Part III. Social and Material Well-Being

A reliance on income and poverty statistics to assess well-being assumes two things. First, that income is a reliable indicator of the economic resources available to people. Second, that those economic resources largely determine how well off people are.

The analysis presented thus far indicates that annual household income alone is not always a reliable indicator of household economic resources. There is substantial month-to-month variation in household income which is not related to a household's annual income; there is substantial variation in household savings and debts which is strongly related to age, race, and the gender of the householder even when those who report similar annual household incomes are compared; and there is variation in the recipiency of noncash income from both public and private sources which is strongly related to age, race, and the gender of the householder even when groups with similar annual household incomes are compared. There is currently no consensus about how much each of these forms of economic resources is worth in terms of the income it potentially represents. The difficulty of explicitly taking account of these resources confounds attempts to assess the economic well-being of people.

There are also reasons to question the second assumption. Households with the same levels of resources can have widely divergent needs: geographic variations in the cost of living, and variations in household size both affect how much money people need to maintain similar levels of material well-being. There is also considerable debate over how to account for these factors.[1] In addition to differences in household need, some have argued that people with more education are more efficient in their use of their resources.[2] These differences in need and efficiency imply that people living in households with similar levels of economic resources may not experience similar living conditions. The difficulty in explicitly accounting for these differences further confounds attempts to assess the well-being of people even with a consideration of resources beyond measures of household income and poverty.

How, then, can the relative material and social well-being of people be better assessed? This section proposes a more direct solution. Rather than infer what is "possible" for a given person in light of his or her resources and needs, we attempt to appraise living conditions directly. That is, we examine the outcome of people's choices given their economic resources, rather than examining the "opportunity set," the range of choices available to someone with a particular set of resources. Because choice is involved, an examination of outcomes may bias our conclusions in favor of finding someone to be disadvantaged who could afford to purchase a particular item but chose not to. However, as discussed in chapter 7, when people are found to share similar living conditions regardless of the income they report, it is evident that reported household income may not be a totally complete indicator of their material standard of living.

Two of several important domains of living conditions will be examined. Chapter 6 explores some aspects of people's health status and their use of medical care. Chapter 7 turns to a brief analysis of housing conditions. In both cases, the available data are limited, but the patterns described are illustrative of the need to use assessments of material living conditions beyond the traditional measures of income and poverty.

[1]See Patricia Ruggles, *Drawing the Line: Alternative Poverty Measures and their Implications for Public Policy*, 1990, Urban Institute Press, Washington, DC., for a more detailed discussion of these issues.

[2]See Robert Michaels, *The Effect of Education on Efficiency in Consumption*, 1972, Columbia University Press for the National Bureau of Economic Research, New York, NY.

Chapter 6. Medical Insurance, Health Status, and Health Care Utilization

This chapter is concerned with three related topics: medical insurance coverage, health status, and the utilization of medical care. We address the question of whether people who report similar annual household incomes differentially bear the burden of poor health and disabilities.

Many believe medical insurance is necessary to obtain medical care.[1] This is one reason why medical insurance has been a major policy concern. Since the 1960's there has been limited but nearly universal medical insurance for those 65 years old and over (Medicare) and for some economically disadvantaged (Medicaid). Less visible are federal, state, and local tax and transfer programs. These subsidize unreimbursed care provided by hospitals and community clinics. Where they exist, these programs generally prohibit participating providers from denying treatment to those unable to pay for their own care.

The presence of public medical insurance for the economically disadvantaged and elderly, and the existence of subsidies in the forms of tax incentives and direct transfers to health-care providers suggest that household economic resources (including whether a person has private medical insurance) may have little to do with whether he or she is able to get care when needed. Even so, there is much concern about medical insurance coverage.

People without private insurance who do not qualify for either Medicare or Medicaid may not be aware of their options for obtaining care. Those people may not get medical care when they need it. Even if they do, the cost may be a substantial economic hardship.

The problem of under-utilization may also exist for those who qualify for Medicaid but have never applied. Many of these people would discover that they are covered by medical insurance if they were sick enough to go to a hospital and be seen by a doctor. Many hospitals employ social workers to sign these people up for Medicaid once they enter the hospital. But if these "eligible but not participating" people are unaware that they are covered by Medicaid they may be reluctant to see a doctor except under dire circumstances.

Health and disability status are direct indicators of material and social well-being.[2] While people don't generally assume that they can purchase good health in the same way that they purchase cars or homes, they do try to purchase things which they believe will enhance their health. People who report low household incomes may be in poor health because they cannot afford certain goods which help most of us maintain our health (e.g. adequate food, clothing, and shelter). On the other hand, people who are disabled or in poor health may be unable to work at the kinds of jobs that pay well. Both lines of reasoning suggest that differences in household income may be associated with differences in health status.

Gender and age are two obvious factors which need to be taken into account when health and disability are considered. Men and women have different health-care utilization patterns. Working-age women tend to use more medical care than working-age men, and elderly men use more medical care than elderly women. The elderly generally have worse health and more disabilities than the young, regardless of household incomes. This is not just a result of the aging process. Health and disability status is an outcome that should be considered in the context of a lifelong history of economic and social processes. The income received by the elderly may not be a direct indicator of the income they received in their working-age prime. Today's elderly came of age at a time when medical science (both in the forms of public health and private care) could not offer the kinds of preventive care which are now valued so highly.

While the role of preventive care and health maintenance have received substantial attention in recent years, health and disability status are commonly thought of as important determinants of the need for health care. Most would agree that while everyone should have access to care for purposes of prevention, those in poor health have needs for care beyond those of the healthy. We ask whether those who report similar household incomes and health status make equal use of medical care.

There are several important limitations to the data which will be discussed in this chapter. The discussion of medical insurance includes only those who reported participating in a public or private insurance program. This presents a problem in the case of Medicaid. People can qualify for Medicaid but not be actively enrolled in the program. Most of these people are probably relatively healthy and have not applied for Medicaid because they have not had medical bills which they could not pay. If such a person were to become ill and need medical care, they could be covered by Medicaid even if they did not apply for the insurance until after they received the care. Even though

[1]See U.S. Bureau of the Census, Current Population Reports, Series P-70, No.17, *op.cit.*

[2]See U.S. Bureau of the Census, Current Population Reports, Series P-70, No.8, *Disability, Functional Limitation, and Health Insurance Coverage: 1984/85*, U.S. Government Printing Office, Washington, DC, 1986.

such people are not actively enrolled in Medicaid prior to needing medical care, they are protected from the risk of incurring large medical bills. In that sense, they are covered by medical insurance. Some of those who are categorically eligible (because they are already participating in AFDC or SSI) are identified as participating in Medicaid in the SIPP data, even if they told the interviewer that they were not, and there is no way to distinguish between these two groups using the SIPP data. Others who are "eligible but not participating" cannot be identified with the available data.

Another limitation involves the measures of health status and health care utilization. The SIPP only collects this information for people 15 years and over. For technical reasons the analysis of these particular variables in this study is restricted to persons 18 years and over. Therefore, there is no discussion about the health-care needs of children in this report.

Finally, the discussion of medical-care utilization is restricted to whether a person had contact with a doctor. The data do not allow an analysis of the quality or the appropriateness of the care people receive.

Health Status and Health-Care Utilization by Household Income. Tables 6-A and 6-B summarize data on medical insurance coverage, health status, disability status, and health-care utilization, by reported 1984 household income and household income-to-poverty ratio. Generally, people with low household incomes spent somewhat more time in 1984 without medical insurance than those with higher incomes. People with low incomes were more likely to use public insurance programs and less likely to use private programs than those with higher incomes.[3] Nonetheless, 52 percent of the people with household incomes in the bottom quintile had private medical insurance for at least 1 month during 1984, and 6 percent of the people with household incomes in the top quintile participated in a public insurance program at some time during 1984. The patterns are similar when household incomes are adjusted using the poverty line (the income-to-poverty ratio—see table 6-B).

While the *number of times* a person sees a doctor and is hospitalized are generally interpreted as indicators of a person's health status, *whether* a person has seen a doctor at all is frequently interpreted as an indicator of whether that person has access to medical care. The data in table 6-A show that health and disability status appear to be related to reported household income. People with low household incomes were more likely to report being in poor health, spending more time sick in bed over a 4-month period, having more doctor visits, spending more time in hospitals, and being more likely to be limited in one or more activities of daily living than people with higher incomes. However, some differences were quite small. Those with household incomes in the fourth quintile spent an average of 1.2 fewer days in bed during the 4 months preceding their interview than people with incomes in the second quintile. They also had only 0.7 fewer doctor visits and 0.7 fewer nights in a hospital during the 12 months preceding their interview.

The data also show that the likelihood of seeing a doctor at least once in the 12 months preceding the survey was unrelated to reported household income. Those with household incomes in the bottom decile were as likely to have seen a doctor as those with incomes in every other group, up to and including the top quintile. This is not to say that everyone saw a doctor in 1984: 30 percent of those 18 years and over did not.

The pattern is somewhat different if reported household incomes are adjusted using the poverty line. People with household incomes over five times the poverty line were somewhat more likely than those with household incomes below the poverty line to have seen a medical doctor during the prior year.

Knowing that a person had contact with a doctor is not the same as knowing that the same person had his or her medical needs met. Those who report being in poor health or disabled probably have greater need to see a doctor than others. If people reported being in poor health or disabled, and if they reported not seeing a doctor during 1984, they were considered as having possible unmet medical needs. The data in table 6-A show that those reporting higher household incomes were less likely to be identified as having possible unmet medical needs than those reporting lower incomes.

Health Status and Health Care Utilization by Age of Person. Table 6-C summarizes data on medical insurance coverage, health status, disability status, and health care utilization by age of person.[4]

The data clearly highlight the near universal health insurance coverage of persons 65 years and over. Among the nonelderly, children and young adults spent more time without medical insurance in 1984 than people between the ages of 25 and 64 years. While the elderly were less likely than younger people to go an entire year without

[3]The difference in whether people had spent any months in 1984 with private medical insurance between those with household incomes from 4.0 to 5.0 times the poverty line and those with incomes over 5.0 times the poverty line was not statistically significant. However, the difference was in the same direction as for those with lower incomes. For public medical insurance, there was no difference between people with incomes from 4.0 to 5.0 times the poverty line and those with incomes over 5.0 times the poverty line.

[4]The tables presenting data on health included in the text of this report include more detailed age categories for the elderly since evidence suggests that large differences exist among the elderly along the dimensions considered here. See U.S. Bureau of the Census, Current Population Reports, Series P-70, No. 8, *op.cit.*, table C, p.4. The detailed appendix tables contain more detailed age categories for all the measures presented in this report.

Table 6-A. **Medical Insurance, Health Status, Disability Status, and Health Care Utilization by 1984 Household Income**

Status	Household income group						
	All	1st decile	2nd decile	2nd quintile	3rd quintile	4th quintile	5th quintile
Mean household income	$29,964	$5,241	$10,514	$17,277	$25,769	$35,878	$62,568
Months in 1984 Without Medical Insurance	1.8	3.1	3.4	2.5	1.4	1.0	0.6
1 or more months in 1984 with private medical insurance	84.3	39.5	64.5	84.2	92.8	95.5	96.6
1 or more months in 1984 with public medical insurance	20.9	66.3	42.1	23.7	12.3	8.4	6.1
Person reports poor health	5.9	20.3	11.9	7.1	3.4	2.1	1.4
Average days in last 4 months sick in bed	2.7	6.3	4.4	2.9	2.1	1.7	1.2
Any limitation in any activity of daily living	22.0	50.9	38.1	25.0	17.3	13.9	10.1
Any severe limitation in any activity of daily living	8.0	25.4	15.6	8.6	5.3	4.1	2.2
Average number of doctor contacts in last 12 months	3.7	5.3	4.4	4.0	3.4	3.3	3.0
No doctor contact in last 12 months	30.3	28.4	30.1	30.7	30.5	31.0	29.9
Any hospital nights in last 12 months	12.5	19.3	15.2	15.1	11.5	10.3	8.6
Average number of hospital nights in last 12 month	1.3	2.6	2.3	1.5	1.1	0.8	0.7
Percent of all people with no doctor contacts in the last 12 months and who were in poor health or disabled	15.7	37.5	25.2	18.6	12.4	10.0	6.8

Table 6-B. **Medical Insurance, Health Status, Disability Status, and Health Care Utilization by 1984 Household Income-to-Poverty Ratio**

Status	Household income-to-poverty ratio						
	Less than 0.50	0.50 up to but not including 1.00	1.00 up to but not including 2.00	2.00 up to but not including 3.00	3.00 up to but not including 4.00	4.00 up to but not including 5.00	5.00 and over
Mean household income-to-poverty ratio	0.33	0.77	1.52	2.49	3.48	4.47	7.29
Months in 1984 without medical insurance	4.0	3.9	2.9	1.6	1.0	0.7	0.5
1 or more months in 1984 with private medical insurance	23.1	41.6	76.1	91.5	94.9	96.7	97.5
1 or more months in 1984 with public medical insurance	62.1	53.1	28.2	16.2	13.4	9.9	9.9
Person reports poor health	11.7	18.5	10.2	5.7	3.3	3.0	1.4
Average days in last 4 months sick in bed	4.1	5.4	4.0	2.6	2.1	1.7	1.4
Any limitation in any activity of daily living	32.0	42.2	33.4	21.8	17.1	14.8	12.2
Any severe limitation in any activity of daily living	10.2	19.8	14.6	7.5	4.9	4.6	3.1
Average number of doctor contacts in last 12 months	4.9	4.6	4.1	3.7	3.6	3.2	3.4
No doctor contact in last 12 months	37.8	32.8	32.5	30.4	29.9	28.5	27.7
Any hospital nights in last 12 months	18.8	17.6	14.9	13.8	11.5	9.4	9.2
Average number of hospital nights in last 12 months	2.1	2.0	1.9	1.3	1.1	0.8	0.8
Percent of all people with no doctor contacts in the last 12 months and who were in poor health or disabled	25.4	31.8	22.9	16.3	11.9	10.8	8.1

seeing a doctor, they were also in worse health than younger people and they were more likely to be identified as having possible unmet medical needs.

When people with similar household incomes are compared, these patterns remain largely unchanged. At any reported household income level, the elderly spent almost no time during 1984 without some form of medical insurance (figure 6-1.). The data also indicate that at every reported household income level, those between the ages of 18 and 24 years spent the most time during 1984 without medical insurance. People between the ages of 18 and 24 years reporting household incomes in the top quintile spent an average of 1.5 months during 1984 without medical insurance.

The elderly were more likely to report being in poor health than the non-elderly with similar adjusted household incomes (table 6-D). In fact, persons 75 years and over with household incomes between four and five times the

Table 6-C. **Medical Insurance, Health Status, Disability Status, Health Care Utilization, and Utilization of Medical Care by Age of Person**

Status	Less than 18	18 to 24 years	25 to 44 years	45 to 64 years	65 to 74 years	75 years and over
Months in 1984 without medical insurance	2.1	3.0	1.7	1.4	0.1	0.1
1 or more months in 1984 with private medical insurance	80.0	83.4	87.5	87.7	83.2	77.8
1 or more months in 1984 with public medical insurance	15.4	8.5	7.6	12.9	99.0	99.3
Person reports poor health	N.A.	0.8	1.8	8.8	15.6	22.1
Average days in last 4 months sick in bed	N.A.	1.4	1.7	3.1	4.6	8.0
Any limitation in any activity of daily living	N.A	5.9	10.3	29.5	50.6	72.7
Any severe limitation in any activity of daily living	N.A.	1.1	2.4	9.9	20.6	40.7
Average number of doctor contacts in last 12 months	N.A.	2.8	3.3	4.1	5.3	5.5
No doctor contact in last 12 months	N.A.	37.1	33.0	28.2	20.2	15.8
Any hospital nights in last 12 months	N.A.	10.3	10.4	12.7	18.8	23.6
Average number of hospital nights in last 12 months	N.A.	0.6	0.8	1.5	2.8	3.3
Percent of all people with no doctor contacts in the last 12 months and who were in poor health or disabled	N.A.	4.3	7.7	23.0	36.1	40.7

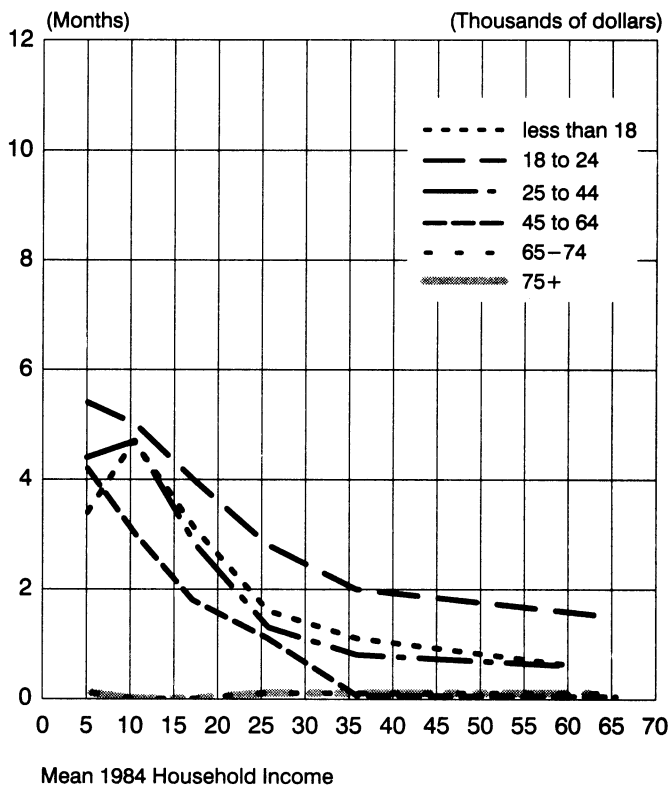
poverty line were more likely to report being in poor health than those 18 to 24 years with household incomes less than 50 percent of the poverty line.

Except for those with household incomes less than 50 percent of the poverty line, older people were generally more likely to have seen a doctor in 1984 than younger people with similar adjusted household incomes (table 6-E).[5] In fact, persons 75 years and over with household incomes between 50 and 100 percent of the poverty line were more likely than those 18 to 24 years with household incomes over five times the poverty line to have seen a doctor in 1984.

When those with similar adjusted household incomes over 0.5 times the poverty line are compared, persons 65 years and over were consistently more likely to be identified as having possible unmet medical needs than those under age 65 (table 6-F). In fact, persons 75 years and over with household incomes over 5.0 times the poverty line were more likely to be identified as having possible unmet medical needs than those 18 to 24 years with household incomes less than half of the poverty line.

It is worth noting that 22 percent of people 65 years and over reporting household incomes over five times the poverty line were identified as having possible unmet medical needs. There are two possible interpretations for this finding. One explanation is that people have been identified as having needs who, in fact, do not. If this is true for the elderly, it must also be true for younger people as well as for those with lower incomes. While this is, no doubt, a part of the explanation, it seems unlikely to be all of the explanation. This study uses an admittedly crude measure of unmet medical needs. However, the measure

Figure 6–1.
Mean Months With No Medical Insurance by Household Income and Age



[5]All implied comparisons from the table are statistically significant except: those with incomes between 0.5 and 1.0 times the poverty line and 45 to 64 years vs. those 65 to 74 years; those with incomes between 0.5 and 1.0 times the poverty line 45 to 64 years vs. those aged 75 years and over; those with incomes over 5.0 times the poverty line 25 to 44 years vs. those 65 to 74 years; and those with incomes over 5.0 times the poverty line 45 to 64 years vs. those 65 to 74 years. Even so, the differences are all in the direction described in the text.

Table 6-D. **Percentage of Persons Reporting Poor Health by 1984 Household Income-to-Poverty Ratio and Age of Person**

Income-to poverty ratio	18 to 24 years	25 to 44 years	45 to 64 years	65 to 74 years	75 years and over
Less than 0.50	5.1	7.9	24.1	9.1	39.7
0.50 up to but not including 1.00	2.0	8.1	30.4	40.0	33.7
1.00 up to but not including 2.00	1.2	2.0	17.6	22.4	24.9
2.00 up to but not including 3.00	0.4	2.0	9.2	14.0	21.8
3.00 up to but not including 4.00	0.4	0.7	6.0	9.2	13.3
4.00 up to but not including 5.00	0.0	0.6	4.5	10.0	19.3
5.00 and over	0.3	0.5	1.9	3.9	8.7

is also relatively conservative: it is based on whether those who claim to be either disabled or in poor health have seen a doctor just once during an entire year. Many of these people may well have needed to see a doctor more than once, and it is difficult to imagine many of these people who did not at least need a check-up during the year.

Another possibility is that these people really do have unmet medical needs. If that is the case, the data strongly suggest that something other than insufficient economic resources is preventing these people from getting the medical attention they need. People 65 years and over, with incomes over five times the poverty line, reported average household incomes of $50,780 in 1984, an average of 7.7 times the poverty line. These people also reported average household net worth of $373,289 which included average liquid assets of $277,026. Nearly 100 percent of these people reported having some liquid

Table 6-E. **Percentage of Persons With No Doctor Contacts in 1984 by 1984 Household Income-to-Poverty Ratio and Age of Person**

Income-to-poverty ratio	18 to 24 years	25 to 44 years	45 to 64 years	65 to 74 years	75 years and over
Less than 0.50	41.7	38.3	31.7	45.5	40.9
0.50 up to but not including 1.00	42.8	36.9	27.9	23.9	22.0
1.00 up to but not including 2.00	40.4	39.3	29.2	20.2	16.8
2.00 up to but not including 3.00	36.2	33.8	28.4	19.6	13.8
3.00 up to but not including 4.00	34.7	31.9	29.9	16.9	15.6
4.00 up to but not including 5.00	33.4	29.2	29.6	15.3	8.0
5.00 and over	37.0	28.0	25.4	24.7	11.8

Table 6-F. **Percentage of All Persons With No Doctor Contacts the Last 12 Months and Who Were In Poor Health or Disabled by 1984 Household Income-to-Poverty Ratio and Age of Person**

Income-to-poverty ratio	Age of person				
	18 to 24 years	25 to 44 years	45 to 64 years	65 to 74 years	75 or more
Less than 0.50	13.8	21.4	42.6	28.1	45.4
0.50 up to but not including 1.00	6.9	18.7	52.3	55.6	50.7
1.00 up to but not including 2.00	4.5	10.1	36.3	45.2	44.9
2.00 up to but not including 3.00	4.3	8.0	27.1	35.7	39.2
3.00 up to but not including 4.00	3.1	5.6	19.4	29.9	33.1
4.00 up to but not including 5.00	4.6	4.5	15.5	31.8	38.0
5.00 and over	2.7	3.9	11.2	19.9	27.0

assets. Apparently something other than money was preventing these people from seeing a doctor at least once during the year. If this is true for elderly people with such substantial resources, it is probably also true for elderly people with less money, and it may well be the case for many non-elderly persons. In this case, traditional income and poverty statistics alone cannot reliably identify those in need of medical care.

Health Status and Health Care Utilization by Sex of Householder. People living with male householders spent slightly less time in 1984 without medical insurance and were in better health than those living with female householders (table 6-G). the data also suggest that people living with female householders had a greater number of doctor contacts and spent more time in the hospital than those living with male householders.

The patterns are quite different when people reporting similar household incomes are compared. Those living with male householders spent much more time without medical insurance in 1984 than those living with female householders with similar household incomes below the poverty line (figure 6-2). Among those with household incomes above the poverty line there was little or no difference in the number of months in 1984 spent without medical insurance between those living with male versus female householders.[6]

[6]As already noted, care should be taken in interpreting these results. Many of those living with male householders who reported incomes below the poverty line may well qualify for Medicaid without having

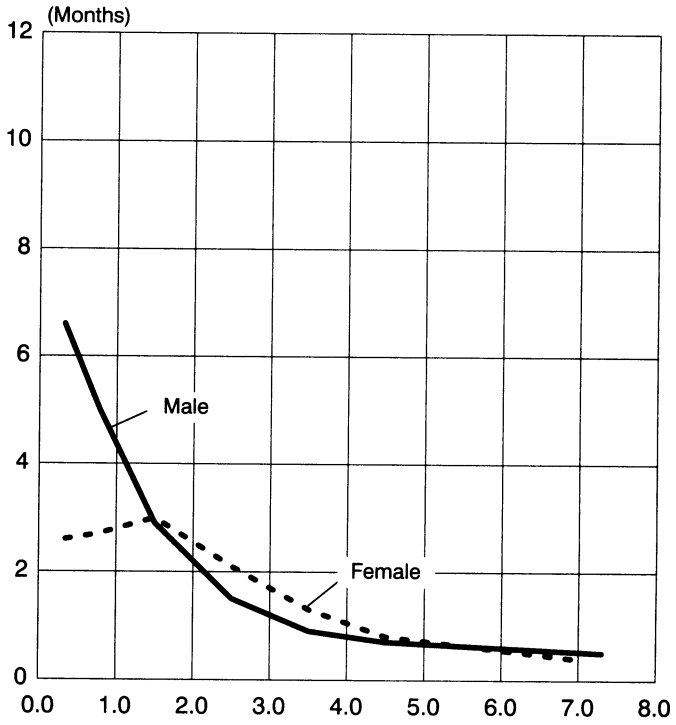
Most of the difference between those living with male and female householders in the likelihood of reporting poor health appears to be tied to reported household income. Table 6-H shows that there was little or no difference in the distribution of reports of poor health between those living with male and female householders with similar adjusted household incomes.[7] Only among people with household incomes between 50 and 100 percent of the poverty line did those living with female householders appear to be substantially more likely to report being in poor health than those living with male householders.

Table 6-G. **Medical Insurance, Health Status, Disability Status, and Health Care Utilization by Sex of Householder**

Status	Female	Male
Months in 1984 without medical insurance	2.1	1.6
1 or more months in 1984 with private medical insurance	71.8	88.4
1 or more months in 1984 with public medical insurance	38.6	15.1
Person reports poor health	8.4	5.1
Average days in last 4 months sick in bed	3.7	2.3
Any limitation in any activity of daily living	31.2	19.0
Any severe limitation in any activity of daily living	13.3	6.3
Average number of doctor contacts in last 12 months	4.3	3.5
No doctor contact in last 12 months	27.3	31.2
Any hospital nights in last 12 months	13.8	12.1
Average number of hospital nights in last 12 months	1.6	1.2
Percent of all people with no doctor contacts in the last 12 months and who were in poor health or disabled	21.1	13.9

Those living with male householders were slightly more likely than those living with female householders to have gone an entire year without seeing a medical doctor. This was true overall (table 6-G) and it was generally true when those reporting similar adjusted household incomes were compared (figure 6-3.).[8]

Figure 6-2.
Mean Months With No Medical Insurance by Income-to-Poverty Ratio and Sex of Householder



People living with female householders were somewhat more likely to be identified as having possible unmet medical needs than people living with male householders, even when those with similar household incomes between 50 and 400 percent of the poverty line were compared (table 6-I). At the extremes of the adjusted household income distribution there was no apparent difference between those living with male and female householders.

Health Status and Health Care Utilization by Sex of Person. The previous discussion examined persons by sex of householder. The discussion changes if we examine differences in health status and health care utilization by sex of person. From this perspective, males spent slightly more time than females without medical insurance coverage (table 6-J).[9] While there was little difference in health status of males and females, females did appear more likely to be disabled than males. Females were more likely to have seen a doctor at least once during the prior year, but they were also more likely to be identified as having possible unmet medical needs than males.

When males and females with similar household incomes are compared, little changes. For those with household incomes below twice the poverty line, males spent somewhat more time in 1984 without medical insurance than

applied for it. If these people were to incur a large medical bill or go to a hospital they would likely be signed up for Medicaid by a hospital social worker. In this sense they are covered by medical insurance. We are unable to estimate with our data how common this scenario is. This is less likely to be a problem for those living with female householders since Medicaid coverage is generally extended to those who receive AFDC, a program which is not generally available to those living with male householders or in married-couple households.

[7]None of the differences between those living with male versus female householders were statistically significant except for those with household incomes between 0.5 and 1.0 times the poverty line.

[8]The difference between those living with male and female householders who reported incomes less than 0.5 times the poverty line was not statistically significant, nor was the difference for those who reported incomes between 4.0 and 5.0 times the poverty line. However, all of the observed differences were in the direction described in the text.

[9]The difference between 1.6 months (for females) and 1.9 months (for males) was statistically significant. However, 0.3 months represents only a 10-day difference over the course of an entire year.

females (figure 6-4). For those with higher household incomes over four times the poverty line, there was little difference between males and females.

Males and females with similar adjusted household incomes were about equally likely to report being in poor health (table 6-K).

The difference between males and females who did not see a doctor for an entire year does not appear to be tied to reported household income. Overall, females were 14.3 percentage points more likely to have seen a doctor than males. Even when males and females with similar adjusted household incomes are compared, females were more likely than males to have seen a doctor (table 6-L).

Overall, females were slightly more likely to be identified as having possible unmet medical needs than males. When those with similar household incomes between 50 and 500 percent of the poverty line are compared, females are still seen to be slightly more likely to be identified as having possible unmet medical needs than males (table 6-M).

Table 6-H. **Percentage of Persons Reporting Poor Health by 1984 Household Income-to-Poverty Ratio and Sex of Householder**

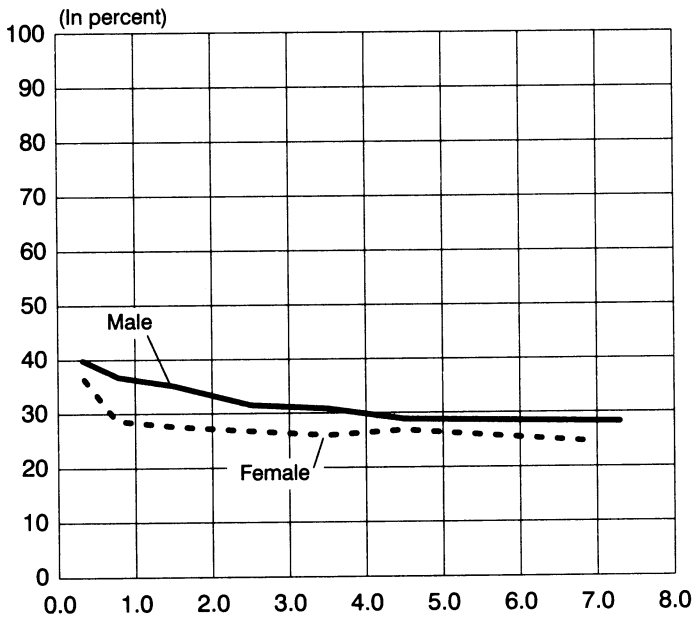
Income-to-poverty ratio	Sex of householder	
	Female	Male
Less than 0.50	10.7	13.1
0.50 up to but not including 1.00	21.2	16.0
1.00 up to but not including 2.00	11.2	9.7
2.00 up to but not including 3.00	6.0	5.6
3.00 up to but not including 4.00	3.6	3.2
4.00 up to but not including 5.00	3.3	3.0
5.00 and over	1.1	1.5

Table 6-I. **Percentage of All Persons With No Doctor Contacts in the Last 12 Months and Who Were In Poor Health or Disabled by 1984 Household Income-to-Poverty Ratio and Sex of Householder**

Income-to-poverty ratio	Sex of householder	
	Female	Male
Less than 0.50	24.0	27.3
0.50 up to but not including 1.00	37.2	26.7
1.00 up to but not including 2.00	27.5	20.4
2.00 up to but not including 3.00	19.3	15.4
3.00 up to but not including 4.00	14.0	11.4
4.00 up to but not including 5.00	10.2	10.9
5.00 and over	7.0	8.2

Health Status and Health Care Utilization by Race of Person. Blacks spent more time in 1984 without medical insurance, appear to have been in worse health, were slightly less likely to have seen a doctor, and were more likely to be identified as having possible unmet medical needs than Whites (table 6-N).

Figure 6–3.
Persons With No Doctor Contacts in Last 12 Months by Income–to–Poverty Ratio and Sex of Householder



Differences remain when Blacks and Whites with similar adjusted household incomes are compared, though the patterns are complicated (table 6-O). Blacks with 1984 household incomes below the poverty line spent slightly *less* time without medical insurance than Whites with similar household incomes. On the other hand, Blacks with incomes between 3.0 and 5.0 times the poverty line spent slightly more time in 1984 without medical insurance than Whites with similar adjusted household incomes. At other income levels Blacks and Whites spent similar amounts of time without medical insurance.

Most of the difference between Blacks and Whites reporting poor health appears to be tied to reported household income. There was little difference between Blacks and Whites reporting poor health with similar adjusted household incomes (figure 6-5).[10] Most of the small difference between Blacks and Whites having no doctor visits in 1984 also appears to be tied to their reported household incomes. Blacks and Whites reporting similar adjusted household incomes below 2.0 times the poverty line were about equally likely to have gone through 1984 without seeing a doctor (table 6-P). At higher adjusted income levels there were small differences by race.

Finally, most of the small difference between Blacks and Whites in their likelihood of being identified as having possible unmet medical needs appears to be tied to their

[10]While differences between Blacks and Whites with incomes between 1.0 and 4.0 times the poverty line and with incomes over 5.0 times the poverty line were statistically significant, those differences were extremely small.

Table 6-J. **Medical Insurance, Health Status, Disability Status, and Health Care Utilization by Sex of Person**

Status	Female	Male
Months in 1984 without medical insurance	1.6	1.9
1 or more months in 1984 with private medical insurance	83.9	84.7
1 or more months in 1984 with public medical insurance	23.8	17.7
Person reports poor health	6.3	5.5
Average days in last 4 months sick in bed	3.1	2.2
Any limitation in any activity of daily living	24.6	19.0
Any severe limitation in any activity of daily living	9.9	5.9
Average number of doctor contacts in last 12 months	4.4	2.9
No doctor contact in last 12 months	23.5	37.8
Any hospital nights in last 12 months	15.0	9.8
Average number of hospital nights in last 12 months	1.4	1.2
Percent of all people with no doctor contacts in the last 12 months and who were in poor health or disabled	17.5	13.7

reported incomes. Blacks and Whites with similar adjusted household incomes were generally about equally likely to be identified as having possible unmet needs in 1984 (table 6-Q).[11]

Table 6-K. **Percentage of Persons Reporting Poor Health by 1984 Household Income-to-Poverty Ratio and Sex of Person**

Status	Sex of person	
	Female	Male
Less than 0.50	10.8	13.5
0.50 up to but not including 1.00	18.5	18.5
1.00 up to but not including 2.00	10.2	10.3
2.00 up to but not including 3.00	5.3	6.1
3.00 up to but not including 4.00	3.2	3.3
4.00 up to but not including 5.00	3.4	2.6
5.00 and over	1.6	1.3

Who Appears to be Medically Disadvantaged? The results presented in this chapter suggest that reported household income provides some information about who is likely to be without medical insurance, who is likely to report being in poor health, to go an entire year without seeing a medical doctor, and to have possible unmet

[11]While the difference between Whites and Blacks with income between 2.0 and 3.0 times the poverty line and with incomes between 4.0 and 5.0 times the poverty line were statistically significant, both differences were extremely small (about 2.0 percent).

Table 6-L. **Percentage of Persons With No Doctor Contacts in 1984 by 1984 Household Income-to-Poverty Ratio and Sex of Person**

Income-to-poverty ratio	Sex of person	
	Female	Male
Less than 0.50	34.7	43.4
0.50 up to but not including 1.00	26.8	43.2
1.00 up to but not including 2.00	25.7	41.8
2.00 up to but not including 3.00	23.3	38.2
3.00 up to but not including 4.00	21.6	38.3
4.00 up to but not including 5.00	21.9	34.8
5.00 and over	20.8	33.9

Table 6-M. **Percentage of All Persons With No Doctor Contacts in the Last 12 Months and Who Were In Poor Health or Disabled by 1984 Household Income-to-Poverty Ratio and Sex of Person**

Income-to-poverty ratio	Sex of person	
	Female	Male
Less than 0.50	23.3	29.2
0.50 up to but not including 1.00	33.6	28.7
1.00 up to but not including 2.00	24.6	20.5
2.00 up to but not including 3.00	17.4	15.1
3.00 up to but not including 4.00	13.1	10.7
4.00 up to but not including 5.00	12.0	9.6
5.00 and over	8.8	7.4

Table 6-N. **Medical Insurance, Health Status, Disability Status, and Health Care Utilization by Race of Person**

Status	Black	White
Months in 1984 without medical insurance	2.5	1.6
1 or more months in 1984 with private medical Insurance	68.7	86.9
1 or more months in 1984 with public medical insurance	32.0	19.2
Person reports poor health	10.0	5.5
Average days in last 4 months sick In bed	3.7	2.5
Any limitation in any activity of daily living	27.4	21.5
Any severe limitation in any activity of daily living	10.8	7.8
Average number of doctor contacts in last 12 months	4.1	3.7
No doctor contact in last 12 months	32.9	29.6
Any hospital nights in last 12 months	14.1	12.4
Average number of hospital nights in last 12 months	1.8	1.3
Percent of all people with no doctor contacts in the last 12 months and who were in poor health or disabled	20.9	15.2

Figure 6–4.
Mean Months With No Medical Insurance by Income–to–Poverty Ratio and Sex

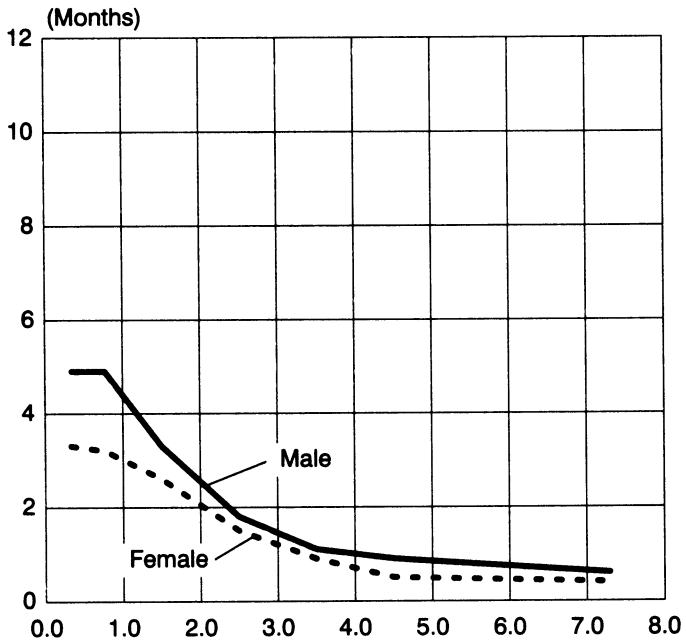


Figure 6–5.
Persons Age 18 and Over Reporting Poor Health by Income–to–Poverty Ratio and Race

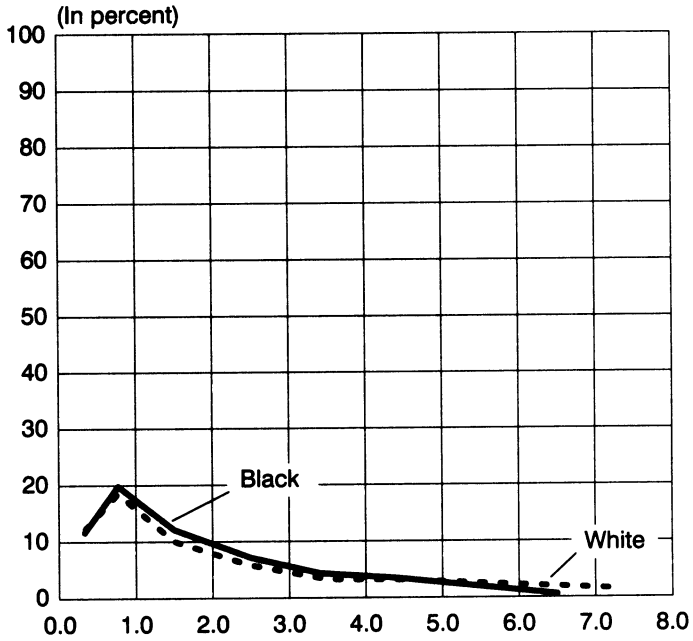


Table 6-O. **Average Number of Months in 1984 With No Medical Insurance by 1984 Household Income-to-Poverty Ratio and Race**

Income-to-poverty ratio	Black	White
Less than 0.50	3.6	4.3
0.50 up to but not including 1.00	3.3	4.2
1.00 up to but not including 2.00	3.1	2.9
2.00 up to but not including 3.00	1.7	1.6
3.00 up to but not including 4.00	1.4	0.9
4.00 up to but not including 5.00	1.4	0.7
5.00 and over	0.6	0.5

Table 6-P. **Percentage of Persons With No Doctor Contacts in 1984 by 1984 Household Income-to-Poverty Ratio and Race**

Income-to-poverty ratio	Black	White
Less than 0.50	33.9	39.4
0.50 up to but not including 1.00	33.2	32.5
1.00 up to but not including 2.00	32.8	32.0
2.00 up to but not including 3.00	32.1	29.9
3.00 up to but not including 4.00	37.4	28.8
4.00 up to but not including 5.00	31.4	28.3
5.00 and over	26.0	27.4

medical needs. However, the data also suggest that other considerations may be more important than reported household income.

Table 6-Q. **Percentage of All Persons With No Doctor Contacts in the Last 12 Months and Who Were In Poor Health or Disabled by 1984 Household Income-to-Poverty Ratio and Race**

Income-to-poverty	Black	White
Less than 0.50	24.5	26.7
0.50 up to but not including 1.00	32.3	32.3
1.00 up to but not including 2.00	24.2	22.8
2.00 up to but not including 3.00	18.4	16.2
3.00 up to but not including 4.00	12.1	12.1
4.00 up to but not including 5.00	8.9	11.1
5.00 and over	8.0	8.2

Specifically, the data presented in this chapter show that:

- The elderly were more likely to have medical insurance, and they were more likely to have seen a doctor during 1984 than younger people. However, they were also more likely to have reported being in poor health. Those over age 45 were more likely to be identified as having possible unmet medical needs than younger people. These differences were all apparent even when people with similar incomes were compared.

- With only two exceptions there was no apparent difference in the health indicators considered here for those living with male versus female householders with similar adjusted household incomes. Those living with male

householders reporting household incomes in the bottom of the distribution spent more time in 1984 without medical insurance than those living with female householders reporting similar incomes. Those living with female householders and reporting household incomes between 50 and 400 percent of the poverty line were slightly more likely to be identified as having possible unmet medical needs than people living with male householders reporting similar incomes.

- There are slight differences between males and females along the dimensions considered even when those with similar adjusted household incomes are compared.

- Most of the differences between Blacks and Whites along the dimensions considered here appear to be related to reported household income.

Classifying people as medically disadvantaged in terms of these four indicators cannot always be done unambiguously. Those with medical insurance are probably better off than those without; those who report being in poor health are probably worse off than those who do not; those whom we identify as having possible unmet medical needs are probably worse off than those whom we do not. However, are those who have seen a doctor during the year better or worse off than those who have not? We do not know. The data presented in this chapter suggest that, while traditional income-based statistics do appear to provide some information about these dimensions of medical well-being, it is also true that those who report low household incomes are not always the same as those who lack medical insurance, who report being in poor health, or who are identified as having possible unmet medical needs. In some cases, a person's age appears to be a more important indicator of each of these dimensions than reported household income.

Chapter 7. Housing Conditions and Consumer Durables

A person's current housing situation is not just a reflection of his or her current economic circumstances. The type and quality of a person's home, whether that person owns or rents, and the community he or she lives in, are all reflections of that person's past: how much, if anything, they were able to save for a down payment, how long they have lived at their current location, their ability to keep up with past payments for their rent or mortgage, and their past decisions about where and how to live given the options they faced. A person's housing situation is also a reflection of their expectations about the future: how long they expect to live at their current location, what they think they will be able to afford in the years to come, and other changes they hope or fear will come about. In the case of housing, the past and future may well be more important than the present state of affairs.[1]

There are a number of factors which together constitute what are commonly thought of as the quality of a person's housing. Some of those factors are associated with the structure itself: for example, whether it has sound floors, walls, ceilings, and windows; whether the plumbing, heating, and electrical systems are all in good repair; whether the home is infested with insects or rodents. Some are associated with the community: for example, the local crime rate; whether there are adequate community services, such as police protection, trash collection, schools, and shopping; and the proximity of friends, relatives, and their jobs. Unfortunately, none of these factors can be assessed with the data available in the 1984 SIPP.

There are, however, a limited number of attributes of people's housing which the SIPP data do allow us to explore. Information is available on whether a person lives in a home that is owned by a household member, the number of people in the household, the number of rooms in the home, the age of the home if it is owned by a household member, and some of the costs entailed in operating and maintaining the home.[2] Data are also available on whether the home is air-conditioned, and whether a person uses any of a number of consumer durables found in their home.[3]

Differences in homeownership and use of consumer durables are at least partly attributable to differences in taste. Some people would not own a home even if they could afford to. Not everyone would want a color television, a clothes washer and dryer, a dishwasher, or an automobile. Nonetheless, when people are found to have many of these goods regardless of the income they report, it is evident that reported household income may not be a totally complete indicator of their material standard of living.

Housing Conditions by Household Income. While home ownership bears no direct relation to housing conditions, ownership has been a widely used measure of America's ability to give its citizens the kind of housing they want. A major focus of federal tax policy since the end of World War II has been directed at making home ownership affordable to most Americans. As table 7-A shows, 63 percent of the population surveyed in the 1984 SIPP lived in a home that was owned by a household member. While those with higher household incomes were more likely to live in homes that were owned by a household member, 35 percent of those reporting household incomes in the bottom quintile and a similar proportion of those reporting household incomes between 50 and 100 percent of the poverty line lived in a home that was owned by a household member.

Some people would prefer to rent even if they could afford to purchase a home. As the data show, 16 percent of those with household incomes over five times the poverty line did not live in homes that were owned by a household member. Many of these people probably had the means to purchase a home but chose not to.

The data show that people with low incomes were slightly more likely than those with higher incomes to live in homes with more than one person per room.[4] However, the average number of persons per room appeared to be unrelated to reported household income: at every income level, there were about two people for every three rooms.[5]

[1]See U.S. Bureau of the Census, Current Housing Report, Series H121/91-1, *Who Can Afford to Buy a House?*, U.S. Government Printing Office, Washington, DC, 1991.

[2]Data on housing costs have not been included in this report.

[3]The data on consumer durables in the 1984 SIPP should be interpreted with caution. Respondents were asked to identify those items which they *use* in their house or apartment. People may well have items in their homes which they do not use. This could be because the item is not in working order, but it could also be an indication that there is an item in the home which the respondent chose not to use. This caution applies to the data on cooking ranges, ovens, refrigerators, food freezers, clothes washers, clothes dryers, dishwashers, and television sets. It does not pertain to the data on air conditioning or motor vehicles.

[4]The difference between those with household incomes in the top two quintiles was not statistically significant.

[5]The average number of people per room for those with household incomes in the third, fourth, and fifth quintiles was statistically lower than 0.67, but not substantively lower.

The difference in these two indicators implies that while people reporting low incomes may have been more likely to live in crowded quarters, there was an offsetting number of people reporting similar household incomes living in relatively spacious homes.

Adjusting household income for differences in household size using the poverty line changes things a bit. Those reporting low adjusted household incomes appeared to be substantially more likely to live in homes with more than one person per room than those reporting higher adjusted incomes.[6] On average they also lived in more crowded homes. Even so, most people with low adjusted incomes did not live in homes with more than one person per room.

Table 7-A. **Selected Housing Conditions and Consumer Durables by Household Income Group**

Housing condition and durable goods	Household Income Group						
	All	1st decile	2nd decile	2nd quintile	3rd quintile	4th quintile	5th quintile
Percent living in owned home	63.2	29.4	40.7	53.0	64.0	75.7	87.9
Average number of persons per room	0.64	0.65	0.69	0.67	0.65	0.62	0.58
Percent with more than 1 person per room	8.0	11.1	13.5	11.0	7.6	5.1	4.1
Percent with air-conditioning	59.3	37.1	47.9	54.6	59.5	67.7	71.9
Percent with cooking range	97.9	93.5	97.0	97.9	98.7	98.8	99.1
Percent with oven	96.5	90.1	93.9	96.3	97.6	98.1	98.7
Percent with refrigerator	98.1	94.4	97.2	98.0	98.8	99.1	98.8
Percent with freezer	43.5	25.0	34.5	39.9	45.8	49.0	53.0
Percent with clothes washer	79.6	52.3	64.1	72.9	83.5	89.1	93.8
Percent with clothes dryer	68.7	28.6	42.7	59.7	73.3	84.1	90.1
Percent with dishwasher	42.6	9.2	16.0	27.3	41.6	56.6	74.3
Percent with black and white TV	43.8	45.2	39.7	40.5	42.1	46.6	47.4
Percent with color TV	88.7	64.2	76.5	88.2	92.8	95.9	96.1

Presence of air conditioning was related to reported household income. However, 42 percent of those with incomes in the bottom quintile had air conditioning, and 35 percent of those with household incomes below the poverty line had air conditioning.

Table 7-B. **Selected Housing Conditions and Consumer Durables by Household Income-to-Poverty Ratio**

Housing condition and durable goods	1984 Household Income-to-Poverty Ratio						
	Less than 0.50	0.50 up to but not including 1.00	1.00 up to but not including 2.00	2.00 up to but not including 3.00	3.00 up to but not including 4.00	4.00 up to but not including 5.00	5.00 or more
Percent living in owned home	18.9	32.5	49.1	64.7	70.8	79.4	83.7
Average number of persons per room	0.99	0.87	0.73	0.66	0.58	0.52	0.46
Percent with more than 1 person per room	29.2	25.6	14.0	6.6	2.1	1.2	0.7
Percent with air conditioning	29.0	38.0	49.1	59.2	66.9	71.4	72.2
Percent with cooking range	91.8	96.9	97.3	98.3	98.3	99.1	98.8
Percent with oven	86.2	93.9	95.3	97.1	98.0	98.0	98.1
Percent with refrigerator	92.5	96.8	97.4	98.6	98.5	99.2	99.0
Percent with freezer	23.4	31.5	39.3	46.6	48.1	47.1	47.1
Percent with clothes washer	52.5	59.5	70.3	82.5	85.7	88.7	89.4
Percent with clothes dryer	24.3	34.2	52.9	72.8	79.1	84.4	86.4
Percent with dishwasher	8.2	10.8	21.2	39.9	51.4	60.6	73.8
Percent with black and white TV	52.7	46.3	41.5	42.6	44.8	46.5	42.9
Percent with color TV	59.2	69.3	83.2	92.6	94.3	94.9	95.4

Basic kitchen equipment (cooking ranges, ovens, and refrigerators) appears to have been nearly universally available to people with household incomes at any level.[7] Separate food freezers were far from universal and they were less common among those with low household incomes than among those with moderate and high incomes. Even so, 31 percent of those reporting incomes between 50 and 100 percent of the poverty line reported using freezers in their homes. Automatic dishwashers were the only major kitchen appliance which appeared to be strongly related to reported household income. They were relatively uncommon overall, and those with higher incomes were quite a bit more likely to have them than those with lower incomes.

Black and white televisions were also far from universal. However they were about as likely to be used in households with low incomes as those reporting higher incomes.[8] While people with higher incomes were more likely to use color televisions in their home than those with lower

[6]Note, though, that the difference between those reporting household income less than 0.5 times the poverty line vs. those with income between 0.5 and 1.0 times the poverty line was not statistically significant. The difference between those reporting incomes between 4.0 and 5.0 times the poverty line vs. those with incomes over 5.0 times the poverty was also not statistically significant.

[7]While all of the reported percentages were statistically lower than 100 percent, they were not lower from a substantive point of view.

[8]The differences between those in the first two deciles, and between those in the third and fourth quintiles were statistically significant. The differences, however, were not large.

incomes,[9] 66 percent of those reporting incomes below the poverty line said they used color televisions in their homes.

Use of clothes washers was related to reported household income, but here again a substantial portion of those with household incomes below the poverty line used washing machines in their homes. Clothes dryers, on the other hand, were far less common overall, and people with lower incomes were relatively less likely to have a dryer than a washer.

Housing Conditions by Age of Person. The data in table 7-C show a familiar pattern of home ownership and crowding. Home ownership was least common among those between the ages of 18 and 24. Even so, about 50 percent of people in this age group lived in homes that were owned by a household member. Children under age 18 and adults between the ages of 25 and 44 were somewhat more likely to live in homes that were owned by a household member, and those between the ages of 45 and 64 were the most likely to live in owned homes.[10]

Table 7-C. **Selected Housing Conditions and Consumer Durables by Age of Person**

	Less than 18 years	18 to 24 years	25 to 44 years	45 to 64 years	65 years and over
Percent living in owned home	59.8	50.2	60.5	77.2	69.7
Average number of persons per room	0.81	0.70	0.64	0.49	0.39
Percent with more than 1 person per room	15.0	10.0	6.6	3.1	0.7
Percent with air conditioning	55.5	58.4	60.3	63.5	59.3
Percent with cooking range	97.2	97.7	98.3	98.5	98.1
Percent with oven	95.8	96.4	97.0	97.4	95.8
Percent with refrigerator	97.2	97.6	98.6	98.8	98.6
Percent with freezer	43.9	35.0	40.4	53.3	43.9
Percent with clothes washer	81.8	70.2	79.8	85.3	73.9
Percent with clothes dryer	69.9	59.7	71.1	75.1	57.6
Percent with dishwasher	42.6	37.7	46.4	47.5	29.0
Percent with black and white TV	46.9	45.3	43.8	43.5	35.4
Percent with color TV	88.0	85.5	90.4	91.1	85.5

Children tend to live in larger households than older people. It is therefore not surprising that those under age 18 were more likely to live in crowded conditions. The elderly were the least likely to live in crowded conditions.

When people aged 18 years and over with similar adjusted household incomes are compared the patterns are largely unchanged; at any adjusted income level those 45 years and over were more likely to live in a home owned by a household member than those 18 to 44 years (figure 7-1).[11]

The pattern for children compared with the population 45 years and over is more complicated. Children who lived in households with incomes below 3.0 times the poverty line were less likely to live in a home that was owned by a household member than those people 45 years and over with similar incomes. However, those children who lived in households with incomes over three times the poverty line were about as likely to live in an owner-occupied home as people 45 years and over with similar incomes.

Figure 7-2 shows that, in general, elderly persons with low adjusted household incomes were less likely to live in crowded conditions than younger persons with similar adjusted incomes.[12] There was little difference between age groups among those with higher adjusted household incomes.[13]

Basic kitchen equipment (cook stoves, ovens, and refrigerators) are nearly universally present regardless of the person's age or the reported household income.[14] Younger adults between the ages of 18 and 44 were generally less likely to use food freezers, clothes washers, and clothes dryers than those between the ages of 45 and 64. This was generally true even when people in households that reported similar incomes were compared, though at higher reported household incomes the differences between age groups are sometimes quite small.[15] Tables 7-D, 7-E, and 7-F summarize the data.

The elderly were less likely to report using dishwashers in their homes than younger people. This was true overall, and it was true when people with similar adjusted household incomes were compared.[16]

[9]The difference between those with household incomes in the top two quintiles was not, however, statistically significant.

[10]The only difference which was not statistically significant was between those aged less than 18 and those aged 25 to 44.

[11]It should be noted, however, that since elderly homeowners tend to live in older homes than the nonelderly (see appendix table 10), they may face higher maintenance costs as well. Furthermore, many of the chores entailed in operating a home become more difficult with advancing age. While younger people may be able to perform these tasks themselves, older people may have to pay others. Comparisons of the elderly and nonelderly need to take account of these differences.

[12]Note, though, that the difference between those aged 18 to 64 vs. those 65 years and over with household incomes less than 0.5 times the poverty line was not statistically significant.

[13]All of the differences between the elderly and nonelderly with incomes between 3.0 and 5.0 times the poverty line were statistically significant. However, as is clear from the figure, the differences were not substantively large.

[14]While most of the levels were statistically less than 100 percent well over 90 percent of those with household incomes above the bottom decile reported using these kitchen appliances in their homes.

[15]The difference in reported use of clothes washers was not statistically significant for those in the following groups: those years 18 to 24 vs. those 45 to 64 years with household incomes in the bottom decile; those 25 to 44 years vs. those 45 to 64 years with household incomes in the fourth quintile. The difference in reported use of clothes dryers was not statistically significant for those in the following groups: those 18 to 24 years vs. those 65 and over with household incomes in the bottom decile; those 25 to 44 years vs. those 45 to 64 with household incomes in the fourth quintile; those 25 to 44 years vs. those 45 to 64 years with incomes in the fifth quintile.

[16]The differences between the elderly and nonelderly with incomes less than 0.5 times the poverty line were not statistically significant. The difference between those 18 to 64 years and those 65 years and over with incomes between 4.0 and 5.0 times the poverty line was not statistically significant.

Table 7-D. **Percentage of Persons With Food Freezer by 1984 Household Income and Age of Person**

Income	Less than 18years	18 to 24 years	25 to 44 years	45 to 64 years	65 years and over
1st decile	20.4	18.0	18.8	31.6	33.2
2nd decile	31.0	19.3	29.2	45.9	42.3
2nd quintile	39.5	24.6	35.8	52.0	47.7
3rd quintile	47.4	34.5	42.9	54.9	50.8
4th quintile	51.8	39.9	45.3	57.7	46.6
5th quintile	56.1	51.4	46.5	59.5	53.9

Table 7-E. **Percentage of Persons With Clothes Washer by 1984 Household Income and Age of Person**

Income	Less than 18 years	18 to 24 years	25 to 44 years	45 to 64 years	65 years and over
1st decile	54.7	45.8	46.9	55.4	53.9
2nd decile	65.6	48.2	60.0	72.1	67.5
2nd quintile	74.7	57.4	69.3	82.0	79.6
3rd quintile	87.3	71.4	81.5	87.8	87.5
4th quintile	92.4	78.0	88.8	91.5	89.4
5th quintile	95.6	89.7	93.4	95.8	88.8

Table 7-F. **Percentage of Persons With Clothes Dryer by 1984 Household Income and Age of Person**

Income	Less than 18 years	18 to 24 years	25 to 44 years	45 to 64 years	65 years and over
1st decile	26.3	30.5	24.9	35.1	29.2
2nd decile	40.1	25.4	40.7	51.2	49.3
2nd quintile	60.4	44.5	57.3	68.8	65.4
3rd quintile	76.4	60.5	72.3	78.5	74.5
4th quintile	89.0	71.2	84.5	85.1	81.1
5th quintile	92.7	84.8	90.5	91.7	81.0

It is not surprising to find that color television usage was quite common across all age groups. This was true even when people with similar household incomes were compared (table 7-G). Among those with household incomes between 50 and 100 percent of the poverty line, over 50 percent of every age group reported that they used color television sets in their homes. Among those with household incomes above the poverty line, over 65 percent reported using color television sets in their homes.

Housing Conditions by Sex of Householder. Those living with male householders were more likely to live in a home that was owned by a household member than others (table 7-H). However, there appeared to be little difference

Table 7-G. **Percentage of Persons With Color Television by 1984 Household Income-to-Poverty Ratio and Age of Person**

Income to poverty ratio	Less than 18 years	18 to 24 years	25 to 44 years	45 to 64 years	65 years and over
Less than 0.50	59.6	59.5	61.1	57.7	41.2
0.50 up to but not including 1.00	73.1	63.4	71.9	66.4	61.6
1.00 up to but not including 2.00	86.8	76.7	84.9	81.2	79.3
2.00 up to but not including 3.00	94.2	87.6	93.4	92.9	90.5
3.00 up to but not including 4.00	95.3	90.4	94.4	95.7	94.1
4.00 up to but not including 5.00	95.3	94.8	93.6	96.5	94.9
5.00 and over	93.4	93.5	95.4	97.1	95.6

in the extent of crowding between people living with male and female householders.[17] People living with male householders were slightly more likely to have air conditioning, a food freezer, a clothes washer, a clothes dryer, a dishwasher, and color television than people living with female householders. There was little or no difference between people living with male and female householders when considering the presence of cook stoves, ovens, refrigerators, or black and white televisions.[18]

Table 7-H. **Selected Housing Conditions and Consumer Durables By Sex of Householder**

	Male	Female
Percent living in owned home	68.2	48.2
Average number of persons per room	0.65	0.60
Percent with more than one person per room	7.6	9.4
Percent with air-conditioning	61.5	52.5
Percent with cooking range	98.2	97.2
Percent with oven	96.9	95.3
Percent with refrigerator	98.3	97.5
Percent with freezer	47.6	31.3
Percent with clothes washer	83.8	66.7
Percent with clothes dryer	74.7	50.3
Percent with dishwasher	47.5	27.6
Percent with black and white TV	43.5	44.8
Percent with color TV	90.9	82.2

Many of these patterns are the same when people reporting similar household incomes are compared. Those living with male householders were generally more likely to

[17]The difference in the likelihood of living in a home with more than one person per room for those living with male and female householders was, however, statistically significant. However, the difference (1.8 percentage points) is substantively small.

[18]Here, again, the differences for all goods except black and white television sets were statistically significant. In every case, however, those differences were substantively small.

Figure 7–1.
Persons Living in Owned Homes by Income–to–Poverty Ratio and Age

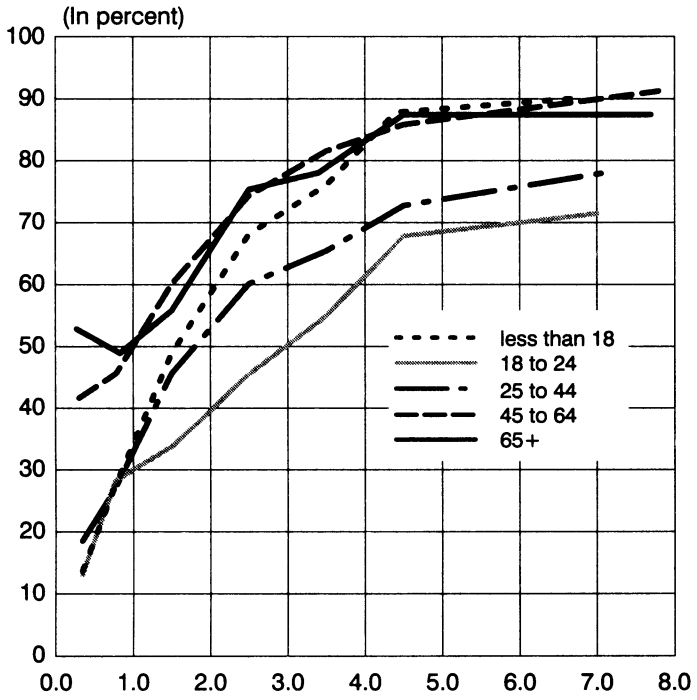


Figure 7–2.
Persons Living In Homes With More Than One Person Per Room by Income–to–Poverty Ratio and Age

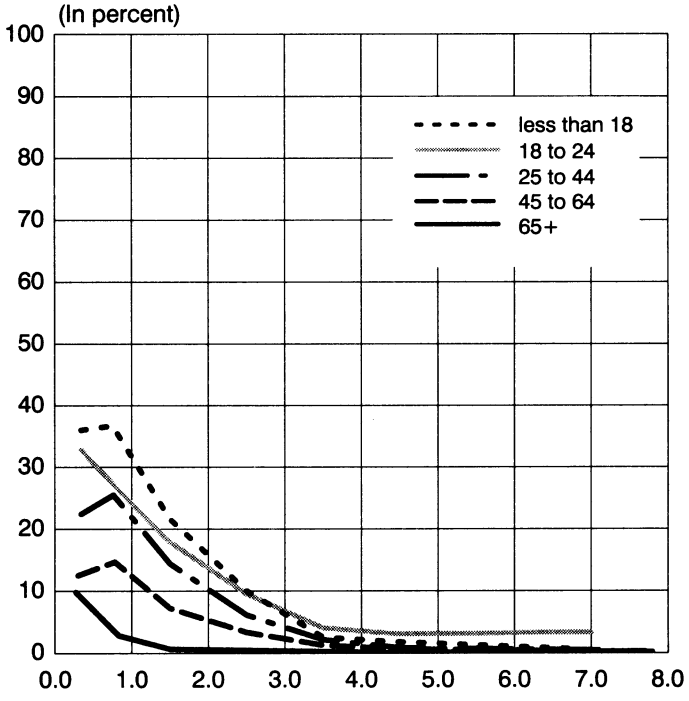


Figure 7–3.
Persons Living in Owned Homes by Income–to–Poverty Ratio and Sex of Householder

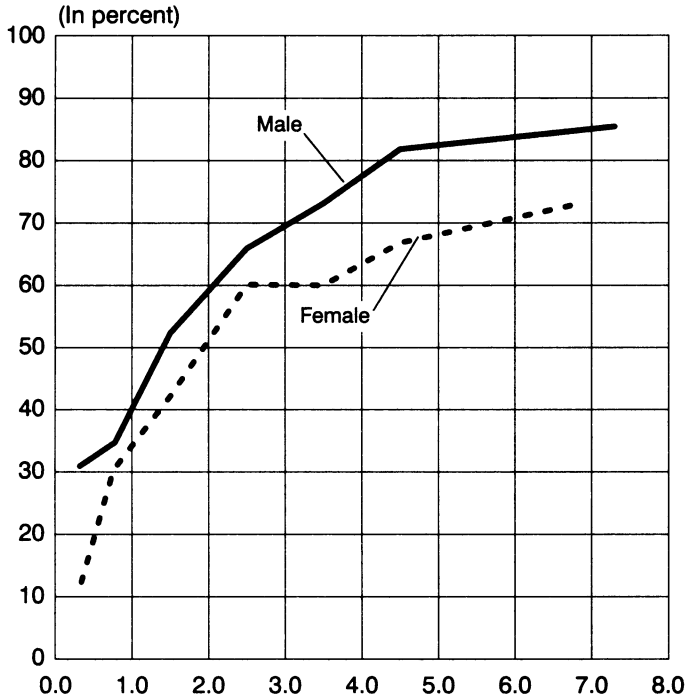
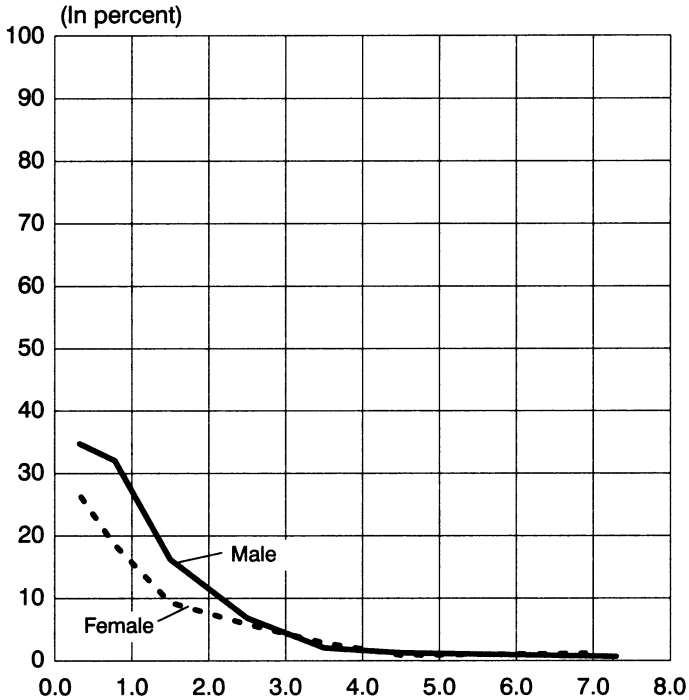


Figure 7–4.
Persons Living in Homes with More Than One Person Per Room by Income–to–Poverty Ratio and Sex of Householder



live in owned homes than people living with female householders reporting similar adjusted household incomes (figure 7-3).[19] And people living with male householders with household incomes between 50 and 200 percent of the poverty line were somewhat more likely to live in crowded conditions than others reporting similar adjusted incomes (figure 7-4). At higher incomes there was no apparent difference between people living with male versus female householders in the likelihood of living in crowded conditions.

People living with male reference persons were generally more likely to have a food freezer, a clothes washer, a clothes dryer, and a dishwasher than those living with female householders with similar adjusted incomes.[20] There was no apparent difference between those living with male and female householders reporting similar adjusted incomes in air conditioning, cook stoves, ovens, refrigerators, or color televisions.[21]

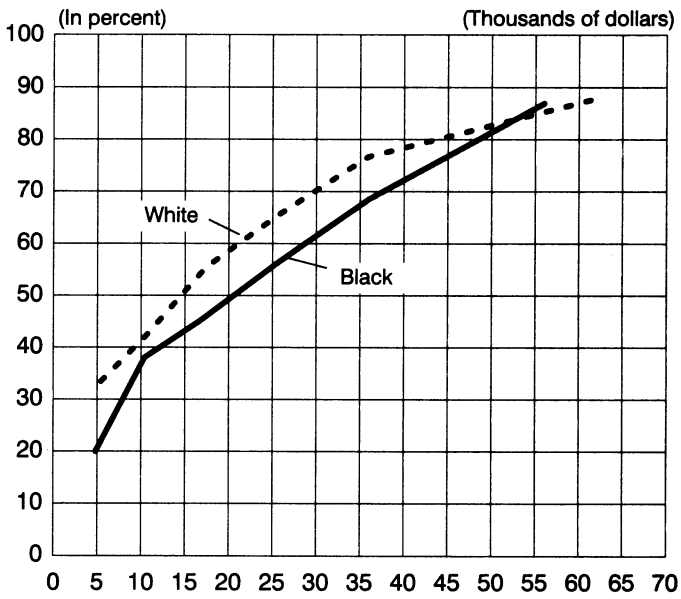
Table 7-I. **Selected Housing Conditions and Consumer Durables By Race**

	White	Black
Percent living in owned home	66.1	46.4
Average number of people per room	0.60	0.79
Percent with more than one person per room	6.0	17.9
Percent with air-conditioning	60.9	49.8
Percent with cooking range	98.1	97.2
Percent with oven	96.8	96.1
Percent with refrigerator	98.3	97.0
Percent with freezer	44.2	42.8
Percent with clothes washer	82.6	62.2
Percent with clothes dryer	73.8	36.8
Percent with dishwasher	46.7	15.6
Percent with black and white TV	41.9	60.4
Percent with color TV	90.1	78.9

Housing Conditions by Race. Whites were more likely than Blacks to live in a home that was owned by a household member, and they were less likely than Blacks to live in crowded conditions (table 7-I). Whites were also more likely to have air-conditioning, clothes washers, clothes dryers, dishwashers, and color television sets. There was little or no difference between Whites and Blacks in whether they had cooking stoves, ovens, refrigerators, or freezers.[22]

When people with similar household incomes are compared many of these differences remain. In general, Blacks were slightly less likely than Whites reporting similar household incomes to live in a home that was owned by a household member (figure 7-5).[23] Blacks were more likely than Whites with similar household incomes to live in crowded conditions (figure 7-6). Blacks were also less likely to have a clothes washer, a clothes dryer, or a dishwasher than Whites reporting similar adjusted household incomes. There was little or no systematic difference between Blacks and Whites with similar adjusted household incomes in whether they had refrigerators, cook stoves,[24] ovens,[25] food freezers,[26] color televisions,[27] or air conditioning.[28]

Figure 7–5.
Persons Living in Owned Homes by Household Income and Race



[19]The difference between those living with male and female householders with household incomes between 0.5 and 1.0 times the poverty line was not statistically significant. The figure, however, makes it clear that a consistent pattern exists.

[20]The difference in use of clothes washers for those with household incomes less than 0.5 times the poverty line was not statistically significant. The difference in use of dishwashers for those with household incomes over 5.0 times the poverty line was not statistically significant.

[21]The differences in use of ovens, refrigerators, and stoves for those with household incomes below 0.5 times the poverty line were statistically significant. The differences in use of color televisions for those incomes between 2.0 and 3.0 times the poverty line, and for those with incomes between 3.0 and 4.0 times the poverty line were statistically significant. The difference in use of air-conditioners and stoves for those with household incomes between 4.0 and 5.0 times the poverty line was statistically significant.

[22]The differences between Blacks and Whites for each of these items except food freezers were statistically, but not substantively, significant.

[23]Though the differences between Blacks and Whites with household incomes in the second decile and with household incomes in the fifth quintile were not statistically significant.

[24]Though the difference for those with household incomes between 4.0 and 5.0 times the poverty line was statistically significant.

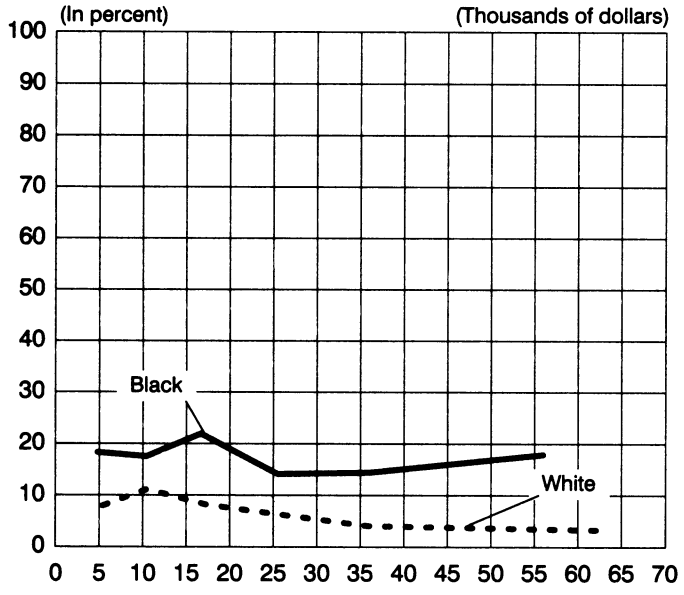
[25]Though the difference for those with household incomes between 0.5 and 1.0 times the poverty line was statistically significant.

[26]While differences at many levels are statistically significant, those differences are not always in the same direction.

[27]While differences for those with household income between 0.5 and 4.0 times the poverty line are statistically significant, they are not large.

[28]The differences for those with household incomes between 2.0 and 3.0 times the poverty line and for those with household incomes between 4.0 and 5.0 times the poverty line were statistically significant.

Figure 7–6.
Persons Living In Homes With More Than One Person Per Room by Household Income and Race



Who Appears to be Disadvantaged? The task of classifying people as disadvantaged in terms of the indicators of housing conditions considered here can only be accomplished if one assumes that having a characteristic is always (or even usually) better or worse than not having it. Is owning a home generally preferable to renting? Is it generally preferable to have a color television, a food freezer, or a washing machine? There are no unambiguous answers to these questions. However, it is possible to assess the extent to which people who appear to be poor, in terms of their reported household income, experience housing conditions that are similar to those who appear to be affluent in traditional terms. It is also possible to assess the extent to which people who appear equally well-off in traditional terms do not appear to experience similar housing conditions.

The data presented in this chapter suggest that in some basic respects, the housing situations of those reporting low household incomes may not be appreciably different from the situation of people reporting higher incomes. Those with low household incomes are about as likely to have kitchens with the same basic equipment as those reporting higher incomes. And while people reporting low incomes appear to live in more crowded conditions than those reporting higher incomes, most reporting low incomes do not live in crowded conditions. Use of other consumer durables appears to be related to reported household income. However, in many cases substantial portions of those with low household incomes appear to have the same major household durables as people with higher incomes.

The data presented in this chapter also show that some conditions vary considerably across groups reporting similar household incomes. Specifically:

- Young adults were the least likely to live in an owner-occupied home, children were the most likely to live in crowded conditions, and the elderly were the least likely to live in crowded conditions, even when people with similar adjusted household incomes were compared. Aside from basic kitchen appliances (cook stove, ovens, and refrigerators), differences also exist among age groups when major consumer durables are considered, though the patterns are a bit more complicated.

- Those living with male householders were more likely than people living with female householders reporting similar household incomes to live in a home owned by a household member, to have a food freezer, a clothes washer, a clothes dryer, and a dishwasher.

- Blacks were slightly less likely than Whites reporting similar household incomes to live in homes that were owned by a household member, and they were slightly more likely to live in crowded conditions. Blacks were slightly less likely than Whites reporting similar household incomes to have a clothes washer, a clothes dryer, or a dishwasher which they used in their homes.

Conclusion

Assessments of economic and material well-being frequently rely on traditional measures of income and poverty. Such assessments are predicated on two (generally implicit) assumptions: first, that income, as it is measured in a social survey, is a reliable indicator of total economic resources; second, that those economic resources largely determine how well off people are. If both of these assumptions hold, then people who report the same (or similar) household incomes should appear to be about equally well off in terms of other dimensions of economic, social, and material well-being. This report has considered a limited array of indicators of economic, social, and material well-being which extend beyond the traditional income-based measures. Traditional measures of household income and poverty provide important information about a major component of the economic resources available to people. But group differences in household income and poverty are not always definitive indicators of group differences in other dimensions of household resources or of differences in living conditions.

The SIPP allows us to extend the study of hardship and well-being to include other aspects of peoples' lives. While the 1984 SIPP offers extensive information about the cash and noncash economic resources available to household members, the information about other dimensions of social and material well-being is somewhat limited. Even so, the results presented here suggest that the traditional income-based statistics may not be as strongly related to other dimensions of economic, material, and social well-being as may be generally believed. Along many of the dimensions considered, systematic differences remain, between the old and the young, between Blacks and Whites, and between those living with male and female householders, even when those who report similar household incomes are compared.

By comparing people who reported similar household incomes, we have statistically controlled for those differences in other dimensions of well-being that are related to reported income: the observed disparities which remain would be observed if there were no differences in reported household income among these groups. While differences among individuals along the dimensions considered here may well be due to differences in what they choose to do with their income, it seems unlikely that differences in tastes account for the systematic group differences across the economic, social, and material dimensions of well-being explored here.

Additionally, the relationship between reported household income and some indicators of living conditions appeared to be quite weak (for example, utilization of medical care and use of basic kitchen equipment in the home). In those cases, even where systematic differences among groups were not found, the differences in living conditions between those identified as having high and low incomes may be much smaller than the income-based statistics alone would suggest.

A consideration of the relative advantages and disadvantages people experience in their everyday living conditions can benefit from the inclusion of dimensions of well-being beyond traditional measures of income and poverty. The data presented in this report suggest that effective assessment of economic, material, and social well-being requires the use of as complete a set of indicators as possible to augment the traditional measures of income and poverty.