

Richard Domurat

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Fields of Concentration

Industrial Organization, Health Care Economics, Public Economics

Doctoral Studies

University of California, Los Angeles (UCLA)
Ph.D. in Economics, *Job Market Year 2017 - 2018*

Doctoral Committee

John Asker (co-chair)
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Wesley Yin
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Prior Education

University of California, Los Angeles (UCLA)
B.S. in Applied Mathematics and B.A. in Economics (summa cum laude), 2009

Professional Experience

Research

Research Assistant for Wesley Yin, joint with Covered CA (2014-2016)
Studying health plan enrollment and pricing in California's ACA exchange

Teaching Assistantships

Intro to Econometrics (Till von Wachter, Maria Casanova, Rodrigo Pinto)
Intro to Microeconomic Theory (Maurizio Mazzocco)
Intermediate Microeconomic Theory (Edward Kung)
Public Finance (Adriana Lleras-Muney)

Other Professional

Senior Research Analyst, Acumen, LLC
Consulting on payment policy for Medicare program in US

Fellowships, Honors, and Awards

2012-2013	UCLA Department of Economics Graduate Fellowship
2014-2015	National Institute of Aging Traineeship
2013-2015	Charles F. Scott Fellowship with the UCLA Graduate Division
2015-2016	Dr. Ursula Mandel Scholarship with the UCLA Graduate Division
2015-2016	Graduate Research Mentorship with the UCLA Graduate Division
2017-2018	UCLA Dissertation Year Fellowship
2014	NSF Graduate Research Fellowship Honorable Mention
2014	UCLA Department of Economics Teaching Assistant Award
2009	UCLA Department of Economics Award of Academic Achievement
2009	UCLA Latin Honors, summa cum laude

Research in Progress

“How Do Supply-Side Regulations in the ACA Impact Market Outcomes? Evidence from California” (Job Market Paper)

Abstract: This paper examines how two supply-side regulations—modified community rating and risk adjustment—impact the Affordable Care Act (ACA) Exchange in California. Using data on individual-level choices and networking providers, I estimate a model of health insurance demand and supply incorporating heterogeneity in preferences, plan characteristics, and costs. The results indicate consumers in this market are highly price-sensitive, and margins are modest (between 3% and 8%). Without risk adjustment, modified community rating in the ACA would lead to a significant reduction in enrollment in desirable plans and in take-up overall. Risk adjustment under the ACA roughly restores relative shares across plans to what they would be without community rating. The reduction in overall take-up from community rating is not impacted by risk adjustment. An alternative risk adjustment method can increase enrollment by 2.6% and would have little impact on government spending. Other policies besides risk adjustment would be needed to address low take-up among price-sensitive, low-cost consumers under community rating.

“Information Barriers in Health Care Decision-Making: Experimental Evidence from the California Health Benefits Exchange” (with Wesley Yin and Isaac Menashe)

Abstract: Health care decision-making is complex and competes with other demands on consumers' time and attention. In this paper, we study how information affects an important health decision: take-up of insurance. We exploit experimental variation in the information mailed to 120,000 households in California's Health Benefits Exchange. We find that a basic reminder of the enrollment deadline raises enrollment by 1.5 pp (or 20 percent) in this typically low uptake population. Personalized information on federal subsidies reveal striking heterogeneity: among low income individuals, providing subsidy information marginally increases take-up above the simple reminder; but as incomes rise (and reported subsidies fall), these letters perform worse than the basic reminder. This result holds despite reminder-only recipients eventually observing subsidies before purchase—evidence of fixed transaction costs of the purchase process and/or reference dependent utility. Finally, all of our letter interventions equally induce healthier individuals into the market. These findings suggest that forgetfulness and transaction costs matter for insurance take-up, and that reminders—while avoiding information that negatively updates beliefs about plans' benefits or costs—can improve both take-up and average market risk.

“What is the Source of the Spatial Correlation between Enrollment and Provider Networks in Health Insurance Markets?”

Abstract: This study examines spatial variation in health plan enrollment in the Affordable Care Act (ACA) Exchange in California. The local enrollment share of any particular health plan varies dramatically within a market. This variation is correlated with the locations of in-network doctors and hospitals. Causation from networks to enrollment supports a spatial differentiation profit motive; causation from enrollment to networks suggests networks are formed where plans are most valued by consumers. Using an estimated model of health plan demand, I identify the sources of enrollment variation. Price-sensitivity is the primary determinant of plan choice, but consumers also respond to the location of in-network hospitals and physicians. Using simulations in the model, I find the demand response to networks is not the primary source of the enrollment-provider correlation. This suggests networks are located where plans are most valued, and has implications on the welfare of narrow networks and associated policies.