Nursing for the older people in Japan

1. The Aging of the Japanese Population

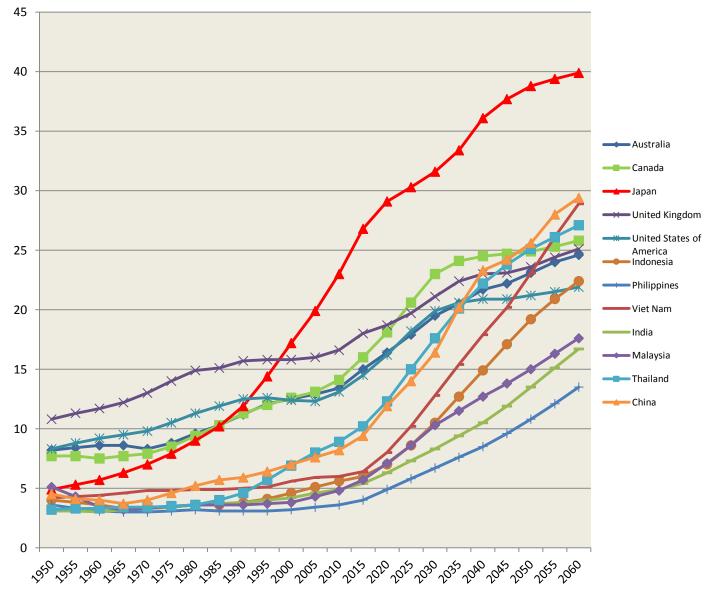
Japanese Nursing Association

- 1. The Aging of the Japanese Population
- Nursing for the Older People: Current Situation and Challenges (to be issued soon)
- 3. The Japanese Nursing Association in Action(to be issued soon)

Glossary

- Population aging rate: Ratio of people aged 65 and over to the total population
- Birth rate = Number of births / Population × 1,000
- Total fertility rate: Sum of the age-specific birth rates of women aged between 15 and 49

An Aging World: Percentage of People Aged 65 and over in Selected Countries



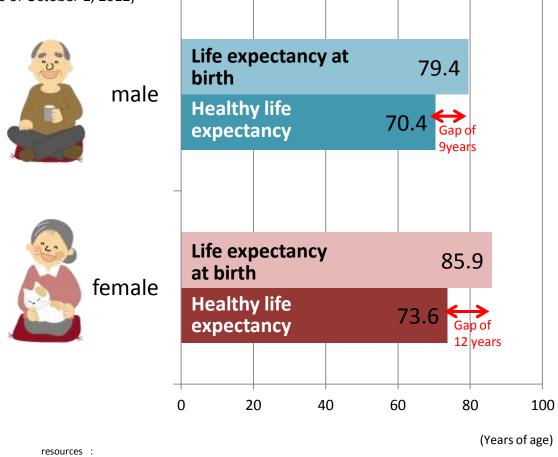
Source: Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, World Population Prospects The 2010 Revision, National Institute of Population and Social Security Research, Population Projections for Japan (January 2012) for data for Japan after 2010.

Population aging is a worldwide phenomenon. Japan is aging faster than any other countries.

Population aging rate in Japan:

24.1%

(As of October 1, 2012)



Population aging rate: cabinet office , Annual Report on Aging society 2013 Life expectancy at birth: Ministry of Health, Labour and Welfare, Abridged life table for Japan 2011 Healthy life expectancy: Grant-in Aid for comprehensive research on cardiovascular and lifestyle related diseases form the Ministry of Health, Labour and Welfare. Study of the future prospects on healthy life expectancy and costeffectiveness of the measure for the life-style related diseases. Representative of the study group ; Syuji Hashimoto.

The Japanese population has been aging rapidly. The population aging rate reached 24.1% in 2012. The life expectancy at birth for the Japanese is the one of the longest in the world. The gap between the life expectancy at birth and the healthy life expectancy, which represents the average period of no health-related constraints in daily life, is about 9 years for men and about 12 years for women.

Why is the Japanese society aging rapidly?

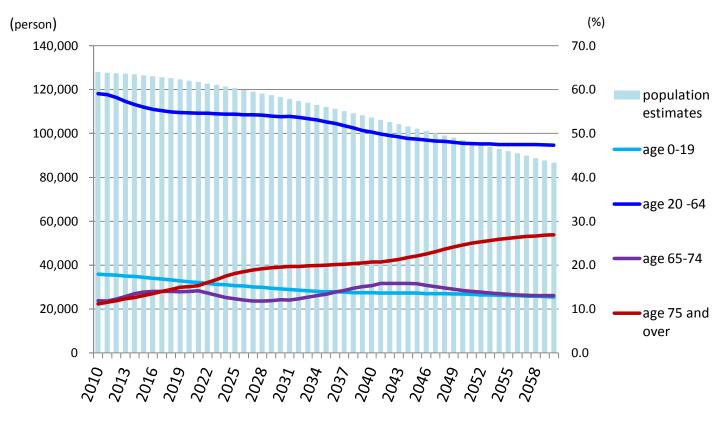
- A rise in the population aged 65 and over due to an increasing life expectancy at birth
- A fall in the youth population due to a declining birth rate

Resource: Cabinet office , Annual Report on Aging society 2013

After World War II, infant and youth mortality fell significantly due to a better living environment, improvements in diet and nutrition, and the advancement of medical technology. The mortality rate for the older people, who are 65 and over, has been on the decline since WWII. Overall mortality has recently been on the rise, because the percentage of the older people is increasing in an aging society.

Decline in the number of children in Japan: The total fertility rate was 1.39 in 2011. The declining birth rate is caused by a range of factors: an increasing percentage of unmarried people, the tendency to marry and have children later, more and more women willing to work, and growing job insecurity as highlighted by an increase in the number of non-regular workers.

Japan is entering a long period of population decline.

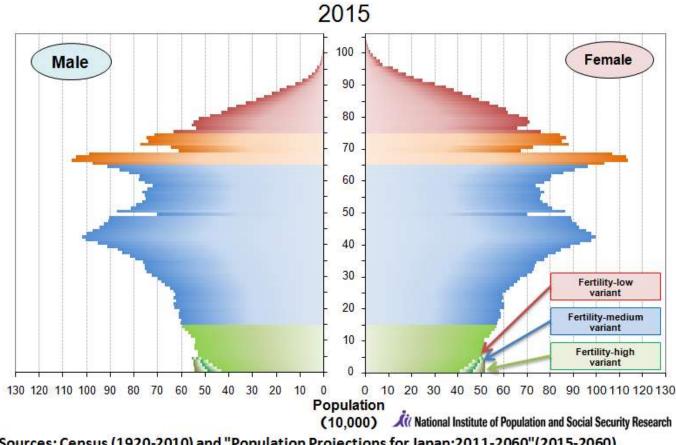


Resource: National Institution of Population and Social Security Research, Population Projection for Japan (January 2012)

The number of the older people will rise while the total population will fall.

Japan entering a long period of population decline. According to projections by the National Institute of Population and Social Security Research, Japan's total population is expected to drop from 128.06 million in 2010 to 86.74 million by 2060. A rise in the number of the older people amid a declining total population means that the elderly ratio will continue to go up.

The first baby boomers will be 65 years old and over by 2015.

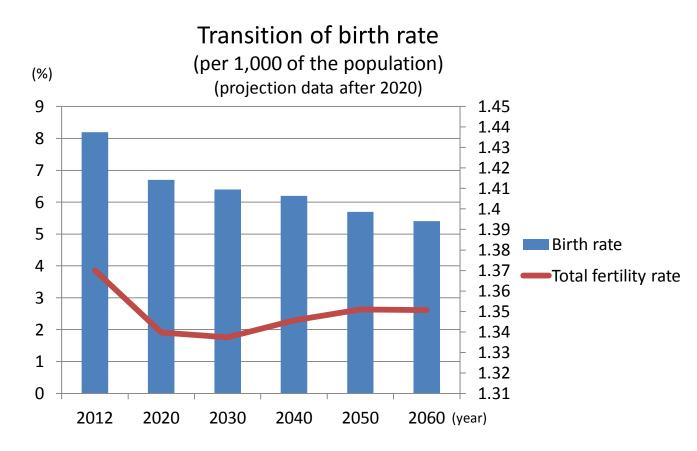


Sources: Census (1920-2010) and "Population Projections for Japan:2011-2060" (2015-2060)

The first baby boom between 1947 and 1949 in the aftermath of WWII resulted in the annual number of live births reaching around 2.7 million. These first baby boomers will be 65 years old and over by 2015. On the other hand, the youth population, which constitutes the bottom of the population pyramid, will continue to fall due to a declining birth rate.

Reference: Cabinet Office. Declining Birthrate White Paper 2013.

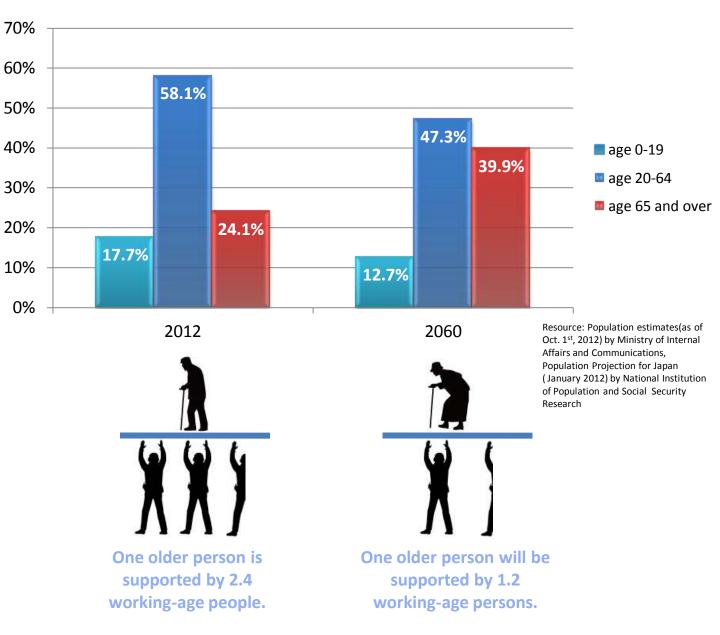
The birth rate in Japan will continue to fall.



Resource: National Institution of Population and Social Security Research, Population Projection for Japan (January 2012) The 2012 data is from Vital Statistics published by the Ministry of Health Labour and Welfare

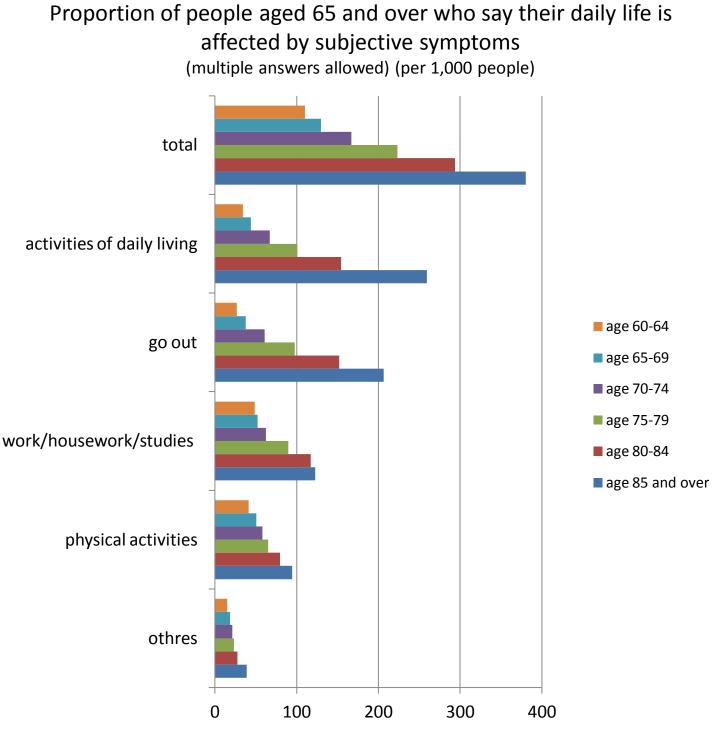
Given a declining birth rate and a low total fertility rate, the youth population will continue to fall, resulting in the ratio of older people going up.

As the population ages, the age composition of population in Japan will change greatly.



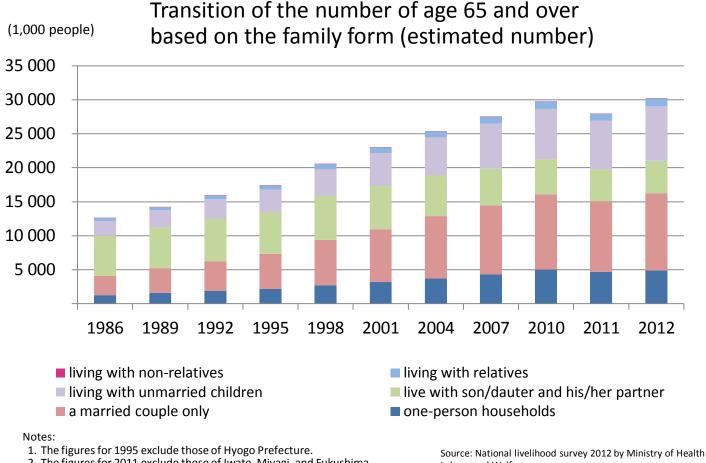
On average, one older person was supported by 2.4 persons in the working age bracket(20-64 years of age) in 2012. By 2060, one in every 2.5 of the Japanese population will be 65 years and over. One older person will be supported by 1.2 persons in this bracket by that year.

As people get older, the more affected their daily lives are.



Resource: National livelihood survey 2010

People see their daily life more affected with aging. The traditional system of mutual help based on the family is weakening.



2. The figures for 2011 exclude those of Iwate, Miyagi, and Fukushima prefectures. 3. The figures for 2012 exclude those of Fukushima Prefecture.

Labour and Welfare

Traditionally, Japanese people often lived with their elder parents and even their grandparents and took care of them. More recently, however, the percentage of threegeneration households has been decreasing, and the size of the average household has been shrinking due to increases in the percentages of nuclear families and one-person households. The percentage of older people who lived with their child(ren) dropped from nearly 70% in 1980 to 42.3% in 2012. By contrast, the percentage of people aged 65 and over who live alone or with their spouse only has been on the rise. A 2012 survey shows that aged households accounted for 21.3% of all households.

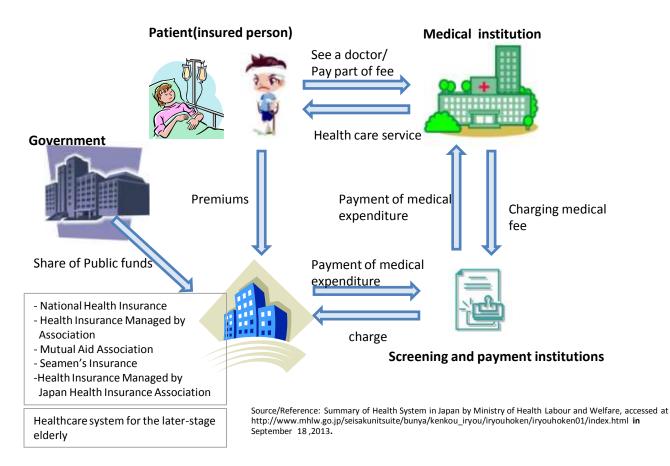
People aged 75 and over more likely live alone or with their child's family than those aged 65-74.

Social Security System in Japan

Japan's social security system are roughly divided into four component pillars: social insurance, social welfare, public assistance, and public health. The core social insurance scheme are health insurance, pension insurance, labor insurance, and long-term care insurance.

Health Insurance System

The health insurance system of Japan guarantees universal coverage in accordance with the National Health Insurance Act. Under this system, everyone has access to appropriate health care at any time and anywhere in Japan.

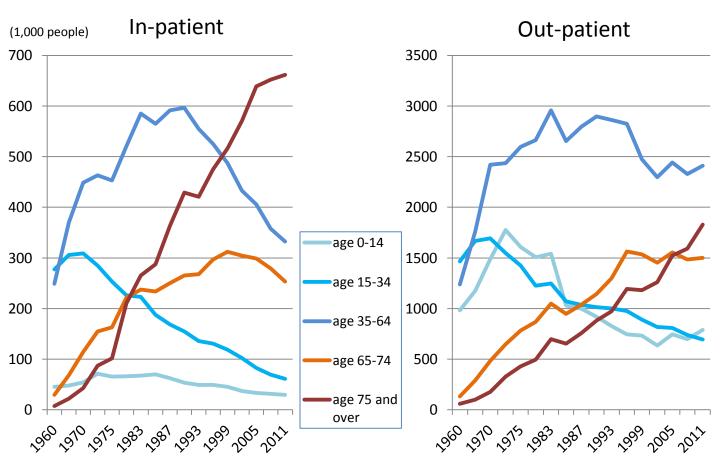


The National Health Insurance Act was first established in 1938, laying the foundations for a universal health insurance system. By 1961, the national health insurance system was fully introduced. Under the system, Japanese citizen have to be covered by any of the following healthcare insurances: (i) the employee's health insurance for employed individuals, (ii) the National Health Insurance for the self-employed and unemployed, and (iii) the health insurance for people aged 75 and over.

With a monthly premium payment to their insurers, the insured are eligible for health care services from health care facilities for a fixed-rate copayment. Health care facilities in turn claims medical fee to screening and payment institutions and reimbursed for the remaining expenses by the insurers. Health care expenses are charged on a fee-for-service basis. Medical fees for which health care institutions claims are calculated by adding up the points of the individual practices.

The Older people and Health Care

Transition of number of estimated patients by age group

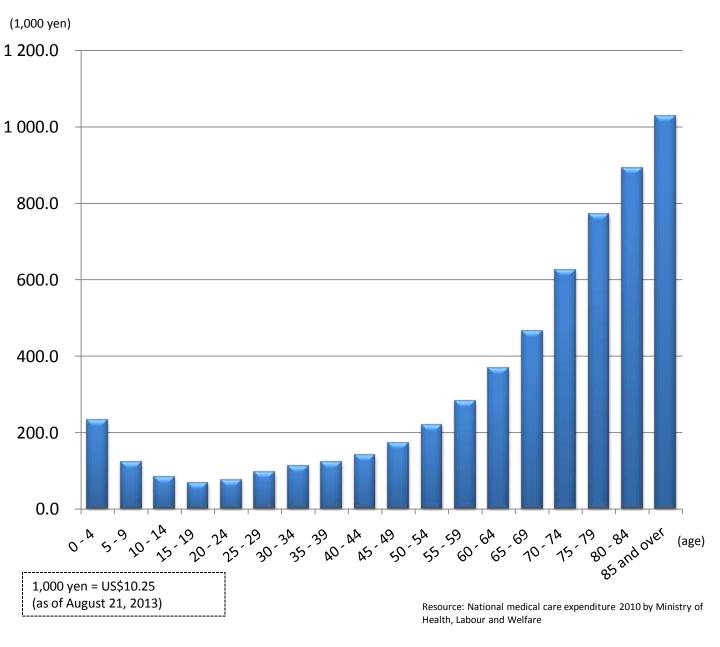


Resource: Survey on patients 2011 by Ministry of Health, Labour and Welfare

People are more likely to be hospitalized as they get older.

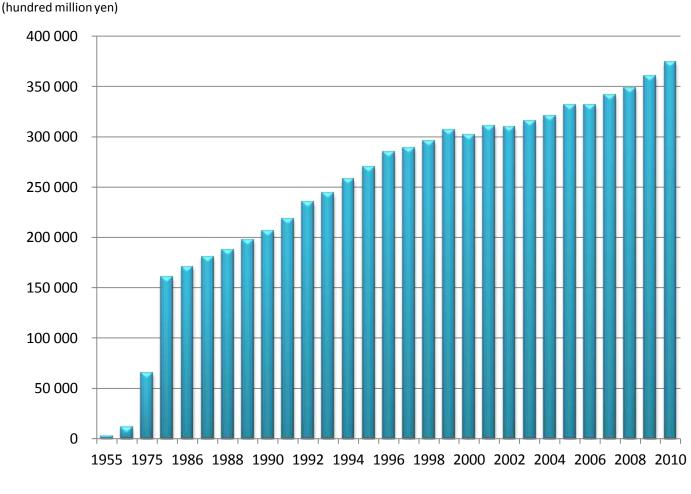
For statistical purposes, the Ministry of Health, Labour and Welfare (MHLW) divides inpatients (severities, etc.) into five categories: (i) "life-threatening," (ii) "small risk to life but requiring inpatient treatment," (iii) "to be discharged when acceptance condition is met" that means the condition of patient allow him/her to leave the hospital but still in hospital because the environment including housing and human resources after the discharge is unsettled, (iv) "hospitalization for examination," and (v) "others." The higher the age-group of inpatients gets, the more likely they are "to be discharged when acceptance condition is met."

National Medical Care Expenditure Per Capita



On average, Japanese people pay half of their lifetime health care expenses after they turn 70.

Changes in National Medical Care Expenditure



Resource: National medical care expenditure 2010 by $\ensuremath{\mathsf{MHLW}}$

National medical care expenditure accounts for 7.8% of gross domestic product (GDP) and 10.71% of national income (NI).

MHLW estimates that, of the annual growth rate of about 3% for medical care expenditure in recent years, about 1.5 percentage points are contributed by the aging population and the remaining 1-2 percentage points are contributed by advancing health care.

Long-term Care Insurance System

The long-term care insurance system allows the insured to receive long-term care services for a copayment of 10% of the expenses when they need such services.

Insurers: Municipal governments

The insured: (i) People aged 65 and over and (ii) People aged 40-64, both of who pay the insurance premium.

Eligibility for long-term care services under the system:

Aged 65 and over	Aged 40-64
Those who are in need for long- term care due to being bedridden, dementia, etc or who require assistance in daily life.	Those who are in need for long- term care or assistance in daily life due to age-related illnesses including terminal cancer, rheumatoid arthritis, just to name a few.

The long-term care insurance system was launched in 2000 under the Long-Term Care Insurance Act as one of the social insurance system. The scheme aims to support longterm care for older people by society as a whole. As the population ages, the number of people requiring long-term care are increasing and the duration of long-term care become longer. The system was established to cope with the changes in the structure of family such as growing number of nuclear families and aging of family carers.

Long-term Care Services

- Facility service
- Home-based service:

Home visit nursing, home visit long-term care, home visit bathing, day rehabilitation, day care service, short-term stay, Rental service / purchase of equipment for long-term care, etc.

Community-based service

Periodical round, multifunctional long-term care in a small group home, home-visit at night for long-term care, etc.

Services under the long-term care insurance system are largely divided into facility services, home-based services, and community-based services. Facility and home-based services are designated and supervised by the competent prefectural government, while community-based services are designated and supervised by the competent municipal government.

Facility services are provided to those staying at nursing homes for the elderly and similar facilities. Home-based services are essential services to keep older people live at home, including visiting nursing and day care services. Community-based services include services provided at group homes for people with dementia as well as the services mentioned above.

Government Reponses to an Aging Population Comprehensive Reform of Social Security and Tax In anticipation of a super-aged society, the comprehensive reform of social security and tax has been underway.

Securing stable revenue sources and soundness of public finance

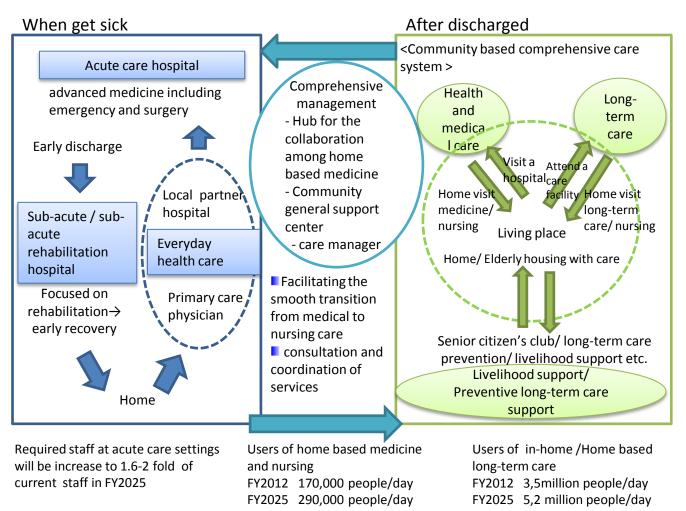
Implementing fundamental tax reform with a focus on raising the consumption tax

Enhancing the social security to support all generations

- Support for children and child-rearing
- Reform of health care and long-term care
- Pension reform
- Measures against poverty and economic disparities

Japan is facing a number of changes in the social environment, including an aging population with fewer children, changing employment pattern, poverty and widening economic disparities. Social security benefit expenditures have been increasing rapidly for the past two decades. They are expected to rise further as the population ages. An increase in social security benefit expenditures has widened the gap between such expenditures and revenues from social insurance premiums. This gap is filled by large amounts of public funds, which means an ever-growing national debt. These situation point to the need for comprehensive reform of social security and tax toward building a sustainable social security system.

Directions for the reform of Health Care and Long-term Care



Note: It is assumed that the geological unit for community-based comprehensive care represents a "middle-school" area with a population of about 10,000.

Source: Public relations office, government of Japan; Comprehensive reform of social security and tax, accessed at http://www.gov-online.go.jp/tokusyu/201208/naniga/img/jujitsusaku_01_l.gif in September 18,2003.

The Japanese government states that by around 2025, it will solve the issues with the existing system of health and long-term care service delivery that have been identified so far and build a new service system that supports residents in a multi-layered and integrated manner through division of function and coordination.

Specifically, the government aims to ensure that health and long-term care services as well as preventive services and housing are provided at the daily living area. The local base hospitals will be covering wider area, and advanced health care services such as emergency medical services and cancer-related services will be provided at the prefectural level.

It will also work to improve home based health care and long-term care and increase the number of health care staff including emergency care staff so that people have access to health and long-term care in familiar settings.