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Online Table A: Likelihood Ratio Tests

Null Hypothesis[#]	Test Statistic, λ	$\chi^2_{0.95}$-value	Decision	Implication
H_0: $\gamma = 0$	46.631	17.670	Reject	Use SFA rather than OLS
H_0: $u = 0$	4.264	3.841	Reject	Assume truncated-normal distribution for residuals
H_0: $\rho_{ij} = 0$	49.722	17.670	Reject	Use translog model rather than Cobb-Douglas

[#] These results were obtained by comparing the model that was based on the assumptions of a translog cost function and truncated-normal error with teaching and the AHRQ QIs. We tested 10 other models and obtained similar results