

# Statistical Computation

## Math 475

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Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

## Part II

# Contingency Tables for Categorical Data

# Outline I

- 1 Introduction to Categorical Data
  - Models
  - Data
  - Distributions
- 2 Two-way  $I \times J$  Contingency Table
  - Definition
  - $2 \times 2$  Table
  - Association Tests
  - Pearson Test
  - LRT
  - Association Measures
  - Fisher Test
- 3 Other Concepts for  $2 \times 2$  Tables
  - DP
  - Relative Risk

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# Outline II

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

- Odds Ratio
- Sen & Spe
- 4 Two-way Table for Ordered Data
  - Mantel-Haenszel
  - Scores
- 5 Stratified Contingency Tables
  - Example: Mortality of Sunny City & Happy City
  - Simpson's Paradox
  - Cochran-Mantel-Haenszel (CMH) Test
  - Brewslo-Day Test
- 6 Matched Pairs
  - Example: Votes
  - McNemar's Test
  - References
- 7 SAS Programs

# Statistical Modeling

	Explanatory Variable		
Response	Continuous	Categorical	Mixed
Continuous	Regression	ANOVA	ANCOVA
Categorical	Categorical Data Analysis		

Introduction

**Models**

Data

Distributions

Two-way  
Table

Other

Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# Statistical Modeling

	Explanatory Variable		
Response	Continuous	Categorical	Mixed
Continuous	Regression	ANOVA	ANCOVA
Categorical	Categorical Data Analysis		

## Categorical Data Analysis

- Contingency tables: summarize categorical data in a tabular form.
- Transformation model (example: log linear models)
- Generalized linear models (GLM) (example: logistic regression)

Introduction  
Models  
Data  
Distributions

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# Categorical Data

Type of data:

- Dichotomous: normal/abnormal blood pressure
- Ordinal: age range (Young, Middle, Old)
- Nominal: color (Red, Green, Black)
- Discrete counts: the number of heart attacks
- Grouped data: the number of deaths in 10-years intervals

Introduction  
Models  
**Data**  
Distributions

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

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- Grouped data: the number of deaths in 10-years intervals

Sampling framework: → model and inference

- Historical data
- Sample survey
- Experimental data



# Distributions for Categorical Data

- Binomial distribution:

The total number of trials,  $N$ , is fixed and known. Failure happens independently in each identical trial with a certain probability  $\pi$ . Then the number of failure(success),  $Y$ , is a random variable with Binomial distribution,  $Bin(N, \pi)$ .

$$P(Y = k) = \frac{N!}{k!(N - k)!} \pi^k (1 - \pi)^{N - k}, \quad k = 0, 1, 2, \dots, N.$$

$$E(Y) = N\pi, \quad \text{Var}(Y) = N\pi(1 - \pi).$$

Introduction

Models

Data

**Distributions**

Two-way

Table

Other

Concepts for

$2 \times 2$  Tables

Ordered data

Stratified

Contingency

Tables

Matched

Pairs

SAS

Programs

# Distributions for Categorical Data

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$$P(Y = k) = \frac{N!}{k!(N - k)!} \pi^k (1 - \pi)^{N - k}, \quad k = 0, 1, 2, \dots, N.$$

$$E(Y) = N\pi, \quad Var(Y) = N\pi(1 - \pi).$$

- Multinomial distribution:

Extension of binomial distribution to multiple possible outcomes. For example, in an auto-fatality study, "uninjured", "injury not requiring hospitalization", "injury requiring hospitalization".

# Distribution for Categorical Data

- Poisson distribution:

The total number of trials is unknown. The number of some possible outcome,  $Y$ , is a random variable with Poisson distribution  $Pois(\pi)$ . For example, the number of fatal accidents in a given week in St.Louis. (Note, the total number of accidents is unknown.)

$$P(Y = k) = \frac{e^{-\pi} \pi^k}{k!}, \quad k = 0, 1, 2, \dots$$

$$E(Y) = Var(Y) = \pi.$$

Introduction

Models

Data

**Distributions**

Two-way

Table

Other

Concepts for

$2 \times 2$  Tables

Ordered data

Stratified

Contingency

Tables

Matched

Pairs

SAS

Programs

# Distribution for Categorical Data

- Product multinomial distribution:  
The number of trials for each given covariate (the row total) is fixed as well as the total number of trials.

Introduction

Models

Data

**Distributions**

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# Distribution for Categorical Data

- Product multinomial distribution:  
The number of trials for each given covariate (the row total) is fixed as well as the total number of trials.
- Hypergeometric distribution:  
The number of trials for each given covariate (the row total) is fixed and the number of each possible outcome from all covariates (the column total) is fixed.  
Then the number of failure in a sequence of  $n$  draws from a population with size  $N$  which contains  $m$  defective items (without replacement),  $X$ , is a random variable with Hypergeometric distribution,  $HyperGeom(N, n, m)$ .

$$P(X = k) = \frac{\binom{m}{k} \binom{N-m}{n-k}}{\binom{N}{n}}, \quad k = 0, 1, \dots, \min(n, m)$$

Introduction

Two-way  
Table

Definition

$2 \times 2$  Table

Association  
Tests

Pearson Test

LRT

Association  
Measures

Fisher Test

Other

Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

# Two-way $I \times J$ Contingency Table

# Definition of Contingency Tables

Introduction

Two-way  
Table

**Definition**

$2 \times 2$  Table

Association  
Tests

Pearson Test

LRT

Association  
Measures

Fisher Test

Other

Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

Categorical data consist of frequency counts of observation occurring in each of response category. Let  $X$  and  $Y$  denote two categorical variables, with  $I$  and  $J$  levels respectively. We display the frequency counts of  $IJ$  possible combinations of outcomes in a table with  $I$  rows and  $J$  columns. This type of table is called two-way contingency table. A contingency table that cross classifies three variables is called a three-way table, and so fourth.

# An Example of Contingency Table

- Example: American's belief in afterlife.  
(Source: edited from table 2.1 in Agresti (2002))

	Yes	No	Total
Females	435	147	582
Males	375	134	509
Total	810	281	1091

Introduction

Two-way  
Table

**Definition**

$2 \times 2$  Table

Association  
Tests

Pearson Test

LRT

Association  
Measures

Fisher Test

Other

Concepts for

$2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS



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	Yes	No	Total
Females	435	147	582
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- Key interest: Do females more believe in afterlife? Is there any association between gender and opinion about afterlife?

Introduction

Two-way  
Table

**Definition**

$2 \times 2$  Table

Association  
Tests

Pearson Test

LRT

Association  
Measures

Fisher Test

Other

Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

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	Yes	No	Total
Females	435	147	582
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Total	810	281	1091

- Key interest: Do females more believe in afterlife? Is there any association between gender and opinion about afterlife?
- If the actual probability of believing in an afterlife is same for both male and female, then belief in an afterlife can be regarded as independent of gender.

Introduction

Two-way  
Table

**Definition**

$2 \times 2$  Table

Association  
Tests

Pearson Test  
LRT

Association  
Measures

Fisher Test

Other

Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

## 2 × 2 Table

Denote  $n$  as frequency counts and  $\pi$  as proportion of each combination of outcomes. Classify the response variable in columns and explanatory variable in rows.

	Col1	Col2	Row Total
Row1	$n_{11}(\pi_{11})$	$n_{12}(\pi_{12})$	$n_{1+}(\pi_{1+})$
Row2	$n_{21}(\pi_{21})$	$n_{22}(\pi_{22})$	$n_{2+}(\pi_{2+})$
Col Total	$n_{+1}(\pi_{+1})$	$n_{+2}(\pi_{+2})$	$n_{++}(\pi_{++} = 1)$

Let  $\pi_{j|i} = \pi_{ij}/\pi_{i+}$ , for  $i = 1, 2; j = 1, 2$ .

Introduction

Two-way  
Table

Definition  
**2 × 2 Table**

Association  
Tests

Pearson Test  
LRT

Association  
Measures  
Fisher Test

Other  
Concepts for  
2 × 2 Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

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Col Total	$n_{+1}(\pi_{+1})$	$n_{+2}(\pi_{+2})$	$n_{++}(\pi_{++} = 1)$

Let  $\pi_{j|i} = \pi_{ij}/\pi_{i+}$ , for  $i = 1, 2; j = 1, 2$ . For example, in the previous example,

- $\pi_{21}$  is the probability of a random selected participant is a male and believes in afterlife.
- $\pi_{2+}$  is the probability of a male participant is selected.
- $\pi_{j|i}, i = 2, j = 1$  is the probability that a male believes in afterlife.

# Association in Two-way Contingency Tables

- The test of whether males and females believe in afterlife equivalently can be written as

$$H_0 : \pi_{1|1} = \pi_{1|2} \quad \text{vs.} \quad H_a : \pi_{1|1} \neq \pi_{1|2},$$

which, in a 2x2 table, is same as

$$H_0 : \pi_{1|1} = \pi_{+1} \quad \text{vs.} \quad H_a : \pi_{1|1} \neq \pi_{+1},$$

$$H_0 : \pi_{11} = \pi_{1+}\pi_{+1} \quad \text{vs.} \quad H_a : \pi_{11} \neq \pi_{1+}\pi_{+1}.$$

Introduction

Two-way  
Table

Definition  
 $2 \times 2$  Table

**Association  
Tests**

Pearson Test  
LRT

Association  
Measures  
Fisher Test

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

# Association in Two-way Contingency Tables

- The test of whether males and females believe in afterlife equivalently can be written as

$$H_0 : \pi_{1|1} = \pi_{1|2} \quad \text{vs.} \quad H_a : \pi_{1|1} \neq \pi_{1|2},$$

which, in a 2x2 table, is same as

$$H_0 : \pi_{1|1} = \pi_{+1} \quad \text{vs.} \quad H_a : \pi_{1|1} \neq \pi_{+1},$$

$$H_0 : \pi_{11} = \pi_{1+}\pi_{+1} \quad \text{vs.} \quad H_a : \pi_{11} \neq \pi_{1+}\pi_{+1}.$$

- In general, such a “homogeneity test of rows” in a  $I \times J$  table can be written as

$$H_0 : \pi_{j|1} = \pi_{j|2} = \cdots = \pi_{j|I} = \pi_{+j}, \quad j = 1, \dots, J.$$

That is the probability of falling into any particular column response is the same in each row. This is equivalent to the “independence test”,

$$H_0 : \pi_{ij} = \pi_{i+}\pi_{+j}, \quad \text{for } i = 1, \dots, I, \quad j = 1, \dots, J.$$

Introduction

Two-way  
Table

Definition  
 $2 \times 2$  Table

Association  
Tests

Pearson Test  
LRT

Association  
Measures  
Fisher Test

Other

Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

# Association in Two-way Contingency Tables

Introduction

Two-way  
Table

Definition  
 $2 \times 2$  Table

**Association  
Tests**

Pearson Test  
LRT

Association  
Measures  
Fisher Test

Other

Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

- The “homogeneity test” is often used in the situation that the column variable,  $Y$ , can be viewed as a response variable and the row variable,  $X$ , can be viewed as an explanatory variable (covariate, predictor).
- The “independence test”, which is that all joint probabilities equal to the product of their marginal probabilities, is more generally used when the column and row variables are at the same level.

# Pearson Chi-Square Test

- For a sample of size  $n$  with cell counts  $\{n_{ij}\}$ , the expected frequencies are defined as  $\mu_{ij} = \frac{n_{i+}n_{+j}}{n}$ . Note under the null hypothesis that two variables are independent,  $\mu_{ij}$  represents  $E(n_{ij})$ .

- The test statistic: Pearson

$$Q^2 = \sum_{i=1}^I \sum_{j=1}^J \frac{(n_{ij} - \mu_{ij})^2}{\mu_{ij}}$$

has approximately a  $\chi^2_{(I-1)(J-1)}$  distribution for a large sample. Larger value is stronger against  $H_0$ .

- Large sample:  $n_{ij} \geq 5$  and  $\mu_{ij} \geq 1$ . If the sample size of some cells are too small, one need to combine some cells to make Pearson  $\chi^2$  test appropriate.

Introduction

Two-way  
Table

Definition  
 $2 \times 2$  Table  
Association  
Tests

**Pearson Test**  
LRT  
Association  
Measures  
Fisher Test

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS



# Exercise

Introduction

Two-way  
Table

Definition  
 $2 \times 2$  Table  
Association  
Tests

**Pearson Test**  
LRT  
Association  
Measures  
Fisher Test

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

For  $2 \times 2$  table, Pearson  $\chi^2$  can be simplified as:

$$\begin{aligned} Q^2 &= \sum_{i=1}^2 \sum_{j=1}^2 \frac{(n_{ij} - \mu_{ij})^2}{\mu_{ij}} \\ &= \frac{n(n_{11}n_{22} - n_{12}n_{21})^2}{n_{1+}n_{2+}n_{+1}n_{+2}}. \end{aligned}$$

# Likelihood Ratio $\chi^2$ Test

- It is a variant of Pearson  $\chi^2$  test.
- Asymptotically it is equivalent to Pearson  $\chi^2$  test.
- The test statistic:

$$G^2 = 2 \sum_{i=1}^I \sum_{j=1}^J n_{ij} \log\left(\frac{n_{ij}}{\mu_{ij}}\right),$$

has approximately a  $\chi^2$  distribution with degree of freedom  $(I - 1)(J - 1)$ .

- Larger value provides stronger evidence against independence.
- It performs even worse than Pearson  $\chi^2$  test for small sample and sparse table.

Introduction

Two-way  
Table

Definition  
 $2 \times 2$  Table  
Association  
Tests

Pearson Test  
LRT

Association  
Measures  
Fisher Test

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

# Other Measures Based on Pearson $\chi^2$ Test

- Continuity adjusted  $\chi^2$ : intend to correct  $Q^2$  to approximate Fisher's Exact Test. It was proposed by Yates and not commonly used now.
- Phi coefficient: a measure of Pearson correlation based on the rank of observations for categorical data. It is only meaningful for  $2 \times 2$  table or for ordinal data. For a  $2 \times 2$  table,

$$\phi = \frac{n_{11}n_{22} - n_{12}n_{21}}{\sqrt{n_{1+}n_{2+}n_{+1}n_{+2}}}.$$

Note  $-1 \leq \phi \leq 1$ . Furthermore,  $\phi > 0$  implies the positive association between the 1st row and the 1st column. One can prove in  $2 \times 2$  table  $n\phi^2 = Q^2$ .

- Contingency coefficient:  $c = \sqrt{\frac{Q^2}{Q^2+n}}$ .
- Cramer's V:  $V = \sqrt{\frac{Q^2}{n \min(I-1, J-1)}}$ .

Introduction

Two-way  
Table

Definition  
 $2 \times 2$  Table  
Association  
Tests

Pearson Test  
LRT

Association  
Measures  
Fisher Test

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

## Example: Fisher's Tea Drinker

Ms. Bristol, a colleague of R.A. Fisher, claimed that when drinking tea she should distinguish whether milk or tea was added to the cup first and she preferred milk first. To test her claim, Fisher asked her to taste 8 cups of tea, 4 of which had milk added first and 4 of which had tea added first. She knew there were 4 cups of each type and had to predict which four had milk added first. The order of presenting the cups to her was randomized.

	Guess added first		
Added first	Mike	Tea	Total
Milk	3	1	4
Tea	1	3	4
Total	4	4	8

How would you test Ms. Bristol's claim? What do you find out?

Introduction

Two-way  
Table

Definition  
 $2 \times 2$  Table  
Association  
Tests  
Pearson Test  
LRT  
Association  
Measures  
Fisher Test

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

# Fisher Exact Test

Introduction

Two-way  
Table

Definition  
 $2 \times 2$  Table

Association  
Tests

Pearson Test  
LRT

Association  
Measures

**Fisher Test**

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

When the sample size is small, Fisher exact test is preferred than  $\chi^2$  test. We illustrate this test in  $2 \times 2$  table.

- A small-sample probability distribution for the cell counts is defined for the set of tables having the same row and column totals as the observed data.
- Under Poisson, binomial, or multinomial sampling assumptions for the cell counts, the distribution of such restricted set of tables with fixing the row and column totals is hypergeometric.

# Fisher Exact Test

- Under  $H_0$ ,

$$P(n_{11}) = \frac{\binom{n_{1+}}{n_{11}} \binom{n_{2+}}{n_{+1} - n_{11}}}{\binom{n}{n_{+1}}}.$$

- Depends on  $H_\alpha$ , the p-value is the sum of hypergeometric prob. for outcomes at least as favorable to the alternative hypothesis as the observed outcome.

Introduction

Two-way

Table

Definition

$2 \times 2$  Table

Association  
Tests

Pearson Test

LRT

Association  
Measures

**Fisher Test**

Other

Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS

# Difference of Proportions

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

**DP**  
Relative Risk  
Odds Ratio  
Sen & Spe

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

Consider the column variable,  $Y$ , is the response variable (such as success/failure) and the row variable,  $X$ , is the explanatory variable indicating two different groups. The interest may be comparing the proportion of success in two groups

$$\pi_{1|2} - \pi_{1|1} = \frac{\pi_{21}}{\pi_{2+}} - \frac{\pi_{11}}{\pi_{1+}},$$

which is between  $-1$  and  $1$ . For example, it can interpreted as the difference between the success rate of the 2nd group and that of the 1st group.

# Relative Risk

Sometimes, the absolute difference of two success rates is not important but their relative difference or their ratio is interested. The relative risk is defined as the ratio of the success proportion of the first group to that of the second group:

$$\frac{\pi_{1|1}}{\pi_{1|2}} \geq 0.$$

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

DP  
**Relative Risk**  
Odds Ratio  
Sen & Spe

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs



# Odds Ratio

- Odds: Prob. of success/Prob. of failure,

$$\frac{\pi_{1|1}}{\pi_{2|1}} = \frac{\pi_{11}/\pi_{1+}}{\pi_{12}/\pi_{1+}} = \pi_{11}/\pi_{12}$$

- Odds ratio: Odds of the 1st group/Odds of the 2nd group

$$\theta = \frac{\pi_{11}/\pi_{12}}{\pi_{21}/\pi_{22}} = \frac{\pi_{11}\pi_{22}}{\pi_{12}\pi_{21}} \geq 0.$$

- Remarks:
  - $\theta = 1$  is equivalent to “independence of  $X$  and  $Y$ ”.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

DP  
Relative Risk  
**Odds Ratio**  
Sen & Spe

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

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$$\frac{\pi_{1|1}}{\pi_{2|1}} = \frac{\pi_{11}/\pi_{1+}}{\pi_{12}/\pi_{1+}} = \pi_{11}/\pi_{12}$$

- Odds ratio: Odds of the 1st group/Odds of the 2nd group

$$\theta = \frac{\pi_{11}/\pi_{12}}{\pi_{21}/\pi_{22}} = \frac{\pi_{11}\pi_{22}}{\pi_{12}\pi_{21}} \geq 0.$$

- Remarks:
  - $\theta = 1$  is equivalent to “independence of  $X$  and  $Y$ ”.
  - $\frac{1}{\theta}$  is also an odds ratio.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

DP  
Relative Risk  
**Odds Ratio**  
Sen & Spe

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# Odds Ratio

- Odds: Prob. of success/Prob. of failure,

$$\frac{\pi_{1|1}}{\pi_{2|1}} = \frac{\pi_{11}/\pi_{1+}}{\pi_{12}/\pi_{1+}} = \pi_{11}/\pi_{12}$$

- Odds ratio: Odds of the 1st group/Odds of the 2nd group

$$\theta = \frac{\pi_{11}/\pi_{12}}{\pi_{21}/\pi_{22}} = \frac{\pi_{11}\pi_{22}}{\pi_{12}\pi_{21}} \geq 0.$$

- Remarks:
  - $\theta = 1$  is equivalent to “independence of  $X$  and  $Y$ ”.
  - $\frac{1}{\theta}$  is also an odds ratio.
  - For inference, it is more convenient to use symmetric measure  $\log \theta$ . ( $\log \theta = 0 \Leftrightarrow$  Independence.)

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

DP  
Relative Risk  
**Odds Ratio**  
Sen & Spe

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# Odds Ratio

- Odds: Prob. of success/Prob. of failure,

$$\frac{\pi_{1|1}}{\pi_{2|1}} = \frac{\pi_{11}/\pi_{1+}}{\pi_{12}/\pi_{1+}} = \pi_{11}/\pi_{12}$$

- Odds ratio: Odds of the 1st group/Odds of the 2nd group

$$\theta = \frac{\pi_{11}/\pi_{12}}{\pi_{21}/\pi_{22}} = \frac{\pi_{11}\pi_{22}}{\pi_{12}\pi_{21}} \geq 0.$$

- Remarks:
  - $\theta = 1$  is equivalent to “independence of  $X$  and  $Y$ ”.
  - $\frac{1}{\theta}$  is also an odds ratio.
  - For inference, it is more convenient to use symmetric measure  $\log \theta$ . ( $\log \theta = 0 \Leftrightarrow$  Independence.)
  - When  $X$  and  $Y$  change,  $\theta$  ( $\log \theta$ ) doesn't change.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

DP  
Relative Risk  
**Odds Ratio**  
Sen & Spe

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# Odds Ratio

- Odds: Prob. of success/Prob. of failure,

$$\frac{\pi_{1|1}}{\pi_{2|1}} = \frac{\pi_{11}/\pi_{1+}}{\pi_{12}/\pi_{1+}} = \pi_{11}/\pi_{12}$$

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  - When  $X$  and  $Y$  change,  $\theta$  ( $\log \theta$ ) doesn't change.
  - It is a natural parameter in logistic regression.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

DP  
Relative Risk  
**Odds Ratio**  
Sen & Spe

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

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$$\frac{\pi_{1|1}}{\pi_{2|1}} = \frac{\pi_{11}/\pi_{1+}}{\pi_{12}/\pi_{1+}} = \pi_{11}/\pi_{12}$$

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$$\theta = \frac{\pi_{11}/\pi_{12}}{\pi_{21}/\pi_{22}} = \frac{\pi_{11}\pi_{22}}{\pi_{12}\pi_{21}} \geq 0.$$

- Remarks:
  - $\theta = 1$  is equivalent to “independence of  $X$  and  $Y$ ”.
  - $\frac{1}{\theta}$  is also an odds ratio.
  - For inference, it is more convenient to use symmetric measure  $\log \theta$ . ( $\log \theta = 0 \Leftrightarrow$  Independence.)
  - When  $X$  and  $Y$  change,  $\theta$  ( $\log \theta$ ) doesn't change.
  - It is a natural parameter in logistic regression.
  - It is a good approximation of relative risk in the cross-sectional study when success is rare.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

DP  
Relative Risk  
**Odds Ratio**  
Sen & Spe

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# Sensitivity & Specificity

These measures are of interest when one is determining the efficacy of screening tests for various disease outcomes.

- Sensitivity: the true proportion of positive result when a subject has disease;
- Specificity: the true proportion of negative result when a subject doesnot have disease.

Example: Breast Cancer Diagnoses

	Diagnosis		
	+	-	Total
Cancer	82	18	100
No cancer	1	99	100
Total	83	107	200

Sensitivity:  $\pi_{1|1} = 0.82$

Specificity:  $\pi_{2|2} = 0.99$

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

DP  
Relative Risk  
Odds Ratio  
Sen & Spe

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

**Ordered data**

**Mantel-  
Haenszel  
Scores**

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

## Two-way Table for Ordered Data



# Mantel-Haenszel $\chi^2$ Test

When both response and explanatory variables are both ordinal, a positive or negative trend in the association is common. To test the monotone trend, Mantel (1963) proposed this test. If the test is significant, we say that increases in one variable are associated with increases (or decreases for negative relationships) in the other variable greater than would be expected by chance.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

**Mantel-  
Haenszel**  
Scores

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

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When both response and explanatory variables are both ordinal, a positive or negative trend in the association is common. To test the monotone trend, Mantel (1963) proposed this test. If the test is significant, we say that increases in one variable are associated with increases (or decreases for negative relationships) in the other variable greater than would be expected by chance.

Assign scores to the row and column variable. The test statistics is defined as  $M^2 = (n - 1)r^2$ , where  $r$  is the Pearson correlation between row variable and column variables. With large samples,  $M^2$  has approximately  $\chi_1^2$  distribution.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

**Mantel-  
Haenszel**  
Scores

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

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When both response and explanatory variables are both ordinal, a positive or negative trend in the association is common. To test the monotone trend, Mantel (1963) proposed this test. If the test is significant, we say that increases in one variable are associated with increases (or decreases for negative relationships) in the other variable greater than would be expected by chance.

Assign scores to the row and column variable. The test statistics is defined as  $M^2 = (n - 1)r^2$ , where  $r$  is the Pearson correlation between row variable and column variables. With large samples,  $M^2$  has approximately  $\chi_1^2$  distribution.

When the association truly has a positive or negative trend, the test is more powerful than Pearson  $\chi^2$  and Likelihood ratio tests.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data  
**Mantel-  
Haenszel**  
Scores

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# Scores of Ordinal Data

In SAS, one can use “SCORES=” option to specify the score type among: TABLE, RANK, RIDIT, and MODRIDIT scores (Spearman’s  $\rho$ ).

The default score is TABLE. For numerical variables, table scores are the values for the row and column levels. For character variables, table scores are the row and column numbers.

For a  $2 \times 2$  table with character variables, using the table scores, we have

$$M^2 = \frac{(n_{11} - \mu_{11})^2}{\text{Var}(n_{11})}, \quad \text{Var}(n_{11}) = \frac{n_1 + n_{+1} n_2 + n_{+2}}{n^2(n-1)}.$$

Exercise: Derive the relationship between  $M^2$  and  $Q^2$  in a  $2 \times 2$  table.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Mantel-  
Haenszel  
Scores

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# More Examples

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data  
Mantel-  
Haenszel  
Scores

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

- RANK scores are continuous version of the ranks. For  $2 \times J$  table with RANK scores for  $Y$ , this Mantel-Haenszel test is equivalent to Wilcoxon test of nonparametric two sample test.
- RIDIT scores are standardized (by the sample size) version of the rank scores.
- MODRIDIT are modified ridit scores, which are the rank scores  $/(n + 1)$  representing the expected values of order statistics of  $U(0, 1)$ .

# Choice of Scores

The choice of scores is a subjective call. Different score choices will lead to different test statistics and so may produce different conclusion.

*“Any set of scores gives a valid test, provided that they are constructed without consulting the results of the experiment. If the set of scores is poor, in that it badly distorts a numerical scale that really does underlie the ordered classification, the test will not be sensitive. The scores should therefore embody the best insight available about the way in which the classification was constructed and used.” – Cochran (1954)*

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data  
Mantel-  
Haenszel  
Scores

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

**Stratified  
Contingency  
Tables**

Example:  
Mortality of  
Sunny City &  
Happy City  
Simpson's  
Paradox  
Cochran-  
Mantel-  
Haenszel  
(CMH) Test  
Brewslo-  
Day  
Test

Matched  
Pairs

# Stratified Contingency Tables

# Example: Mortality of Sunny City & Happy City

City	Death	Survival	Total
Sunny	1,475	98,525	100,000
Happy	1,125	98,875	100,000
Total	2,600	197,400	200,000

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

**Example:**  
**Mortality of**  
**Sunny City &**  
**Happy City**

Simpson's  
Paradox  
Cochran-  
Mantel-  
Haenszel  
(CMH) Test  
Breslow-Day  
Test

Matched  
Pairs



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Which city have a higher mortality rate?

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

**Example:**  
**Mortality of**  
**Sunny City &**  
**Happy City**

Simpson's  
Paradox  
Cochran-  
Mantel-  
Haenszel  
(CMH) Test  
Breslow-Day  
Test

Matched  
Pairs

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Sunny	1,475	98,525	100,000
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Total	2,600	197,400	200,000

Which city have a higher mortality rate?

	Sunny City		Happy City	
Age	Death	Total	Death	Total
<25	25(1.00)	25,000	110(2.0)	55,000
25-44	50(1.25)	40,000	50(2.5)	20,000
45-64	200(10.00)	20,000	315(15.0)	21,000
$\geq 65$	1,200(80.00)	15,000	650(162.5)	4,000
Total	1,475(14.7)	100,000	1,125(11.25)	100,000

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

**Example:  
Mortality of  
Sunny City &  
Happy City**

Simpson's  
Paradox  
Cochran-  
Mantel-  
Haenszel  
(CMH) Test  
Brewslo-  
Day  
Test

Matched  
Pairs

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Which city have a higher mortality rate?

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

**Example:**  
Mortality of  
Sunny City &  
Happy City

Simpson's  
Paradox  
Cochran-  
Mantel-  
Haenszel  
(CMH) Test  
Brewslove-Day  
Test

Matched  
Pairs

# Simpson's Paradox

- This is an example of so called Simpson's Paradox.
- Even though the mortality rates of Happy city is higher than those of Sunny city at all age ranges, the overall mortality rate of Happy city is lower than that of Sunny city.
- In fact, this is because there are more young people in Happy city, who are at lower risk of death.
- Hence the  $2 \times 2$  contingency table which combines all age groups is misleading.
- The independence test on the association of row and column variables for the combined table is also misleading.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Example:  
Mortality of  
Sunny City &  
Happy City

**Simpson's  
Paradox**

Cochran-  
Mantel-  
Haenszel  
(CMH) Test  
Breslow-Day  
Test

Matched  
Pairs

# Cochran-Mantel-Haenszel (CMH) Test

- We should control “age” in above example and construct a set of  $2 \times 2$  tables stratifying on covariate “age” to analyze the mortality rates.
- The Mantel-Haenszel strata test for a set of  $2 \times 2$  tables is based on summing the upper-left entries for all strata.
- For the  $k$ th table, the estimated expected counts under no association assumption is:

$$\mu_{11k} = \frac{n_{1+k}n_{+1k}}{n_{++k}},$$

and the variance of the counts in cell (1, 1) is:

$$\text{Var}(n_{11k}) = \frac{n_{1+k}n_{+1k}n_{2+k}n_{+2k}}{n_{++k}^2(n_{++k} - 1)}.$$

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Example:  
Mortality of  
Sunny City &  
Happy City  
Simpson's  
Paradox

**Cochran-  
Mantel-  
Haenszel  
(CMH) Test**  
Brewslove-Day  
Test

Matched  
Pairs

# Cochran-Mantel-Haenszel (CMH) Test

- The test statistic summarizes the information from  $K$   $2 \times 2$  stratified tables using:

$$CMH = \frac{[\sum_{k=1}^K (n_{11k} - \mu_{11k})]^2}{\sum_{k=1}^K Var(n_{11k})},$$

which has approximately  $\chi^2$  distribution with  $df=1$ .

- The CMH test removes the confounding variable by stratifying the other covariates and provides bigger power for detecting association in a random study. It does not assume homogeneity of odds ratio across strata.
- This test also needs large sample as in Mantel-Haenszel trend test. ( $\sum_k n_{11k} > 30$ )
- This CMH test can be generalized for a set of  $I \times J$  stratified tables for nominal and ordinal data.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Example:  
Mortality of  
Sunny City &  
Happy City  
Simpson's  
Paradox  
**Cochran-  
Mantel-  
Haenszel  
(CMH) Test**  
Brewslo-Day  
Test

Matched  
Pairs

# Brewslow-Day Test

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Example:  
Mortality of  
Sunny City &  
Happy City  
Simpson's  
Paradox  
Cochran-  
Mantel-  
Haenszel  
(CMH) Test  
**Brewslow-Day  
Test**

Matched  
Pairs

- The CMH test is inappropriate when the association varies dramatically among stratified tables.
- Test the homogeneity of odds ratio in a set of  $2 \times 2$  tables.
- The test statistic has a similar form as Pearson  $\chi^2$  test but summing over all cells from all tables. It has approximately  $\chi^2$  distribution with  $df=K - 1$ .
- When there is only one strata (one table), CMH=Mantel Haenszel Trend Test.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

**Matched  
Pairs**

Example:  
Votes

McNemar's  
Test

References

SAS  
Programs

# Matched Pairs



## Example: Votes

For a poll of a random sample of 1600 Canadian citizens, 944 indicated approval of the Prime Minister's performance in office. Six month later, of these same 1600 voters, 880 indicated approval.

	Second Survey		
First Survey	Approval	Disapproval	Total
Approval	794	150	944
Disapproval	86	570	656
Total	880	720	1600

Note there are two samples in this data set and each sample has the same subject (or there is a natural match between subjects in two samples). The responses in the two samples are hence dependent.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

**Example:**  
**Votes**  
McNemar's  
Test  
References

SAS  
Programs

# McNemar's Test

The researchers are interested in comparing the proportions for approval in the first and second survey. (NOTE: They are dependent!)

The hypothesis on the marginal homogeneity:  $H_0 : \pi_{1+} = \pi_{+1}$  is equivalent to the hypothesis on the equivalence of off-main-diagonal:  $H_0 : \pi_{12} = \pi_{21}$ .

Let  $n^* = n_{12} + n_{21}$ . Under the null hypothesis, each of  $n^*$  observation has equal probability to contribute to  $n_{12}$  or  $n_{21}$ . In another words,  $n_{12} \sim Bin(n^*, 0.5)$ . When  $n^*$  is large, the binomial distribution can be approximated by normal distribution with mean  $0.5n^*$  and variance  $0.25n^*$ . Hence the standardized normal test statistic is:

$$z = \frac{n_{12} - 0.5n^*}{\sqrt{0.25n^*}} = \frac{n_{12} - n_{21}}{\sqrt{n_{12} + n_{21}}}.$$

# McNemar's Test

- Under  $H_0$ , the square of this statistic,  $z^2$ , has approximately  $\chi^2$  distribution with  $df=1$ .

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

Example:  
Votes

**McNemar's  
Test**

References

SAS  
Programs

# McNemar's Test

- Under  $H_0$ , the square of this statistic,  $z^2$ , has approximately  $\chi^2$  distribution with  $df=1$ .
- This test for a comparison of two dependent proportions is called "McNemar's Test" (1947).

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

Example:  
Votes  
**McNemar's  
Test**  
References

SAS  
Programs

# McNemar's Test

- Under  $H_0$ , the square of this statistic,  $z^2$ , has approximately  $\chi^2$  distribution with  $df=1$ .
- This test for a comparison of two dependent proportions is called "McNemar's Test" (1947).
- When there are more than two categories, one can use Bowker's Symmetry Test (1948). To test  $H_0 : \pi_{ij} = \pi_{ji}$ , we calculate the test statistic

$$Q_B = \sum_{i < j} \frac{(n_{ij} - n_{ji})^2}{n_{ij} + n_{ji}},$$

which approximately follows  $\chi^2_{I(I-1)}$  under  $H_0$ .

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

Example:  
Votes

**McNemar's  
Test**

References

SAS  
Programs

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$$Q_B = \sum_{i < j} \frac{(n_{ij} - n_{ji})^2}{n_{ij} + n_{ji}},$$

which approximately follows  $\chi^2_{I(I-1)}$  under  $H_0$ .

- Cohen's Kappa Coefficient is a measure of such agreement.

$$\kappa = \frac{\sum_i \pi_{ii} - \sum_i \pi_{i+} \pi_{+i}}{1 - \sum_i \pi_{i+} \pi_{+i}}.$$

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

Example:  
Votes

**McNemar's  
Test**

References

SAS  
Programs

# References

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

Example:  
Votes  
McNemar's  
Test

**References**

SAS  
Programs

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- Stokes, Davis, Koch (2000), Categorical Data Analysis Using the SAS Program, Chap 2-6.

- Introduction
- Two-way Table
- Other Concepts for  $2 \times 2$  Tables
- Ordered data
- Stratified Contingency Tables
- Matched Pairs
- SAS Programs**

# SAS Programs



# PROC FREQ;

- WEIGHT;  
Use it when data are already counts.
- TABLES X\*Y\*Z; (TABLE X\*Y\*Z; )  
The two rightmost variables will be displayed in the table as rows and columns, while the others are strata;
- RISKDIFF;  
Report the difference of proportion;
- MEASURES;  
Report the odds ratio and relative risk;
- NOCOL; NOPCT; Suppress the column percentage or no percentage at all.
- AGREE;  
It is for matched pairs and includes McNemar's test.
- CMH;  
Cochran-Mantel-Haenszel tests.

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

# Reading Data

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

- Input statement in DATA step  
Reading: Chap 12, Page 353-370.
- External files:  
Reading: Chap 13, Page 376-400.

# A Statistic Joke

Introduction

Two-way  
Table

Other  
Concepts for  
 $2 \times 2$  Tables

Ordered data

Stratified  
Contingency  
Tables

Matched  
Pairs

SAS  
Programs

From an email of a colleague friend:

I don't know why people are so negative about statistics and statisticians. I'm only a first-year student, and statistics has already taught me everything I need to know about life—always Proceed with Caution and Reject  $H_0$  !