The Health Care System in Japan: Current situation and future perspectives

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Today I would like to give a general overview of health care in Japan. I will also touch upon an issue of health care as an investment, which is a main theme of this scientific session.

Postwar Development

Approximately 60 years ago, Japan had just begun postwar reconstruction. Food was inadequate and nutritional and hygienic conditions for the general public were extremely bad. The incidence of infectious and other diseases was high in both urban and rural areas, and life expectancy in 1947 was 50 for Japanese men and 54 for women. Health care in these circumstances was completely inadequate.

Japan lost approximately 1.85 million people in the Second World War; most cities were razed and the national wealth lost. The postwar reconstruction of Japan’s social security system proceeded with the establishment of a new National Constitution under the powerful supervision of the occupational forces GHQ. The new Japanese Constitution guaranteed fundamental human rights for citizens in Article 11 and based on this, guaranteed citizens’ right to live in Article 25, establishing the State’s social responsibility in Paragraph 2, which states that “in all spheres of life, the State shall use its endeavors for the promotion and extension of social welfare and security, and of public health.” Amidst the harsh conditions imposed by the devastation left by the war, Japan began to rebuild, and through the many efforts of its citizens the society’s productive, economic, and educational conditions began to gradually and steadily improve.

Little by little, everyday living conditions also improved. The greatest issue for hygienic conditions was the supply of running water and maintenance of water quality. The improvement of these secured the supply of pure water for drinking and other domestic uses, enabling the supply and consumption of hygienic food and clean clothing. By 1956, Japan was no longer regarded as being “postwar”, and the average life expectancy had grown to 63.6 for men and 67.75 for women. The country entered a period of economic expansion that saw business boom. Housing improved, and at the same time as the use of electrical appliances such as refrigerators, washing machines, and television sets became widespread, so too did the use of medical equipment such as X-ray, electrocardiographic, and endoscopic equipment spread rapidly amongst medical institutions, with medical technology also advancing rapidly. Throughout the country everyday living became hygienic and consideration to the environment improved with the installation of sewage systems and treatment of waste water, and these developments in particular contributed significantly to the enterprise of the people.

However, as industry expanded, atmospheric pollution was caused by smoke and other pollution was caused by industrial waste water; environmental pollution became a serious concern in some situations and efforts were made to rectify these. Against this background, health management measures to prevent over-consumption of salt and ensure the adequate consumption of protein were spreading at the same time that medical examinations became commonly carried

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out as a means of preventing diseases. Group examinations were held for stomach cancer and businesses implemented health check-ups for their employees. Consequently, the early diagnosis of frequently occurring diseases and preventative examinations expanded on a national scale, producing highly significant results. Thus since about 30 years ago, people’s nutrition has improved and the incidence of infectious diseases has decreased; in 2002 the average life expectancy for men was 78, and for women was 85, making Japan the world’s top country for longevity.

Features of Nature and Industry

Japan is an island nation with little flat land; 90% of the country is forest-covered mountains. Not only is Japan a volcanic country that faces the constant threat of massive and epicentral earthquakes, but it also faces wind and water damage every typhoon season. Since plentiful rainfall is beneficial for tree growth, Japan has many fast-flowing rivers. Compared with continents, rivers flow only short distances from their wellsprings to the ocean. These plentiful, clear rivers play an important role, in rice cultivation, in hydroelectric power generation, and in many other functions in which water has been innovatively utilized. Japan cannot produce oil or natural gas as energy sources and its mineral resources are also small.

Consequently, national production in Japan tends towards importing raw materials from overseas, then manufacturing products using various original processing technologies; promotion of high intelligent added value in industrial production and high computerization, as well as industrial structuring in areas such as finance, distribution, and services is increasing more and more, invigorating the economy. Many innovations have been made to production methods for traditional rice, fruit, and vegetable crops; developments in production technology are not only used in domestic production but are also spread overseas, with the export of production technology now becoming an important industry that also contributes internationally. Deep-sea and coastal fishing are two other important industries; the development and promotion of innovative fish farming technology is becoming increasingly important as a means of securing resources. The international export of seafood is a small industry in Japan, but it also contributes greatly to the development and diffusion of technology. Since the industrial revolution, Japan’s basic policy has been to enhance the education system; citizens make efforts to promote intelligent industry, understanding that we receive praise and great benefits from other countries through the development of science and technology and our contributions to the international community.

Health Insurance System in Japan

The development of transportation facilities in Japan has enabled many people and goods to be transported anywhere within the country within half a day, and information can be transmitted instantly throughout the country. This was a huge leap forward for emergency and disaster medicine in Japan. With these development, from the 1950s onwards the basic components necessary for providing health care—hospitals, clinics, doctors, and nurses—all of which had been inadequate, gradually increased and health care in regional areas expanded. A health insurance system which operated independently for each health field continued to exist, but there continued to be a large number of people who had not paid their insurance. The Japan Medical Association recommended that the individual insurance systems be integrated and the entire system expanded. Eventually, in 1961, the total health insurance was expanded and a universal health care system available to all citizens was introduced. Through the process of establishing this system, medical fields were classified broadly into four groups.

All citizens were required to join one of four insurance plans depending on their occupation and position: government-managed health insurance administered by medium and small businesses; association-managed health insurance administered by the majority of large businesses; National Health Insurance administered by local government authorities; and National Health Cooperative Insurance, also administered by the same kind of businesses on a local level. The establishment of this system enabled citizens to receive health care equally and fairly anywhere in Japan, at any time and for whatever reason, for a minimal self-payment and without having to undergo screening simply by showing their
insurance card to prove they were insured. Under this system, the medical institution providing treatment receives the portion of payment covered by public funds under a reimbursement system known as a fee-for-service system. The system operates smoothly due to the efficient functioning of medical fee payment fund that carefully checks the details of medical treatment.

Improvement of medical institution facilities and the implementation of this medical insurance system have enabled huge advances in regional health care systems and provided the tremendous benefit of care being available equally and fairly to all citizens.

Because of differences in the history of their establishment and composition of member businesses and organizations, each of the health insurance plans has different insurance rates. The government-managed health insurance plan is the largest in scale and imposes public benefits in addition to the insurance burden on employers and members.

Against this background the Japan Medical Association has, as a pillar supporting the health care of citizens, has proactively promoted the establishment and maintenance of this system, and with the cooperation of medical institution nationwide, the National Health System has made a huge contribution to the health system in Japan.

With the development of the economy and industry in Japan I have already outlined, the emergency medicine infrastructure and treatment of chronic illness improved through the continued improvement of hygienic conditions, better nutrition, and the creation of infrastructure for the universal and fair provision of health care.

Health Care Statistics

In 2000 and 2004, the World Health Organization named Japan as a country with one of the highest longevity rates in the world, recognizing the excellence of Japan’s health system. Japan ranks Number 1 in the world in a comparison of health achievement; in 2002 longevity was again the highest in the world, with the average life expectancy for men being 78.4 and for women 85.3; and Japan also has one of the lowest infant mortality rates in the world. Japan’s excellent National Health Insurance system is the most effective health insurance system of all the developed countries. Since the 1970s, Japan’s GNP has skyrocketed. With citizens’ growing health consciousness and medical care awareness as well as improvements in medicine and medical technology, the total cost of medical treatment in Japan is gradually growing and management of the health insurance system has been revised repeatedly.

Since 1980, the total fertility rate has dropped below 2.0 for a variety of reasons, and in 2005 dropped to a marked low of 1.25. In a world rapidly ageing, Japan has hurtled fastest into an aging society with fewer children.

As I have explained, medical expenses in Japan are not high compared with other developed countries. Total health expenses are 7.9% of GDP, a low rank of 17 amongst the developing countries. However, in 2000 Japan established a national Long-term Care Insurance system, administered on a municipal basis, aimed at elderly citizens requiring nursing care as a means of lightening the continuously increasing cost of health care for the elderly. The degree of nursing care required is determined through screening and nursing care services appropriate for the elderly person’s needs are provided.

Health Care as an Investment

Here I would like to touch on the theme of this symposium—health care as an investment.

Considering the population dynamics of Japan, despite the difficulty of boosting the productive-age population, it could be possible to secure a potential working population by improving the health of senior citizens. Increased numbers of elderly people capable of working would be an enormous opportunity, creating fresh consumer activity and invigorating the economy. In other words, proactive health care to restore, maintain, or increase health—such as avoiding the risk of disease occurring through preventative medicine and the promotion of social rehabilitation and independence through early diagnosis and treatment—has ample potential to increase the health investment of each individual, thereby increasing the population of potential workers, bringing about an increase in productivity, GDP, and revenue from tax, and thus more stable employment and fresh economic activity. Furthermore, health care is a labor-intensive industry, and so a stable supply of workers for medical institutions will facilitate more stable health care. Moreover, the
construction of the necessary medical facilities could also create a wave effect in the economy. In this way, there are certainly investment aspects in health care, and it is vital that this is recognized widely by members of the general public. The JMA is currently seeking the understanding of the government headed by Prime Minister Abe, newly formed in September this year, of the necessity of promoting basic policies such as this.

**JMA’s Health Reform Policies and Future Perspectives**

The JMA is proactively pursuing the following items as comprehensive and central policies for health reform, including the views just mentioned.

1. Create a society able to truly rejoice at longevity through enhanced health care and welfare for the elderly.
2. Create a society where one can give birth with peace of mind through the expansion of obstetrical care and maternal and child health.
3. Create a society where children can thrive and grow healthily through enhanced pediatric care and school health.
4. Create a society where people can work healthily and enthusiastically through enhanced industrial health and workers’ compensation insurance.
5. Create a society with as little occurrence of disease as possible through the promotion of and lifestyle disease countermeasures and anti-smoking campaigns.
6. Create a society able to provide high quality medical care for those who are sick through the guarantee and enhancement of community health care and health insurance.
7. Create a society that provides an excellent health care system through the enhancement of community health care centered on primary care doctors and the promotion of cooperation between health services.
8. Create a society able to put medical advances into practice in health care through the establishment of lifetime education and a medical specialist system.

Finally, with regard to approaches to government agencies regarding issues such as these, the JMA is campaigning to prevent corruption of the medical care system, including financially motivated proposals for medical system reform, mainly through petitions and the endorsement of Diet members who represent the position of the JMA in the government.

The JMA intends to continue to promote the construction of a foundation for community health care, working with the general public to formulate and propose strategies for realizing the establishment of a health care framework that people trust, in order to create a durable social insurance system that safeguards the health and welfare of Japan’s citizens.