

Online Appendix

Table A1 – SF-6D Health State Classification – Short Form (Brazier et al., 2002)

Level	Physical Functioning	Level	Pain
1	Your health does not limit you in vigorous activities	1	You have no pain
2	Your health limits you a little in vigorous activities	2	You have pain but it does not interfere with your normal work (both outside the home and housework)
3	Your health limits you a little in moderate activities	3	You have pain that interferes with your normal work (both outside the home and housework) a little bit
4	Your health limits you a lot in moderate activities	4	You have pain that interferes with your normal work (both outside the home and housework) moderately
5	Your health limits you a little in bathing and dressing	5	You have pain that interferes with your normal work (both outside the home and housework) quite a bit
6	Your health limits you a lot in bathing and dressing	6	You have pain that interferes with your normal work (both outside the home and housework) extremely
	Role limitations		Mental Health
1	You have no problems with your work or other regular daily activities as a result of your physical health or any emotional problems	1	You feel tense or downhearted and low none of the time
2	You are limited in the kind of work or other activities as a result of your physical health	2	You feel tense or downhearted and low a little of the time
3	You accomplish less than you would like as a result of emotional problems	3	You feel tense or downhearted and low some of the time
4	You are limited in the kind of work or other activities as a result of your physical health and accomplish less than you would like as a result of emotional problems	4	You feel tense or downhearted and low most of the time
	Social functioning	5	You feel tense or downhearted and low all of the time
1	Your health limits your social activities none of the time		Vitality
2	Your health limits your social activities a little of the time	1	You have a lot of energy all of the time
3	Your health limits your social activities some of the time	2	You have a lot of energy most of the time
4	Your health limits your social activities most of the time	3	You have a lot of energy some of the time
5	Your health limits your social activities all of the time	4	You have a lot of energy a little of the time
		5	You have a lot of energy none of the time

Table A2: SF-6D and serious illnesses (% of people ever diagnosed with serious illnesses by SF-6D score) - Wave 9

SF-6D score (rounded)	Arthritis	Asthma	Cancer	Type 1 Diabetes	Type 2 Diabetes	Depression or anxiety	Other mental illness	Heart disease	High blood pressure	Other condition	No condition
0.3	70%	0	20%	0	10%	20%	10%	50%	80%	40%	0
0.4	46%	35%	6%	1%	19%	56%	7%	25%	44%	22%	14%
0.5	44%	19%	10%	2%	13%	42%	7%	13%	37%	9%	18%
0.6	32%	17%	6%	1%	8%	25%	3%	8%	26%	5%	31%
0.7	19%	11%	3%	1%	6%	12%	1%	5%	18%	2%	51%
0.8	12%	10%	2%	1%	3%	5%	0.5%	2%	14%	1%	64%
0.9	7%	8%	2%	0.5%	2%	2%	0.2%	1%	12%	0.6%	71%
1	3%	7%	0.4%	0.4%	0.4%	1%	1%	0	3%	0.4%	85%

Note: Some column sum to more than 100% because of individuals with more than one serious illness.

Table A3: SF-6D and long term conditions (% of people with long term condition by SF-6D score)- All waves

SF-6D score	Chronic pain	Condition that limits the amount of work*	Sight problems	Hearing problems	Speech problems	Blackouts, loss of consciousness	Slow at learning or underst.	Limited use of arms or fingers	Difficulty gripping	Limited use of legs or feet	Nervous condition	Condition that restricts physical activity	Mental illness	Difficulty breathing
0.3	41%	92%	12%	17%	4%	8%	5%	27%	28%	39%	22%	48%	7%	22%
0.4	40%	86%	9%	13%	3%	6%	5%	19%	18%	31%	22%	43%	8%	20%
0.5	25%	68%	6%	11%	1%	3%	3%	12%	10%	18%	15%	30%	5%	14%
0.6	11%	41%	3%	7%	1%	1%	1.5%	5%	5%	9%	6%	17%	2%	6%
0.7	4%	20%	2%	4%	0.3%	0.40%	1%	2%	2%	3%	2%	8%	1%	3%
0.8	1%	7%	1%	2%	0.1%	0.20%	0.4%	0.6%	1%	1%	0.6%	3%	0.2%	1%
0.9	0.4%	3%	0.7%	2%	0	0.11%	0.2%	0.2%	0.3%	0.4%	0.2%	1%	0.2%	0.4%
1	0%	2%	0.6%	1%	0.2%	0%	0.6%	0%	0.1%	0.1%	0.1%	0.4%	0.3%	0.3%

*Based on the question: Does your health condition limit the type or amount of work you can do? Possible answers: "Yes", "No", "Can't work".

Including individuals who answer "Yes" or "Can't Work"

Note: Some column sum to more than 100% because of individuals with more than one long tem condition.

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Table A4 – SF- 6D and satisfaction with own health

SF-6D score (rounded)	<i>Satisfaction with own health 0-4</i>	<i>Neither satisfied or dissatisfied</i>	<i>Satisfaction with own health 6-10</i>
0.3	79%	15%	6%
0.4	70%	13%	17%
0.5	46%	19%	35%
0.6	21%	17%	62%
0.7	7%	11%	82%
0.8	2%	5%	93%
0.9	1%	2%	97%
1	0.6%	1%	98.4%

Note: Answers to the questions: How satisfied you are with your own health are coded with 0: "Totally dissatisfied" and 10: "Totally satisfied"

Table A5– SF- 6D and self-assessed health

SF-6D score (rounded)	<i>Excellent</i>	<i>Very good</i>	<i>Good</i>	<i>Fair</i>	<i>Poor</i>
0.3	1%	1%	3%	19%	77%
0.4	1%	3%	9%	30%	57%
0.5	1%	6%	21%	45%	25%
0.6	2%	16%	41%	34%	6%
0.7	7%	30%	44%	17%	1%
0.8	10%	44%	39%	6%	0.2%
0.9	22%	49%	26%	2%	0%
1	59%	32%	8%	0.5%	0%

Note: some column do not sum to 100% because of individuals with missing information on self-assessed health

Table A6– Changes in SF-6D (rounded)

<i>SF-6D from t-1 to t</i>	<i>% in the estimation sample</i>	<i>N. observations in the estimation sample</i>
0.7 to 0.6	3	2,817
0.8 to 0.7	5	4,471
0.9 to 0.8	8	6,718
1 to 0.9	1	833
SF-6D from >0.7 to 0.6	4	3,600
SF-6D from >0.8 to 0.7	2	1,820
SF-6D from >0.9 to 0.8	0.4	354
Other neg. changes (to <0.6)	5	3,899

Table A7 – Value of changes in SF-6D

<i>Value of changes in SF-6D from t-1 to t</i>	<i>% in the estimation sample</i>
No change	18.44
-0.01	2.15
-0.02	2.17
-0.03	1.23
-0.04	8.70
-0.05	1.61
-0.06	4.28
-0.07	1.54
-0.08	2.79
-0.09	1.39
-0.1	1.69
Changes <-0.1	13.61

Note: Changes are calculated by subtracting SF-6D score in t-1 from SF-6D score in t. Change equal to 0.01 includes values of the difference from 0.005 to 0.015; change equal to 0.02 includes values of the difference from 0.015 to 0.025, etc.

Table A8– Distribution of SF-6D, life satisfaction and windfall income

All sample		Mean (SD)		
SF-6D		0.763 (0.122)		
Life Satisfaction		7.925 (1.450)		
Life satisfaction (%)				
SF-6D (rounded)	Least Satisfied (0-4)	5	Satisfied (6-10)	
0-0.6	7.66	9.91	82.43	
0.7-0.8	1.3	3	95.7	
0.9-1	0.4	1	98.6	
Windfall Income (had a major improvement in finances AND reports a positive payment)				
Observations	Mean	Standard deviation	Min	Max
1,150	106,718	186,301	11	2,000,000
(1.4% of est. Sample)				

Note: The sample is that used for the analyses with fixed effects in Table 7 below. The means are unweighted.

Table A9 - Independent variables

<i>Characteristics</i>	<i>Variable</i>
SF-6D changes:	
From 0.7 to 0.6	= 1 if SF-6D _{t-1} = 0.7 and SF-6D _t = 0.6
From 0.8 to 0.7	= 1 if SF-6D _{t-1} = 0.8 and SF-6D _t = 0.7
From 0.9 to 0.8	= 1 if SF-6D _{t-1} = 0.9 and SF-6D _t = 0.8
From 1 to 0.9	= 1 if SF-6D _{t-1} = 1 and SF-6D _t = 0.9
To 0.6	=1 if SF-6D _{t-1} > 0.7 and SF-6D _t = 0.6
To 0.7	= 1 if SF-6D _{t-1} > 0.8 and SF-6D _t = 0.7
To 0.8	= 1 if SF-6D _{t-1} > 0.9 and SF-6D _t = 0.8
Other changes	=1 if SF6D _t <0.6 and SF-6D _{t-1} > SF6D _t
Value of changes in SF-6D:	
10 binary variables for changes from -0.1 to +0.1	Changes observed from t-1 to t
1 binary variable for changes <-0.1	
Major improvement in finances	=1 if individual reports a major improvement in finances in the past year and a positive windfall income
Education	3 groups: University (or post-graduate) qualification (omitted) ; Certificate or Diploma; High School or lower qualification
Marital Status	4 groups: Married (or cohabiting) (omitted); Divorced (or separated); Widow; Single
Children in the household	3 binary variables: age 0-4; 5-9; 10-14.
Housing tenure	3 groups: owner (omitted), renting and other accommodation
Employment status	3 groups: employed (omitted), unemployed, out of the labour force
Remoteness	3 groups: Major city (omitted); Inner Regional Areas; Outer Regional Areas (including remote and very remote Australia)
Life events	Personal injury or illness Victim of physical violence Other events (property crime, illness of a family member, death of a friend or family member)

Table A10- Descriptive statistics

Variable	Estimation sample
<i>Financial improvements (%)</i>	3
Age (mean)	44
<i>Marital Status (%)</i>	
Single	22
Separated/Divorced	8
Married Or Cohabiting	65
Widow	4
<i>Employment Status (%)</i>	
Employed	66
Unemployed	3
Out of the L force	31
<i>Housing tenure (%)</i>	
Owned	74
Rented	24
Other living arrangements	3
<i>Educational Qualification (%)</i>	
University (or post grad.) qualification	21
Certificate or Diploma	30
High School or Lower Education	48
<i>Remoteness (%)</i>	
City	61
Inner regional area	25
Outer regional area	13
Male (%)	47
Children 0-4 (%)	14
Children 5-9 (%)	14
Children 10-14 (%)	18
<i>Life events (%)</i>	
Personal illness or injury	8
Victim of violence	1.5

Table A11 – Determinants of financial improvements- OLS regression

Dep variable: will experience financial improvement at the next wave	Individual FE
HH Income	-0.000 (0.000)**
Personal illness	0.003 (0.003)
Long Term Health Conditions	-0.002 (0.002)
Education – Certificate or Diploma	0.010 (0.008)
Education – High school or lower qualification	0.007 (0.008)
Death of spouse or child	0.001 (0.003)
Death of a close friend	0.000 (0.002)
Victim of violence	-0.002 (0.002)
Victim of property crime	-0.000 (0.003)
Rent	0.003 (0.003)
Other housing	-0.000 (0.006)
Unemployed	0.010 (0.004)
Out of labour force	0.007 (0.003)**
Separated	0.007 (0.005)
Widow	-0.014 (0.009)
Single	0.002 (0.005)
Has children between 0 and 4	0.001 (0.003)
Has children between 5 and 9	-0.003 (0.003)
Has children between 10 and 14	-0.001 (0.003)
Inner regional area	-0.008 (0.005)+
Outer regional area (incl. remote)	-0.015 (0.006)*

Note: Standard errors are in brackets * indicates that the underlying coefficient is significant at 10% level, ** at 5% and *** at 1%.

Table A12- Results – Fixed effects estimation – Other variables (Model 3 - Table 5)

Independent variables	All Sample
Education – Certificate or Diploma	0.011 (0.045)
Education – High school or lower qualification	0.083 (0.040)*
Rent	-0.073 (0.017)**
Other housing	-0.083 (0.032)**
Unemployed	-0.189 (0.026)**
Out of the labour force	-0.012 (0.015)
Separated	-0.539 (0.029)**
Widow	-0.495 (0.050)**
Single	-0.190 (0.025)**
Has children between 0 and 4	-0.007 (0.017)
Has children between 5 and 9	-0.003 (0.016)
Has children between 10 and 14	0.010 (0.015)
Inner regional area	0.073 (0.026)**
Outer regional area (incl. remote)	-0.039 (0.035)
<i>Life events in the past 12 months</i>	
Personal illness or injury	-0.114 (0.015)**
Victim of violence	-0.248 (0.034)**
Other events	-0.031 (0.009)**
Observations	83,177

Note: Standard errors are in brackets + indicates that the underlying coefficient is significant at 10% level, * at 5% and **at 1%.

Figure A1 –Distribution of SF-6D Index (rounded at 2 decimal points)

