

HEALTH CARE EXPENDITURE GROWTH IN DEVELOPED COUNTRIES: ASSESSING THE IMPACT OF MEDICAL TECHNOLOGY

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ABSTRACT

In this paper we examine the role of medical technology in growth of health care expenditure. In recent years, many industrialized countries have been confronted with rising healthcare expenditures. We take a panel cointegration approach in order to explore the possibility of estimating impacts of medical technology. Our empirical analysis is based on 14 developed countries_ France, Allemagne, Italie, Japon, Mexique, Norvege, Espagne, Suisse, Royaume-Uni, Etat-Unis, Turquie, Austria, Germany and Prologne for the period 1980–2012. We find that medical technology exert a statistically significant positive effect on health care expenditure.

KEYWORDS: Health Care Expenditure, Medical Technology, Developed Countries, Panel Cointegration