

How Labor Institutions Create Health Inequality - The Case of Cervical Cancer Screening in Japan*

Yuta Shinzato**

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Abstract

This paper finds that fiscal institutions distort married women's employment choices in a way that endogenously unbundles them from low-friction preventive care, even under universal coverage for medical treatment in Japan.

Using a calibrated life-cycle model of female labor supply and cervical cancer progression, I show that fiscal incentives shape women's access to preventive care through employment-linked insurance regimes, even when aggregate screening rates appear largely unchanged.

These distributional shifts generate non-trivial health consequences by delaying detection among women with high screening needs but poor institutional access. I further show that universal information campaigns, while increasing average awareness, disproportionately benefit women with better access to occupational screening, thereby widening health disparities.

Taken together, the results imply that in systems where preventive care is institutionally bundled with labor market status, fiscal policy affects health outcomes primarily through access frictions rather than treatment incentives.

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**Graduate School of Economics, University of Tokyo. Email: shinzato-yuta359@g.ecc.u-tokyo.ac.jp