

# Homework 4 - Submission 3

ECON 470

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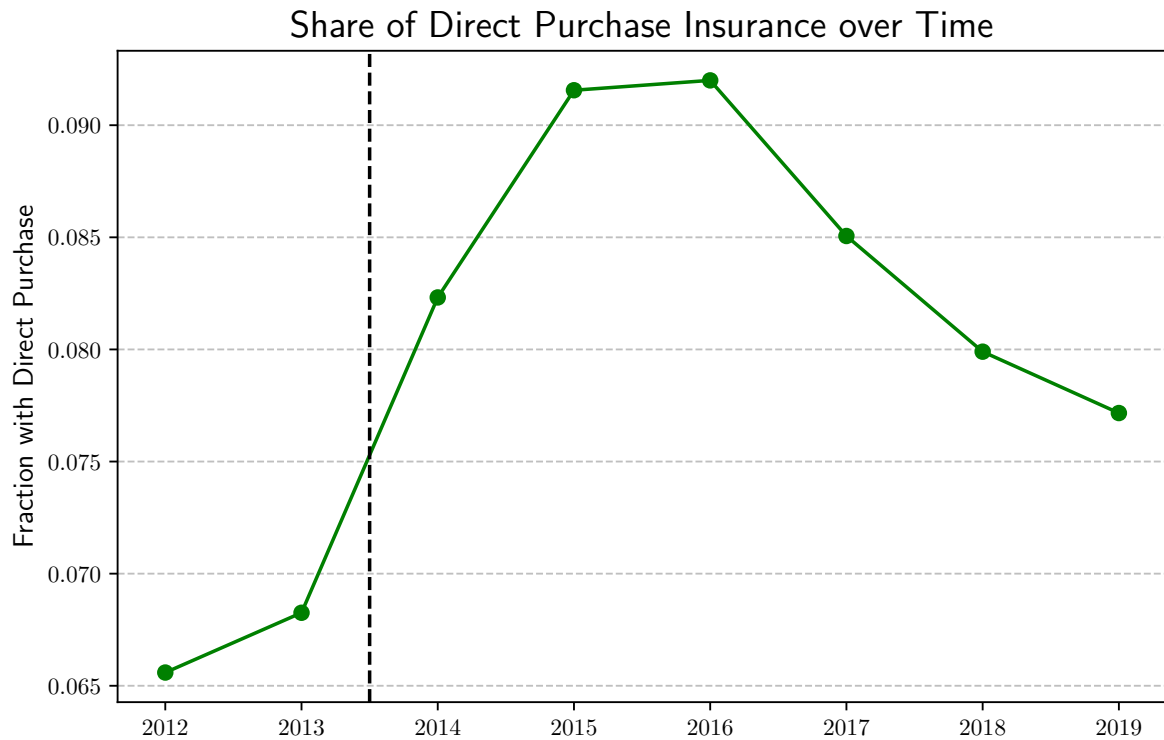
## Homework 5

[Link to Github](#)

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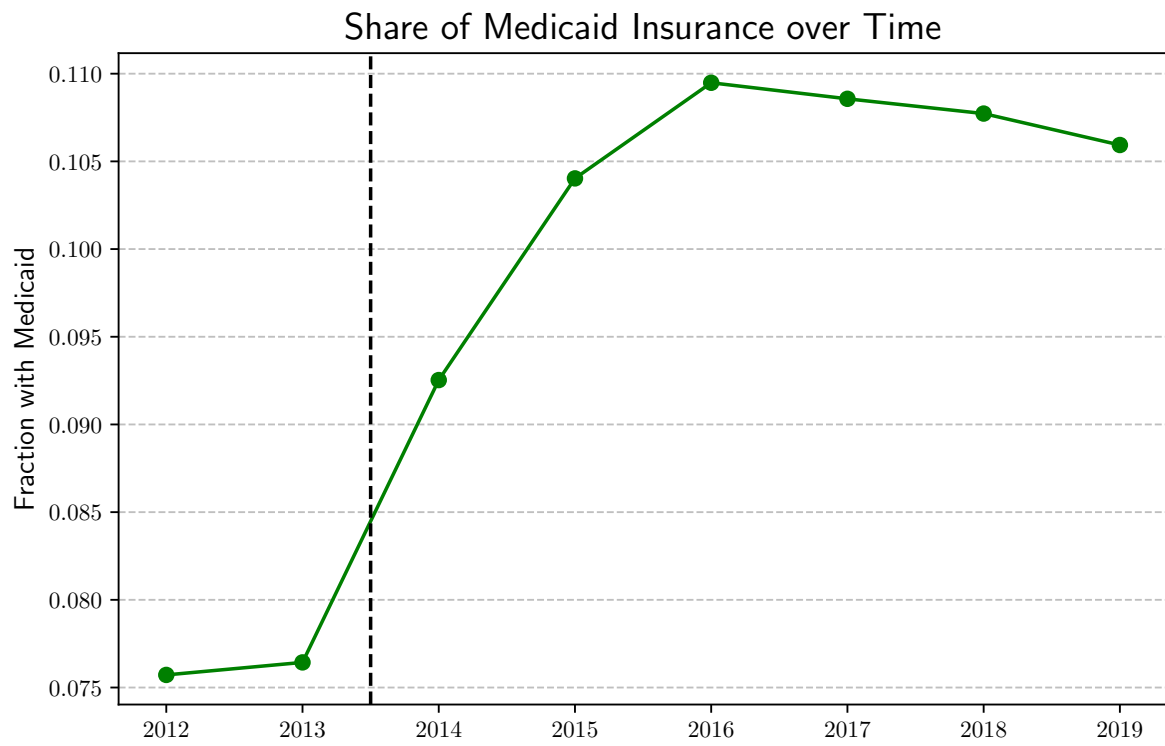
1.



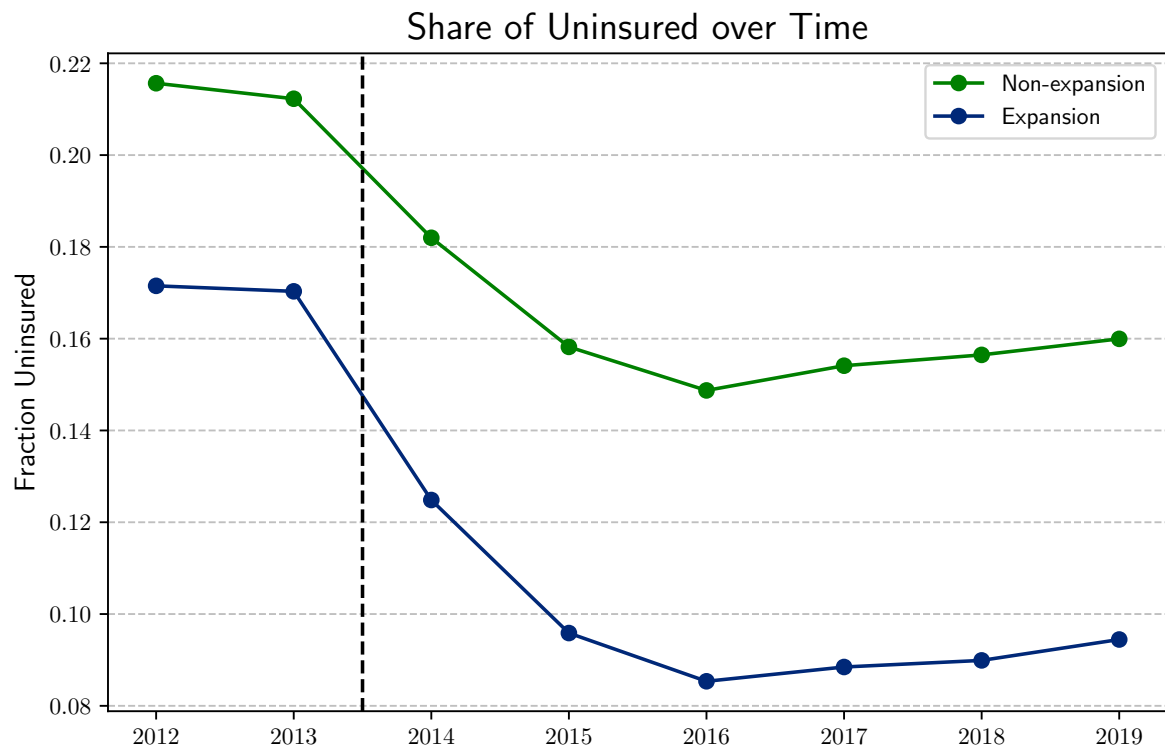
2.

The share of direct purchase health insurance rose after the Affordable Care Act exchanges launched in 2014 but began declining after 2016. Key reasons include the 2017 repeal of the individual mandate penalty, which reduced incentives for healthy individuals to buy coverage. The expansion of short-term health plans also drew healthier people away from ACA-compliant markets. Cuts to outreach funding and the end of federal cost-sharing payments further destabilized the individual insurance market.

3.



4.



## 5. Average Percent Uninsured Individual before and after Expansion

Group	Pre	Post
Non-expansion	0.216	0.158
Expansion	0.172	0.096

## 6. Estimated Effect of Medicaid Expansion on Uninsurance Rate

	Standard DD
Post 2014	-0.054*** (0.008)
Expand	-0.043*** (0.009)
Post x Expand	-0.020* (0.010)
Num. Obs.	344
R2	0.508

## 7. State and Year Fixed Effects of Regression

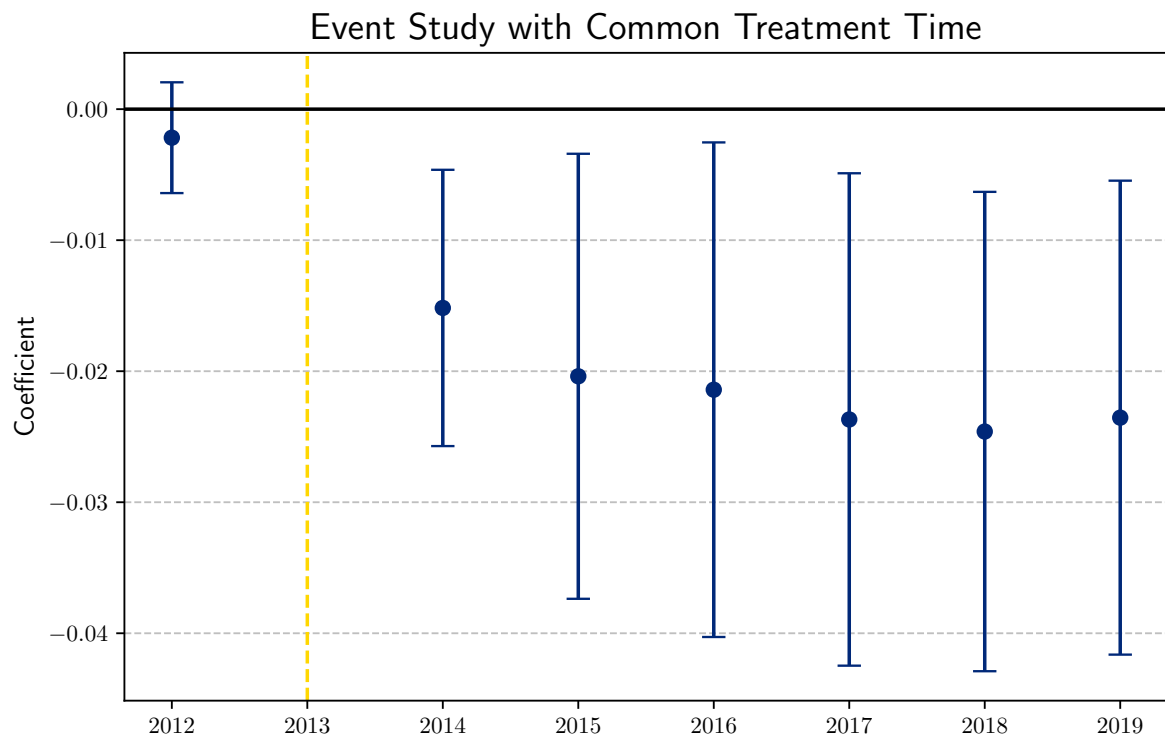
	Standard DD	TWFE
Post 2014	-0.054*** (0.008)	
Expand	-0.043*** (0.009)	
Post x Expand	-0.020* (0.010)	-0.020** (0.007)
Num. Obs.	344	344
R2	0.508	0.952

## 8. Repeated Regression with all states

	Standard DD	TWFE	Time-varying Treatment
Post 2014	-0.054*** (0.008)		
Expand	-0.043*** (0.009)		
Post x Expand	-0.020* (0.010)	-0.020** (0.007)	-0.023*** (0.005)
Num. Obs.	344	344	400
R2	0.508	0.952	0.950

Including all states, even those that expanded after 2014, slightly strengthens the estimated treatment effect. The Post x Expand coefficient becomes more negative ( $-0.023$ ) and more precisely estimated under the Time-varying Treatment model. The sample size increases from 344 to 400, adding power and variation in treatment timing. This improved specification better captures staggered policy adoption and yields a clearer estimate of the treatment effect.

9.



10.

