

# Nathaniel Breg

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Citizenship: United States

## CURRENT POSITION

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**Stanford University and U.S. Department of Veterans Affairs**  
Postdoctoral Scholar in Health Policy  
Big Data Scientist Training Enhancement Program

Palo Alto, CA  
2022 –

## EDUCATION

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**Carnegie Mellon University**  
Ph.D., Public Policy and Management (Applied Economics concentration)  
*Dissertation: “Three Essays on the Economics of Health Care Providers”*  
Committee: Martin Gaynor (chair), Lowell Taylor, David Chan (Stanford)

Pittsburgh, PA  
2022

**Carnegie Mellon University**  
M.Phil., Public Policy and Management

Pittsburgh, PA  
2020

**Tufts University**  
B.A., Economics and History

Medford, MA  
2012

**Universität Tübingen**  
Study Abroad, Economics and History

Tübingen, Germany  
2010 – 2011

## RESEARCH INTERESTS

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Health economics: health care studied through labor economics, industrial organization, public economics

## WORKING PAPERS

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“How Much is Too Much? Assessing the Efficiency of Medical Technology Diffusion”

“Substitution when a Technology with Wider Scope of Purpose Becomes Available: Evidence from Robotic Hysterectomy”

“Pass-through to Patients: What Matters to Public Managers under Capitation in the Veterans Health Administration”

## WORK IN PROGRESS

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“Mortality Effects of Public Financing of Hospitals: Evidence from the Hill-Burton Program” (*draft under revision*)

“Does Health Care Protect Local Economies from Recessions?”  
*with Martin Gaynor and Brian Kovak*

## AWARDS

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<b>Fellowship in Digital Health</b>	2020 – 2021
Center for Machine Learning and Health at Carnegie Mellon University	
<b>Outstanding Teaching Assistant Award</b>	2020
Heinz College, Carnegie Mellon University	
<b>Presidential Fellowship</b>	2016 – 2017
Carnegie Mellon University	

## INVITED TALKS, CONFERENCES, AND WORKSHOPS

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2024	Southern Economic Association ( <i>Presenter, scheduled</i> ) ASHEcon ( <i>Presenter x2, Organizer</i> ) Peking Uni., Institute of Global Health w/ Stanford Asia Health Policy Program ( <i>Present</i> ) Charles River Associates ( <i>Presenter</i> ) U.S. Department of the Treasury, Office of Microeconomic Analysis ( <i>Presenter</i> ) U.S. Department of the Treasury, Office of Tax Analysis ( <i>Presenter</i> )
2023	APPAM Conference ( <i>Presenter</i> ) National Tax Association Conference ( <i>Presenter, Chair, Discussant</i> ) National Cancer Institute, Junior Investigator Conference ( <i>Poster</i> ) ASHEcon Conference ( <i>Poster</i> )
2022	APPAM Fall Conference ( <i>Chair</i> ) Stanford University, Department of Surgery ( <i>Presenter</i> ) Electronic Health Economics Colloquium ( <i>Presenter</i> ) U.S. Congressional Budget Office, Health Analytics Division ( <i>Presenter</i> ) U.S. Department of Justice, Antitrust Division, Expert Analysis Group ( <i>Presenter</i> ) APPAM Spring Conference ( <i>Presenter, Discussant</i> ) ASHEcon Conference ( <i>Presenter, Discussant</i> )
2021	Center for Machine Learning and Health at Carnegie Mellon University ( <i>Presenter</i> ) NBER Doctoral Student Workshop on Economics of Artificial Intelligence ( <i>Participant</i> ) Boston University, Technology & Policy Research Initiative ( <i>Seminar Presenter</i> )
2020	ASHEcon Conference ( <i>Session Organizer and Presenter – Canceled due to Covid-19</i> ) University of Michigan, H2D2 Research Day ( <i>Poster, Virtual</i> )
2019	Western Economic Association International Annual Meeting ( <i>Presenter</i> ) ASHEcon Conference ( <i>Poster</i> ) University of Michigan, H2D2 Research Day ( <i>Poster</i> )

## PROFESSIONAL EXPERIENCE

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<b>RTI International</b> , Public Health Analyst	Waltham, MA
CMS, HHS ASPE, and CDC contracts	2013 – 2016
Program evaluation, quality measurement and reimbursement policy analysis	
<b>Watertown Town Manager's Office</b> , Public Administration Intern	Watertown, CT
	2012 – 2013

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**TEACHING EXPERIENCE – CARNEGIE MELLON UNIVERSITY, HEINZ COLLEGE**

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**Instructor**

Basic Probability for Management (Master's)

Summers 2019 – 2020

**Teaching Assistant**

Intermediate Microeconomic Analysis (Master's – Prof. Martin Gaynor)

Fall semesters 2017 – 2019

Health Economics (Master's – Prof. Martin Gaynor)

Fall semesters 2017 – 2019

Basic Mathematics and Probability for Management (Master's)

Summers 2017 – 2018

Data Visualization in R (Master's – Prof. David Choi)

Spring 2022

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**SERVICE**

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Reviewer: *Management Science*, *American Journal of Health Economics*

Carnegie Mellon Graduate Student Assembly, Federal Affairs Committee, 2018 – 2021

Carnegie Mellon University Faculty-Student Working Group on Doctoral Mentoring, 2019

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**REFERENCES**

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David Chan

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**DISSERTATION ABSTRACT**

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**Medical Technologies with Comparative Advantages on Different Dimensions**

Assessing the efficiency of the extent of technological diffusion is important to economics broadly and in the context of health care specifically. I show that new technologies may pose tradeoffs between different dimensions of quality or productivity. In a Roy model, I show that these tradeoffs can explain why two technologies coexist. The model also serves as a theoretical basis for using an instrumental variable to uncover evidence of tradeoffs. These local average treatment effects can be used in a benefit-cost analysis to assess whether the technology has diffused to an efficient extent. I use a patient's distance to hospitals performing laparoscopic (minimally invasive) surgery, relative to her distance to hospitals performing any surgery at all, as an instrument for whether she undergoes laparoscopic, as opposed to open, hysterectomy. In Medicare inpatient claims, I find that laparoscopic surgery causes a shorter length of stay but a greater readmission rate, relative to open hysterectomy, among patients on the margin between the alternatives with respect to this quasi-experiment. This demonstrates laparoscopic surgery's tradeoff, at least among some cases. In a back-of-the-envelope benefit-cost analysis, I estimate that laparoscopic surgery may pose a net loss among marginal cases, suggesting there may be too much of it in this setting.

## DISSERTATION ABSTRACT, CONTINUED

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### **Does Health Care Protect Local Economies from Recessions?**

*with Martin Gaynor & Brian Kovak*

I show preliminary evidence that counties with larger health care shares of employment had attenuated effect of the 2006-2009 housing crisis on employment in local goods and services, i.e., nontradable employment. I construct a model of regional economies which shows that the relationship between an income shock and labor demand is attenuated by larger health care shares of employment. When health care is implicitly subsidized through a wider insurance pool such as Medicare, a larger baseline health care share of employment implies that a larger share of a region's income comes from this outside pool, causing an income shock such as the U.S. mortgage crisis to have a lesser impact on labor demand.

Preliminary evidence is consistent with this. For a county with average health care share of employment (15% of employment), the employment drop associated with a 20 percentage point net wealth drop is 5.65 percentage points greater than the employment drop associated with a mere 1 percentage point net wealth shock. However, a county with 20% of its employment in health care (an additional standard deviation) experiences only a 4.35 percentage point greater employment drop under a large net wealth shock than under a very small net wealth shock. This means an additional standard deviation of health care's share of employment causes a 1.30 percentage point decline in the employment drop associated with the net wealth shock moving from the 10th percentile to the 90th percentile. These results should be interpreted with caution: the data do not confirm two side hypotheses of the model. This work contributes to health economists' understanding of the opportunity cost of health care spending. It also contributes to economists' understanding of local labor markets by suggesting that health care subsidized by a wider insurance pool might play a role similar to that played by exporting industries, by bringing outside money into a region.

### **Mortality Effects of Public Financing of Hospitals**

I examine the role of hospital capacity in determining local health. Prior literature established that the Hill-Burton hospital expansion subsidy program (1948 – 1972) resulted in more hospital beds per capita in counties that received funding, but it remained to be studied whether these allocations impact health. Most cohorts of subsidized counties had mortality rates declining relative to later-subsidized counties, which I use as comparison groups in event studies. Graphical analysis suggests that differential post-trends in mortality may be greater than the pre-trends but is yet inconclusive. In the first three years of the program, I use an instrumental variable and estimate a significant local effect of the program on mortality among complier counties whose early subsidy-timing was due to objective measures of perceived need of the county but unrelated to local health care industry effort or political connections. These mixed results cast some doubt on the health productivity of broadly increasing hospital bed rates across midcentury America.