Dissertation Proposal

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Essays on Public Economics

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The first chapter analyzes the feedback loop of health, health insurance and employment. Health is a known determinant of employment decisions, but is employment also a determinant of health? How should health insurance and employment policies be designed to improve both health and labor force participation? I develop a discrete choice dynamic programming model where individuals choose whether to work full-time, work part-time or not work each period after observing a shock to their health. In the model, insurance status depends on the employment decision, with full-time workers having a higher probability of having health insurance than part-time workers and jobless individuals. The insurance status and employment decision affect the following period’s health state. The health state then affects the employment decision indirectly through the wage function, with sick individuals obtaining lower average wages than healthy individuals. These mechanisms allow the feedback loop to occur. The model is estimated using data on individual employment decisions from the Medical Expenditure Panel Survey (MEPS). This analysis will offer a better understanding of the feedback loop and can lead to policy recommendations. Specifically, I can analyze the impact of different health insurance policies by observing how a change in health insurance policies will affect employment decisions through changes in health and wages. I can further investigate which populations will be most affected by these policy changes.

The second chapter models a patient’s plan decision in the Medicaid market in Florida. Since 2014, most Florida Medicaid recipients have been required to enroll in a Managed Medical Assistance plan. These plans are offered at no cost to the enrollee. All plans must offer the same core benefits but have varying extended benefits and physician networks. Using monthly plan and county specific enrollment data from the Florida Agency on Health Care Administration, we determine what Medicaid enrollees value most in a health insurance plan. We adapt a Berry, Levinsohn and Pakes (BLP, 1995) random coefficients discrete choice demand model to our setting without prices and without an outside good. We find non-trivial effects of some plan characteristics on plan choice. The importance of these benefits varies by patient characteristics, including race.

The third chapter seeks to understand persistence in voter turnout across election cycles and electoral contests. Specifically, we analyze how close state presidential elections influence future voting behavior of individuals. Are individuals who supported a candidate who barely lost the electoral college votes in a state race less likely to vote in the future? This pattern may be due to an updated belief that their vote is not likely to affect the probability that their preferred party will win. Or are those individuals energized and more likely to turn out in the future? Using data from the American National Election Studies (ANES), we use within state variation in voter turnout and electoral college closeness to analyze persistence in voter turnout across election cycles. We compare individuals who voted for a candidate who barely lost to individuals in the same state who voted for a candidate who barely won the electoral votes for that state. Preliminary results suggest that persistence in voter turnout for presidential elections does depend on the closeness of the electoral college victory of the previous presidential election.