# Read Me File

*For Data Sets related to "Consumer Inertia and Firm Pricing in the Medicare Part D Prescription Drug Insurance Exchange" by Keith M. Marzilli Ericson*

This zip file contains 3 files:

1. RunAnalysis.do
   - Stata code to replicate the results
2. Data_main.dta
   - Information on PDP plans; see detailed description in Online Appendix. Variables are labeled in stata. Those labels are reproduced at the end of this document.
3. Data_subsidyinfo.dta
   - The LIS subsidy levels, by state (PDP region) and year (s2006, s2007, etc.) See detailed description in Online Appendix

Replication can be conducted in Stata Version 12. Launch Stata, change directory to the location of the these three files. Then run "RunAnalysis.do". This will create a new directory: *Analysis_output.* In this directory, the following files will be created:

- Figures 1,2,3,4, and 5.gph       *Each figure in the paper, in a separate file, in stata gph format*
- Table2,3, and 4.xml              *Regressions output for each table in xml (spreadsheet) format*

Table 1 can be derived from the Stata log file (RunAnalysis.log). Search for the phrase "Table 1" in the log file; the descriptive statistics immediately correspond to the descriptive statistics in the paper.

The structure of the do file is described at the top of the file. The file is most easily viewed using a text editor with indent-based folding (e.g. jEdit).

# Contents of Data_main.dta

```
                 storage  display    value
variable name     type    format     label      variable label
--------------------------------------------------------------------------------------------
----------
orgParentCode    str50   %50s                   From Enrollment:orgParent, recoded to harmonize
minor diffs
MAPlan           float   %9.0g                  =1 if firm offers MedAdvPlan
planName         str63   %63s                   From Landscape Source File
enrollment       long    %10.0g                 From Enrollment Files
enrollmentImp~e  float   %9.0g                  Derived: set = 5 if enrollment < 10
uniqueID         str9    %9s                    Derived from contract id & plan #
year             float   %9.0g                  From Landscape Source File
premium          double  %10.0g                 From Landscape Source File
deductible       int     %10.0g                 From Landscape Source File
gap              str29   %29s                   From Landscape Source File
contractId       str17   %17s                   From Landscape Source File
planNumber       int     %10.0g                 From Landscape Source File
btypedetail      str2    %9s                    From Landscape Source File
state            str2    %9s                    From Landscape Source File
PDPregion        float   %9.0g                  Derived from state
LIS              float   %9.0g                  From Landscape Source File
benefit          str1    %9s                    From Landscape Source File
enrollmentLIS    double  %9.0g                  LIS enrollment, From LIS Enrollment By Plan
enrollmentLIS~e  float   %9.0g                  Derived: set = 5 if enrollmentLIS < 10
--------------------------------------------------------------------------------------------
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```