Can Japan Serve as a Model for U.S. Health and Long-Term Care Systems?

By Dianne Kujubu Belli

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The global population is aging, especially in developed nations: Japan and Italy are tied as having the oldest population cohorts in the world, with nearly one in five people ages 65 and older. The rest of the nations with the largest elder populations are in Europe, with the United States rounding out the top 15.[1]

Japan is often looked to as a model of how a country meets the needs of its rapidly aging population. Its health and long-term care systems, while not perfect, offer comprehensive and affordable care to older Japanese. As the United States looks to reform its healthcare system to control spending and shift the focus to managed and preventive care, Japan presents some suggestions. Although a healthcare system does not shape a population's health alone, it can help change the population's approach to health through services offered. Instead of a solely acute medical model, U.S. healthcare is slowly shifting toward managing chronic disease, long-term care and prevention. In addition to lowering costs, such a shift can help people live healthier longer.

Health indicators can explain some of the life expectancy differences between the United States and Japan. The United States has one of the highest obesity rates in the world[2] at 35.7 percent, while Japan has one of the lowest[3] at 3.1 percent. Obesity increases the risk for a number of chronic illnesses, including diabetes, hypertension and heart disease. America also has higher diabetes prevalence than Japan. Smoking is another factor. Although Japan now has higher smoking rates than the United States, historically this was not the case. Because of America's past high smoking rates, life expectancy is now an estimated two years lower.[4]

Aside from health factors, cultural values also influence an aging population. Japan has one of the longest working populations,[5] so older adults can support themselves longer. And their strong family and social networks mean that families provide much of the care for older adults, although this has been changing with modernization.

HEALTH COVERAGE IN THE UNITED STATES AND JAPAN

Although the United States and Japan are facing similar challenges regarding increased aging populations, these countries have approached their needs differently. Traditionally, the U.S. healthcare system focused on acute medical care, addressing disease problems as they arose rather than preventing or managing them. With the growth in chronic disease prevalence, more people, particularly older adults, will need long-term medical and social services to assist them in managing their conditions. Many of these chronic illnesses are also preventable through lifestyle behaviors such as healthy eating and regular exercise.

Although health insurance coverage is currently not universal in the United States, almost 50 years ago the government recognized the unique needs of the older population by creating the Medicare program. Today, almost all adults 65 years and older are covered through Medicare. Some also supplement what Medicare doesn't cover with private insurance. And about one in six qualify for Medicaid. However, Medicare is neither free nor comprehensive, creating gaps in care when clients cannot find adequate services or pay for them.

And although Medicare covers almost all older adults, it focuses on acute medical care. Medicaid is a means-tested program for low-income people of all ages, covering both acute and long-term care. Many older adults also purchase private insurance to supplement Medicare. Medicare and Medicaid are extremely expensive, costing more than $900 billion in 2010.[6] These programs also require all but the poorest participants to share in the costs, and out-of-pocket expenses are growing.

In addition to rising healthcare spending, the health and long-term-care systems for older adults are

fragmented and confusing. The consumer likely does not know what services are available, for which he or she is eligible, and who pays. Communication between the consumer's service providers is often lacking, although case managers can help to mitigate that. And family caregivers may lack adequate support. For older adults with disabilities and chronic illness, this complex system creates barriers to their ability to receive adequate and timely care.

The Affordable Care Act offers some solutions such as improving care coordination through electronic medical records, covering preventive services for older adults and giving providers financial incentives to get care right the first time.

Unlike in the United States, all Japanese have healthcare coverage, covered either by a mandatory employment-based system, or a "community-based" system under which municipalities insure residents who are not covered by the employment-based system. Exceptions to these two systems are adults older than age 75, who are covered by the prefecture-sponsored system, and the very poor, whose healthcare costs are included in the Public Assistance Program. The plans are funded through a "pay-as-you-go" system, with three funding streams: insurance premiums, general tax revenue and user fees or co-payments. Insurers set the insurance premiums based on several factors, including average income and healthcare usage.[7]

The national government determines the fee schedule for services and products (medications, equipment, etc.), which remain fairly uniform around the country. Allocated tax revenues cover some shortfalls of the insurance that covers relatively lower-income groups, such as employees of small-sized companies, the self-employed, part-timers and older adults. The premiums and user fees vary by income level, thus making healthcare relatively affordable for most Japanese. Government-set rates also keep healthcare spending low, at about 9.3 percent of GDP compared to 17.9 percent in the United States.[8]

LONG-TERM CARE IN JAPAN

With its rapidly aging population, Japan has focused on long-term care. Over the past 20 years, Japan has instituted several health and long-term-care

reforms aimed at elders. The emphasis has been on home- and community-based services, in part to reduce the burden on family caregivers, most of whom are women.[9] This includes assistance with household chores and activities of daily living, case management, adult daycare and respite care. The current long-term-care insurance system provides a continuum of care, from in-home services to assisted living and skilled nursing facilities. The greatest growth has been in home- and community-based services, which saw a 203 percent increase in use[10] over the past 10 years. Facility use also grew, but only by 83 percent,[11] partly due to government control of the number of beds. Keeping people healthy and in their communities for as long as possible will also likely reduce the need for more expensive acute medical care.

Although long-term care is a separate insurance system from healthcare, in Japan they work in similar ways. All Japanese older than age 40 are required to pay long-term-care insurance premiums.[12] They may access services at age 65; those between ages 40 and 64 can use long-term-care services under limited circumstances. As with the "community-based" plans for healthcare, the local governments set insurance premiums and the national government determines the fee schedule.

Before a person can receive services, a case manager assesses the person, and the insurer (municipalities) determines the "care level" of each indi-

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vidual based on the results of the assessment and the opinion of the primary doctor. The case manager consults with the person and his or her family again about the services that he or she is going to use, taking into account the client's physical and mental condition. However, it is the client who is in charge of his or her care—choosing from preapproved service providers and how often the service is provided.

There is a usage cap according to the level of care needed, but most clients do not exceed it. This system has some similarities to the now-defunct CLASS Act, in trying to keep people at home for as long as possible and allowing users to manage their service needs.

Despite its success, Japan's health and long-term-care systems face similar sustainability issues as the United States, including rising costs and increasing demand. The Japanese government is considering and pursuing several options: preventive services, promotion of community-based services, and increasing taxes, premiums or fees. In 2011, reform centered on the comprehensive community care model took place. Somewhat similar to an accountable care organization, this model would ensure access to long-term care, medical or hospital care, preventive services, residential care facilities and "life support" (or legal services) within a community where an elder lives. The focus on prevention and service consolidation will hopefully result in decreasing use of more expensive services because the population would remain healthier.

A JAPANESE AMERICAN MODEL OF CARE

Like Japan on a global scale, the Japanese American community is the oldest ethnic community in the United States, with one in five people older than age age 65, according to the 2000 Census. For the general U.S. population, this figure is one in 10. Thus, examining the Japanese American community, which is already experiencing an "age wave," can provide helpful insights for anticipating and addressing aging issues in the U.S. population as a whole.

Ethnic communities in America offer an interesting third point of comparison between their home countries and the United States. The Japanese American community's response to its large aging population, while it does work within the American health and long-term-care systems, shows many similarities to Japan's. As a microcosm of what an aging United States will look like in the coming decades, the Japanese American community model can demonstrate how one community adapts to the needs of its elders.

Keiro Senior HealthCare, the largest Japanese American elder healthcare organization in the United States, has been providing culturally sensitive care to the Japanese American community in Southern California for more than 50 years, working within the confines of the American healthcare system. Besides caring for its residents, Keiro also provides ongoing support to family caregivers and those whose loved ones may eventually need care.

Health indicators for the Japanese American community are closer to that of the United States than Japan. This suggests that lifestyle factors play a more influential role in chronic disease development than genetics alone. The United States has one of the highest diabetes prevalence rates at 8.3 percent,[13] slightly lower than the nearly 10 percent for Japanese Americans, according to the 2009 California Health Interview Survey.

While the Japanese American obesity rate at 12.8 percent is much lower than the U.S. national rate, it is still one of the highest among Asian ethnic groups in America, according to the 2009 California Health Interview Survey.

In response to these trends, Keiro established The Institute for Healthy Aging to address the needs of older adults in the community. All services strive to meet at least one of the eight dimensions of wellness: physical, occupational, financial, emotional, social, spiritual, intellectual and environmental. Through evidence-based programs, healthy living conferences and community partnerships, The Institute for Healthy Aging, supported by volunteers and donors in the community, gives older adults the

resources they need to live a genki (healthy) life. Although Keiro's facilities may continue to serve as a safety net for the frailest elderly, "supporting the community to age with confidence" is the goal for the future.

ASA Board member Dianne Kujubu Belli is chief administrative officer at Keiro Senior HealthCare in Los Angeles and Executive Director of The Institute for Healthy Aging at Keiro. Dr. Eileen Crimmins, AARP Chair in Gerontology; Dr. Kathleen Wilber, Mary Pickford Foundation Professor of Gerontology and Professor of Health Services Administration;Professor Taichi Ono of the University of Tokyo, now with the Japanese Ministry of Health, Labour and Welfare; and Shawn Miyake, President & CEO of Keiro Senior HealthCare, all contributed to this article. ■

END NOTES

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