

Healthcare Inequality and Business Cycles in Japan

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Abstract

Objectives:

We investigate the inequality of healthcare expenditure and the relationship between business cycles and healthcare inequality from 2008 to 2013 in Japan. We measure the difference between actual healthcare expenditure and estimated average “adequate level of expenditure” for each person, and calculate the inequality index. Since the data source is JHPS (Japan Household Panel Survey), we can conduct time-series cross-sectional comparisons on more detailed data than the existing studies. The main results are as follows: First, though the healthcare expenditure of the lowest income class (under 1 million yen) is below the adequate level, that of the highest income class (above 9 million yen) is far above the adequate level. Second, in the depression from 2009 to 2012, the healthcare inequality becomes large. The upper bound of personal healthcare expenditure is considered as a policy implication.

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