



Japanese Health Care System

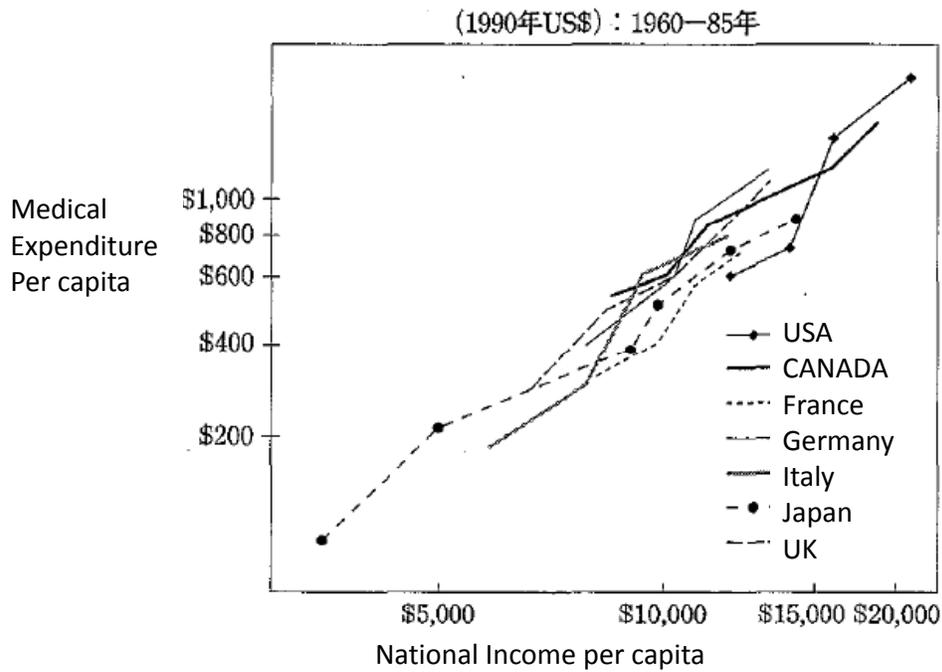
~ Population ageing and challenges

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Before Introducing Japanese Health Care System -----

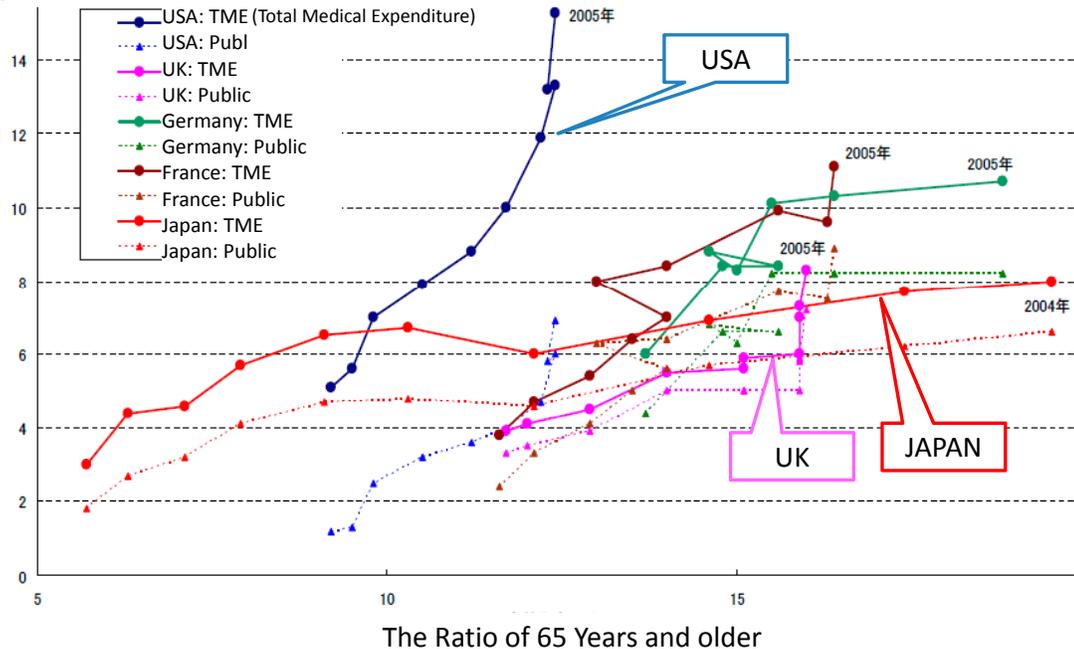
Economic Growth and Medical Expenditure



出典：Getzen (1995) 36.

Population Ageing and Medical Expenditure

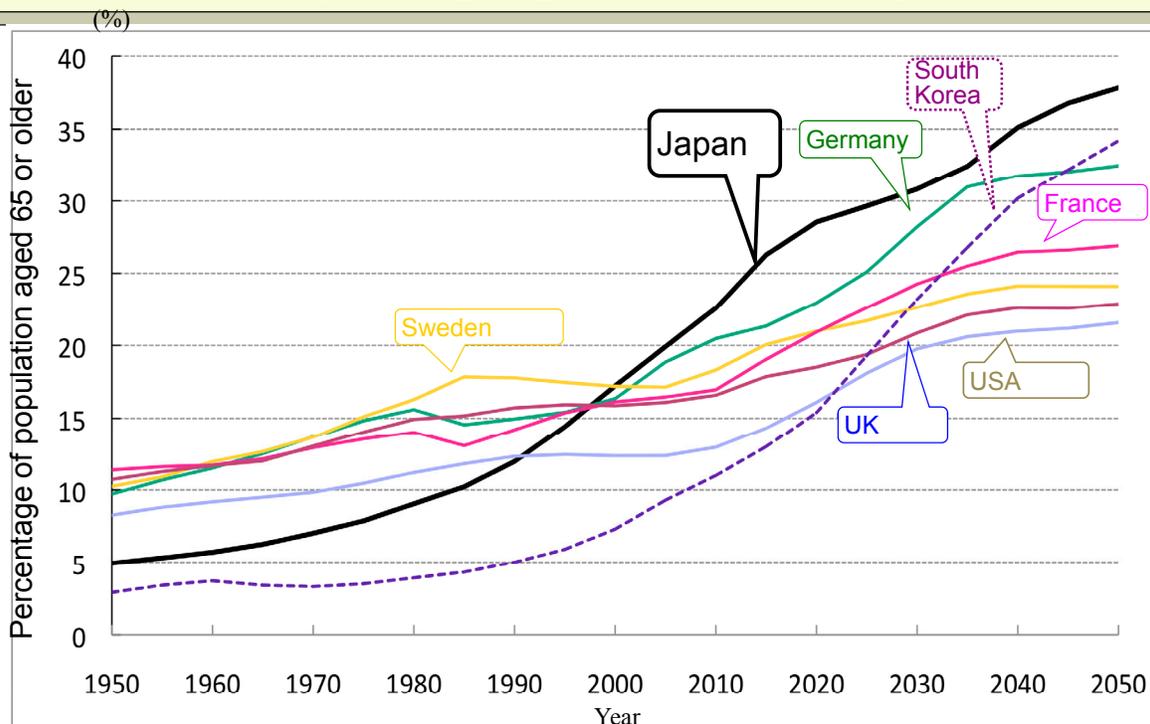
Medical Expenditure per GDP



Japanese Health Care Experiences

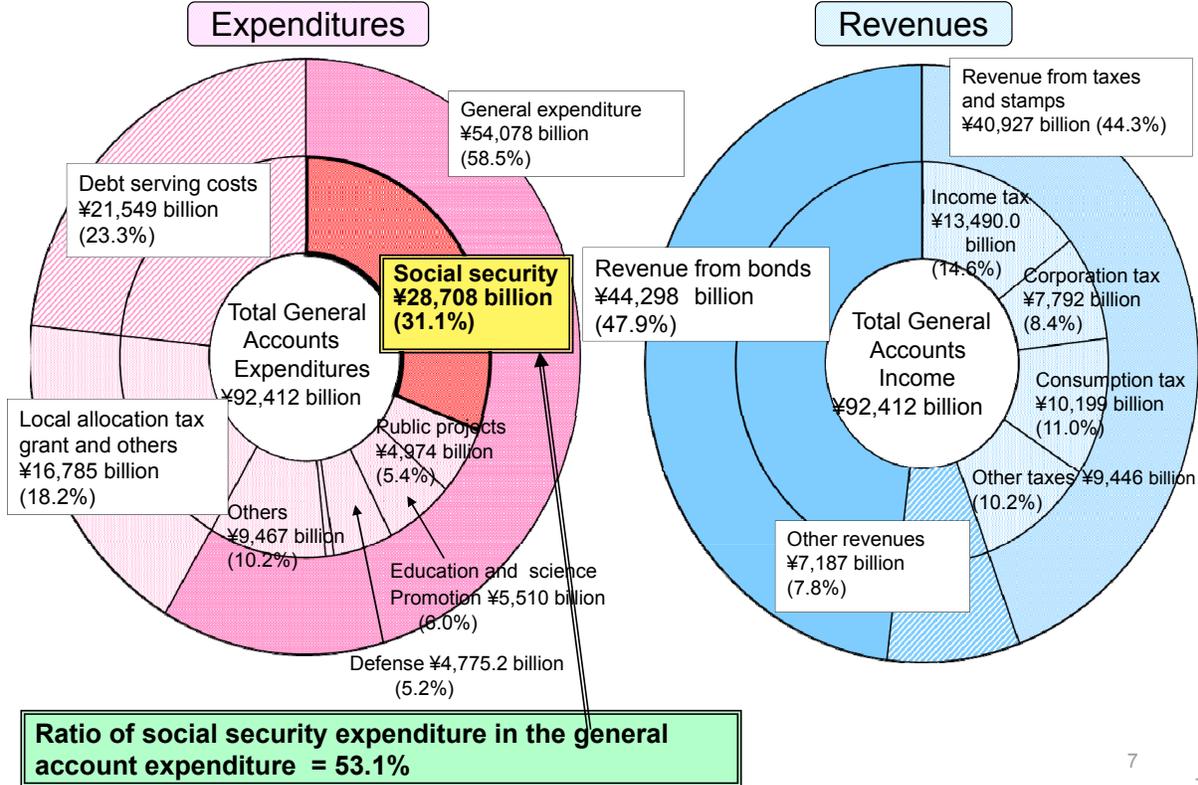
- Introducing Universal Health Insurance 1961
- No copayment for the elderly from 1973 (~1983)
- 10% copayment in 1984
- Restriction on Hospital Beds 1986
- 20% copayment in 1997
- Long Term Care Insurance 2000
- 30% copayment in 2003

Changes in proportion of the aged



(Sources of information) Japan: Statistics Bureau, Ministry of Internal Affairs and Communications, "National Census" and National Institute of Population and Social Security Research "Population Projections for Japan" (estimate as of December 2008)
Other countries: United Nations "World Population Prospects 2008"

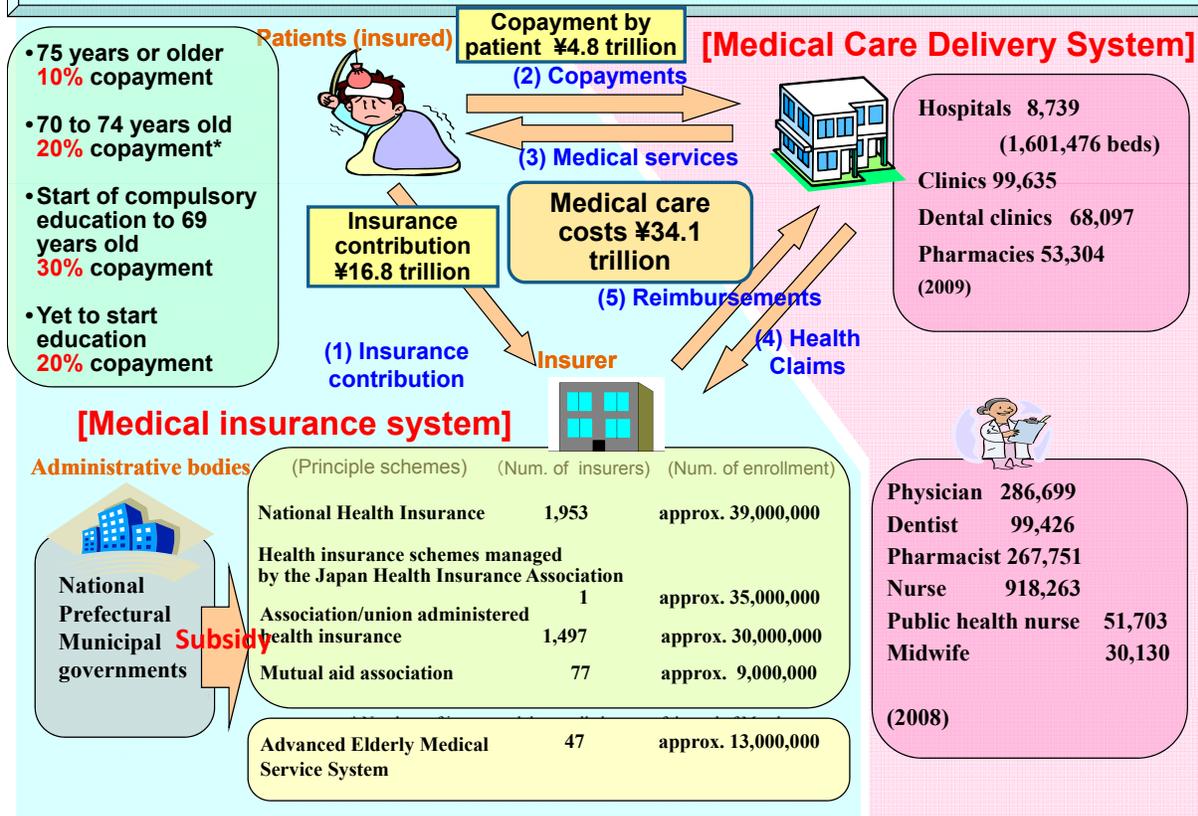
National Budget and Social Security Expenditures (FY2011)



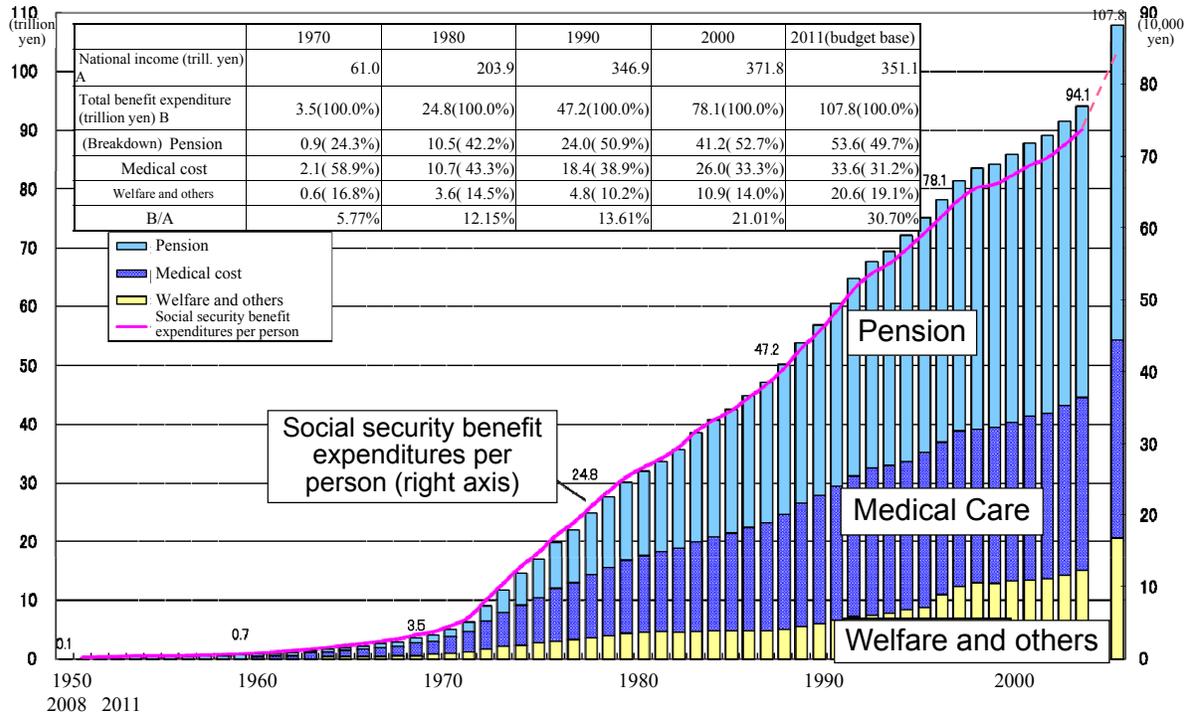
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Health Care System in Japan



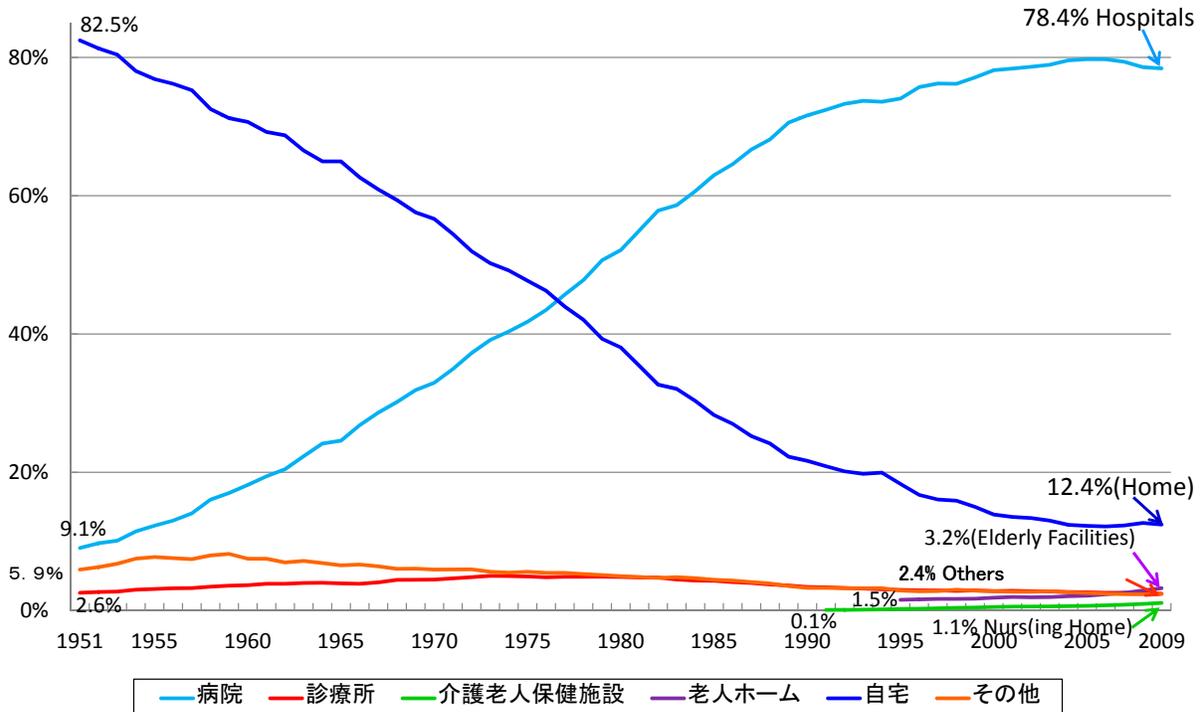
Social Security Benefit Expenditures



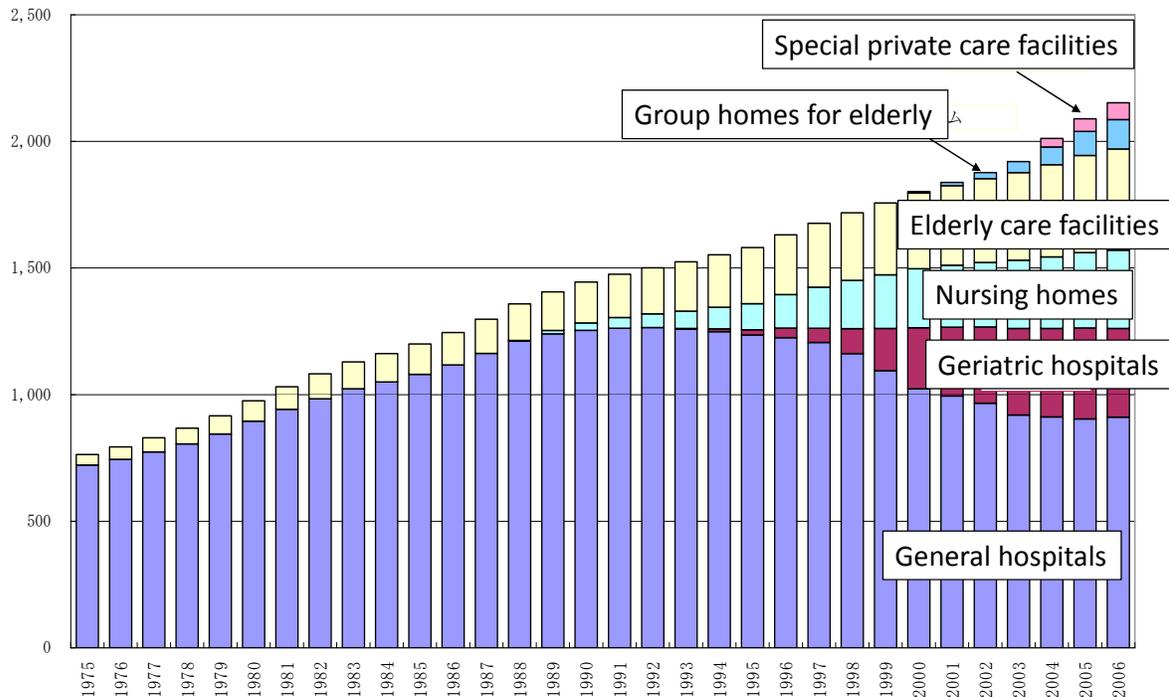
Source: "FY2008 Social Security Benefit Expenditures" by the National Institute of Population and Figures for FY2011 (budget base) are Ministry of Labour and Welfare estimates. National income level for FY2011 reflects FY2011 economic projection and basic stance of economic finance administration (as Cabinet Decision of January 24, 2011)

(Note 2) Figures in the diagram are social security benefit expenditures (trillion yen) for fiscal 1950, 1960, 1970, 1980, 1990, 2000 and 2008, and 2011 (budget base)

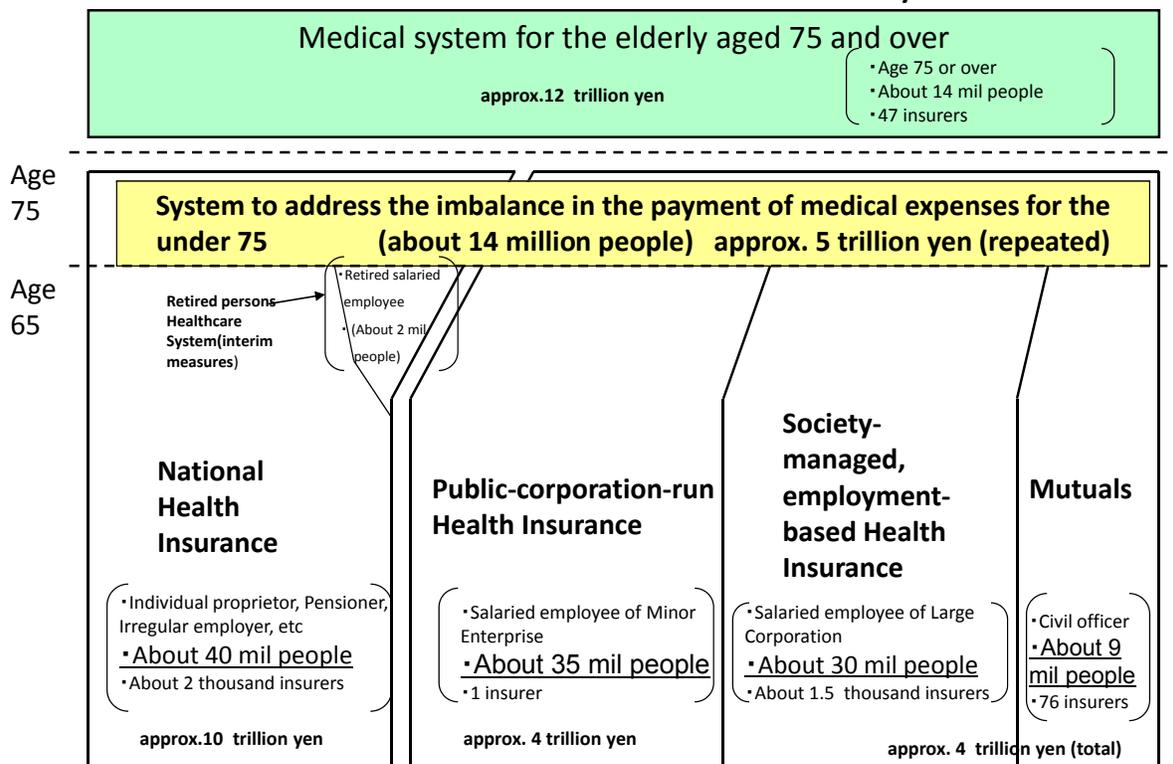
Place for the End of Life



Trends in hospital beds and care facility occupants



Outline of the Healthcare Insurance System



Medical Care Scheme for the Elderly

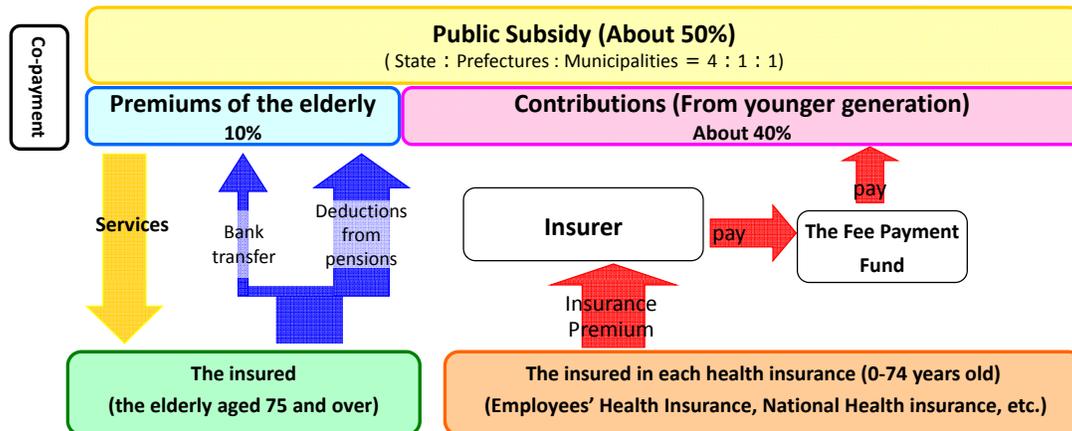
<Number of the target> About 13 million elderly citizens aged 75 and over

<Medical expenditure for the elderly aged 75 and over> About 11.9 trillion yen

Benefits : 10.8 trillion yen

Co-payment : 1.1 trillion yen

【 Insurers: Association by all Municipalities in their Prefectures 】



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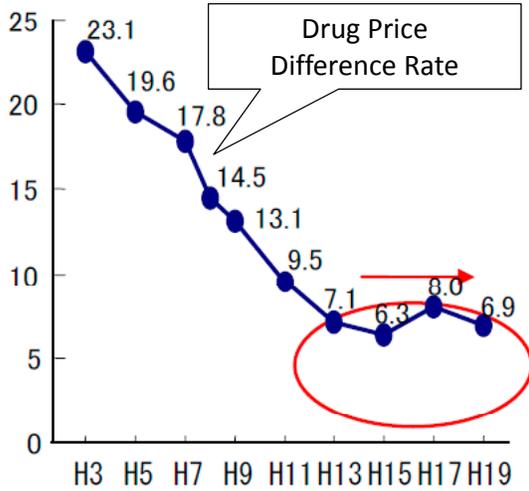
How Health Care Cost Could Be Contained? Japanese Way

- Universal Health Insurance
- Many insurers, but Single Physician Fee Schedule, Single Committee
- Regulation on hospital beds
- Regulation on Medical Universities
- Periodical Drug Price Revision
- Fee -for-services to Diagnosis based fixed amount payment to hospitals
- Medical Corporation system (Public – private mix)
- Mix of Public Health Insurance and advanced care

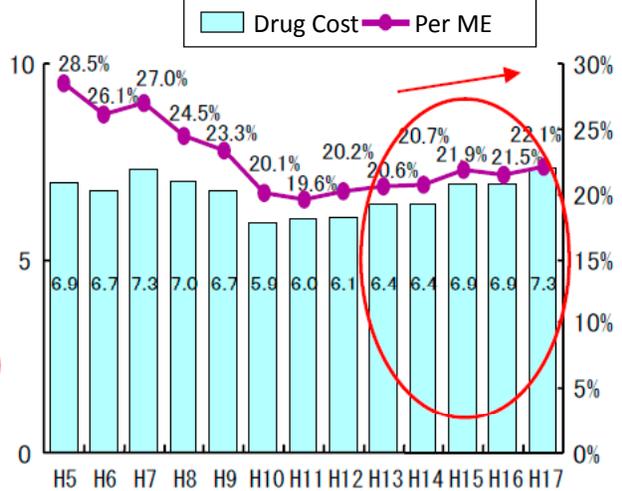
Drug Prices

Reduced the differences between market price and reimbursement price of drugs

Drug price is rising according to new drug discovery



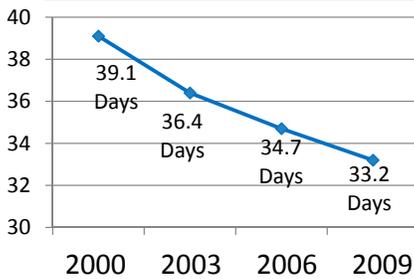
No further drastic reduction likely



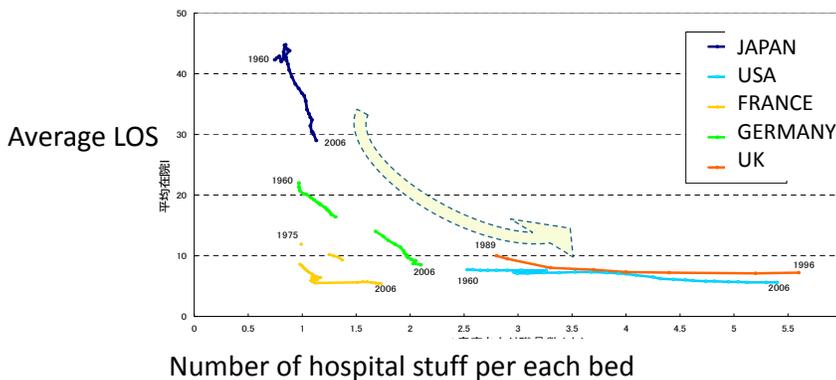
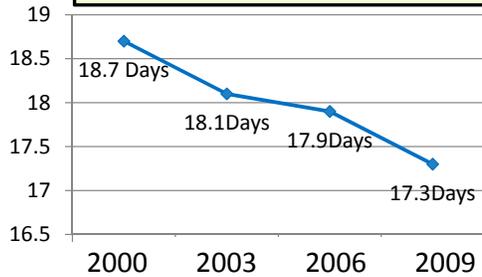
Drug Cost is rising lately

Health Service Reform

Shortening Average Length of Stay



Changes of Doctors office visit



Promotion of Generic Drug

	Share of Generic drugs, 2007	
	Share of all drugs	Sales Share
JAPAN	18.7	6.6
USA	67	14
UK	62	28
GERMANY	59	23
FRANCE	20.4	11

Government Target = 30% of all drugs by 2012