

David Schwartzman

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RESEARCH INTERESTS

Healthcare Innovation, Patient and Clinician Payment Models, Health Policy, Public Economics, Industrial Organization

EDUCATION

Washington University in St. Louis, St. Louis, MO 2023 (expected)

Doctor of Philosophy, Business Economics

Master of Science, Business Administration

Dissertation Committee: A. Mark Fendrick, Barton Hamilton (Chair), Brent Hickman, Timothy McBride, Stephen Ryan

Hillsdale College, Hillsdale, MI, *magna cum laude* May 2018

Bachelor of Science, Economics and Applied Mathematics

PUBLICATIONS

Long-haul COVID: Healthcare Utilization and Medical Expenditures 6 Months Post-diagnosis (*BMC Health Services Research*, 2022) Antonios Koumpias, **David Schwartzman**, Owen Fleming

Local Supply of Post-Discharge Care Options Predicts Hospital Readmission Rates (*Health Affairs*, 2022) Kevin Griffith, **David Schwartzman**, Stephen Pizer, Jacob Bor, Vijaya Kolachalama, Brian Jack, Melissa Garrido

Refining the Recipe for Alternative Payment Models for Surgical Care - Importance of Patient Mix and Venue Match (*JAMA Network Open*, 2021) **David Schwartzman**, Kyle Sheetz, A Mark Fendrick

Public policy and economic dynamics of COVID-19 spread: a mathematical modeling study (*PLOS One*, 2020) Uri Goldsztejn, **David Schwartzman**, Arye Nehorai

JOB MARKET PAPER

The Interaction of Patient and Clinician Incentives: Evidence from Direct Primary Care

Abstract: As premium increases for employer-sponsored health insurance continue to outpace inflation and wage increases, there is increased interest in cheaper ways employers can provide high-quality health benefits. However, the optimal design of payment models in the presence of market frictions for targeting is poorly understood. This paper studies the impact of a form of care delivery known as Direct Primary Care, where clinicians are paid a capitated monthly fee in exchange for high-touch access to a bundle of primary care services. This model changes incentives for moral and behavioral hazard for both patients and clinicians while changing the trade-off between preventive investments and downstream care. Using claims and eligibility file data from an employer from two years prior to the implementation of a Direct Primary Care offering to three years after, I study demand for Direct Primary Care and the effects of switching to the model. I document selection into the model by younger and less costly employees, driven by those who were already employed prior to the implementation of the model who have lower primary care spending, suggesting the importance of switching costs. Using an instrumental variables

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approach that leverages plan inertia and a difference-in-differences model, I examine the impact on costs of care and on the demand for preventive care and low-value cardiac imaging. I find that patient out of pocket costs increase for those choosing the Direct Care Plan and total costs increase for lower spenders but not for more expensive patients. I also find a decrease in potentially low-value screening and an increase in high-value mammography imaging. My findings suggest the importance of considering market frictions to targeting models when designing payment incentives for patients and clinicians.

WORK IN PROGRESS

Value-based Payment Models and Health System Investments: Evidence from Maryland

Abstract: Optimal design of payment models in reducing health care costs and improving health care quality has long been of interest in the face of rising medical spending. Mechanisms by which payment models can improve outcomes are of particular interest. I focus on health system investment responses to changes in payment incentives. I study the Maryland global hospital model, which previous evaluations have shown to contain promise in decreasing costs. However, the mechanisms by which these improved outcomes were achieved has not been studied. Using a difference-in-difference and a synthetic difference-in-difference model, I examine changes in health system investments following the adoption of the global hospital budget model. I find a decrease in the number of physicians, residents, and hospital beds relative to other states, suggesting an increase in hospital efficiency, while the administrative share of spending increases. My findings highlight the value of future work that ties program evaluation to mechanisms in health care.

Direct Primary Care: Practice Distribution and Cost across the United States (with Ross Klosterman and Namrata Ramakrishna)

Abstract: Little is known about the growing clinician movement known as Direct Primary Care. We used national data from a variety of online directories and the websites of DPC practices to both identify Direct Primary Care practices and assess the factors associated with service price and with physical location. We find that the average adult price charged by a DPC practice is \$81.33 per month. Median income and not accepting children as patients were associated with higher prices. Offering more services was not associated with higher prices, and medication dispensing was associated with lower prices. A lower poverty rate, education status, and passing a state law related to DPC was associated with higher likelihood of physical location. Our results constitute the first look at the factors associated with the price and location of DPC practices, which also has implications for access to care and organizational care delivery structure in health care more broadly.

Care and Distributional Implications of Value-Based Employer Health Insurance Programs: Evidence from a Bundled Payment Program

Firm Human Capital Investment in Health and Retention: Evidence from On-site Clinics

Characteristics of Assistant Physicians and Impact on Health Professional Supply: Evidence from Missouri (with Timothy McBride)

REVIEWING

JAMA Network Open, Health Economics

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PROFESSIONAL MEMBERSHIPS

American Society of Health Economists
Center for the Study of Race, Ethnicity & Equity - Graduate student affiliate

PRESENTATIONS

2022: American Society of Health Economists Conference (poster presentation), Washington University
Collaborative on Administrative Data, Health Services, and Policy Research Meeting, Cato Junior Academics
Health Policy Symposium
2021: Michigan Medicine VBC/ACO Working Group
2020: Saint Luke's Hospital Grand Rounds

RESEARCH EXPERIENCE

Research Assistant to Barton Hamilton, Olin Business School June 2019 - December 2020

TEACHING EXPERIENCE

Teaching Assistant, Olin Business School, Washington University in Saint Louis
Research in Healthcare Management (Spring 2021, Spring 2022) - Undergraduate Capstone Course

Teaching Assistant, Olin Business School, Washington University in Saint Louis
Competitive Industry and Strategy Development (Fall 2021) - MBA Core Course