Hongming Wang

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EDUCATION

PhD Economics *2019*
University of Southern California

MA Economics *2015*
University of Southern California

BA Finance, BS Math (minor) *2012*
Shanghai Jiaotong University

PROFESSIONAL EXPERIENCE

2019-2023 **Research Associate, Hitotsubashi Institute for Advanced Study**, Hitotsubashi University
2020-2022 **Principal Investigator, Grants-in-Aid for Scientific Research**, #20K13509

RESEARCH

Working Papers

(Job Market Paper) Performance Pay in Insurance Markets: Evidence from Medicare
(with Michele Fioretti) Forthcoming, *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

Reducing Inequality While Improving Health: The Long-Run Impacts from the Onset of Universal Health Insurance in Japan
(Grants-in-Aid for Scientific Research, #20K13509, Japan Society for the Promotion of Science)

Mixing Age and Risk Groups for Accessing COVID-19 Vaccines in Japan: A Modeling Study
(with Yoko Ibuka and Ryota Nakamura)

CONFERENCES

2021 Econometric Society European Winter Meetings (virtual)
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

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

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

STATA, PYTHON, R, MATLAB, LATEX

PAPER ABSTRACTS

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. Exploiting the subsidy and penalty incentives in Massachusetts, I find that 60% of the pricing benefits are reductions in premiums, and the joint benefits on premiums and charity costs offset the fiscal cost of expansion. Redistribution can motivate further expansions subsidizing the low-income.

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.

Reducing Inequality While Improving Health: The Long-Run Impacts from the Onset of Universal Health Insurance in Japan

(Grants-in-Aid for Scientific Research, #20K13509, Japan Society for the Promotion of Science)

Abstract. Health insurance provides an important safety net to individuals in the distress of illness and financial hardships. Providing universal insurance is pursued by many governments to ensure the access to healthcare and to reduce the health and economic inequalities facing less advantaged populations. Exploiting the historic onset of universal insurance in Japan in 1956-1961, this paper examines the long-run impacts of universal insurance on population health and economic outcomes as well as the inequalities across gender. I find that exposure to universal insurance early in life led to lower mortality and chronic disease burdens in prime age. For women, universal insurance increased college enrollment and the probability of marrying a college-educated spouse. Within households, the homemaker's role shifted from women to men whereas employment and earnings increased for women relative to men. The results indicate that, in addition to improving population health in the long run, universal insurance could reduce the gender inequality in socio-economic status by increasing the education and earnings of women.

Mixing Age and Risk Groups for Accessing COVID-19 Vaccines in Japan: A Modeling Study (with Yoko Ibuka and Ryota Nakamura)