# Homework2 Submission3

https://github.com/modugbe/homework2

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Hospitals that filed more than one report in the same year is plotted. The data is first combined and then the unique duplicates are filtered out for this graph.

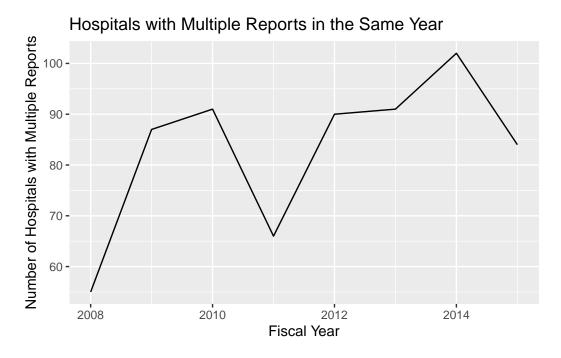


Figure 1: Hospitals with duplicate reports

The number of unique hospital IDs: 6486 .

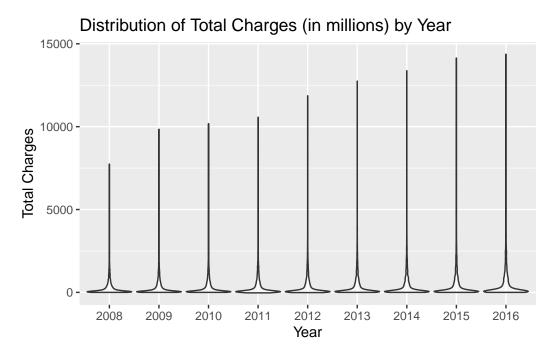


Figure 2: Distribution of total charges in each year

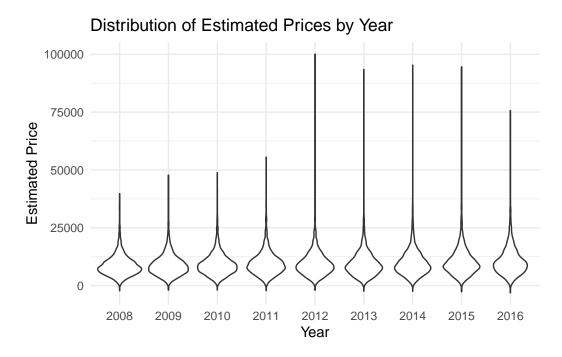


Figure 3: Distribution of estimated prices in each year

Table 1: Average Price by Penalty

Penalty	Mean_Price
Penalized	9,896.31
Non-Penalized	9,560.41

Table 2: Average Price by Quartile

bed_size_quartile	penalty	average_price
1	FALSE	7,684.240
1	TRUE	8,318.709
2	FALSE	8,510.959
2	TRUE	8,690.891
3	FALSE	$9,\!856.928$
3	TRUE	10,127.130
4	FALSE	12,355.606
4	TRUE	12,068.479

Table 3: Average Effect Estimates Using different estimators

Estimator	ATE
Nearest Neighbor (Inverse Variance Distance)	199.5281
Nearest Neighbor (Mahalanobis Distance)	199.5281
Inverse Propensity Weighting	199.5281
Simple Linear Regression	199.5281

The treatment effects are identical for the 4 estimators.

I don't think this is a causal effect of the penalty because it is estimated based on beds only and other variables are not controlled for. Matching with beds doesn't make penalized hospitals sufficiently similar to non-penalized ones in my opinion. Other things like location of the hospital, type of hospital (for-profit/non-profit), size, etc. should be controlled for.

Learning new packages to install for matching (update: this package is the one that messes with the select function). Running the R-code for some reason doesn't diplay the graphs until I preview the qmd. I learned how to make this work by calling specific parts of the result.