

Chapter 15

Social Security, Health Care, and Public Hygiene



Babies in strollers getting together. Japan's birth rate was 1.39 in 2010, marking the first increase in two years.

1. Social Security

In Japan, where the birthrate is continuing to fall while the number of elderly people is growing, society is facing the prospect of a population decline beginning in earnest. Meanwhile, its social security system is required to address various changes in the socioeconomic environment, including the expanding deficit.

In April 2000, a long-term care insurance system was launched. This is due to the fact that the issue of elderly care, including the excessive burden of care resting on family members alone, had loomed as a social problem as the aging of society progressed. At the onset of the system (in 2000), the number of care service users was approximately 1.5 million. It subsequently jumped, coinciding with rapid rises in the aggregate long-term care insurance cost (long-term care insurance finances). Therefore, an all-round revision was made to the system in 2005, including putting greater emphasis on disease prevention. As of April 2010, the number of long-term care service users amounted to approximately 4.03 million.

Table 15.1
Trends in Social Security Benefit Expenditures by Institutional Scheme

Item	(Billion yen)				
	FY2000	FY2005	FY2006	FY2007	FY2008
Total	78,119	87,783	89,110	91,430	94,085
Medical insurance	14,573	16,141	16,534	17,424	17,741
Health and medical services for the aged ¹⁾	10,447	10,754	10,379	10,395	10,444
Long-term care insurance	3,252	5,823	6,000	6,305	6,596
Pension benefits	39,173	44,669	45,772	46,799	48,151
Employment insurance ²⁾	2,665	1,435	1,337	1,309	1,401
Workers' accident compensation insurance	1,019	953	966	957	946
Family allowance ³⁾	712	1,158	1,351	1,523	1,559
Public assistance	1,930	2,592	2,636	2,603	2,678
Social welfare	2,186	2,505	2,600	2,689	3,041
Public health	555	547	428	361	549
Gratuities for retired public employees	1,420	1,059	984	913	841
Aid for war victims	188	146	124	152	138

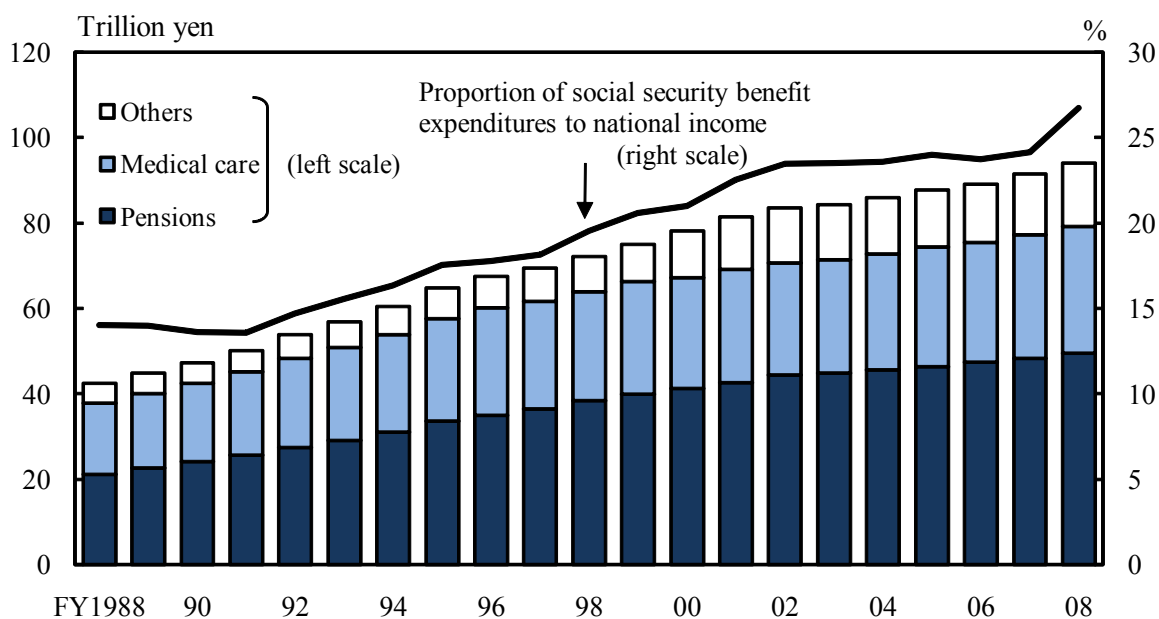
1) Including public health measures (e.g., medical check-ups and counseling, etc.).

2) Including unemployment benefits for Seamen's insurance. 3) Including income support for single parent families and families with challenged children.

Source: Ministry of Health, Labour and Welfare.

Total expenditure on social security benefits is increasing annually, thus making a review of benefits and burdens an urgent issue in order to ensure that the social security system is sustainable over the long term. In fiscal 2008, social security benefit expenditures totaled 94.1 trillion yen (up 2.9 percent from the previous fiscal year), a figure which amounted to 736,800 yen per person. The proportion of Japan's social security expenditure to national income registered 26.8 percent. Benefits for the aged accounted for approximately 70 percent of total social security benefit expenditures.

Figure 15.1
Trends in Social Security Benefit Expenditures by Sector



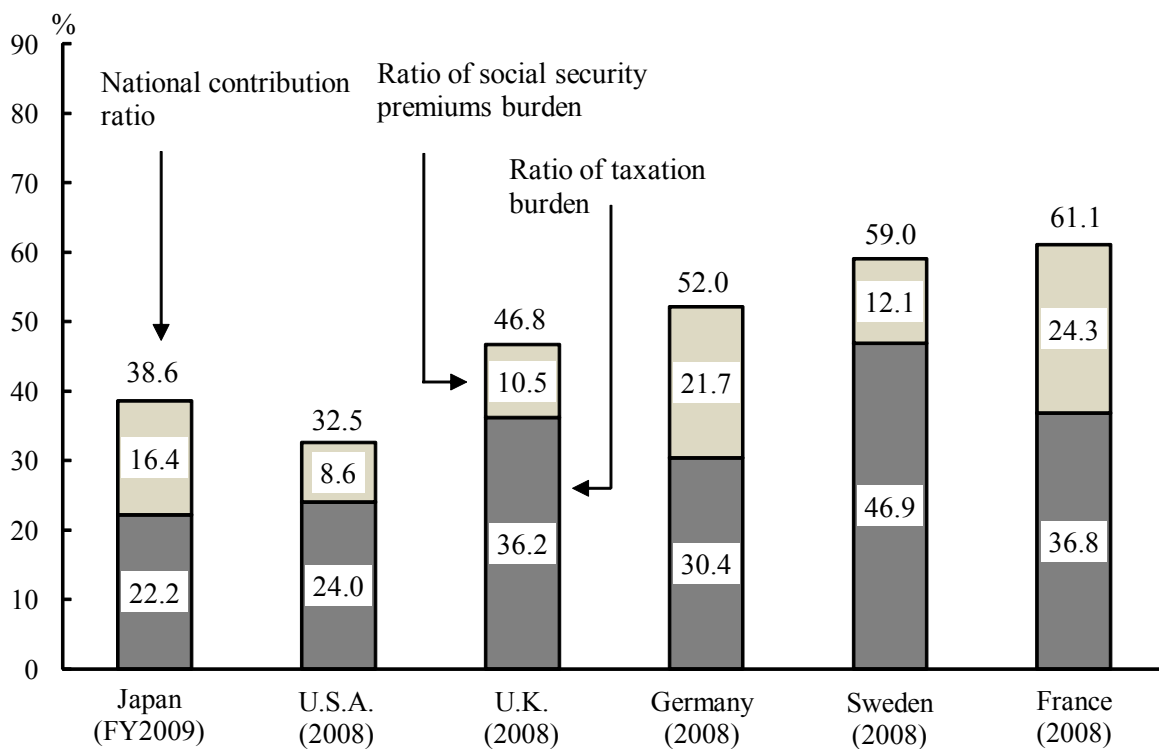
Source: Ministry of Health, Labour and Welfare.

Trends in social security benefit expenditures by sector showed that the proportion of pension to the total social security benefit expenditures has recently risen. In fiscal 2008, pensions accounted for more than half (52.7 percent) of total social security benefit expenditures, while medical care accounted for 31.5 percent, and social welfare and others for 15.9 percent. Social security benefit expenditures are forecasted to continue growing, and are projected to reach 141 trillion yen in fiscal 2025.

In accordance with the rise in social security benefit expenditures, the amount of funds necessary to cover these expenditures has also increased, reaching 101.5 trillion yen in fiscal 2008. This was financed by 57.4 trillion yen from social insurance contributions, 32.7 trillion yen from taxes and 11.4 trillion yen from other sources.

The national contribution ratio (the combined ratios of taxes and social security costs to national income) was 38.6 percent in fiscal 2009 (taxation burden: 22.2 percent; social security premiums: 16.4 percent), down 2.0 percentage points from 40.6 percent in fiscal 2008. The national contribution ratio in 2008 was 32.5 percent in the U.S.A., 46.8 percent in the U.K., and 59.0 percent in Sweden. While the ratio in Japan was higher than that of the U.S.A., it was lower than European countries.

Figure 15.2
National Contribution Ratio by Country



Source: Ministry of Finance.

The social welfare institutions shown below provide users with various services either for free or partially free.

Table 15.2
Social Welfare Institutions (As of October 1, 2009)

Type of institutions	Institutions	Users	Workers ¹⁾
Total	57,502	2,709,347	771,616
Institutions under the Protection Law ²⁾	299	20,040	6,311
Welfare for the elderly	8,421	140,989	49,247
Nursing homes	932	60,013	16,801
Welfare centers	2,013	-	6,527
Support for the physically challenged, etc.	3,334	46,879	37,121
Rehabilitation for the physically challenged	715	29,408	16,002
Rehabilitation for the mentally challenged	2,567	119,011	49,450
Rehabilitation for the mentally ill	635	12,240	3,614
Support for social participation of the physically challenged ..	351	...	3,028
Protection for women	48	563	405
Child welfare ³⁾	32,353	2,173,600	519,218
Day nurseries	22,250	2,100,357	446,272
Maternal and child welfare	62	...	266
Others ⁴⁾	8,717	166,617	86,954
Pay nursing homes for the elderly	3,565	148,402	76,883

1) Full time equivalent. 2) "Users" and "workers" exclude medical care aid institutions.

3) "Users" excludes homes of living assistance for mothers and children, and maternity homes; "workers" excludes maternity homes, and children's playgrounds. 4) "Users" excludes those of homes for the visually impaired, facilities for medical treatment that is free of charge or low-cost, and recreational facilities for the elderly; "workers" excludes those of facilities for medical treatment that is free of charge or low-cost.

Source: Ministry of Health, Labour and Welfare.

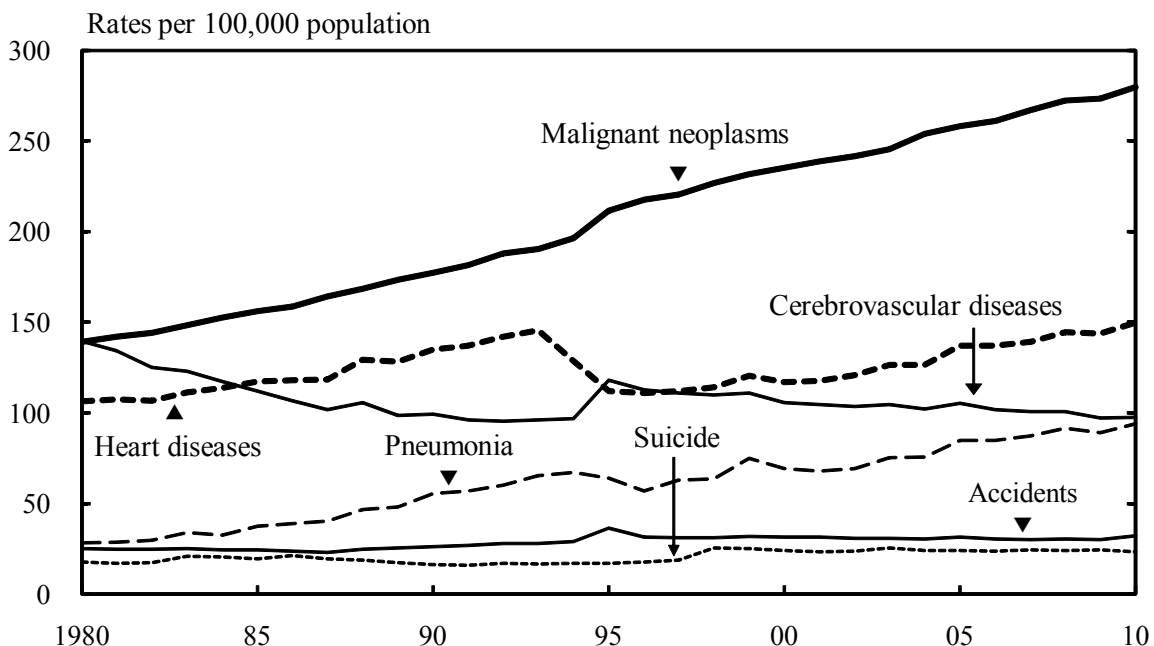
2. Health Care and Public Hygiene

Japan has a universal health insurance regime to ensure that anyone can receive necessary medical treatment. Under this regime, every citizen enters a publicly regulated medical insurance system, such as employees' health insurance or national health insurance.

This medical care system is highly regarded internationally because, along with improvements in the living environment and better nutrition, it has contributed to Japan's achieving the highest life expectancy and healthy life expectancy in the world, as well as a high standard of healthcare. Currently, reform of the whole system is being undertaken in order to sustain this medical insurance system in the future.

Life expectancy at birth was 86.39 years for women and 79.64 years for men in 2010. Japan's life expectancy remains the highest in the world. Japan's infant mortality rate fell to as little as 2.3 per 1,000 births in 2010.

Figure 15.3
Death Rates by Major Cause



Source: Ministry of Health, Labour and Welfare.

The death rate was 947.3 per 100,000 population in 2010. The leading cause of death was malignant neoplasms (279.6 per 100,000 population). Other major causes were lifestyle diseases such as heart diseases (149.7; excluding hypertensive diseases) and cerebrovascular diseases (97.6), in

which people's daily diet and behavior are significant factors therefore. Together, these causes accounted for approximately 60 percent of all deaths. Malignant neoplasms became the leading cause of death in 1981. The death rate by malignant neoplasms has continued to increase since, reaching 29.5 percent of all deaths in 2010.

Due to the increasingly complex social environment created by a highly-technological, competition-oriented society, the stress levels felt by all age groups are rising. The number of suicides in Japan was 29,524 in 2010, marking a drop, albeit slight, from the 30,000 range in which it had remained since 1998, the year the figure surpassed 30,000 for the first time. The number of suicides was particularly high for men in their 20s, 30s and 40s.

Due to the increased international movement of people and goods, and to the impact on the environment caused by land development, emerging infectious diseases and re-emerging infectious diseases, including AIDS, Influenza A (H1N1) and tuberculosis, pose a serious threat to the health of the Japanese people. In relation to Influenza A (H1N1), the WHO made a public statement on August 10, 2010 concluding that the status of its global spread was now in the post-pandemic period.

In terms of healthcare provision, Japan had 283,915 physicians engaged in medical care, or 222.3 physicians per 100,000 population, in 2008. While the number of physicians providing healthcare is increasing nationwide, their uneven distribution has become a problem due to the lack of physicians specializing in certain areas of medicine and the lack of physicians operating in regional parts of the country.

Table 15.3
Number of Medical Personnel at Work

Personnel	2000	2002	2004	2006	2008
Number					
Physicians	253,469	260,500	267,943	275,127	283,915
Dentists	89,668	91,783	94,022	95,944	98,063
Pharmacists	199,797	212,720	223,564	234,429	249,251
Nurses & Assistant nurses	1,042,468	1,097,326	1,146,181	1,194,121	1,252,224
Rates per 100,000 population					
Physicians	199.7	204.3	209.7	215.3	222.3
Dentists	70.6	72.0	73.6	75.1	76.8
Pharmacists	157.4	166.9	175.0	183.5	195.2
Nurses & Assistant nurses	821.3	860.7	896.9	934.6	980.7

Source: Statistics Bureau, MIC; Ministry of Health, Labour and Welfare.

The number of hospital beds in Japan (excluding those in general clinics and dental clinics) totaled 1,256.0 per 100,000 population in 2009.

Table 15.4
Number of Medical Care Institutions and Beds

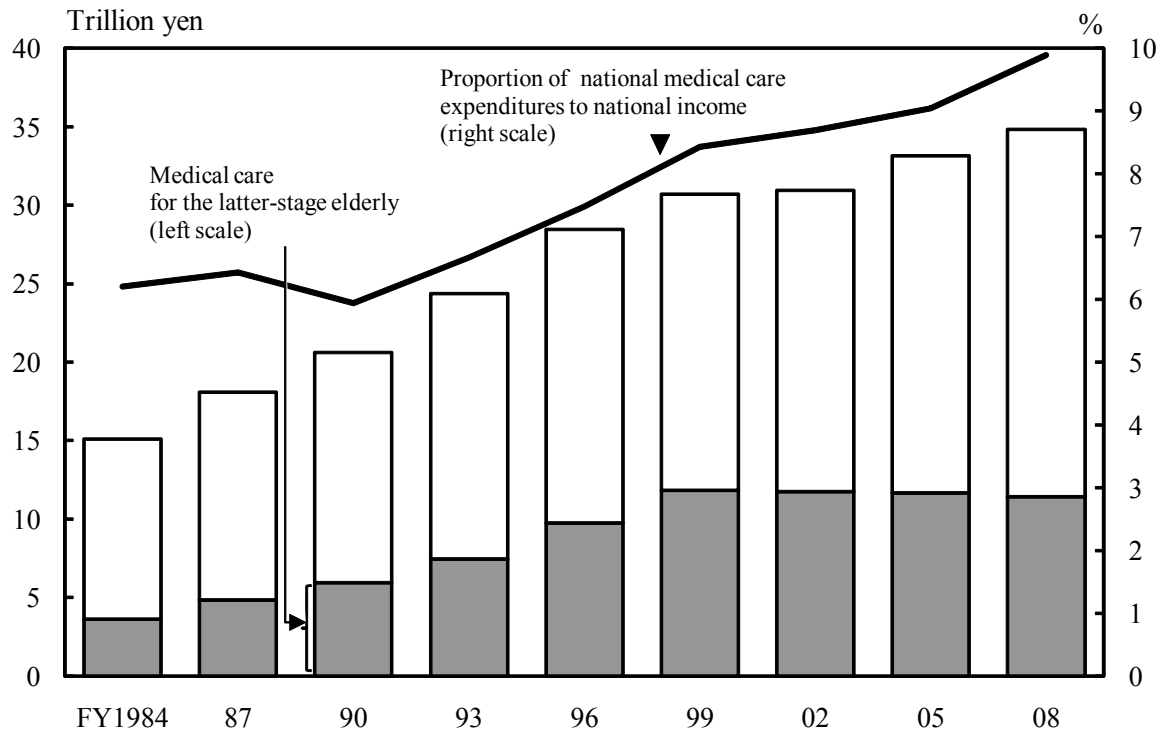
Type of Institution	1999	2002	2005	2008	2009
Institutions					
Number					
Total	163,270	169,079	173,200	175,656	176,471
Hospitals	9,286	9,187	9,026	8,794	8,739
Medical clinics	91,500	94,819	97,442	99,083	99,635
Dental clinics	62,484	65,073	66,732	67,779	68,097
Rates per 100,000 population					
Total	128.9	132.7	135.6	137.6	138.4
Hospitals	7.3	7.2	7.1	6.9	6.9
Medical clinics	72.2	74.4	76.3	77.6	78.1
Dental clinics	49.3	51.1	52.2	53.1	53.4
Beds					
Number					
Total	1,872,518	1,839,376	1,798,637	1,756,115	1,743,415
Hospitals	1,648,217	1,642,593	1,631,473	1,609,403	1,601,476
Medical clinics	224,134	196,596	167,000	146,568	141,817
Dental clinics	167	187	164	144	122
Rates per 100,000 population					
Total	1,478.1	1,443.4	1,407.7	1,375.3	1,367.3
Hospitals	1,301.0	1,289.0	1,276.9	1,260.4	1,256.0
Medical clinics	176.9	154.3	130.7	114.8	111.2
Dental clinics	0.1	0.1	0.1	0.1	0.1

Source: Ministry of Health, Labour and Welfare.

National medical care expenditures have been increasing gradually. In fiscal 2008, the expenditures totaled 34.8 trillion yen or 9.90 percent of Japan's national income. The cost of medical care per person averaged 272,600 yen in fiscal 2008.

Medical costs for treating the latter-stage elderly in fiscal 2008 were 11.4 trillion yen, or about one-third of national medical care expenditure, and accounted for 3.25 percent of the national income. The per-capita cost of medical care for the latter-stage elderly averaged 865,146 yen for the year. Rising medical costs for the latter-stage elderly, resulting from the rapidly aging population, etc., is one of the major contributors to the overall uptrend in national medical care expenditures.

Figure 15.4
Trends in Medical Care Expenditures ¹⁾



1) The medical care system was changed in 2000.

Source: Ministry of Health, Labour and Welfare.