

Geographic maldistribution of physicians: effect of specialization in medicine and cross-border access to healthcare

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Abstract

In this study, we illustrate the distribution of physicians on the basis of the consumer demand theory by considering the service substitution between physicians and cross-border access to healthcare. Our main results show that the physician-to-population ratio is larger and that the working hours of physicians are longer in urban regions than in rural regions. These results indicate the existence of the maldistribution of physicians, and we show that the problem increases with the improvement of the access to another region's healthcare and the decrease in elasticity of service substitution between physician. We also show that the latter of the main results has less effect when the reimbursement for healthcare services is adequate.

Keywords: maldistribution of physicians; Multi-region model; Specialization and departmentalization in medicine; Cross-border access to healthcare

JEL classification: I14, I18, R12

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