selves and those that they would like for others. The authors show that the size of the health budget is endogenous and depends on the choices made by the doctor. The focus is on the division of the budget between health-enhancing and non-health-enhancing health care. *Journal of Health Economics,* July 1994, 13(2): 231-251. (Reprinted with permission of the *Journal of Economic Literature.*)

Health Care and Insurance

Product Differentiation Among Health Maintenance Organizations: Causes and Consequences of Offering Open-Ended Products, by Douglas R. Wholey and Jon B. Christianson

Open-ended products that allow a health maintenance organization (HMO) enrollee to use providers who are not affiliated with the HMO have become an important component of the Clinton administration's health reform proposal because these products maintain consumer freedom of choice of any provider. However, little is known about the consequences of offering an open-ended product from an organizational standpoint. An analysis shows that the decision of an HMO to offer an open-ended product is a function of where the HMO is located along the attribute dimension in relation to range of choice of providers. The consequences of offering an open-ended product on enrollment change are also a function of where an HMO is located along the provider choice continuum. For groups, open-ended products have positive and negative effects. They cannibalize basic enrollment, yet they are a transition product. The overall effect is to decrease a group's total enrollment growth. *Inquiry,* Spring 1994, 31(l): 23-39. (Reprinted with permission of ABI/Inform, Copyright UMI.)

Discrepancies in Employer-Sponsored Health Insurance Among Sociodemographic and Employment Factors, by Karen Seccombe, Leslie L. Clarke, and Raymond T. Coward

A study explored differences in the incidence and predictors of employer-sponsored health insurance among Hispanics, blacks, and whites. A nationally representative sample of employed adults from the 1987 National Medical Expenditure Survey was used. The results suggested that: 1. Whites are most likely and Hispanics least likely to have employer-sponsored medical insurance in their own name or in the name of another individual. 2. Hispanics are most likely and whites are least likely to be completely uninsured. 3. The factors that increase the odds of receiving employer-sponsored coverage in one's own name are relatively similar across racial groups, though they differ significantly in magnitude. *Inquiry,* Summer 1994, 31(2): 221-229. (Reprinted with permission of ABI/Inform, Copyright UMI.)