

Table 1
Median Wealth by Self-Reported 1984 Health Status

<i>Age Group</i>	<i>1984</i>	<i>1989</i>	<i>1994</i>
All Households			
Excellent	68.3	99.3	127.9
Very Good	66.3	81.9	90.9
Good	51.8	59.6	64.9
Poor	39.2	36.0	34.7
25-34			
Excellent	28.5	51.5	84.3
Very Good	19.5	34.7	50.1
Good	10.5	17.2	28.2
Fair/Poor	0.9	3.1	10.4
35-44			
Excellent	100.1	150.1	194.7
Very Good	81.1	96.3	117.5
Good	49.5	45.3	83.5
Fair/Poor	23.8	15.5	32.4
45-54			
Excellent	164.2	198.3	255.8
Very Good	132.1	176.2	186.9
Good	87.8	76.9	97.1
Fair/Poor	59.7	61.6	69.4

Source: Calculations by author—PSID. Numbers reported in thousands of 1996 dollars.

Figure 1

HDL Cholesterol in Male Baboons and British Male Civil Servants

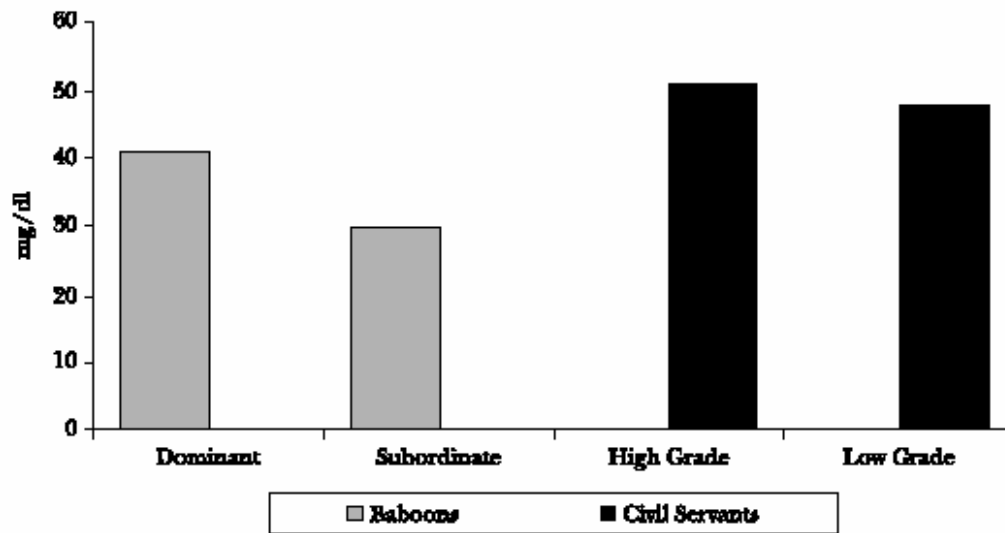


Table 2
Out-of-Pocket Medical Expenditures

	<i>Percentiles</i>						
	<i>10th</i>	<i>30th</i>	<i>50th</i>	<i>70th</i>	<i>90th</i>	<i>95th</i>	<i>98th</i>
HRS (ages 51-61) Between Waves 1-3							
(severe new chronic)	32	793	1,985	4,399	11,659	17,108	31,601
(mild new chronic)	49	434	1,072	2,255	6,324	9,489	18,322
(no new chronic)	22	358	868	1,833	4,774	7,983	15,452
severe-with H.I.	159	1,003	2,147	4,407	11,564	16,855	28,233
Severe-without H.I.	0	143	1,060	4,463	16,503	30,519	64,678
AHEAD (ages 70+) Between Waves 1-2							
(severe new chronic)	0	622	1,530	3,150	8,600	16,334	34,188
(mild new chronic)	0	400	980	1,910	5,681	8,894	14,800
(no new chronic)	0	255	800	1,800	4,839	8,000	19,008

*Table 3***Economic Effects of New Health Onset**

	<i>Wealth</i>	<i>OOP Expenses</i>	<i>Total Medical Expenses</i>
HRS			
Mild onset	-3,620	635	2,555
Severe onset	-16,846	2,266	28,963
AHEAD			
Any onset	-10,481	1,026	NA
HRS severe onset only			
With health insurance	-17,417	1,912	26,957
Without health insurance	-17,282	4,576	42,166
HRS severe onset only			
Below median income	-11,348	2,439	29,829
Above median income	-25,371	2,014	28,085
AHEAD any onset			
Below median income	-4,427	915	NA
Above median income	-17,040	1,101	NA

Table 4

Pathways of Effects of New Health Events in HRS Survey

(*t* statistics in parentheses)

<i>Type of Health Onset</i>	<i>Out-of-Pocket Medical Costs</i>		<i>Total Medical Costs</i>		<i>Change in Probability of Living to 75</i>	
	<i>W2-W1</i>	<i>W3-W2</i>	<i>W2-W1</i>	<i>W3-W2</i>	<i>W2-W1</i>	<i>W3-W2</i>
Major 1-2	1,608 (11.3)	792 (3.09)	18,299 (20.0)	11,712 (5.31)	-6.59 (5.66)	-2.88 (1.96)
Minor 1-2	181 (1.76)	308 (1.68)	230 (0.35)	2,191 (1.38)	-1.75 (2.13)	-0.207 (0.21)
Major 2-3	NA	1,699 (7.33)	NA	23,637 (11.8)	NA	-5.97 (4.46)
Minor 2-3	NA	677 (3.67)	NA	4,534 (2.85)	NA	-0.91 (0.88)

<i>Type of Health Onset</i>	<i>Change in Weekly Hours</i>		<i>Probability of Staying at Work</i>		<i>Change in Own Earnings</i>
	<i>W2-W1</i>	<i>W3-W2</i>	<i>W2-W1</i>	<i>W3-W2</i>	<i>W3-W1</i>
Major 1-2	-4.13 (6.09)	0.28 (0.38)	-0.15 (7.08)	-0.06 (2.24)	-2,639 (2.96)
Minor 1-2	-1.45 (2.99)	-0.54 (1.04)	-0.05 (3.40)	-0.02 (1.12)	-1,638 (2.57)
Major 2-3	NA	-3.92 (6.01)	NA	-0.16 (7.67)	NA
Minor 2-3	NA	-1.19 (2.28)	NA	-0.04 (2.67)	NA