

Table 1: Structurally Estimated Parameters

Parameter	Estimate	Std Err	Description
$\rho$	1.112	(0.049)	Coefficient of relative risk aversion
$\beta$	0.957	(4.78e-3)	Intertemporal discount factor (biennial)
$\nu$	9.570	(1.530)	Curvature of returns to mitigative care
$\lambda$	1.803	(0.101)	Utility level shifter: $u(\lambda) = 0$
$\underline{C}$	0.213	(0.021)	Effective consumption floor (\$10,000)
$\omega_0$	11.469	(0.917)	Bequest motive shifter (\$10,000)
$\omega_1$	4.284	(0.237)	Bequest motive scaler
$\mu_0$	-1.282	(0.083)	Constant, mean of log medical need shock
$\mu_s$	-0.326	(0.071)	Sex coefficient, mean of log medical need shock
$\mu_{a1}$	0.314	(8.72e-3)	Age coefficient, mean of log medical need shock
$\mu_{a2}$	-7.82e-3	(6.79e-4)	Age sq coefficient, mean of log medical need shock
$\mu_{h1}$	-7.022	(0.199)	Health coefficient, mean of log medical need shock
$\mu_{h2}$	0.024	(0.205)	Health sq coefficient, mean of log medical need shock
$\sigma_0$	1.913	(0.032)	Constant, stdev of log medical need shock
$\sigma_h$	0.356	(0.027)	Health coefficient, stdev of log medical need shock
$\gamma_0$	-2.01e-3	(1.16e-3)	Constant, expected next period health
$\gamma_s$	-7.06e-3	(1.67e-3)	Sex coefficient, expected next period health
$\gamma_{a1}$	-4.50e-4	(4.01e-4)	Age coefficient, expected next period health
$\gamma_{a2}$	-3.16e-4	(3.24e-5)	Age sq coefficient, expected next period health
$\gamma_{h1}$	0.864	(8.15e-3)	Health coefficient, expected next period health
$\gamma_{h2}$	0.097	(9.53e-3)	Health sq coefficient, expected next period health
$\varsigma_0$	0.172	(3.71e-3)	Constant, stdev of health shock
$\varsigma_h$	-0.081	(7.10e-3)	Health coefficient, stdev of health shock
$\hat{\kappa}_0$	-14.961	(137.487)	Transformed third derivative of health production at $i = 0$
$\hat{\kappa}_1$	-1.579	(0.121)	Transformed first derivative of health production at $i = 0$
$\hat{\kappa}_2$	2.112	(0.077)	Transformed second derivative of health production at $i = 0$
$\theta_0$	-0.557	(0.029)	Constant, mortality probit
$\theta_s$	0.357	(0.025)	Sex coefficient, mortality probit
$\theta_{a1}$	-5.16e-4	(2.04e-3)	Age coefficient, mortality probit
$\theta_{a2}$	6.14e-3	(1.97e-4)	Age sq coefficient, mortality probit
$\theta_{h1}$	-2.347	(0.113)	Health coefficient, mortality probit
$\theta_{h2}$	0.362	(0.125)	Health sq coefficient, mortality probit

Table 2: Change in PDV of Out of Pocket Medical Expenses by Income and Wealth, Test Policy

Income Quintile	Range of Health $h$				
	All	(0, 0.25]	(0.25, 0.5]	(0.5, 0.75]	(0.75, 1.0]
Bottom	\$40	\$7	\$11	\$50	\$143
Second	\$167	\$49	\$81	\$201	\$346
Third	\$514	\$230	\$380	\$529	\$651
Fourth	\$617	\$346	\$479	\$610	\$715
Top	\$664	\$361	\$490	\$643	\$739
All	\$412	\$130	\$261	\$439	\$615

Table 3: Change in PDV of Out of Pocket Medical Expenses by Income and Wealth, Test Policy

Income Quintile	Wealth Quintile				
	Bottom	Second	Third	Fourth	Top
Bottom	\$0	\$0	\$0	\$22	\$147
Second	\$103	\$98	\$102	\$128	\$423
Third	\$356	\$504	\$523	\$574	\$618
Fourth	\$551	\$560	\$628	\$657	\$681
Top	\$641	\$620	\$701	\$687	\$670

Table 4: Change in PDV of Total Government Expenses by Income and Wealth, Test Policy

Income Quintile	Range of Health $h$				
	All	(0, 0.25]	(0.25, 0.5]	(0.5, 0.75]	(0.75, 1.0]
Bottom	\$13	\$1	\$4	\$17	\$52
Second	\$79	\$21	\$43	\$91	\$152
Third	\$227	\$120	\$188	\$228	\$267
Fourth	\$221	\$128	\$179	\$216	\$257
Top	\$224	\$110	\$156	\$217	\$257
All	\$158	\$53	\$106	\$166	\$230

Table 5: Change in PDV of Total Government Expenses by Income and Wealth, Test Policy

Income		Wealth Quintile			
Quintile	Bottom	Second	Third	Fourth	Top
Bottom	\$0	\$0	\$0	\$7	\$49
Second	\$62	\$69	\$60	\$54	\$155
Third	\$211	\$239	\$236	\$230	\$219
Fourth	\$210	\$210	\$227	\$229	\$229
Top	\$225	\$209	\$241	\$230	\$219

Table 6: Willingness to Pay for Policy by Income and Wealth, Test Policy

Income		Range of Health $h$			
Quintile	All	(0, 0.25]	(0.25, 0.5]	(0.5, 0.75]	(0.75, 1.0]
Bottom	\$48	\$8	\$13	\$60	\$167
Second	\$186	\$54	\$81	\$220	\$387
Third	\$582	\$259	\$433	\$588	\$719
Fourth	\$669	\$368	\$502	\$660	\$775
Top	\$734	\$393	\$551	\$709	\$808
All	\$457	\$142	\$285	\$482	\$674

Table 7: Willingness to Pay for Policy by Income and Wealth, Test Policy

Income		Wealth Quintile			
Quintile	Bottom	Second	Third	Fourth	Top
Bottom	\$0	\$0	\$0	\$26	\$175
Second	\$111	\$102	\$112	\$137	\$489
Third	\$391	\$553	\$582	\$650	\$734
Fourth	\$553	\$586	\$668	\$734	\$785
Top	\$631	\$649	\$773	\$795	\$810