

# Healthcare economics

Business, Management



HealthCare Economics Ensuring a healthy and working population, is the priority of governments all around the world. Governments formulate health policies according to economic performance. Countries that perform relatively well economically have better health policies compared to countries with below average economies. Healthcare economics essentially entails formulating policies, which are capable of catering for the present and future healthcare needs. In Henderson's book, " Health Economics & Policy" he writes about " Medical Care Reform in the United States," in the 15th chapter of the book. This paper will compare and contrast healthcare policies of two countries mentioned in the book's 15th chapter. The discussion will include comparing and contrasting the countries in terms of access to healthcare, financial structure, and results (both economic and patient outcome related).

The countries, which will be included in the compare and contrast analysis, are the United States and Japan. US and Japan, form part of the first world countries, this essentially means that they are strong economically. There is a favorable environment in accessing healthcare in these two countries. Japan is complemented to have one of the healthiest populations in the world. Additionally, when analyzing a pertinent statistic such as life expectancy, it has the highest, while the death rate and infant mortality are the lowest in Japan. That achievement can be attributed to Japan's good healthcare policy. Japan's healthy population has also been enhanced by the creation of societies such as Japan Society for the Study of Obesity (JASSO). Access to health for people in Japan is as close as the employment areas. When considering obesity as a health problem, employers have the right to

check their employees in terms of body weight, and thereafter advice accordingly (Henderson 421).

The significant difference between accessing health in Japan and the United States lies with the insurance companies. In Japan, insurance companies are not directly profit oriented; Japanese government regulates the industry by ensuring that its sole purpose is providing financial help. Healthcare economy in Japan is highly regulated by the government. Issues such as health costs and medicine are determined by the Japan government. In the United States, health insurance companies are business organizations providing financial help at a cost. As a result, the American healthcare economy is highly competitive; there is competition in offering healthcare at a competitive price by insurance companies in the United States (Henderson 422).

All in all, both Japan and United States, manage to offer quality and favorable healthcare to their populations even though they have different approaches. The Japanese people have a mindset that makes them to collectively care about one another's health. Contrary to Japan, in the United States, the existing competition between insurance companies lock out the less privileged. This results in to a certain group in the population who are incapable of accessing healthcare. Economically, the United States government is capable of providing affordable healthcare to the category of individuals who are less privileged (Henderson 419).

In the United States, the economy is boosted by the insurance industry that provides healthcare finance to individuals in need. Since the industry is profit oriented the government levies tax, which transforms back to the economy.

On the other hand, in Japan insurance companies are regulated by the government, and thus the economy does not benefit from the industry. In conclusion, healthcare economics in Japan cater for the whole population, while in the United States; poor people are locked out (Henderson 429).

#### Works Cited

Henderson J. Health economics & policy. Cengage: Cengage Learning, 2009.

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