## Change in PDV of Per Capita Government Spending Medicare costs 1.00 Direct subsidy costs Welfare costs 0.75 Total government costs 0.50 0.25 0.00 -0.25-0.50-0.750.0 5.0 7.5 10.0 12.5 15.0 17.5 20.0 Value of a year of life $\pi_l$ , \$10,000 (y2000)

(y2000)