

- This paper will focus on gender earning gaps in medicine, and the question that tries to answer is: are male doctors more likely to refer to male specialists?

- It's not clear why women earn less than men and why they are underrepresented in top career positions.
- A channel that explain the gender earning gap is biased professional networks.

- People tend to develop relationships with others similar to themselves, and this phenomena is called homophily.
- Using the network of referrals of Medicare patients, this paper documents two facts. First, even though a quarter of the physicians are female, they only receive a sixth of all referrals.
- Second, that female doctors refer 20% of their cases to female specialist. Instead, male doctors only refer 15% of their cases to female specialist.

- This paper uses as an empirical framework a conditional-logit discrete choice model in which doctors choose specialists from local pools.
- Gender bias in referrals is driven by doctors' decisions rather than by endogenous sorting of physicians or patients.
- Because most doctors are men, the net impact of same-gender bias by both male and female doctors is to lower demand for female specialists relative to male specialists, contributing substantially to the earnings gap among physicians.
- Medicare data: the gender of both the doctor and the specialist involved in each referral and the payments generated to the specialist are jointly observed.
- Doctors are 10 percent more likely to refer to the one of their own gender, even controlling for common institutional affiliations, who are nearby, who have similar experience, and who attended the same medical school.

- decompose the gross earnings gap by estimating a standard (log) annual pay equation:

- About half of the Medicare physician pay gap is accounted for by known factors.
- However, about half of the gross gap (34 log points), reflecting the within-specialty gender gap in workload, remains largely unexplained.

- Conditional-logit probability for a referral from j to k , given gender and other characteristics.
- Ruling out strategic link formation in response to other links or in anticipation of such links.

- All else being equal, doctors are 10 percent more likely to refer to specialists of the same gender.
- There is a slight decrease in same-gender estimates because of modest sorting on location and hospital affiliation.

- As long as most doctors are male, such bias makes the demand for female specialists, lower than that for male specialists.