

Changing Trends of Health and Economy in Asia and Oceania

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It is a great pleasure to take part in the 27th CMAAO General Assembly here in beautiful and peaceful Taiwan. Taiwan has successfully maintained one of the highest levels of health in the region based on well developed medical systems and technology. I would like to take this opportunity to express my sincere respect to my Taiwanese colleagues who have worked so hard for such noteworthy achievements. I also thank the Taiwan Medical Association for its valuable support to and cooperation with CMAAO.

Today, I would like to look at some key health-related trends in Asia and Oceania. I would also like to discuss possible implications and counter-measures.

My presentation will cover the following topics:

- 1) Rapid economic development in Asia and Oceania and its effects
- 2) Achievement of universal health care
- 3) Aging society and challenges ahead

Rapid Economic Development in Asia and Oceania and Its Effects

Asia and Oceania region has been undergoing rapid economic growth during the past two decades spearheaded by Australia, Japan and New Zealand as the region's advanced economies. In the 1980s and the 1990s, the Republic of Korea, Singapore, Hong Kong and Taiwan emerged as the "Four Asian Tigers," propelled by growing exports. Later, the opening up of China and India which account for nearly one third of the world's population, changed the dynamics of global economic growth. Although countries like Korea, Malaysia and Thailand experienced an economic crisis in the late 1990s, they overcame

the crisis with IMF support and are now back on track with strong economic growth. According to the World Bank, the Asian economy is forecast to account for 50% of the world's GDP by 2050 and maintains a powerful trend of growth.

Changes from economic development

Its dramatic economic growth helped the region achieve rapid progress in health care. In general, income levels have increased and life expectancy has risen considerably, while infant and child mortality levels have fallen. Health infrastructure is developing rapidly to improve access to health care.

Each nation in the region has experienced the following changes due to economic development.

- Increase in personal income and higher standards of living
- Increase in medical personnel and medical facilities
- Higher levels of medical care
- Increase in medical expenditure
- Increase in proportion of urban population
- Democratization of politics and society
- Development of medical tourism (Korea, Singapore, Taiwan, Thailand)

Achievement of Universal Health Care

Dramatic economic growth and increased income led to greater demands for health care services. In response, governments made efforts to introduce universal health care as a way to meet the increased demands and to strengthen national health systems.

In 1961, Japan became the first country in Asia to achieve universal coverage through social health insurance. The Japanese system is con-

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sidered one of the best designed, allowing its people to receive the highest quality of medical service with lower overall cost in the world. Japan now boasts the best health indicators in the world including the longest life expectancy. Japan's success in achieving universal health care was followed by Korea and Taiwan.

Level of achievement of universal health care among CMAAO members

The following countries and areas can be regarded as having achieved close to universal health care coverage in the Asia and Oceania region:

Japan, Korea, Taiwan, Australia, New Zealand, Thailand, Hong Kong, Malaysia, Singapore, Sri Lanka

Around half (or below) coverage: India, Indonesia, the Philippines

In the process of introduction: Cambodia, Vietnam

Japan and Australia launched their national health insurance programs when their economies were of similar size and at a similar developmental stage as those of European countries. However, several other countries developed systems of universal coverage at much earlier stages of economic development and also over much shorter time periods. These include Korea, Taiwan, and Malaysia.

National Medical Associations and physicians' support for universal health care

Among all the essential factors to sustaining universal healthcare, I would like to particularly stress the support from physicians and NMAs. In some countries, NMAs disagreed with governments over introduction of universal coverage based on concerns about excessive government influence on physicians' clinical autonomy and professional freedom. However, most medical professionals decided to cooperate with universal health care programs for the sake of their patients and social equality. The strong dedication of physicians and NMAs to their patients has enabled the region to enjoy a greater level of universal health care.

Collaboration between NMAs and governments is one of the key elements for further sustainable development of universal health care. Governments need to respect physicians and NMAs as the most important partner for this mission.

Challenges created by health insurance

Several common issues have emerged across many universal healthcare programs. First, is the rapid increase in medical expenditure due to increased demand for care and advancements in medical technology. This has placed a considerable burden on insurance finances, which has led to higher contributions and greater government subsidies. It also puts pressure on the compensation of medical service providers, posing a serious challenge to individual physicians and NMAs.

Increased life expectancies and aging of the population has also posed an additional burden on health insurance. Addressing such issues and designing a sustainable insurance system has become a common challenge that many countries face.

Public share of total expenditure on health, 2008

On average, the public share of total health expenditure has slightly increased to around 45% in 2008. However, this is much lower than the OECD average (72%).

In general, public share of total expenditure has significantly increased over the past years in Thailand and Indonesia.

Asia and Oceania region's private expenditure on health is much higher compared to OECD average. Stable financing for public health care and effective mixing of public and private health will be one of the key issues to keep health security system afloat.

Aging Society and Challenges Ahead Life Expectancy at Birth, 2008

Economic growth and enhancement of medical technology in the region have increased overall life expectancy at birth and the trend continues to maintain its pace.

The country with the longest life expectancy in 2008 was Japan with 86.1 for female and 79.3 for male. Countries like Hong Kong, Korea, Singapore achieved higher level of life expectancy than the OECD average.

Research on specific factors that explain the longer life expectancy in those countries is still in progress, but economic growth, diet and lifestyles should be important factors. Relationship between expansion of universal health care and prolonged life expectancy is also an aspect

worthy of further study.

Despite health improvements, there are still disparities in life expectancy between men and women and between countries. Developing countries continue to struggle to overcome mortality causes that are linked to poorer socio-economic conditions, while developed countries face emerging health threats stemming from rapid environmental and lifestyle changes.

Policies for further health promotion

For further promotion of health in the region, governments and the health care sector should focus on the following aspects:

- Continuous strengthening of tobacco cessation
- Increased health care benefits for vulnerable groups
- Increasing efforts on disease prevention
- Establishment of sound health policies for an aged society

Future challenges

With the speed of population aging expected to accelerate, how to secure stable sources of financing for various social security programs including health insurance is becoming a critical question.

The political debate surrounding this issue is expected to escalate. The public, politicians and the medical circle all need to participate in a public dialogue aimed at finding each country's best solution for sharing the burden of funding future social security programs.

This completes my brief presentation today. I hope that at this CMAAO General Assembly, as physicians and NMA leaders of Asia and Oceania, we all get a chance to reflect upon our responsibilities and mission as we work to promote the health and happiness of the people in our region.

Thank you.