

Qian Li

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Education

Ph.D. in Economics, Indiana University, Bloomington, IN, Expected: May 2008
M.A. in Mathematics (Statistics Field), Indiana University, Bloomington, IN, May 2007
M.A. in Economics, Indiana University-Purdue University Indianapolis, IN, August 2003
B.A. in International Finance, Nankai University, China, June 2001

Dissertation

Title: "Studies of Choice Behaviors in the Medicare Market"

Committee: Pravin K. Trivedi (Chair), Rusty Tchernis, Anne B. Royalty, David Jacho-Chavez

Fields of Specialization

Econometrics, Health Economics, Industrial Organization, Applied Game Theory

Research Interests

Econometrics, Bayesian Estimation Methods, Health Economics, Applied Microeconomics

Working Papers

"Medicare Beneficiaries' Choice of Medicare Health Plans – A Choice-with-Screening Model"
(Job Market Paper)

"Choice-with-Screening Model with Correlated Cutoffs"

"Bayesian Analysis of Information Overload in the Choice of Health Insurance"

"Valuing the Variety of Health Plan Offers – Evidence from the 1987 National Medical Expenditure Survey" (with Anne B. Royalty and Jean Abraham)

Work in Progress

"Impact of Health Insurance on Out-of-Pocket Prescription Drug Expenses – Evidence from the Medicare Current Beneficiary Survey" (with Pravin K. Trivedi)

"Valuing Variety: How Much Do Workers Value Having Choices Among Health Insurance Plans?"
(with Anne B. Royalty and Jean Abraham)

Presentations

2nd Biennial Conference of the American Society of Health Economists, Durham, NC, June 2008

Midwest Econometrics Group Annual Meeting, St. Louis, MO, October 2007

Econometrics Workshop at Indiana University, Bloomington, IN, September 2007

Jordan River Economics Conference at Indiana University, Bloomington, IN, April 2007

Jordan River Economics Conference at Indiana University, Bloomington, IN, April 2006

Awards and Grant

Best Graduate Student Paper Award from Jordan River Economics Conference at Indiana University, April 2007

Dissertation Grant of \$ 2,190 – research support from Department of Economics at Indiana University, June 2006

University Fellowship from Indiana University-Purdue University Indianapolis, August 2001 – May 2002

Outstanding Student Fellowship from Nankai University, August 1997 – June 2001

Research Experience

Research Assistant to Professor Pravin K. Trivedi

Department of Economics, Indiana University, June 2006 – August 2006

- Conduct Monte Carlo experiments to investigate estimation properties
- Provide Stata programming for simulations

Graduate Assistant to Professor Michael R. Baye

Kelley School of Business, Indiana University, May 2004 – June 2004

- Search economic cases to demonstrate theories for the editing book “Managerial Economics and Business Strategy, 5th Ed.”

Research Assistant to Professor Anne B. Royalty

Department of Economics, Indiana University-Purdue University Indianapolis, August 2002 – August 2003

- Develop empirical model for the study of evaluating health insurance variety
- Construct datasets and perform data analysis using SAS and Stata

Statistics Assistant (Volunteer)

Quality/Risk Management Department, Wishard Health Service, Indianapolis, IN, October 2002 – June 2003

- Construct the database to organize patient-complaint documents using Access

Teaching Experience at Indiana University

Associate Instructor with full teaching responsibility

- E201: Introduction to Microeconomics, Fall 2005 and Spring 2006

Teaching Assistant for graduate courses

- E673: Microeconometrics, Fall 2006 and Fall 2007
- E671: Nonlinear and Simultaneous Models, Fall 2006
- E572: Regression and Time Series, Spring 2007

Teaching Assistant for undergraduate courses

- E321: Intermediate Microeconomic Theory, Summer 2007 and Fall 2007
- E201: Introduction to Microeconomics, Fall 2003 – Spring 2004 and Fall 2004 – Summer 2005

Computer Skills

Proficient in data analysis software: SAS, Stata, Gauss, Matlab, Excel

Professional Affiliations

The Econometric Society, American Statistical Association, American Society of Health Economists, International Health Economics Association

Personal Information

Chinese citizen, F-1 Visa

Research References**Professor Pravin K. Trivedi**

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Professor David Jacho-Chavez

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Teaching Reference**Dr. James K. Self**

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Dissertation Abstract

Title: “Studies of Choice Behaviors in the Medicare Market”

Chapter 1: “Medicare Beneficiaries’ Choice of Medicare Health Plans – A Choice-with-Screening Model” (Job Market Paper)

Evidence from behavioral economics finds that consumers suffer cognitive costs from complicated choice situations and they may use screens to simplify their choices. This paper investigates the screening behavior of the elderly in the choice of Medicare health plans. A choice-with-screening model is proposed, where the individual’s decision process follows two stages: first screening the health plans by attributes using a conjunctive rule and then making the final choice among the plans that passed the screening. Screening is a stochastic process that is driven by demographics. The plan choice after the screening is analyzed by the random coefficient multinomial probit (RCMNP) model. The choice-with-screening model is estimated in a Bayesian framework. Estimation only relies on observed choices. The choice and demographic information is obtained from the 2002 Medicare Current Beneficiary Survey (MCBS) and the information regarding Medicare health plans is obtained from the 2002 Medicare Health Plan Compare (MHPC) dataset. The results show that the elderly are likely to screen health plans based on premium, drug coverage and vision service coverage. Compared with the conventional RCMNP model, the choice-with-screening model fits the data better and also captures certain nonlinearities in the effects of plan attributes.

Chapter 2: “Choice-with-Screening Model with Correlated Cutoffs”

In Chapter 1, the cutoffs for the screening attributes are assumed to be independent of each other, conditional on the demographics. However, this assumption is not valid when factors not considered in the model have systematic impacts on the cutoff values. This paper proposes an extension of the choice-with-screening model so that the cutoffs for premium, drug coverage and vision service coverage are determined jointly by each individual. After re-parameterization of the joint distribution for cutoffs, Bayesian estimation of the model follows standard algorithm. Griddy Gibbs sampler and Metropolis-Hasting method are used to facilitate the posterior simulation. The model is applied to an unbalanced panel of 4-years’ data, which include the 2001-2004 MCBS and the 2001-2004 MHPC. The preliminary results are consistent with the findings in Chapter 1. Moreover, a negative correlation between the cutoff for drug coverage and the cutoff for vision service coverage in the screening stage is detected.

Chapter 3: “Impact of Health Insurance on Out-of-Pocket Prescription Drug Expenses – Evidence from the Medicare Current Beneficiary Survey” (with Pravin K. Trivedi)

Many studies in health economics have analyzed the relationship between the health plan choice of the elderly and their utilization of health care services. Since the plan choice is believed to be endogenous, finding good instrumental variables for plan choice is important. The insurance premium is a natural instrument and is important for identifying the causal impact of insurance status on health care utilization. However, the prevailing data used in the studies do not contain this information. MCBS provides detailed health care utilization data and some health plan information, including the insurance premium. In Chapter 3, the MCBS data will be used to analyze the impact of health plan choice on the out-of-pocket drug expenditure. The analysis can verify the findings in the literature and provide more insight in the health plan impact. The model will be estimated in a Bayesian framework.