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Personal Information:

Citizenship: Chile, Spain

Education

The University of Chicago, 2013 to present
Ph.D. Candidate in Economics
Thesis Title: "Empirical Studies on Regulation"
Expected Completion Date: June 2019

M.A., Economics, Pontificia Universidad Católica de Chile, honors, 2010
B.A., Business and Economics, Pontificia Universidad Católica de Chile, honors, 2009

References:

Ali Hortaçsu (Chair)
Department of Economics
The University of Chicago
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Michael Greenstone
Department of Economics
The University of Chicago
(773) 702-8250
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Neale Mahoney
Booth School of Business
The University of Chicago
(773) 702-9278
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Pietro Tebaldi
Department of Economics
The University of Chicago
(773) 795-2985
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Teaching and Research Fields

Primary fields: Public Economics, Industrial Organization
Secondary fields: Household Finance, Health Economics

Teaching Experience

Spring, 2018	Economics and Regulation of Health Care Markets, Teaching Assistant for Pietro Tebaldi
Spring, 2017	Economics of Education, Teaching Assistant for Michael Dinerstein
Fall, 2016	Business Statistics, Teaching Assistant for Drew Creal
Fall, 2016	Elements of Economic Analysis I Honors, Lecturer
Winter, 2016	Econometrics B, Teaching Assistant for Ali Hortaçsu
Winter, 2016	Intro to Industrial Organization, Teaching Assistant for Michael Dinerstein

Research Experience

2014–2016	Research Assistant for Ali Hortaçsu, University of Chicago
2010–2013	Abdul Latif Jameel Poverty Action Lab (J-PAL)
2007–2010	Research Assistant for Francisco Gallego, PUC-Chile

Honors, Scholarships and Fellowships

2018–2019	William Rainey Harper/Provost Fellowship, University of Chicago
2013–2018	Arnold Harberger Fellowship, University of Chicago
2010	Academic Excellence Prize, M.A. in Economics, PUC-Chile
2010	Raúl Yver Oxley Prize, to best graduating student in Economics, PUC-Chile
2010	M.A. Thesis approved with Highest Honors
2004	Price Waterhouse Fellowship, to best student admitted in Economics, PUC-Chile
2004	Matrícula de Honor UC Fellowship, for outstanding national admissions test

Research Grants

2018	BFI IO Initiative Research Grant
2017–2018	BFI Research Grant
2017–2018	BFI IO Initiative Research Grant
2017	Fama-Miller Center Research Grant
2017	CAF Health for Social Inclusion, with Juan Pablo Atal and Morten Sæthre
2017	Graduate Council Travel Fund, University of Chicago
2017	Department of Economics Data Fund, University of Chicago
2016–2017	CEGA Development Economics Grant, with Juan Pablo Atal and Felipe González

Presentations

(* indicates conference presentation by coauthor)

2018	University of Chicago, IIOC, ASHEcon*, North American Summer Meeting of the Econometric Society*, Empirics and Methods Conference*
2017	University of Chicago, WEAI*, IHEA*, Conference on Banking Development Stability and Sustainability, APPAM Fall Conference*, LACEA*
2016	PUC-Chile, University of Chicago, Empirics and Methods Conference, PacDev*
2015	RISE Conference*

Professional Activities

Referee for Journal of Political Economy (3), Latin American Journal of Economics (1)
Reviewer for 3ie Impact (1), Fondecyt Chile (3), Innovations for Poverty Action (3)
Empirics and Methods Conference, University of Chicago and Northwestern University, Organizer, 2017
Industrial Organization working group, University of Chicago, Organizer, 2017–2018

Job Market Paper

"Price Regulation in Credit Markets: A Trade-off between Consumer Protection and Credit Access", with Alberto Sepúlveda

Interest rate regulation is widespread in consumer credit markets, yet there is limited systematic evidence on its consequences, which depend on a trade-off between consumer protection from banks' market power and reductions in credit access. Using comprehensive individual-level administrative data on the supply and demand for consumer credit, this paper exploits a Chilean policy reform that lowered interest rate caps by 20 p.p to understand its impacts. Reduced form evidence indicates that the policy decreased average transacted interest rates by 9% and the number of loans by 19%. Most of these effects are concentrated among risky borrowers. Of course, these results do not shed light on welfare, so we develop and estimate a model of applications, pricing, and repayment of loans. Average expected consumer surplus decreases by an equivalent of 3.7% of income, and risky borrowers lose more because of their higher willingness to pay and exposure to the policy. Interest rate regulation provides greater consumer protection in more concentrated markets, but welfare effects are negative even under a monopoly. Risk-based regulation limits adverse welfare effects by 27%.

Research Papers

"Quality Regulation and Competition: Evidence from Pharmaceutical Markets", with Juan Pablo Atal and Morten Saethre

We study the effects of quality regulation on market outcomes by exploiting the staggered phase-in of bioequivalence requirements for generic drugs in Chile. We estimate that the number of drugs in the market decreased by 25%, average paid prices increased by 10%, and total sales decreased by 20%. These adverse effects were concentrated among small markets. Our results suggest that the intended effects of quality regulation on price competition through increased (perceived) quality of generics—and therefore reduced vertical differentiation—were overturned by adverse competitive effects arising from the costs of complying with the regulation.

"Distorted Quality Signals in School Markets", with Felipe González and Cristián Larroulet

Information plays a key role in markets with consumer choice. In education, data on schools is often gathered through standardized testing. However, the use of these tests has been controversial because of distortions in the metric itself. We study the Chilean educational market and document that low-performing students are underrepresented in test days, generating distortions in school quality information. These distorted quality signals affect parents' school choice and induce misallocation of public programs. These results provide novel evidence for the costs that distortions in quality signals generated by standardized tests in accountability systems impose on educational markets.

Work in Progress

"Vertical Integration between Hospitals and Insurers", with Carlos Noton and Benjamín Vatter

We study the welfare implications of vertical integration between insurers and health care providers. We develop a model of health insurance, provision, and demand that shows that vertically integrated firms have incentives to increase some negotiated hospital prices as they benefit from steering demand from competing hospitals and insurers towards their related partners. We estimate the model using rich administrative data on plan choices and hospital claims from the Chilean market, where vertically integrated systems account for almost half of all hospital claims. Using our structural estimates, we compute the minimum efficiency gains in vertically integrated hospitals that make banning vertical integration welfare detrimental.

"Distance to Physicians and Value of Choice in Individual Health Insurance", with Pietro Tebaldi

Health insurance plans differ no only vertically, but also horizontally, which is driven by provider networks' differences. The latter provides a rationale for oligopolistic competition in health insurance. However, if buyers place low value on horizontal attributes, then a design that assigns uninsured to the same carrier —chosen through a competitive procurement process (Diamond, 1992)—might enhance welfare, by limiting adverse selection and imperfect competition. In this paper, we combine individual-level data on plan choices in the California ACA marketplace with the universe of hospital, clinics, and physicians' networks covered by each plan. We estimate willingness to pay for provider networks and find substantial heterogeneity: Young households without children place a high value on premiums relative to networks, whereas we find the opposite for older households and households with children. We also show that if a large network PPO plan was the only option in the market, and this plan was pricing to extract a 15% mark-up (85% medical-loss-ratio), the median consumer would be better off than under the observed market structure.