

# Hongming Wang

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## EDUCATION

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### PhD Economics

UNIVERSITY OF SOUTHERN CALIFORNIA

2019

### MA Economics

UNIVERSITY OF SOUTHERN CALIFORNIA

2015

### BA Finance, BS Math (minor)

SHANGHAI JIAOTONG UNIVERSITY

2012

## PROFESSIONAL EXPERIENCE

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2019-2023 **Research Associate, Hitotsubashi Institute for Advanced Study**, Hitotsubashi University

2020-2022 **Principal Investigator, Grants-in-Aid for Scientific Research**, #20K13509

## RESEARCH

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### WORKING PAPERS

#### **(Job Market Paper) Performance Pay in Insurance Markets: Evidence from Medicare**

(with Michele Fioretti) Conditionally Accepted, *Review of Economics and Statistics*

Expanding Health Insurance with Mandate and Subsidy: Theory and Evidence from Massachusetts

Nudging Parents to Invest: Evidence from Children's Insurance

### RESEARCH IN PROGRESS

Optimal Targeting of Age and Risk Groups for COVID-19 Vaccines in Japan: A Modelling Study  
(with Yoko Ibuka and Ryota Nakamura)

The Long-Run Health and Economic Benefits of Universal Health Insurance in Japan  
(Grants-in-Aid for Scientific Research, #20K13509, Japan Society for the Promotion of Science)

## CONFERENCES

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2021 Econometric Society China Meeting (virtual)  
Keio University (Tokyo)  
HIAS Health (virtual)  
AEA/ASSA (virtual)

2020 Econometric Society European Winter Meetings (Virtual)  
INFER (virtual, co-author)  
Econometric Society World Congress (virtual)  
Society of Labor Economics (virtual)

2019 Econometric Society European Winter Meetings (Rotterdam)  
Asia Pacific Industrial Organization Conference (Tokyo)  
International Industrial Organization Conference (Boston, co-author)  
AEA/ASSA (Atlanta)

## GRANTS & FELLOWSHIPS

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2020-2022	Grants-in-Aid for Scientific Research, Japan Society for the Promotion of Science
2017-2018	Provost Fellowship, USC
2015-2017	Schaeffer Fellowship, Schaeffer Center for Health Policy and Economics

## Teaching

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2020	Guest Lecturer, Topics in Health Economics, Hitotsubashi University
2018-2019	Teaching Assistant, Intermediate Micro, USC
2013-2014	Teaching Assistant, Intermediate Micro and Intermediate Macro, USC

## PROGRAMMING

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STATA, PYTHON, R, MATLAB, GAUSS, LATEX

### PERFORMANCE PAY IN INSURANCE MARKETS: EVIDENCE FROM MEDICARE (WITH MICHELE FIORETTI)

**Abstract.** Public procurement bodies increasingly resort to pay-for-performance contracts to promote efficient spending. We show that firm responses to pay-for-performance can widen the inequality in accessing social services. Focusing on the U.S. Medicare Advantage market, we find that insurers with higher quality ratings responded to bonus payments by selecting healthier enrollees with premium differences across counties. Selection is profitable because the quality rating fails to adjust for differences in the health of enrollees. Selection inflated the bonus payments and shifted the supply of high-rated insurance to the healthiest counties, hurting the healthcare access of sicker patients in the riskiest counties.

### EXPANDING HEALTH INSURANCE WITH MANDATE AND SUBSIDY: THEORY AND EVIDENCE FROM MASSACHUSETTS

**Abstract.** What is the desirable scope of social insurance, and what motivates governments to mandate and subsidize health insurance? This paper explores adverse selection and the societal burden of charity care as motivations for expanding health insurance. I show that expansions replacing charity care with tax-financed subsidies on premiums can improve welfare under adverse selection and progressive taxation, and I quantify the motivating benefits relative to the expansion costs exploiting the penalty and subsidy incentives in Massachusetts. Around 60% of the pricing benefits are reductions in health insurance premiums, and the joint benefit on premiums and charity costs offsets the fiscal cost of expansion. Further expansions of subsidized insurance improve welfare with redistribution, whereas expansions through the mandate penalty are less desirable.

### NUDGING PARENTS TO INVEST: EVIDENCE FROM CHILDREN'S INSURANCE

**Abstract.** I study how parental investments respond to children's insurance exploiting the roll-out of Children's Health Insurance Program, which expanded public insurance for children in the US. In anticipation of the insurance, pregnant mothers exposed to the roll-out reduced present bias and increased private investments in utero. The investments increased the child's birth weight, and increased mother utility similar to expansions of her own insurance. In the long run, investments further increased college enrollment, predicting higher tax payments that offset 8.4% of the program cost in childhood. The results suggest that information outreach can encourage investments by adjusting parents' behavioral biases, resulting in greater parental utility and lower social costs of insurance.

### THE LONG-RUN HEALTH AND ECONOMIC BENEFITS OF UNIVERSAL HEALTH INSURANCE IN JAPAN (GRANTS-IN-AID FOR SCIENTIFIC RESEARCH, #20K13509, JAPAN SOCIETY FOR THE PROMOTION OF SCIENCE)

**Summary.** In 1956, the Japanese government announced a 5-year plan to implement universal insurance by 1961. All prefectures by then must provide national health insurance to those without private insurance. The reform increased the insurance rate in age 0-5 for cohorts born in 1956-1965. This paper examines whether insurance coverage in early childhood impacts later-life outcomes – in particular, whether universal insurance early in life closes gaps in education, earnings, and health outcomes between gender. I am currently applying for administrative hospitalization records, blood tests, and death certificates to understand the long-run impacts on health. Preliminary analysis suggests that insurance increased the education attainment and earnings of women, who were more likely to marry highly-educated men and participate in the labor market full-time.

### OPTIMAL TARGETING OF AGE AND RISK GROUPS FOR COVID-19 VACCINES IN JAPAN: A MODELLING STUDY (WITH YOKO IBUKA AND RYOTA NAKAMURA)