

- The state variables are $(a, z_1, z_2, e, \theta, j)$, where z_1 and z_2 are two exogenous states (Markov), e is iid exogenous state, θ is permanent type, j is age.
- The shock $z_2 \in \{1, 2\}$ (sick vs healthy) is age-dependent and type-dependent.
- Let the distribution be denoted as μ .
- Average assets a , conditional on health status being sick (i.e. $z_2 = 1$)

$$E[a|z_2 = 1] = \frac{\sum_{a, z_1, e, \theta, j} a \times \mu(a, z_1, 1, e, \theta, j)}{\sum_{a, z_1, e, \theta, j} \mu(a, z_1, 1, e, \theta, j)}$$

- Note that the denominator in the expression above denotes the share of sick people in the population.
- In the toolkit, $E[a|z_2 = 1]$ is given by `AllStats.sick.assets.Mean`