Wealth and health in Europe and the United States

Mauricio Avendano, Erasmus Medical Center
Maria Glymour, Harvard School of Public Health
Johan Mackenbach, Erasmus Medical Center

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Inequality is larger in the US than in any other EU country…

Gini coefficients of income in 27 OECD countries, 2000

OECD average

OECD wealth and social statistics, 2005
But SES disparities in mortality were not clearly different between countries in the late 1980s…

Background & Objectives

- Wealth reflects SES better: assets accumulation, predicts mortality at old age (Robert, 1996)
- Equalitarian policies: ‘Social democratic’ (northern Europe) vs. ‘liberal’ regimes (US) (Esping-Anderson, 1999)

- Research questions:
  1. Variations in (relative) wealth and physical health associations across Europe and the US
  2. Are Wealth and health associations independent of other SES indicators?
  3. Explaining wealth disparities in health: Lifestyle, depression, and healthcare utilization
Data and methods

- 50 years or older
- **Health and retirement survey:**
  - 7th Wave 2004 (similar results with weighted 2002 wave)
  - Non-Hispanic whites
  - n=14,303
- **Share study:**
  - 2004 wave for 10 countries
  - n=21,596
- Age & sex standardized rates – logistic regression:

\[
\text{Logit}(\text{Health Outcome}_i) = \log \left( \frac{\text{Health}_i}{1 - \text{Health}_i} \right) = \alpha_0 + \alpha_1 \text{Age}_i + \alpha_2 \text{Sex}_i + \alpha_3 \text{Country}_i + \alpha_4 \text{Country}_i \times \text{Wealth quintile}_i + \varepsilon_i
\]
Measures

• Relative wealth:
  – Total net worth
  – Financial assets
  – Real assets

Country quintiles

Physical health:

– Self-perceived health (US version, ‘bad or very bad’)
– Cardiovascular (stroke or heart) disease
– Cancer
– 1+ ADL limitations (e.g., dressing, bathing, eating)
– Grip strength (kg)
– Walking speed (m/s)
1. Wealth & Physical Health
Relative wealth gradient is clear in all countries, but slightly steeper in the US than EU

Adjusted prevalence of poor health by total net worth quintile

Adjusted for age & sex
Wealth gradient is similar for both financial and real assets

Adjusted prevalence of poor health by total financial assets quintile

Adjusted prevalence of poor health by real assets quintile

Adjusted for age & sex
CVD prevalence is higher, and wealth gradients are steeper in the US than in Europe...

Adjusted prevalence of poor health by total net worth quintile

Adjusted for age & sex
And prevalence of limitations with adl1+ is highest in poorest quintile in the US, Danish and France…

Adjusted prevalence of reporting 1 or more ADL limitations by total net worth quintile

Adjusted for age & sex
But mostly real assets drive associations of wealth with ADL in several EU countries.
Surprisingly, cancer is a lot more prevalent in the US, and appears to be more prevalent in the richest wealth quintile!

Adjusted prevalence of cancer by total net worth quintile

Adjusted for age & sex
US has relatively low grip strength, but differences between wealth quintiles are remarkably similar across countries.

Mean max. grip strength by total net worth quintile

Adjusted for age & sex
Higher WS and larger disparities in north EU and US, lower WS and smaller disparities in Austria, Spain, Greece…

Walking speed by total net worth quintile

Adjusted for age & sex
2. Is the association between wealth and health independent of education and income?
Wealth disparities in CVD are larger in the US than in EU....

Adjusted for age & sex
And they are largely independent from education and income...
2. Is the association between wealth and health independent of risk factors, depression and healthcare utilization?
Health behavior, depression, and healthcare utilization partly attenuate wealth disparities in health...

**Basic: age, sex & education**
Conclusions

• Wealth is negatively associated with health in all countries
• Health gap between 20% richest and 20% poorest is generally larger in the US than in Europe for self-reported measures…
• ….But not clearly for objective health measures
• Real assets are more strongly related to disability than financial assets — housing conditions?
• Adjustment for health behavior, depression and health care use moderately attenuated wealth disparities, which remain substantial after full adjustment…
Interpretation & implications

• Relative vs. absolute – wealth absolute disparities larger in the US: Redistribution of wealth?

• …But wealth inequality unrelated to wealth inequality in health within Europe

• Objective health indicators:
  – Self-report
  – Different dimensions of health

• Wealth – health - wealth (reverse causation)