

# Econ 675 Assignment 1

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<b>1</b>	<b>Q1</b>	<b>1</b>
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### **1 Q1**

Because the reform also includes an individual mandate that everyone inside Massachusetts after the reform was treated in some way. so,  $V, X, V'', X''$  are all treated and the rest are controls.

### **2 Q2**

$$\beta_1 = \{[(V - Y) - (X - Z)] - [(V' - Y') - (X' - Z')]\} - \{[(V'' - Y'') - (X'' - Z'')] - [(V''' - Y''') - (X''' - Z''')]\}$$

### **3 Q3**

$\beta_1$  is the result of two stages of difference in difference. Start by doing four difference in differences of ESHI vs non-ESHI on the sub sections of Large and small MA firms and Large and small non-MA firms. After This, Take the difference in difference of these four sub diff in diff terms giving the difference in difference of

### **4 Q4**