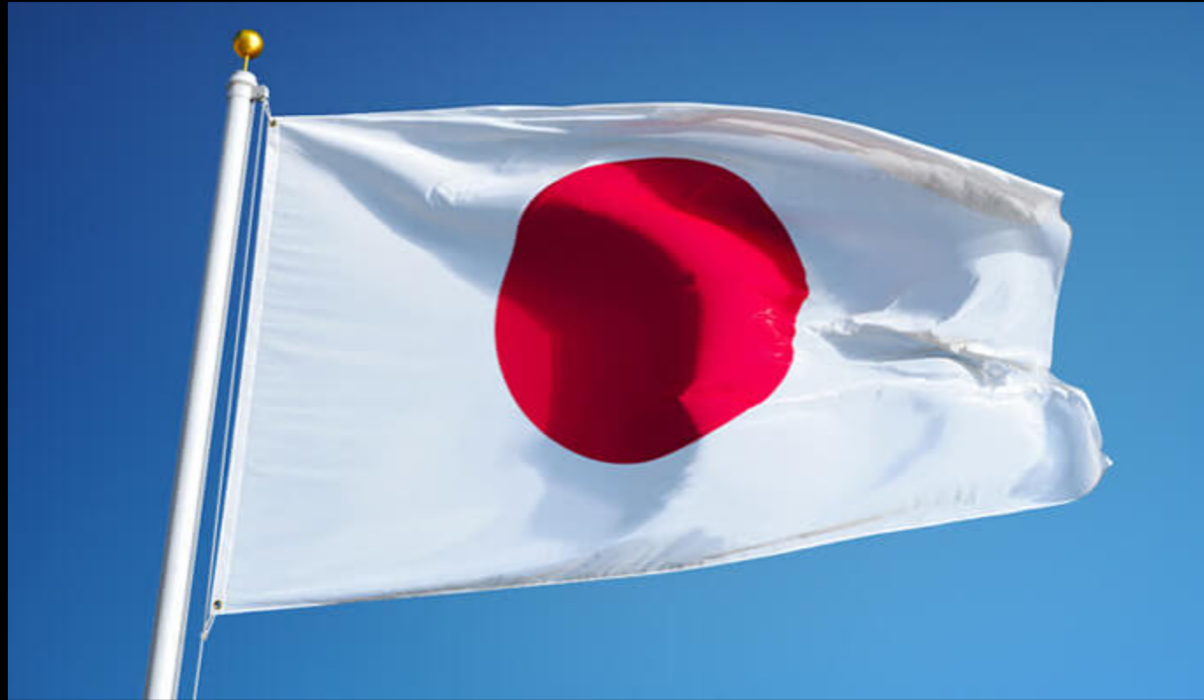


Healthcare in Japan

Old Dominion University





Geographic Area

- Archipelago located between the Sea of Japan and the Pacific Ocean
- Made up of 6,852 islands
- Prone to hurricanes and tsunamis
- High population in larger towns due to extensive mountainous terrain in rural areas
- Tokyo is the largest city in the world
 - 37 million – 29% of nation's total residents



Demographics and Population

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- World's oldest country set to continue to drastically age due to the baby boomer and generation X stages represented by two corresponding bulges
 - One shortly after the second World War (1947-1949)
 - Second in the early 1970s
 - Highest life expectancy in the world of 83.7
 - Attributed to a healthy lifestyle, diet, sanitation and hygiene, universal and equitable health coverage, and social determinants
 - The infant mortality rate has reached a record low in 2015 with 2.0 deaths per 1,000 live births

Demographics and Population Continued

- Japan's population increased from 117 million in 1980 to 128 million in 2004 then in 2011, it began to decline with the nation's birthrate at its lowest since 1899
- The top 3 leading deaths for Japan in 2015 were cerebrovascular disease, ischemic heart disease, and lower respiratory infection – all noncommunicable diseases
- Japan has a large elderly population that will be facing an aging crisis quickly if change is not made in the health care system
- The need to have hospital emergency care based toward the elderly population is critical for this nation





Demographics and Population Continued

- The amount of the population aged 65 years and over surpassed those aged 0-14 in 1997, and was more than double said proportion by 2016; increasing from 9.1% in 1980 to 27.3% in 2016, while the proportion of the 0-14 year old's fell from 23.5% to 12.4% over the same time period
- A study done by Sakamoto et al., noted that the decline in population was multi factorial, including an increase in irregular employment with lower wages, delayed marriage, an increasingly large unmarried community, changes in the home environment and social customs, more women joining the workforce, insufficient maternity and childcare leave, rising costs of childbirth and child-rearing, and immigration policy

Healthcare Delivery System



- Statutory Health Insurance System established in 1961 and still in effect today
 - Universal health care
- Said to be one of the best in the world due to its availability, effectiveness, and efficiency
- The World Health Organization (WHO) stated, “out of the six high-income countries of Australia, Chile, Japan, Mexico, Norway, and the United States, health is most equally distributed in Japan”
- Due to the overall success of the health system, socio-economic development, and advancements in technology, the Japanese life expectancy has increased over the years

Healthcare Delivery System Continued



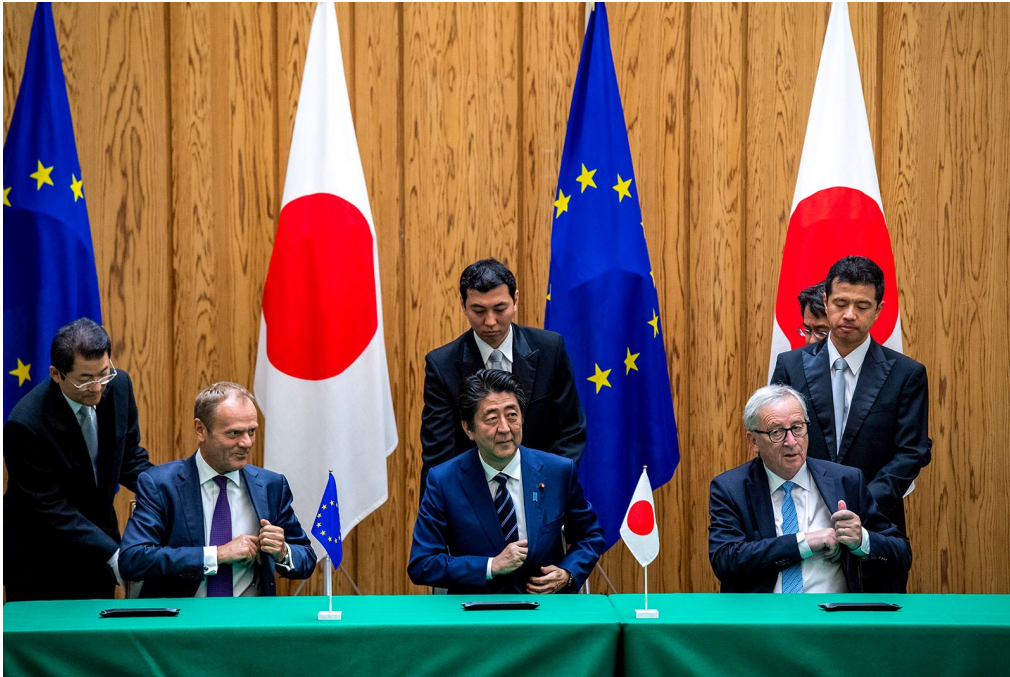
- However, recent decades bring new challenges into the health care system with the chance of increased incidences of noncommunicable diseases with the population living longer
- Japan must now find ways to reform the policy that balance universal insurance coverage, service quality, and financial sustainability
- Doing so means that the management of the health care system and the government of Japan need to work together to reform the health care system in place. Having the government will help with nation policies and population unity, while the management systems can factor in the side of health care shown in facilities that is reached by the people
- Having such a strong health care system that has been stable for decades shows that it is able to restructure as needed for the challenges the nation faces

GDP and Financing



- Japan's economic slowdown, high life expectancy, and increasing use of costly technology advancements have led to a rise in the health care expenditure (6.3% GDP in 1995 to 10.9% in 2015)
- With Japan being as largely populated as it is, its GDP is not significant enough to alert any red flags, especially with only a 4.6% increase in 20 years. With population change, evolution in the decades, and change in government infrastructure, it is common for the value of the goods and services of a country to fluctuate over time
- Japan has the longest life expectancy among all Organization for Economic Co-operation and Development (OECD) countries, along with GDP and health care expenditure being below most developed countries in the OECD
 - Compared to the U.S. nation health expenditure per capita in 2015 – Japan was at \$4,435.6, while the U.S. was at \$9,507.2
 - Comparing government health expenditure as a percentage of total national health expenditure for 2015 – Japan was 84%, while the U.S. was 49%
 - This data shows that Japan spends less per capita each year, while allowing more funds for health expenditure when compared to the U.S.

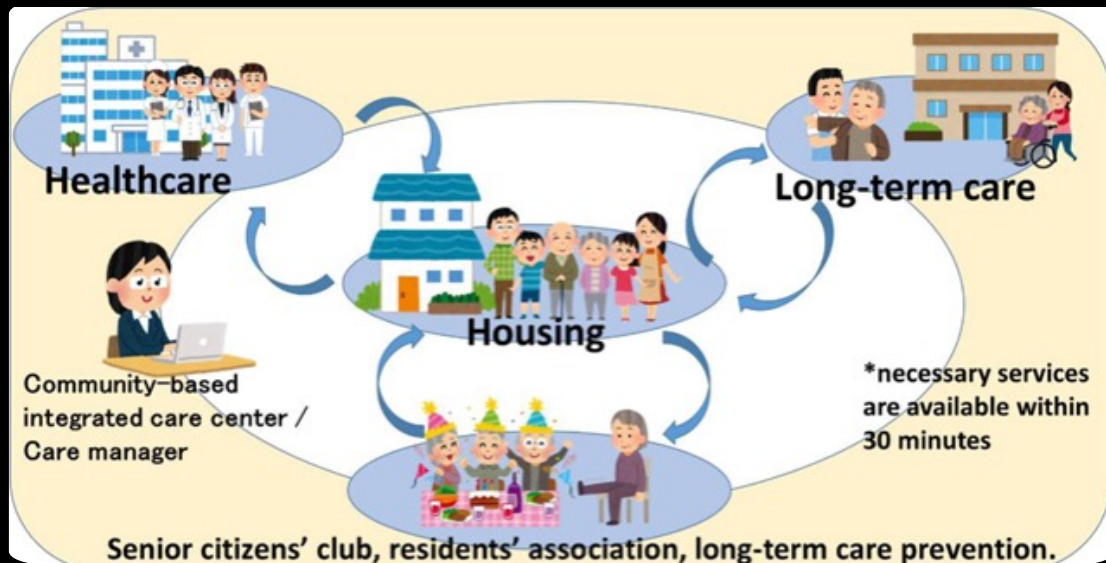
GDP and Financing Continued



- The government regulates all aspects of the Statutory Health Insurance System (SHIS)
- National and local sectors ensure a system efficiently delivers good-quality medical care to the residents
- Financed mainly by publicly sourced funding
- Comprising of more than 3,400 insurers, in 2013, public health insurance had a total health expenditure estimated to 10% of GDP, 84.3% of which was publicly financed through the universal health care system
- All enrolled in public health insurance pay a 30% coinsurance for services and goods received, except for children up to age 6 (20%), adults age 70-74 with low incomes (20%), and adults 75 or older with low incomes (10%)
- While there are no deductibles with SHIS, cost sharing is mandatory with the public health care system and is the portion of the insurance paid by the community

GDP and Financing Continued

- Residents also have the option of private insurance
 - Private insurance consists of Employees' Health Insurance or National Health Insurance (NHI) that covers self-employed and unemployed. The Employees' Health Insurance premium is shared equally between the employees and the employer. For salaried workers, the average rate is 10% of their income, capped at 13%. For the NHI, the local government has the obligation of determining the premium rate, which varies in each municipality
- Unfortunately, even with these options, the growing elderly population was struggling to get the care they needed
 - Universal health care coverage was not meeting the increasing demands for long-term care needed. To fix this Japan created Long-Term Care Insurance (LTCI) in 2000 to benefit those needing long-term care or social services. This new insurance helps give more attention to the elderly population and those in need of long-term care, along with taking some difficulty off of the SHIS



Health Services Delivery System Infrastructure



- Japan's universal health care system covers primary care, hospital, specialty, mental health, prescription drugs, dental care, and home care services
- In 2016, there was a total of 178,911 medical facilities that included 8,442 hospitals, 101,529 medical clinics, and 68,940 dental clinics
- Primary care for the Japanese is not as structured as some countries, which can result in prevention-based approach health care lacking
- Compared to the U.S., where the primary care system is well established, effective coverage for the control of noncommunicable medical conditions is poorer in Japan
- The lack of care in the front line of the medical system framework may be a huge cause in the increase of noncommunicable diseases being the top three causes of death in Japan
- The management of the health care system in Japan would benefit from setting guidelines to integrate prevention based primary care in the nation
- This division between treatment and prevention could help catch diseases at the beginning stage and decrease patients from having to seek emergency medical needs



Health Services Delivery System Infrastructure Continued

- Due to primary health care services lacking, the emergency treatment in hospital settings in Japan get most of the patient care
- The main challenge facing emergency care in Japan is the increasing demand for said emergency care due to the aging population
- Making sure the hospital staff is well-equipped with strong interprofessional collaboration, up to date training, and a solid team can be critical for a nation that relies heavily on emergency care
- Hospitals are the major and most important health care resource in Japan

Health Services Delivery System Infrastructure Continued

- Japan is slowly progressing toward using technology more in their health care system to promote higher quality care for residents
- In 2014, electronic health records (EHRs) were used in 2,321 hospitals
- The use of EHRs will help with increased speed of quality care, use of interprofessional collaboration, the ability to get more patients involved with their health care, and less chance of confidential violations as with paper charts
- Telecommunication would allow physicians to perform health needs via telemedicine to those who are unable to get to a medical facility due to their location or if they are medically compromised
- Having data generated for all patients of a nation via EHRs can also lead to early identification of infections disease pandemics and show determinants of health that may otherwise have gone unnoticed





Health System Challenges

- As previously mentioned, noncommunicable disease are on the rise, and so are some preventable communicable diseases due to non-vaccination
 - Japan is experiencing an ongoing rubella outbreak due to weakened herd immunity and controversy over the human papillomavirus (HPV) vaccine
 - Having a vaccine program in place for the communities should be implemented to try and stop the rubella outbreak and prevent an HPV outbreak
 - There are currently no official statistics on effective vaccine coverage in Japan

Health System Challenges Continued



- Universal equity is also a concern for the residence in Japan
 - Although the nation provides universal health insurance regardless of economic status, an increasing number of children live below the poverty line (13.9% in 2015) and their parents may not be able to afford even the lowest premiums
 - The number of children and people living at or below the poverty line in Japan are increasing
 - In 2011, an increase (from 18% in 1988 to 34% in 2010) of 1.6 million people were not covered by the nation's health insurance due to an increase of them with irregular employment at lower wages
 - This has become a great area of concern for the government due to the numbers rising and the residents not being able to have health care for them and their families
 - This expresses a need for new jobs and a health care reform to be in place to save the millions of Japanese from living in poverty



Japan's Health System Future

- Due to the challenges Japan is facing, there have been planned health care schemes in the works for the future to help work through some of them. Sakamoto et al., shares, “The Integrated Community Care System (ICCS) has been proposed for 2025 as a policy to meet social needs emerging in the community due to the aging population. It would be an integrated system providing medical care, long-term care, long-term prevention care, living support, and housing services in an integrated manner to the local community. Funding will be supported by an increase tax rate for integration of medical and long-term care services”
- This system would put more help on the LTCI for the elderly and make any adjustments needed for the framework already in place
- A barrier to this may be the increase in taxes to the residents of Japan, some may not be in favor of this due to the rise in cost they will have to be paying, and some may not be able to afford it if already living in poverty
- Another system in place for the future of Japan is the “*Japan Vision: Health Care 2035*”
 - It promotes a paradigm shift to focus on building a sustainable health care system that supplies better health outcomes through care that is responsive and equitable to each resident and contributes prosperity in Japan and the world

Japan Summary



- Japan has been a top tier health care nation for many years
- The universal health care system having millions of residents in poverty and not being able to afford health care needs to change
- The altering traditions of women working more and late marriage is causing an imbalance of the economic status in the nation
- The toll of the oldest country's aging population is starting to weigh on the nation's health care system and reform is needed to keep the population strong
- Noncommunicable disease treatment that floods the emergency rooms in Japan could be prevented if primary care was essential and formulated properly
- The government of Japan is already working towards restoring the future of its nation by having the ICCS and *Japan Vision: Health Care 2035* reforms started to promote an improved health care system for the population
- Restructuring the universal health care system in Japan should start with promotion of primary care prevention, a special focus on the elderly population, and an increase use of EHRs to get the nation back on track to meet all the populations needs and demands

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