

first difference poisson regression

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$$\log(Y) = \beta_0 + \beta_1 x_1 + \beta_2 x_2$$

$$Y = e^{\beta_0 + \beta_1 x_1 + \beta_2 x_2}$$

$$x_1 = 0, Y_1 = e^{\beta_0 + \beta_2 x_2}$$

$$x_1 = 1, Y_2 = e^{\beta_0 + \beta_1 + \beta_2 x_2}$$

$$\text{first difference} = Y_2 - Y_1$$

$$= e^{\beta_0 + \beta_1 + \beta_2 x_2} - e^{\beta_0 + \beta_2 x_2}$$

Poisson regression assumes Y has poisson distribution. In this case, with x_1 changing from 0 to 1, the difference between Y's is dependent on x_2 as well even though there is no interaction term in the model.