

## Contact Information

[bvatter@mit.edu](mailto:bvatter@mit.edu)  
[benjaminvatter.com](http://benjaminvatter.com)  
+1-224-817-2226

## Employment

Assistant Professor, Applied Economics, MIT Sloan	March 2024– present
Senior Lecturer in Economics Group, MIT Sloan	July 2023– March 2024
Postdoctoral Fellow, Stanford Institute for Economic Policy Research	July 2022– July 2023

## Education

Ph.D. in Economics, Northwestern University	2016–2022
<i>Advisors:</i> David Dranove, Igal Hendel, Gaston Illanes, Amanda Starc	
M.A., Economics, Northwestern University	2016–2020
M.A., Economics, University of Chile	2014–2016
B.Sc.Eng. Industrial Engineering, University of Chile	2009–2015

## Research Areas

Industrial Organization, Health Economics, Econometrics

## Working papers

**“Quality Disclosure and Regulation: Scoring Design in Medicare Advantage”**  
(Revision requested at Econometrica)

*Abstract:* Policymakers and market intermediaries often use quality scores to alleviate asymmetric information about product quality. Scores affect the demand for quality and, in equilibrium, its supply. Equilibrium effects break the rule whereby more information is always better, and the optimal design of scores must account for them. In the context of Medicare Advantage, I find that consumers’ information is limited, and quality is inefficiently low. A simple design alleviates these issues and increases total welfare by 3.7 monthly premiums. More than half of the gains stem from scores’ effect on quality rather than information. Scores can outperform full-information outcomes by regulating inefficient oligopolistic quality provision, and a binary certification of quality attains 98% of this welfare. Scores are informative even when coarse; firms’ incentives are to produce quality at the scoring threshold, which consumers know. The primary design challenge of scores is to dictate thresholds and thus regulate quality.

### **“Vertical Integration between Hospitals and Insurers”**

with Jose Ignacio Cuesta and Carlos Noton

*Abstract:* The welfare effects of vertical integration are ambiguous; Cost efficiencies and the elimination of double marginalization may offset increases in market power and incentives to foreclose rivals. In the context of vertical integration between insurers and hospitals, we find that integration leads to higher hospital prices, misallocation of demand across hospitals, and inefficient insurance generosity. Vertical integration decreases total welfare and increases inpatient medical spending by 11%. We find that equilibrium plan networks play an outsized role in the effects of integration. Integrated firms skew access towards their hospitals, limiting provider competition and forcing rival insurers to compete on uneven terms. Failure to account for equilibrium network effects leads to the wrong sign on the welfare impact of integration and vastly underestimates the strength of the incentives produced by integration.

### **“Spooky Action at a Distance: Why Do Cross-Market Mergers Affect Prices?”**

with David Dranove

*Abstract:* The standard theory for merger price effects requires the merging parties to share some common demand. However, recent evidence has shown that hospital prices

increase after acquisitions by remote systems. This work documents three things about these mergers: (i) traditional market power explanations cannot explain price increases; (ii) employer overlap does account for a significant part of the price effect, validating a previous theory by Vistnes and Sarafidis (2013) and Dafny et al. (2019); (iii) hospitals acquired by out-of-market systems have nearly flat pre-merger prices, which disagrees with both the previous theory and the standard Nash-in-Nash model for insurer-hospital prices. We show that an extension of the workhorse model that incorporates preliminary offers can rationalize the pre-merger prices and account for a fraction of the remaining price variation. We show that the cross-market merger price effect stems from a combination of increased market power due to employer overlap and a change in the pricing protocol created by a reduction in bargaining cost and adverse selection on preliminary offers.

## Other ongoing work

**“Who takes up incentives to delay retirement? Evidence from Chile”** with Gaston Illanes and Manisha Padi

**“Competition and regulation in the non-profit sector”** with Samuel Goldberg

**“Identifying Knowledge of Policy Changes”** with Giovanni Compiani

## Fellowships & Awards

Dissertation University Fellowship, Northwestern University	2021–2022
Robert Eisner Graduate Fellowship, Northwestern University	2019
Short research internships grant, University of Chile	2015
Research internships grant, Millennium Center for the study of market imperfections	2015
Masters students thesis grant, Millennium Center for the study of market imperfections	2015

## Presentations

Rice University	2024
University of Chicago, Harris School of Public Policy	
UBC Sauder School of Business	
Washington University in St. Louis, Olin Business School	
Pennsylvania State University	
Econometric Society Winter Meetings	2023
Carnegie Mellon University Tepper School of Business	
NBER Health care winter meetings	
University of Wisconsin Madison	
ASHEcon	
New York University Stern School of Business,	2022
University of Navarra IESE Business School	
MIT Sloan School of Management	
New York University	
Duke University	
University of Pennsylvania,	
Washington University in St. Louis Olin Business School,	
Stanford University Graduate School of Business,	
University of Chicago Booth School of Business,	
University of Minnesota	
Harvard Kennedy School,	
University of Chile Centro de Economia Aplicada,	
Universidad Catolica	
20th Annual International Industrial Organization Conference (IIOC)	
Health Economics Initiative Annual Conference at BFI University of Chicago	
5th Rome Junior Conference of Applied Microeconomics	
Barcelona School of Economics Summer Forum	
University of California Berkeley	
Yale University	
Annual Health Econometrics Workshop	

	University of California Los Angeles	
	Columbia University	
	University of Leuven	
	Tilburg University	
	Federal Trade Commission	
	Israeli IO conference	
	European Economic Association-ESEM conference	2021
	Bar-Ilan University	
	Hebrew University of Jerusalem, Reichman University,	
	Tel-Aviv University	
	46th Conference of the European Association for Research in Industrial Economics	2019
	16th Annual International Industrial Organization Conference (IIOC)	2018
	4th Empirics and Methods in Economics Conference (EMCON)	
<b>Teaching Experience</b>	Lecturer - 15.010 Economic Analysis For Business Decisions	2023
	Microeconomics for MBAs at MIT Sloan	
	Lecturer - 15.S06 IO of Health and Energy Markets	2024
	Ph.D.-Level topics course in industrial Organization at MIT Sloan	
	Guest Lecturer - CEA Summer School	2022
	Master's level two-part course on health economics and market design at the University of Chile	
	Guest Lecturer - Health Economics	2022, 2023
	Guest lecture in Ph.D. class at Northwestern University	
<b>Refereeing</b>	The American Economic Review, Econometrica, The Review of Economic Studies, American Economic Journal - Microeconomics, American Economics Journal - Applied, American Economics Journal - Public Policy, RAND Journal of Economics, Review of Economics and Statistics, The Economic Journal, Economic Inquiry, International Journal of Health Economics and Management	
<b>Other Scholarly Activities</b>	Co-organizer of the BU-Harvard-MIT Health Economics Seminar	2023-2024

\* - Forthcoming activities