#### Policy Address\*

JMAJ 52(1): 1-4, 2009

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### Policy-making from the Perspective of the General Public

The market economy fundamentalism under the Koizumi government in the past years generated various disparities between groups in Japanese society, and the current government is now frantically formulating measures to resolve the problems created by the Koizumi government's structural reforms.

Moreover, the impact of the US subprime loan problem that surfaced in 2007 spread around the world in the form of a financial crisis, intensifying confusion in financial markets and economic stagnation.

Prime Minister Aso, too, has clearly indicated his intention to give the utmost priority to economic policies, such as measures to stimulate the economy, and the political situation, including dissolution of the Lower House, is currently in a state of flux.

Under such circumstances, social disparities and insecurity have grown even more pronounced, with the finance-emphasizing governmental policies of recent years continuing to further batter the lifestyles and livelihoods of the Japanese people. I believe we have now reached the point where the implementation of government policies focused on safety and security, formulated from the perspective of the general public, is truly urgent.

#### **Proactive Activities of JMA**

Furthermore, the wounds inflicted by the Iwate-Miyagi earthquake in June 2008 still remain, with recovery only half completed. Globally, climate

changes in regions throughout the world and global warming are causing many natural disasters. Moreover, there is a growing sense of impending crisis with regard to measures against new influenza strains which could run rampant at any moment.

Against this background, the Japan Medical Association (JMA) undertakes its activities proactively making recommendations to and lobbying the Japanese Government on social security policies, especially in the areas of medical care, health, and welfare.

### A New Healthcare Program for the Elderly

Under a new healthcare program for the elderly, which was introduced in 2008, insurance fees are deducted from pension payments, and the tremendous anxiety generated by the increase in insurance fees for some pensioners at the start of this new program is still fresh in our minds.

It is easy to foresee people insured under this scheme losing trust in the program which they voluntarily joined and limiting their visits to hospitals for check-ups.

If the trend amongst elderly people, who are already at a high risk for developing diseases, to refrain from visiting doctors for check-ups intensifies, I am deeply concerned that it will lead to the aggravation and prolongation of illness, inflicting a huge impact on health.

Prime Minister Aso and Mr. Masuzoe, Minister of Health, Labour and Welfare have stated their intention to revise the Healthcare System for the above program over a one-year period.

For our part, the JMA regards as a major issue the reconstruction of the healthcare program so

<sup>\*1</sup> This is a revised English version of the policy address delivered in Japanese by Dr. Yoshihito Karasawa at the 119th Extraordinary General Assembly of the JMA House of Delegates held in Tokyo, October 26, 2008.

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that not only are automatic reductions in social security expenditure discontinued, but also elderly people are treated warmly and made to feel happy to have lived a long life. Recently the position of the JMA was published anew in a booklet entitled "Proposals for 'a Healthcare Program for the Elderly", which was distributed to all prefectural and municipal level medical associations nationwide.

The basic scheme for the proposed healthcare program for the elderly is that (1) in line with security principles, people aged 75 years and older be provided with full support; (2) healthcare be provided seamlessly from young to elderly people, and from acute to chronic disease phases; (3) 90% of healthcare expenditure be covered by public funding (the national government); (4) the burden of insurance fees and patient contributions combined be no more than 10% of household budgets; and (5) the system be operated by prefectural governments.

Mr. Masuzoe, Minister of Health, Labour and Welfare proposed as a ministerial proposal that the national insurance system, currently administered at the municipal level, be operated by prefectural governments and then integrated with the new healthcare program for the elderly. As the proposal assumes other aspects that exceed revision of the current system, it can be said that now is an excellent opportunity for the JMA's proposal to be substantiated. Using financial supportive evidence, we intend to launch our proposal head-on into the political arena, renewing our efforts to realize a healthcare scheme that truly benefits the elderly. The JMA has also compiled the Grand Design 2008, which includes a detailed discussion of the financing issues for the proposed "Healthcare Program for the Elderly."

# Most Basic Concepts for Japan's Health System

By now it goes without saying that the three outstanding characteristics of Japan's national health-care insurance system are universal coverage, free access, and benefits in kind, and it is imperative that the foundation of this system be defended at all cost. Despite this, however, the healthcare system is surely and steadily collapsing.

This is plainly demonstrated by the current

situation in the area of obstetrics. The number of medical institutions providing childbirth delivery services is decreasing, with hospitals around the country one after the other closing their obstetrics departments. The situation is becoming so serious that expressions such as "cross-border childbirth" are now being used. The Ministry of Health, Labour and Welfare is attempting to promote centralization and prioritization within the healthcare delivery system, but there are areas throughout the country where people are in need of a nearby, accessible medical institution.

As mentioned above, it is vital that complete healthcare, from acute to chronic phases, be provided in regional areas through the organic functional coordination of hospitals and clinics. If strong-armed centralization and prioritization policies that ignore regional characteristics are continued, the decline of regional healthcare will accelerate.

### Weakened Community Healthcare in Japan

The physician dispatching function that university hospital departments previously had has been lost under the new system of postgraduate clinical training for physicians, exposing the uneven distribution and shortage of physicians.

Consequently, regional healthcare, which has been sustained through the dedicated efforts of physicians and healthcare professionals such as nurses, is now on the verge of collapsing. Medical institutions that have earnestly treated disease and injury in order to save patients' lives are also reaching a critical point of exhaustion.

The national government has a responsibility to objectively evaluate the existing healthcare delivery system and provide solutions for the current situation. The JMA regards it most important to rebuild the community healthcare that the policy of automatic cut of the annual 220 billion yen (US\$2.2 billion)\*3 should be changed to an increase in social security expenditure. This curtailment policy is the root cause of the current battered healthcare situation.

In the first half of 2008, many ruling party Diet members—including then-Prime Minister Fukuda and Mr. Masuzoe, Minister of Health, Labour and Welfare—clearly stated in the Diet

<sup>\*3</sup> Yen/dollar exchange rate: 1 US dollar = 100 yen.

in regard to the planning of next year's budget that the annual 220 billion yen (US\$2.4 billion) automatic decrease in social security expenditure has already reached its limit.

The board of the JMA has also strongly lobbied leaders of the ruling Liberal Democratic Party and other ruling party Diet members involved in social security and health, labor, and welfare issues to halt the annual decrease in social security expenditure.

Moreover, the National Council on Social Security, of which I am a member, also strongly demanded that the annual decrease in social security expenditure be reversed.

However, under the 2008 Basic Policy for Economic and Financial Reform, which was approved by the Cabinet on June 27, 2008, firmly maintains the position of the 2006 Basic Policy and 2007 Basic Policy, promoting integration of annual government revenue and expenditure and clearly stipulating the implementation of a maximum reduction in annual government expenditure.

#### **Nationwide Campaign of JMA**

The JMA therefore decided to immediately undertake the grassroots movement to prevent collapsing of regional healthcare. In addition to holding regional meetings and requesting medical associations nationwide to adopt a Statement of Position prepared by Prefectural Healthcare Promotion Councils opposing the containment of social security expenditure, the JMA held "the Rally for the Prevention of the Decline of Regional Healthcare" on July 24 and has generated action nationwide regarding guidelines for budget appropriation requests for the 2009 budget.

Recently, the JMA ran advocacy advertisements in the morning editions of Japan's three leading newspapers opposing the annual 220 billion yen (US\$2.4 billion) reduction in social security expenditure. This advocacy advertisement was met with a flood of responses expressing support and encouragement from not only healthcare professionals but also readers of the general public nationwide, providing a forceful reminder of the people's strong desire for the rebuilding of healthcare and other areas of social security.

Under the 2009 Guidelines for Budget Appropriation Requests, which were approved by the Cabinet on July 29, of the main issues outlined

in the 2008 Basic Policy, including secure social security, approximately 330 billion yen (US\$3.7 billion) was newly allocated as the framework for promoting important issues to concentrate funding on undertakings that are particularly urgent or effective policy-wise. The guidelines also include measures such as the revision of special accounts which the JMA has been emphasizing.

However, what the Japanese Government must do is to halt the annual 220 billion yen (US\$2.4 billion) reduction in social security expenditure, the natural increment of social security expenditure as so-called mandatory expenditure. That this was not stipulated in the guidelines is disappointed.

#### **Further Lobbying Activities Are Needed**

Despite this, however, in responding to questions in the Diet on October 1 about the annual 220 billion yen (US\$2.4 billion) reduction in social security expenditure, Prime Minister Aso said that, taking into account financial resources, a decision would be made during the process of budget preparation.

The JMA regards the rebuilding of community healthcare as a pressing issue, and thus intends to lobby the ruling parties even more strongly in future to halt the automatic containment of social security expenditure, which is becoming a slogan.

Revision of long-term care insurance will be on the agenda to be implemented in 2009, and the JMA intends to devote every effort to securing funding to ensure that long-term care services are improved from the perspective of users and the working environment is improved to prevent care workers from leaving their profession.

Now is the time that physicians and other healthcare professionals must come together as one to lobby the government. In particular, these days, as the excessive workload of hospital-based physicians is becoming a social problem, there is a growing trend in government councils and the like to discuss physicians in private practice and hospital-based physicians as well as clinics and hospitals as contrasting categories.

We must respond to such trend with extreme care, because behind this particular trend is an intention to divide the organizational ties among the healthcare organizations and weaken their strength.

#### **Recent Efforts to Stand Together**

In order to counter such trend, the JMA launched "250,000 JMA Member Project in 2007" out of our awareness of the need for physicians throughout Japan to combine together. Based on the deliberations carried out under this project, the committee for unifying physicians was established during this financial term. Membership of this committee is broad, including representatives of Japanese Association of Medical Sciences and the hospital-based physician committee, board members of prefectural medical associations, female physicians, and representatives of the liaison council of four hospital associations, national council of heads of medical schools and hospitals, and Liaison Council of national university medical associations.

This committee is currently creating a framework that reflects the opinions of physicians from various standpoints, formulating measures for building organic relationships with medical students and intern and resident physicians, and intensively considering the future directions in which medical associations should move.

# Strong Leadership Continuously Required to the JMA

The JMA is working to achieve the establishment of a healthcare system that consistently reflects the perspective of the general public through clinical practice by submitting concrete proposals to and lobbying the government, as we believe that it is our responsibility to ensure that such a healthcare system is realized.

Instead of increasing organizational power through numbers only, we must also sink our differences with other healthcare professional organizations as well as economic organizations and insurer organizations—even if those organizations have conflict of interests—for the common good in taking the stance of protecting public healthcare. The JMA must take the helm in this, and I believe that the realization of this is the role the JMA should play as an organization.

Thus I myself am deeply aware that what is continuously required of the JMA is the demonstration of strong leadership, and the association's board members will continue to work together to attain this goal.