

Problem Set 1

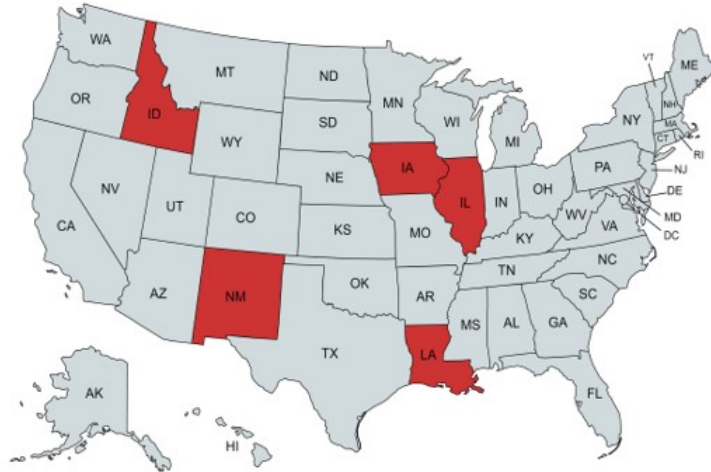
Angela Shoulders

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My interest in economics have evolved somewhat dramatically over time but my passions have always revolved around public policy. My undergraduate honors senior thesis was about government funding policy for public higher education, particularly in the state of South Carolina. At that time, I thought I was going to work in education policy. But, like many college seniors, my desire took second priority to simply finding a job. I ended up working in the Strategy and Analytics department of the United States' largest generic pharmaceutical sourcer, and I ended up being fascinated by the industry. I believe there are tremendous policy improvements that can be made in the pharmaceutical industry, and in the healthcare industry as a whole, and I would like for my career to be a part of that change.

I am currently working on a paper with [Alicia Plemmons](#) at Southern Illinois University Edwardsville on scope of practice expansion for psychologists. In five states displayed in figure 1, legislators have expanded prescriptive authority for psychologists to allow them to prescribe psychotropic medication to their patients after a period of additional training.

FIGURE 1: STATES THAT HAVE EXPANDED PRESCRIPTIVE AUTHORITY FOR PSYCHOLOGISTS



Using BRFSS data, we are trying to ascertain whether or not this policy change has lead to any

improvement in the mental health of the states' citizens. Our outcome variable is the percentage of people in a given state who have experienced 14 or more days of poor mental health in a given month. We are using the following model and a difference-in-differences estimation strategy.

$$Y_{st} = \beta_0 + \beta_1 SOP_s + \beta_2 Post_t + \beta_3 (SOP * Post)_{st} + X_s t + \gamma_s + \lambda_t + \epsilon_{st} \quad (1)$$

Our preliminary findings have found that New Mexico, Illinois, and Idaho all see a 0.7%-1.0% decrease in the people with 14 or more bad mental health days per month. The percentage of people with no bad mental health days in those states is unchanged. Iowa does not experience any change and we are having issues with Louisiana's data which we are trying to resolve.

There are a lot of interesting scope of practice papers that have been written relatively recently. [Alexander and Schnell \(2019\)](#) found expanding prescriptive authority for nurse practitioners decreases the number of bad mental health days and mental health related mortality. Additionally, [Kleiner et al. \(2016\)](#) found that expanding practice authority for nurse practitioners increases wages, decreases costs, and has no effect on safety or quality. Relatively minimal research has been done focusing on psychologists, however, so this project is an interesting way to contribute to the literature.

References

- Alexander, D. and Schnell, M. (2019). Just what the nurse practitioner ordered: Independent prescriptive authority and population mental health. *Journal of health economics*, 66:145–162.
- Kleiner, M. M., Marier, A., Park, K. W., and Wing, C. (2016). Relaxing occupational licensing requirements: Analyzing wages and prices for a medical service. *The Journal of Law and Economics*, 59(2):261–291.