

Why japans health care prices are low than the us

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The paper " Why Japan's Health Care Prices Are Low than the US" is a telling example of a term paper on health sciences & medicine. In any industrialized country's economy, health care spending is an essential component that offers the source of employment in rural areas and skilled workers. The development of medical technologies may lead to breakthrough innovation hubs, new markets and products. More significantly, health spending satisfies social demands and fundamental individual services (Iglehart, 2008)

Health care spending in the U. S. is greater than in Japan whereby studies carried out in 2009 shows that U. S spending was \$8, 000 per capita. This is attributed to higher obesity rates. Obesity is described as having a body mass index (BMI) equal to or greater than 30. Though there are few smokers and few elderly people, the problem of obesity brought about by the lifestyle and behavior is a determinant of health that has a greater impact on health care spending and need. According to a certain study carried out in 2008, almost 10%of all spending on medication is on the obesity issue.

This is the reasons why the US has high health care prices is because of below-average utilization and supply of physician and hospital beds. There were 2. 4 physicians per 1000 population in the US according to the OECD done in 2009.

Another reason is that of high prices for procedures, office visits, and drugs in the US than in Japan whereby brand-name drugs are expensive than generic drugs. Physician service spending consists of larger total health

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spending of \$8,233 as compared to Japan with \$3,120 and pharmaceutical spending in the US is 11.5% while in Japan is 20.3%.

Also, there is the issue of expensive medical technology in the US whereby there is heavy use of medical technology that is expensive than in Japan contributed by high prices and pervasive medical technology thus high health care prices (Iglehart, 2008).

The U.S. being a capitalist society, to mean that services and goods are exchanged for money then health care system follows the same model for service fee system thus making the health care spending of US high than in Japan because the patients have to directly pay the doctors for the service that they receive

Another reason as to why the US health care spending is high as compared to Japan is because of scattered families as opposed to Japanese families that are integrated whereby if a person falls sick the relatives are able and more willing to take care of them even for free hence reducing the duration of expensive hospital stay (Iglehart, 2007).

Lastly, there is the reason of regulating medical service pricing by the Japan government thus low with \$98 as compared to \$500 in the US by negotiating the prices with the pharmaceutical companies thereby low health care prices in Japan.

How the government of Japan regulates health care system

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Firstly, the government of Japan regulates health care system by negotiating the prices of products by negotiating with the pharmaceutical companies and biotech hence incurring some cost on medicinal products which makes it a bit cheap to purchase as the tax burden on the consumer is reduced thus low health care price as compared to the US.

Secondly, it regulates through government aid programs in conjunction with patent laws on prices and well-intended universal health care policies. The Japanese subsidize the cost of production in conjunction with patent laws thus reducing the impact of purchasers.

The Japanese families are more integrated than the US families that are scattered, whereby if a person falls sick the relatives are able and more willing to take care of them even free hence reducing the duration of expensive hospital stay (Iglehart, 2007).

In conclusion, all the governments of every country should take an initiative of providing improved health care services at low prices that are affordable to their citizens.