

Online Appendix

Table 8: Descriptive statistics

	mean	st.dev.
Income (SEK/month)	21,309	10,707
Satisfaction	8.04	1.55
Health	4.15	0.81
Unemployment	0.04	0.19
Housing (1,000 SEK)	5.30	1.64
Male	0.49	0.50
Age	49.76	18.58
Married	0.48	0.50
Divorced	0.11	0.32
Widow	0.06	0.24
Child 0-15	0.28	0.45
Non-Swede	0.04	0.19
Higher education	0.33	0.47
East Sweden	0.39	0.49
South Sweden	0.44	0.50
North Sweden	0.17	0.38
Nervous	1.85	0.99
Down	1.34	0.74
Calm	3.99	0.81
Downhearted	1.66	0.87
Number of observations		5,336

Table 9: Life Satisfaction Regressions: OLS and ordered logit

	OLS	Ordered logit
Disposable Income (log)	0.082** (0.039)	0.139** (0.060)
Self-reported health	0.374*** (0.040)	0.551*** (0.061)
Unemployed	-0.630*** (0.169)	-0.856*** (0.268)
Housing (in 1000SEK)	-0.012 (0.029)	-0.018 (0.044)
Health x Male	0.075* (0.043)	0.119* (0.065)
Health x High. Education	0.064 (0.048)	0.099 (0.071)
Health x Age over 40	-0.041* (0.024)	-0.062* (0.035)
Unempl. x Male	0.324* (0.181)	0.412 (0.277)
Unempl. x High. Education	-0.317 (0.251)	-0.327 (0.369)
Unempl. x Age over 40	0.221 (0.179)	0.290 (0.273)
Housing x Male	0.026 (0.025)	0.032 (0.037)
Housing x High. Education	-0.013 (0.027)	0.000 (0.039)
Housing x Age over 40	0.051* (0.027)	0.079* (0.040)
Male	-0.649*** (0.197)	-1.012*** (0.300)
Age	-0.042*** (0.008)	-0.076*** (0.011)
Age squared/100	0.042*** (0.007)	0.077*** (0.010)
Married	0.427*** (0.049)	0.666*** (0.072)
Separated	-0.121 (0.164)	0.088 (0.257)
Divorced	-0.007 (0.067)	0.020 (0.100)
Widow	0.204** (0.092)	0.204 (0.139)
Children 0-15	0.155*** (0.046)	0.234*** (0.067)
Non-Swede	0.025 (0.089)	0.127 (0.131)
Higher Education	-0.378* (0.223)	-0.683** (0.330)
South Sweden	0.097** (0.038)	0.129** (0.056)
North Sweden	0.178*** (0.051)	0.214*** (0.075)
Down in the dumps	-0.188*** (0.031)	-0.204*** (0.047)
Calm	0.338*** (0.027)	0.543*** (0.043)
Nervous	-0.128*** (0.024)	-0.189*** (0.037)
Downhearted	-0.341*** (0.029)	-0.478*** (0.043)
_cons	6.183*** (0.449)	
$\bar{N}$	5336	5336
R^2	0.363	
pseudo R^2		0.121

Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 10: First stage of 2SLS: Health x Male

	Model 1	Model 2
Chronic x male	-0.369*** (0.020)	-0.357*** (0.020)
Limited x male	-0.582*** (0.019)	-0.555*** (0.019)
Unmet treatment x male	-0.245*** (0.029)	-0.210*** (0.029)
Unmet dental treatment x male	-0.252*** (0.033)	-0.220*** (0.032)
Disposable Income (log)	0.025* (0.014)	0.008 (0.014)
Unemployed	-0.117*** (0.033)	-0.064* (0.033)
Housing (in 1000SEK)	0.015*** (0.005)	0.011** (0.005)
Male	5.066*** (0.025)	4.999*** (0.025)
Age	-0.005** (0.002)	-0.005** (0.002)
Age squared/100	0.000 (0.002)	-0.000 (0.002)
Married	0.065*** (0.018)	0.058*** (0.018)
Separated	0.068 (0.060)	0.105* (0.059)
Divorced	0.031 (0.025)	0.033 (0.024)
Widow	0.077** (0.033)	0.083** (0.033)
Children 0-15	-0.007 (0.016)	-0.010 (0.016)
Non-Swede	-0.039 (0.033)	-0.026 (0.032)
Higher Education	0.046*** (0.014)	0.046*** (0.014)
South Sweden	0.041*** (0.014)	0.037*** (0.014)
North Sweden	0.019 (0.019)	0.009 (0.018)
Down in the dumps		-0.042*** (0.011)
Calm		0.035*** (0.010)
Nervous		-0.031*** (0.009)
Downhearted		-0.021** (0.010)
_cons	-0.143 (0.133)	0.091 (0.143)
$\bar{N}$	5336	5336
R^2	0.956	0.958

Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 11: First stage of 2SLS: Health x Higher Education

	Model 1	Model 2
Chronic x high edu	-0.435*** (0.019)	-0.424*** (0.019)
Limited x high edu	-0.478*** (0.020)	-0.469*** (0.019)
Unmet treatment x high edu	-0.201*** (0.028)	-0.186*** (0.027)
Unmet dental treatment x high edu	-0.244*** (0.034)	-0.223*** (0.034)
Disposable Income (log)	0.036*** (0.011)	0.025** (0.011)
Unemployed	-0.039 (0.026)	-0.005 (0.026)
Housing (in 1000SEK)	0.001 (0.004)	-0.002 (0.004)
Male	0.014 (0.010)	-0.002 (0.010)
Age	0.002 (0.002)	0.002 (0.002)
Age squared/100	-0.004** (0.002)	-0.004** (0.002)
Married	0.018 (0.014)	0.013 (0.014)
Separated	-0.023 (0.048)	0.001 (0.047)
Divorced	0.009 (0.019)	0.010 (0.019)
Widow	0.048* (0.026)	0.050* (0.026)
Children 0-15	-0.006 (0.013)	-0.007 (0.013)
Non-Swede	-0.010 (0.026)	0.000 (0.025)
Higher Education	5.023*** (0.025)	5.006*** (0.025)
South Sweden	0.008 (0.011)	0.005 (0.011)
North Sweden	-0.019 (0.015)	-0.026* (0.015)
Down in the dumps		-0.010 (0.009)
Calm		0.030*** (0.008)
Nervous		-0.022*** (0.007)
Downhearted		-0.018** (0.008)
_cons	-0.361*** (0.105)	-0.250** (0.113)
N	5336	5336
R^2	0.970	0.971

Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 12: First stage of 2SLS: Health x Over 40

	Model 1	Model 2
Chronic x over 40	-0.495*** (0.043)	-0.455*** (0.042)
Limited x over 40	0.527*** (0.033)	0.569*** (0.032)
Unmet treatment x over 40	-0.113* (0.066)	-0.035 (0.065)
Unmet dental treatment x over 40	-0.027 (0.078)	0.078 (0.077)
Disposable Income (log)	0.113*** (0.036)	0.069** (0.035)
Unemployed	0.058 (0.084)	0.200** (0.083)
Housing (in 1000SEK)	0.102*** (0.013)	0.089*** (0.013)
Male	-0.022 (0.032)	-0.078** (0.032)
Age	0.245*** (0.006)	0.238*** (0.006)
Age squared/100	-0.181*** (0.006)	-0.178*** (0.006)
Married	-0.030 (0.045)	-0.045 (0.045)
Separated	-0.172 (0.152)	-0.080 (0.149)
Divorced	-0.016 (0.062)	-0.014 (0.061)
Widow	-0.235*** (0.084)	-0.215*** (0.083)
Children 0-15	-0.257*** (0.042)	-0.255*** (0.041)
Non-Swede	-0.077 (0.082)	-0.033 (0.080)
Higher Education	-0.134*** (0.035)	-0.126*** (0.034)
South Sweden	0.083** (0.035)	0.070** (0.035)
North Sweden	0.065 (0.047)	0.037 (0.046)
Down in the dumps		-0.088*** (0.028)
Calm		0.157*** (0.025)
Nervous		-0.059*** (0.022)
Downhearted		-0.066** (0.026)
_cons	-6.048*** (0.336)	-5.645*** (0.360)
$\bar{N}$	5336	5336
R^2	0.685	0.698

Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 13: Inequality under the baseline and counterfactual scenarios

	S-Gini ($\rho=2$)					S-Gini ($\rho=5$)				
	Base	Reform A	Reform B	Reform C	Reform D	Base	Reform A	Reform B	Reform C	Reform D
Disposable income	0.24472	0.23564	0.23554	0.23635	0.23593	0.44680	0.42901	0.43925	0.43416	0.43938
Equivalent income (EI1)	0.81593	0.81404	0.81220	0.81435	0.81164	0.99403	0.99393	0.99390	0.99394	0.99378
Equivalent income (EI2)	0.81593	0.81351	0.81126	0.81392	0.81058	0.99403	0.99390	0.99387	0.99392	0.99372
Equivalent income (EI3)	0.81593	0.81390	-	-	-	0.99403	0.99391	-	-	-
Equivalent income (EI4)	0.81593	0.81337	-	-	-	0.99403	0.99389	-	-	-
Life satisfaction (S1)	0.06438	0.06432	0.06437	0.06435	0.06427	0.15205	0.15187	0.15202	0.15198	0.15179
Life satisfaction (S2)	0.06438	0.06430	0.06437	0.06434	0.06425	0.15205	0.15182	0.15201	0.15196	0.15174
Life satisfaction (S3)	0.06438	0.06434	-	-	-	0.15205	0.15191	-	-	-
Life satisfaction (S4)	0.06438	0.06426	-	-	-	0.15205	0.15169	-	-	-

Note: Disposable income refers to household disposable income equivalised using the OECD modified scale. E1 and S1: only direct effect of income considered. E2 and S2: indirect effect of income changes on health considered. E3 and S3: only direct effect of income considered and unmet medical/dental needs assumed covered. E4 and S4: indirect effect of income changes on health considered and unmet medical/dental needs assumed covered.

Table 14: Social welfare under the baseline and counterfactual scenarios

	SW ($\rho=2$)					SW ($\rho=5$)				
	Base	Reform A	Reform B	Reform C	Reform D	Base	Reform A	Reform B	Reform C	Reform D
Disposable income	15,244.7	15,429.7	15,400.3	15,437.2	15,211.8	11,165.8	11,526.2	11,296.5	11,438.4	11,161.3
Equivalent income (EI1)	831.1	831.9	837.0	831.0	828.2	26.96	27.15	27.19	27.11	27.34
Equivalent income (EI2)	831.1	832.3	838.7	831.0	827.3	26.96	27.22	27.26	27.16	27.44
Equivalent income (EI3)	831.1	832.8	-	-	-	26.96	27.23	-	-	-
Equivalent income (EI4)	831.1	833.2	-	-	-	26.96	27.30	-	-	-
Life satisfaction (S1)	7.4314	7.4325	7.4319	7.4322	7.4340	6.7351	6.7371	6.7357	6.7362	6.7387
Life satisfaction (S2)	7.4314	7.4328	7.4320	7.4324	7.4345	6.7351	6.7376	6.7358	6.7365	6.7394
Life satisfaction (S3)	7.4314	7.4322	-	-	-	6.7351	6.7366	-	-	-
Life satisfaction (S4)	7.4314	7.4336	-	-	-	6.7351	6.7390	-	-	-

Note: Disposable income refers to household disposable income equivalised using the OECD modified scale. E1 and S1: only direct effect of income considered. E2 and S2: indirect effect of income changes on health considered. E3 and S3: only direct effect of income considered and unmet medical/dental needs assumed covered. E4 and S4: indirect effect of income changes on health considered and unmet medical/dental needs assumed covered.