CONFERENCE ABSTRACT

Impact of assessment of long-term care insurance management and financial incentives for local governments: Promotion of Japanese-style managed care
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Introduction:

Sine the long-term care insurance system (LTCIS) was introduced in Japan in 2000, both the number of the eligible recipients of care and the total cost of the system have been risen from 2.18 million to 6.44 million, three times, over the past 18 years. This situation causes doubts in sustainability of this system. Furthermore, a policy implemented in 2012 aimed to promote establishment of community based integrated systems accross the country had been leading integration of medical care and long-term care services as well as their delivery systems in recent years. However, many of the local governments, actual operators of LTCIS, have not yet managed to set up networks with relevant organizations to provide necessary care and services within their systems.

Context and objective of the policy:

With an aim to minimizing regional disparity in implementation of the long term insurance system, a nationwide evaluation on functions of insurers in local governments has been conducted in 2018. Based on the result of the evaluation, each local government will obtain "the Japanese-style Managed Care Score (JMCS)" which determines the amount of financial incentives they receive.

This nationwide evaluations contributs greatly to visualize and understand current situations of how different insurers function in each local government.

Target:

The targets of this policy are all local governments throughout Japan (1,714 municipalities and 47 prefectures). The results of the evaluations in municipalities should be submitted to the central government after being confirmed by their prefectural governments. Likewise, all prefectural governments need to conduct the evaluation and submit the report to the central government. Financial incentives are provided to each municipality or prefecture based on its JMCS and the size of its population.

Highlights:

In 2018, the implementation rate of the evaluation with 20 items in prefectures was 87.4%, and that of the evaluation with 61 items in municipalities was 67.2%. By item, the implementation rate was particularly low in "establishment of PDCA cycle system" for policy management. It was also found that the implementation rate tends to be low in municipalities in smaller scale.

Transferability:

The implementation of the evaluation is expected to promote better management of the long-term care insurance system across the multi-layered administrative organizations both in municipal and prefectural levels. In order to further promote this, a system to link the evaluation of municipalities and prefectures was introduced. However, some point out that the effect of the financial incentives seems to be limited and that the smaller municipalities tend to get less benefits than the larger ones do under the current system, and financial incentives may contribute to enlarge the gap between them.

Conclusion:

Due to the recent integration of medical services in LTCIS, related management tasks keep increasing and expanding every year. Although regional disparities have been reduced by financial incentives, still, each municipality/prefecture should explore the service delivery system which fits the best in its particular situation and condition. To achieve efficient and effective implementation of the system (LTCIS), it is required for local governments in Japan to standardize the methodologies such as for bringing drastic changes in their management system and in information sharing.