

# **Analysis of the Post-1980s Health Care Industries in Japan and the United States**

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The paper considers the efficiency of Japanese and United States domestic health care sectors and the challenges of private business sector health care costs from the 1980s to the present. The efficiency of the health care sector can be expressed through total labor productivity (TLP) and total factor productivity (TFP). The burdens on private business can be defined as the health insurance premiums and health care costs financed by corporate taxes. This study analyzes two important topics. The first is the growth of TLP and TFP in the health care sector. The second is burden of health care costs on private businesses. In addition, we analyze the output price index of these sectors in price regulation, since this index determines fluctuation in health care costs. Our empirical analysis has yielded the following results:

- The growth of TLP in the health care sector has increased in Japan.
- The growth of TLP and TFP in the health care sector has decreased in the United States.
- The price index of the health care sector has remained consistent in Japan.
- The price index of the health care sector has undergone a rapid increase in the United States.
- The burden of health care costs on private business has increased in the United States.

In conclusion, it can be said that the health care sector is efficient at Japan and inefficient in the United States.