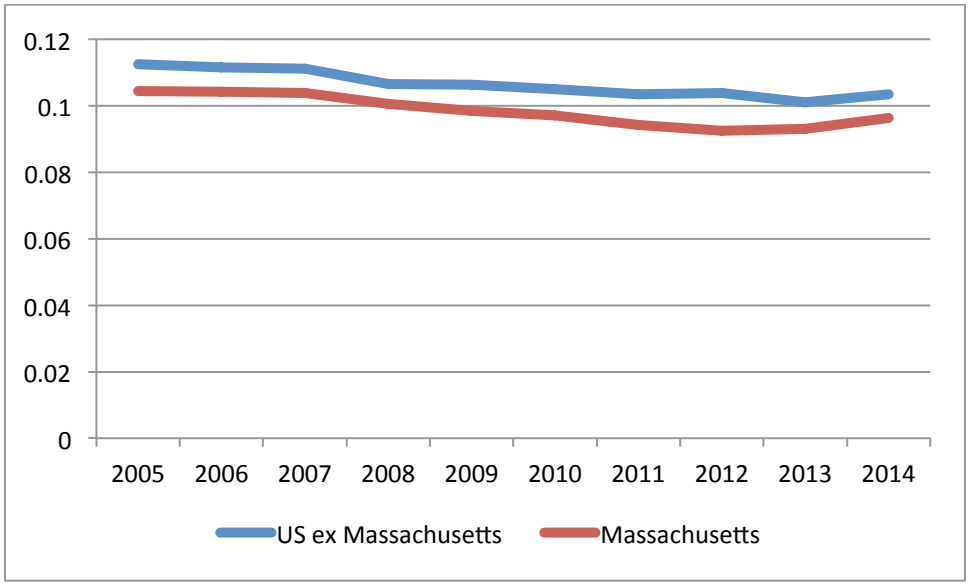
Source: Author calculations from IPUMS American Community Survey data. The graphs give the proportion of self-employment among persons who have worked within the past five years.

Figure 2: Self-Employment Trends Among Planned Treatment and Control Groups (Single versus Married individuals), 2005-2014



Source: Author calculations from IPUMS American Community Survey data. The graphs give the proportion of self-employment among persons who have worked within the past five years.

Figure 3: Self-Employment Trends Among Planned Treatment and Control Groups (Massachusetts versus other states), 2005-2014



Source: Author calculations from IPUMS American Community Survey data. The graphs give the proportion of self-employment among persons who have worked within the past five years.