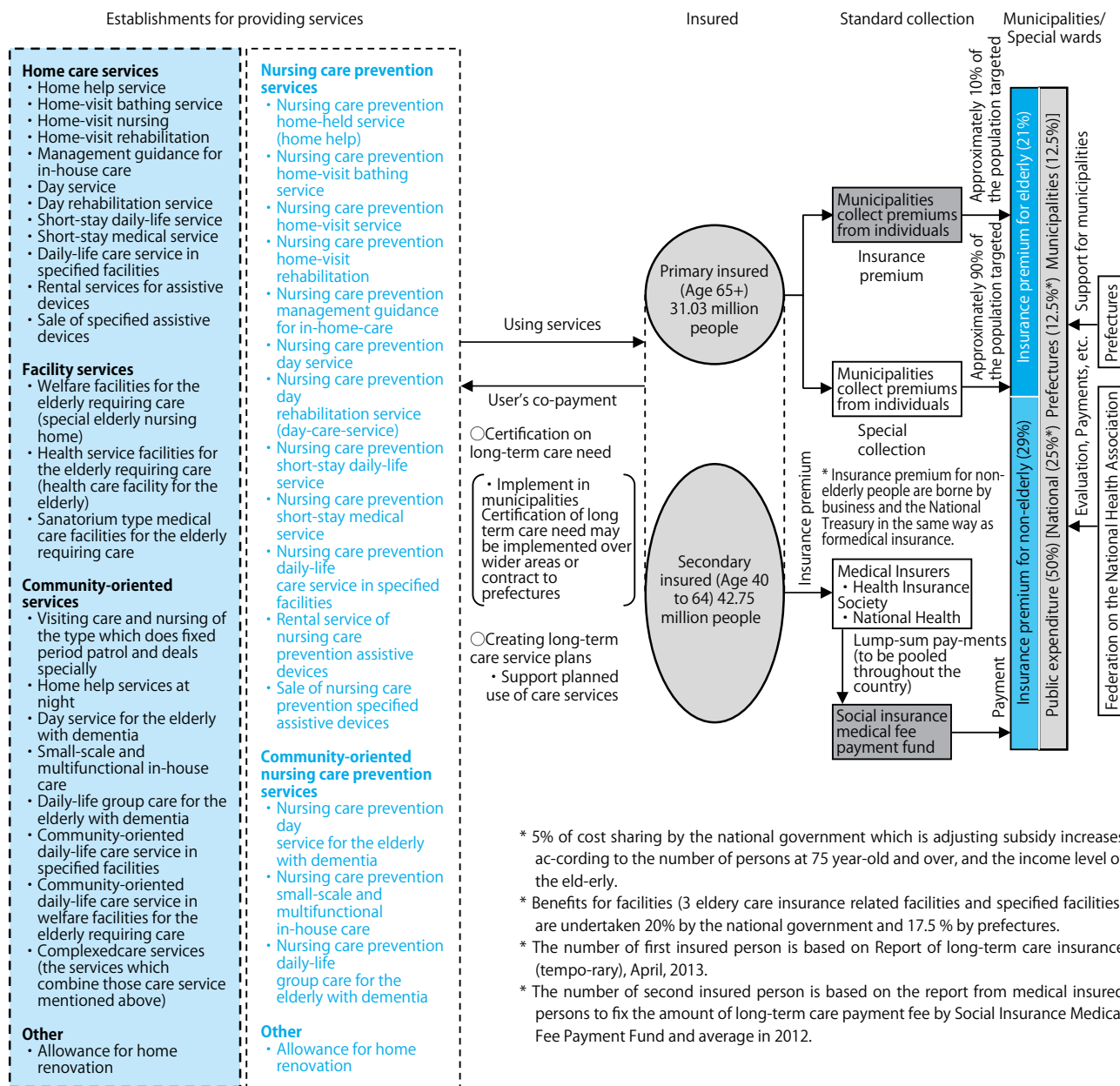


5 Long-term Care Insurance

Long-term care insurance has been in operation since April 2000 to provide public assistance to lighten the care burden for long-term care recipients' families. This assistance makes it easier for bedridden older people and other older people requiring long-term care to receive this care at home, and for others to receive long-term care at a facility outside of home. Under the long-term care insurance system, in exchange for citizens aged 40 and above paying long-term care insurance premiums, it is possible to receive specific types of long-term care service if required after reaching the age of 65, such as the dispatch of a home-helper; in order to receive these services, the older person concerned must submit an application and have it approved by the municipality's long-term care approval committee. Whereas the insurance premiums and the standards for certifying

the necessity of receiving long-term care are set in a uniform manner nationwide, the task of issuing approvals based on those standards is undertaken by municipal long-term care approval committees. In addition, long-term care services are provided on the basis of care plans drawn up by care managers, by a service provider selected by the person requiring long-term care from among the long-term care service providers approved by the municipality, respecting the choice of the individual requiring long-term care (Figure VI-13). Those using long-term care services bear 10% of the cost, as a general rule. However, a maximum limit is set in order to ensure that the cost burden on the user is not too high, with the municipality paying any high-cost long-term care service fees in excess of that maximum limit.

Figure VI-13 Long-term Care Insurance System



Source: 2012 Annual Health, Labour and Welfare Report, References, 10 Health and Welfare Services for the Elderly, Outline of Long-Term Care Insurance System

With regard to the number of people enrolled in long-term care insurance, as of 2013 end of the fiscal year, there were 32.02 million people insured aged 65 or above (primary insured persons) and 42.47 million people insured aged between 40 and 64 (secondary insured persons). As of 2013 end of the fiscal year, 1.62 million persons requiring support and 4.22 million persons requiring long-term care were certified eligible to receive long-term care insurance services (Ministry of Health, Labour and Welfare, “2013 Annual Status Report on Long-Term Care Insurance”). The number of long-term care workers (the total of full-time and part-time) providing long-term care services to elderly persons certified as requiring support or long-term care was 502,000 for home visit type long-term care, 286,000 for daycare type long-term care, 50,000 for in-home type long-term care, and 869,000 for long-term care insurance facilities, etc. (Ministry of Health, Labour and Welfare, FY2013 Survey of Institutions and Establishments for Long-term Care).

Given these circumstances in which many older people have been certified as requiring support or long-term care and are receiving long-term care insurance services, in municipalities that have a particularly high population aging rate, a situation has arisen in which the rise in the cost of providing long-term care insurance benefits is continuing and a deterioration in the state of public finances for long-term care insurance has become unavoidable. In order to deal with this problem, an amendment to the Long-term Care Insurance Act was made in 2005. Through this, the government incorporated initiatives such as those focused on the prevention of illness so that people do not end up in a state in which they require long-term care and the establishment of regional comprehensive support centers to provide more

cohesive services in the community into the long-term care insurance framework. Besides this, a Community-Based Care Improvement Initiative that would make use of diverse networks connected with long-term care (such as monitoring by NPOs and others as well as by local authorities and healthcare facilities) was proposed in 2008. The aim of this was to enable the elderly to receive long-term care services while remaining in the familiar surroundings of their home communities. With this, Comprehensive Regional Support Centers were to be established as facilities where comprehensive efforts would be made to improve the health, welfare and healthcare of local residents, prevent abuse, provide management to prevent long-term care, and others in the local community. The centers would be established by local authorities, but the day-to-day running could be outsourced. In future, meanwhile, elderly residents are expected to increase in urban areas while increasing more gradually in provincial areas. To address this, a comprehensive regional care system that would guarantee five aspects in cross-linkage (securing homes for the elderly in line with local circumstances, supporting their lives, preventing long-term care, providing long-term care services, and medical care) was proposed (Elderly Healthcare and Health Promotion Project, Comprehensive Regional Care Research Group Report). Based on new ideas like this, the 2011 revision of long-term care insurance incorporated a provision to the effect that the central government and local authorities should endeavor to create comprehensive regional care systems. Today, initiatives enabling the elderly to receive long-term in-home care while living in the familiar surroundings of their home communities are being promoted in forms appropriate to the circumstances of each locality.