

Health and Financial Well-Being of a National Sample of Low to Moderate Income Consumers

Sheri Lokken Worthy, Mississippi State University¹
Soo Hyun Cho, South Dakota State University²
Sharon DeVaney, Purdue University³

Recently, DeVaney and Anong (2007) analyzed data from the Survey of Consumer Finances to determine what groups of consumers are more likely to have employer-sponsored health insurance. They found this coverage was less likely for single parents, those in lower income households, self-employed and part-time workers, and those working for small businesses and in certain occupations such as service, construction, and farming. Their study also found that insurance coverage increases with age, but decreases slightly for older workers. Questions still remain as to whether healthy consumers are more likely to be employed and have health insurance than those in poor or fair health. Since self-reported health is the most commonly used health indicator in empirical sociological studies, this study will investigate the relationship between self-reported health and other measures of financial well-being.

Purpose

The purpose of this research is to investigate the relationship between self-reported health (participants were asked to rate their health on a scale of excellent, very good, good, fair, poor) and indicators of financial well-being in a low to moderate income national U.S. sample. Several factors that are expected to be related to financial well-being are income, education, employment status, age, marital status, and health insurance possession. These factors will be investigated.

Expected Relationships

1. Healthy consumers are more likely to be employed than those in poor or fair health.
2. Healthy consumers are more likely to have health insurance than those in poor or fair health.
3. Income will be positively related to self-reported health.
4. Education will be positively related to self-reported health.
5. Age will be inversely related to self-reported health.
6. Married consumers will have better self-reported health than single consumers.

Methodology

Data for this study were collected as part of the NC-1172 multistate research program, The Complex Nature of Saving: Psychological and Economic Factors. The study was sponsored by the North Central Region of the Cooperative Extension Service through the participating universities' Agricultural Experiment Stations. The participating universities are: Mississippi State University, Purdue University, South Dakota State University, The Ohio State University, The Pennsylvania State University, University of Florida, University of Georgia, University of Hawaii, University of Maryland, University of Minnesota, Utah State University, and Virginia Tech. Data were collected in December of 2010 using a national online sample. The link for the survey was sent out until 1,000 surveys had been completed. Only surveys where the participant's household income was under \$80,000 and age was between 24 and 66 years old were included. When these two conditions were met, the sample size was reduced from 1,000 to 826.

¹Professor, School of Human Sciences, P.O. Box 9745, Mississippi State University, Mississippi State, MS 662-325-0918, sworthy@humansci.msstate.edu.

²Assistant Professor, Department of Consumer Sciences, SWG 307/Box 2275A, South Dakota State University, Brookings, SD, 605-688-5835, soohyun.cho@sdstate.edu.

³Professor Emeritus, Department of Consumer Sciences and Retailing, 80 East Stirrup Trail, Purdue University, Monument, CO, 719-488-6687, sdevaney@purdue.edu.

Preliminary Results

The majority of the sample reported that their health is good or very good (66.7%). Income ($\chi^2=45.2$, $p<.0001$), working status ($\chi^2=86.2$, $p<.0001$), and marital status ($\chi^2=13.5$, $p=.0356$) were found to be positively related to self-reported health. Education was marginally related to respondents' self-reported health. Our results did not find significant differences of perceived health by health insurance ownership.

References

DeVaney, S. A., & Anong, S. T. (2007). The likelihood of having employer-sponsored health insurance. *Compensation and Working Conditions*. Retrieved from:
<http://www.bls.gov/opub/cwc/print/cm20071128ar01p1.htm>