Table 1: Structurally Estimated Parameters

Parameter	Estimate	Std Err	Description
ρ	1.112	(0.049)	Coefficient of relative risk aversion
β	0.957	(4.78e-3)	Intertemporal discount factor (biennial)
ν	9.570	(1.530)	Curvature of returns to mitigative care
λ	1.803	(0.101)	Utility level shifter: $u(\lambda) = 0$
$\underline{C}$	0.213	(0.021)	Effective consumption floor ($10,000)
ω_0	11.469	(0.917)	Bequest motive shifter ($10,000)
ω_1	4.284	(0.237)	Bequest motive scaler
μ_0	-1.282	(0.083)	Constant, mean of log medical need shock
μ_s	-0.326	(0.071)	Sex coefficient, mean of log medical need shock
μ_{a1}	0.314	(8.72e-3)	Age coefficient, mean of log medical need shock
μ_{a2}	-7.82e-3	(6.79e-4)	Age sq coefficient, mean of log medical need shock
μ_{h1}	-7.022	(0.199)	Health coefficient, mean of log medical need shock
μ_{h2}	0.024	(0.205)	Health sq coefficient, mean of log medical need shock
σ_0	1.913	(0.032)	Constant, stdev of log medical need shock
σ_h	0.356	(0.027)	Health coefficient, stdev of log medical need shock
γ_0	-2.01e-3	(1.16e-3)	Constant, expected next period health
γ_s	-7.06e-3	(1.67e-3)	Sex coefficient, expected next period health
γ_{a1}	-4.50e-4	(4.01e-4)	Age coefficient, expected next period health
γ_{a2}	-3.16e-4	(3.24e-5)	Age sq coefficient, expected next period health
γ_{h1}	0.864	(8.15e-3)	Health coefficient, expected next period health
γ_{h2}	0.097	(9.53e-3)	Health sq coefficient, expected next period health
ς_0	0.172	(3.71e-3)	Constant, stdev of health shock
ς_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 $i = 0$
θ_0	-0.557	(0.029)	Constant, mortality probit
θ_s	0.357	(0.025)	Sex coefficient, mortality probit
θ_{a1}	-5.16e-4	(2.04e-3)	Age coefficient, mortality probit
θ_{a2}	6.14e-3	(1.97e-4)	Age sq coefficient, mortality probit
θ_{h1}	-2.347	(0.113)	Health coefficient, mortality probit
θ_{h2}	0.362	(0.125)	Health sq coefficient, mortality probit

Table 2: Change in PDV of Total Medical Expenses 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	$129	$80	$75	$112	$195
Second	$1374	$907	$1327	$1168	$1297
Third	$951	$911	$939	$951	$968
Fourth	$564	$492	$575	$543	$558
Top	$277	$183	$218	$284	$302
All	$664	$485	$642	$636	$650

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

Income		Wealth Quintile			
Quintile	Bottom	Second	Third	Fourth	Top
Bottom	$0	$0	$0	$68	$478
Second	$1407	$1317	$1520	$1575	$1021
Third	$1349	$1027	$953	$802	$618
Fourth	$646	$636	$589	$528	$440
Top	$373	$282	$314	$255	$179

Table 4: Change in PDV of Out of Pocket Medical Expenses 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	$727	$218	$275	$673	$1606
Second	$4340	$1955	$3528	$4937	$6090
Third	$5839	$3357	$4574	$5843	$7091
Fourth	$6348	$3758	$4925	$6214	$7418
Top	$6762	$3750	$4930	$6494	$7627
All	$4902	$1933	$3415	$5120	$6777

Table 5: Change in PDV of Out of Pocket Medical Expenses by Income and Wealth, Test Policy

Income	Wealth Quintile				
Quintile	Bottom	Second	Third	Fourth	Top
Bottom	$0	$0	$0	$361	$2700
Second	$3856	$3726	$3740	$4702	$5818
Third	$5091	$5830	$5804	$6080	$6402
Fourth	$5693	$5791	$6459	$6749	$6956
Top	$6546	$6287	$7133	$7005	$6840

Table 6: Change in Remaining Life Expectancy (Years) 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	0.05	0.01	0.02	0.03	0.02
Second	0.44	0.16	0.42	0.44	0.41
Third	0.05	0.04	0.04	0.05	0.05
Fourth	0.01	0.01	0.01	0.01	0.01
Top	0.00	0.00	0.00	0.00	0.00
All	0.10	0.05	0.11	0.10	0.07

Table 7: Change in Remaining Life Expectancy (Years) by Income and Wealth, Test Policy

Income	Wealth Quintile				
Quintile	Bottom	Second	Third	Fourth	Top
Bottom	-0.00	0.00	0.00	0.02	0.19
Second	0.60	0.50	0.53	0.44	0.12
Third	0.09	0.06	0.04	0.02	0.01
Fourth	0.01	0.01	0.01	0.01	0.00
Top	0.00	0.00	0.00	0.00	0.00

Table 8: Change in PDV of Medicare Costs 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	$-651	$-153	$-218	$-587	$-1479
Second	$-3321	$-1124	$-2369	$-3942	$-5223
Third	$-5087	$-2531	$-3738	$-5066	$-6406
Fourth	$-5966	$-3320	$-4455	$-5843	$-7093
Top	$-6621	$-3629	$-4800	$-6342	$-7484
All	$-4424	$-1499	$-2867	$-4627	$-6364

Table 9: Change in PDV of Medicare Costs by Income and Wealth, Test Policy

Income		Wealth Quintile			
Quintile	Bottom	Second	Third	Fourth	Top
Bottom	$0	$0	$0	$-290	$-2443
Second	$-2737	$-2668	$-2649	$-3610	$-5095
Third	$-3901	$-5015	$-5061	$-5496	$-5981
Fourth	$-5205	$-5322	$-6071	$-6421	$-6700
Top	$-6337	$-6141	$-6976	$-6883	$-6758

Table 10: PDV of Direct Subsidy Expenses 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	$810	$245	$308	$726	$1686
Second	$5102	$2290	$4274	$5739	$6925
Third	$6163	$3603	$4878	$6188	$7470
Fourth	$6533	$3911	$5115	$6392	$7605
Top	$6854	$3811	$5003	$6590	$7730
All	$5189	$2091	$3692	$5417	$7060

Table 11: PDV of Direct Subsidy Expenses by Income and Wealth, Test Policy

Income	Wealth Quintile				
Quintile	Bottom	Second	Third	Fourth	Top
Bottom	$0	$0	$0	$396	$3011
Second	$4796	$4535	$4588	$5503	$6218
Third	$5565	$6193	$6131	$6337	$6595
Fourth	$5912	$6004	$6652	$6918	$7094
Top	$6677	$6381	$7238	$7088	$6896

Table 12: Change in PDV of Welfare Payments 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	$-112	$-40	$-48	$-80	$-93
Second	$-1169	$-593	$-1323	$-1431	$-1241
Third	$-449	$-408	$-504	$-517	$-475
Fourth	$-188	$-252	$-275	$-185	$-142
Top	$-49	$-59	$-58	$-60	$-47
All	$-389	$-265	$-460	$-451	$-330

Table 13: Change in PDV of Welfare Payments by Income and Wealth, Test Policy

Income	Wealth Quintile				
Quintile	Bottom	Second	Third	Fourth	Top
Bottom	$0	$0	$0	$-74	$-401
Second	$-1592	$-1358	$-1266	$-1119	$-502
Third	$-790	$-513	$-443	$-297	$-190
Fourth	$-281	$-258	$-186	$-138	$-93
Top	$-98	$-52	$-53	$-33	$-17

Table 14: Change in PDV of Total Government Expenses 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	$47	$53	$43	$59	$115
Second	$612	$572	$581	$366	$462
Third	$627	$665	$636	$606	$589
Fourth	$379	$339	$385	$364	$371
Top	$184	$122	$145	$188	$199
All	$377	$327	$365	$339	$367

Table 15: 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	$33	$167
Second	$467	$509	$673	$774	$621
Third	$875	$664	$627	$544	$424
Fourth	$427	$424	$396	$359	$301
Top	$242	$188	$209	$172	$122

Table 16: 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	$802	$227	$282	$754	$1850
Second	$4726	$2053	$3766	$5404	$6749
Third	$6276	$3568	$4887	$6214	$7520
Fourth	$6720	$3896	$5065	$6570	$7870
Top	$7232	$3954	$5330	$6943	$8118
All	$5255	$2031	$3616	$5477	$7245

Table 17: Willingness to Pay for Policy by Income and Wealth, Test Policy

Income	Wealth Quintile				
Quintile	Bottom	Second	Third	Fourth	Top
Bottom	$0	$0	$0	$417	$2961
Second	$4092	$3922	$3969	$5166	$6663
Third	$5177	$6064	$6180	$6656	$7307
Fourth	$5664	$5929	$6714	$7333	$7798
Top	$6374	$6409	$7599	$7779	$7890