



Japan 2035

Leading the World
through Health

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A health care system built for the next 20 years and designed for all lifestyles and people – from children to older people, from patients to providers – where individuals feel secure and supported to make the life and work choices that are right for them.

Amidst rapid population ageing, advances in medical technology, and major shifts in health care, a health care system that contributes to financial stability while engaging each sector of society to support a nation of health and well-being, where each person is empowered to realize their full wellness potential.

GOAL

A sustainable health care system that delivers unmatched health outcomes through care that is responsive and equitable to each member of society and that contributes to prosperity in Japan and around the world.

PRINCIPLES

Fairness

Solidarity built
on autonomy

Shared prosperity
for Japan and the world

VISION

Key concepts for health care in 2035

LEAN
HEALTHCARE

1

Implement value-
based health care

LIFE
DESIGN

2

Empower society
and support
personal choice

GLOBAL
HEALTH
LEADER

3

Lead and
contribute to
global health

INFRASTRUCTURE

Foundations of this vision

Innovation

Information

Sustainable financing

Health care professionals

A world-class Ministry of Health, Labour and Welfare

Executive Summary

Background

2035 Japan brings growing health care needs, shifting social environments and values, increasing inequity, and globalization that require a health care system reformed to reflect shared vision and values. Relying on financial adjustments to maintain the current system will no longer suffice. Based on the recommendations presented here, the Ministry of Health, Labour and Welfare should construct implementation means, engage the public in discussion, and take steadfast action on immediately feasible measures.

Goals

Health care in 2035 should strive to deliver unmatched health outcomes through care that is secure and responsive to each member of society. This system should not only fit the public's image of what a health system should be, but be both sustainable and actively contribute to prosperity in Japan and around the world.

Paradigm shift

The principles underlying today's health care system restrict its ability to intersect with and fully support social components that are critical to health, such as access to housing, community building, and employment. The health care system of the next 20 years requires a paradigm shift that allows it to transform into a multidisciplinary health network capable of safeguarding Japan's health in a new era. These changes will shift the spotlight from:

- Quantity to quality
- Inputs to Value
- Government regulation to autonomy
- Cure to care
- Fragmentation to integration

Key principles

1. Fairness

We envision a health care system built for and with the support of all generations; a system that does not create or support health disparities due to differences in age, employment status, or family situation; and a system that evaluates health care on the value it provides to patients and society, not on the inputs it demands.

2. Solidarity built on autonomy

We envision a health care system that supports individuals to actively participate in their community; and a system that, rather than asking people to face challenges alone, provides an adequate safety net, and encourages proactive approaches in health care to ensure that each person has access to the benefits of wellness.

3. Shared prosperity for Japan and the world

We envision a health care system that fosters investment-based economic and social stability for Japan and the world; a system that leverages health care, a pillar of Japanese ingenuity, to resolve global health issues; and a system that builds a world that coexists in peace and prosperity through global cooperation.

A health care system for the next 20 years: Vision and actions

1. Lean Health Care: Implement value-based health care

The health care system should be designed to maximize value attainable through current resources. Value-based improvements in quality and efficiency should be implemented to drive better care at lower costs. Japan's diversity demands a health care system responsive to variations in regional characteristics.

Key suggested actions:

By 2020

- Systematic implementation of health technology assessment
- Increase quality of health care services through professional initiatives (e.g., prevention of excessive care and medical errors)
- Develop and make general practitioners who coordinate a community-based, integrated health care system accessible throughout Japan

By 2035

- Evaluate health technology for value-based outputs, such as efficacy, and set reimbursement rates based on these values
- Benchmark performance to compare outcomes

2. Life Design: Empower society and support personal choice

The health care system should empower people to make the health care choices that are best for them while supporting them to play an active role in maintaining their health. The system must also recognize that aspects of health are influenced by environmental and social factors (social determinants of health) that extend beyond individual choice.

Key suggested actions:

By 2020

- Realize a "Tobacco-free" Tokyo 2020 Olympics through a suite of interventions that bring Japan up to the standards of the WHO FCTC (e.g., smoking prevention for youth, tobacco tax increase, packaging and advertising regulations, smoking cessation support and treatment)
- Accelerate the use of evidence-based preventive measures with emphasis on slowing disease progression and associated health care cost reductions

- Increase quality of life and social productivity through investments in health

By 2035

- Achieve a “Tobacco-free” society by 2035
- Support the widespread use of a portable information infrastructure that includes long term care information
- Provide the public with one-stop, holistic health and lifestyle services that integrate multiple fields of care to support autonomy and agency in health
- Build communities from a social determinants of health (SDH) perspective

3. Global Health Leader: Lead and contribute to global health

The health care system should have the capacity to address domestic health security and provide international support for emerging and re-emerging infectious diseases that are not confined by geography. By taking an active role in the global policy making process and working to improve the health of those around the world, Japan can create a virtuous cycle in which it improves upon its own health care system while contributing to economic growth.

Key suggested actions:

By 2020

- Establish a health emergency management system (build a Center for Health Promotion and Protection)
- Establish a health care system capable of delivering health care to all, despite nationality or language, before the Tokyo 2020 Olympics
- Provide leadership and support to Asia and other regions as they work to develop core systems, such as universal health coverage and drug approval processes

By 2035

- Strengthen capacity to lead global infectious disease control and disaster support efforts in times of crisis
- Contribute to the strengthening of existing global health systems and the creation of a new global health governance structure

Governance

The health care system will require reform that is committed to transparency and accountability and, in return, is supported by a secure financial structure that promotes these same values. The future also requires the ability to enact reform based on mid- and long-term perspectives, facilitate localized responses, encourage evidence-based policy making, and cultivate capable policy professionals.

Infrastructure

1. Innovation

The creation of new value and new ideas sparks societal change. Innovation cannot stop at technological development, but must extend to the systems that interact with these technologies (e.g., human resources, information, investment).

Key suggested actions:

By 2020

- Establish a platform for clinical trials

By 2035

- Secure research funding from a variety of sources for diseases, such as cancer and dementia
- Make Japan an epicenter of innovation, where creative people and ideas gather and grow

2. Information

More efficient use of information can drastically improve health care performance, quality, value and safety. A health care database should be developed and utilized to support telemedicine applications such as remote diagnosis, remote treatment, and telesurgery.

Key suggested actions:

By 2020

- Build and utilize a health care network that links data using unique identifiers
- Support healthcare and disease management through analysis of check-up and treatment data

By 2035

- Utilize the data network to develop a policy evaluation process on prevention, diagnosis, treatment, disease management, care services, and long-term care

3. Sustainable financing

To build a health care system for the next generation, we must develop sustainable funding sources through on-going discussion on the role and function of public health insurance, benefit and cost-sharing, and new approaches to funding.

Key suggested actions:

By 2020

- Allow for immediate adjustments when health care costs exceed projections (e.g., adjustments to benefits, preventive measures, resources)

By 2035

- Establish a financial support mechanism to complement public insurance
- Transfer authority to prefectures so regional disparities can be addressed

4. Health professionals

Health professionals need to be mobilized, with their employment structure reviewed, and mechanisms need to be implemented that enable health professionals to focus on delivering the best possible care. People, especially those with multiple health issues, will be better supported by health professionals with knowledge of prevention, public health, communication, and management. Professionals must also be supported to function in multidisciplinary environments that integrate health care and social welfare.

Key suggested actions:

By 2020

- Educate capable professionals by increasing the number of graduate schools of public health

By 2035

- Develop a shared foundation for medical and social welfare qualifications (i.e., collaborative facilitation and curriculum)
- Introduce a quota in areas that continue to face physician shortages and misdistribution of specialties

5. A world-class Ministry of Health, Labour and Welfare

We envision a transformed Ministry of Health, Labour and Welfare prepared for a new era of health care and equipped with personnel committed to necessary change. Rather than vertical management and communication, the organization should enhance horizontal integration and seek opportunities to respond to and connect with what is happening in the health field and wider community. From an international perspective, the MHLW must strive to be recognized as an organization that responds with both accuracy and speed to global and domestic health crises.

Key suggested actions:

By 2020

- Appoint a Chief Medical Officer (CMO) to advise the Prime Minister and Health Minister on health policy and health initiatives (five-year term)
- Formulate a global health initiative that streamlines Japan's efforts in global health and international cooperation
- Establish a Bureau for Medical Innovation that drives efforts to evaluate health technologies and develop innovations in health

By 2035

- Take the lead in global discussions and policy development

Final Report

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1. Background

The hope for healthy longevity is an aspiration that unites countries and spans generations. With the world's highest life expectancy and outstanding health standards, Japan has succeeded in bringing its population extremely close to realizing this aspiration. Yet, projected increases in health care and social security costs amidst slow economic growth and a major demographic shift are placing pressure on public financing and the sustainability of the health care system is now in question. To ensure sustainability and equip the health care system to meet current and future health care needs, we must break away from the patchwork style of health policy making that has thus far sustained the system and embrace comprehensive reform building upon a forward-looking and long-term vision.

Comprehensive reform means the opportunity to rebuild the health care system into one with greater potential to serve its constituents and increased capacity to contribute to economic and social prosperity in Japan and around the world. This will require a fundamental shift in how we approach health care that ensures potential in new areas and sectors, such as technology, is no longer ignored. Through this transition, we can transform what appear to be challenges into vibrant opportunities.

The goal of *Japan Vision: Health Care 2035* is to construct a long-term vision of Japan's health care system that breaks beyond the current system's constraints. We seek to accomplish this goal by defining the key principles and values that should be reflected within the health care system and proposing suggestions for critical reforms with a focus on the year 2035.

Through our discussions, various questions and debates arose. What existing policies should be strengthened? What key issues have been repeatedly sidelined due to politics? Where and how does public input fit? How can Japan best contribute to other countries through health? What can Japan learn from the health care experiences of other countries?

Our vision outlines a health care system that will support Japan as it faces challenges associated with an unprecedented demographic shift both to develop as a nation and to become recognized as the authority on healthy longevity. The *Japan Vision: Health Care 2035 Report* describes this vision and includes recommendations on the specific reforms required to make this vision a reality.

2. A Health Care System for 2035

(1) Why focus on 2035?

Health care reform cannot be limited to short-term measures, but must be built upon a long-term perspective that reflects a shared vision and a common set of values. Health care reform debate has been on-going for years¹ and experience reveals that major health care reform takes a minimum of five to ten years to move from deliberation to actual change. Currently, we stand at a critical juncture in health policy as the government is working to consolidate multiple public fiscal systems by 2020² and implement the community-based integrated care by 2025.³ Therefore, it is critical that, amidst these changes and given the domestic policy process, we craft a long-term vision of the health care system now that extends beyond these targets.

Over the next 20 years as the 65 and over population grows and the overall population shrinks, Japan's demographic shift will bring growth and diversification of health care needs that will require greater resources.⁴ Meanwhile, alongside increased use of new medical technologies, health care costs are likely to continue to rise.

The children of baby boomers will reach old age in the year 2035 requiring a health care system rebuilt to sufficiently meet their needs. The next two decades will likely bring transformations in the way people live and work as well as changes to broader social and economic structures. By 2035, low to mid-income countries will have achieved health standards that approach those enjoyed by higher-income countries,⁵ leading to a second wave of population ageing. Additionally, because innovation cycles are thought to last around 20 years,⁶ in two decades major advances in health care-related technologies can be expected.

Against this rapidly evolving backdrop, in order to continue to maintain the highest of health

¹ Examples include, the 1997 "21st Century Health Care: Ensuring a quality medical care and health insurance system" (Ruling Party Health Care Reform Council), the 2001 "Health Care System Reform: building a health care system that corresponds to the low birthrate and aging society" (Ministry of Health, Labour and Welfare), and the 2005 "Principles of Health Care Reform" (Government and Ruling Party Health Care Reform Council).

² During the 186th Session of the Diet, Prime Minister Abe announced his intentions to achieve primary balance by 2020 by stating, "Fiscal reconstruction is not possible without economic revitalization. Virtuous economic cycles contribute to fiscal balance of the central government and local governments. My goal is to decrease the GDP to debt ratio by half by 2015 and be out of debt by the end of fiscal year 2020."

³ By 2025, the baby boom generation will be 75 and older. Housing, health care, nursing care, prevention, and social support will need to be comprehensively delivered to support this population in living the lifestyles of their choosing. To address this dire need, the community-based integrated care systems must be created. (Reference: Regional Comprehensive Care System:

http://www.mhlw.go.jp/stf/seisakunitsuite/bunya/hukushi_kaigo/kaigo_koureisha/chiiki-ho_ukatsu/) See, for example,

http://www.mhlw.go.jp/english/policy/care-welfare/care-welfare-elderly/dl/health_and_welfare_bureau.pdf.

⁴ According to the Cabinet Office's 2012 White Paper on Older Persons, the population of older persons will peak in 2016, when 17.61 million baby boomers enter old age. A downward trend will continue until 2031. Then, as 16.76 million second-generation baby boomers enter old age, the older population will increase until 2041. A decrease is once again expected to follow. It should be noted that the population of those over 75 will continue to increase and, not only continue to grow, but surpass the 65-74 year-old population by 2017.

<http://www8.cao.go.jp/kourei/whitepaper/w-2012/zenbun/index.html>

⁵ Jamison DT et al. Global Health 2035: A World Converging within a Generation. Lancet 2013; 382: 1898-955.

⁶ Christensen CM, Grossman JH, Hwang J (2008). The Innovator's Prescription: A Disruptive Solution for Health Care, New York: McGraw-Hill.

standards and reduce the financial burden future generations will face, a paradigm shift must take place. This shift will enable Japan to address changes in health care needs, globalization, and advances in technology. It is with this in mind that twenty years from now, the year 2035, has been established as the target for this policy vision.

(2) Vision for health care in 2035

Demographic shift aside, over the next 20 years, health care in Japan and around the world will need to be prepared for changes in personal values, workstyles, social and economic conditions, public finances, and technological advances that are not easily forecasted. However, the following trends should be considered as we look forward:

- Progressive ageing and population decline will make it difficult for local governments to maintain current community structures and, in some cases, put governments in dire financial situations. In urban areas, the shortage of health care workers will become more serious as the older population rapidly increases and more urban residents require care services.
- In response to rapid growth of the 75 and older population and the rise in the number of older persons living alone, the demand for health care services will increase alongside shifts in the variety, quality, and quantity of health care services delivered to respond to these populations.
- We can also expect continued progress of health care technology. Some examples of this technology include:
 1. The widespread use of wearable technologies that collect health data and the creation of a management system for individual health data that enables disease control, health management, and other health care services to be delivered at a more individual level.⁷
 2. The development of new cancer treatments, major advances in the early diagnosis and treatment of dementia, and development of treatments for intractable diseases using regenerative medicine and gene therapy.
 3. The development of diagnostic devices, devices for nursing and long-term care, and robotic technology that will support tele-medicine and automated diagnosis leading to more efficient delivery of health care and long-term care services.
- Continued globalization will result in a world that is more socially and economically connected. Opportunities for cooperation in the areas of health care service and health care workforce will increase alongside this trend.

Yet, regardless of ever-changing surroundings, health care must remain steadfast to a set of values and responsibilities. The goals of the health care system are to provide responsive care so that each member of society can enjoy a healthy life and to deliver excellent health outcomes sustainably, contributing to prosperity in Japan and around the world. A health care system built on these values will make it possible for all people, regardless of age, disease, or disability, to realize their full potential in a society marked by mutual respect. By supporting people and their communities to thrive through health, employment opportunities will increase and social prosperity will be followed by economic prosperity especially in the more rural areas of Japan.

⁷ In contrast, ethical issues that will need to be addressed are likely to accompany the collection and use of personal health data.

The Health Care 2035 Advisory Panel created a vision for a health system that embodies the above points through in-depth discussions on the values that drive such a system and the actions and infrastructure required to transform the present system into one built to address current and future needs.

(3) Japan's health care system in 2015: Background and issues

The system of universal health coverage that Japan achieved in 1961 was made possible by years of rapid economic growth and premised on the youthful population structure of that era. The health care system has since succeeded in fostering equality, offering a solid safety net that protects all from devastating health-related financial crises,⁸ providing people with the freedom to choose their providers (free access), and delivering some of the best health outcomes in the world—all at a relatively low cost.⁹ These achievements are owed to the ingenuity of those who designed the health care system and the public who worked to implement it.

Yet, the circumstances facing health care have changed significantly. Rapid ageing, a low birthrate, changing disease structures (including the increasing prevalence and complexity of lifestyle-related diseases and co-morbidities), and increasing demand for health care resources make the future of the existing system uncertain. Medical demand is changing in response to developments in technology and innovation, and the globalization of health care continues to expand. It has become clear that the health care system in its current form cannot adequately address these changes.

The health care and long-term care services that are currently being provided are not necessarily consistent with what patients value. The health care profession has become increasingly specialized, and hospitals are providing advanced treatment at levels that exceed international standards. Yet, the provision of basic primary care and care for long-term, chronic diseases has become a critical issue.¹⁰ In particular, long-term rehabilitative care and long-term nursing care remain disconnected from the community and day-to-day lives of families who need or may soon need these services. Associated issues also need to be addressed, including supportive services for those who can no longer perform activities of daily life and the way end-of-life care should be carried out.

Japan has also not yet started to fully utilize electronic medical records (EMR) to share patient health data between health care facilities. The lack of integration often results in patients being required to make frequent and repetitive visits to various providers leading to excessive diagnosis, treatment, and medications.¹¹ In addition to affecting patient experience, this lack of communication makes health care less efficient and burdens health care providers with excessive workloads that restrict their ability to excel in their duties.

⁸ This refers to the goal of financial risk protection.

⁹ United Nations, Department of Economic and Social Affairs, Population Division (2014). World Population Prospects: The 2012 Revision, Methodology of the United Nations Population Estimates and Projections. Working Paper No. ESA/P/WP. 235. An international comparison of total medical costs as a share of GDP reveals that Japan was ranked tenth among OECD countries (in 2012).

<http://www.mhlw.go.jp/file/06-Seisakujouhou-12400000-Hokenkyoku/0000076442.pdf>.

¹⁰ Hashimoto H, Ikegami N, Shibuya K, Izumida N, Noguchi H, Yasunaga H, Miyata H, Acuin JM, Reich MR. Cost containment and quality of care in Japan: is there a trade-off? *Lancet* 2011;378:1174-82.

¹¹ This includes the under-provision of medical care as well as medical related accidents.

Until now, the health care system has been subjected to a series of shortsighted reforms, leading to a sense of fatigue within the system. Cost containment, for example, has been largely carried out through adjustments to the fee schedule. These adjustments succeed in achieving short-term spending cuts, but lower fees often result in higher demand that drives health care expenses up. Cost-cutting, progressive cost share increases, and benefit reductions are limited in effectiveness and are insufficient means of supporting a forward-looking health care system.

Relying on short-sighted adjustments to maintain the current system will no longer suffice. Present circumstances require that we innovate to restructure the health care system upon a set of new values and a long-term vision. Through this, Japan also has the opportunity to support populations around the world by becoming a model for healthy longevity in an ageing society for other countries that will quickly find themselves with a similar demographic.

(4) The paradigm shift required by 2035

The issues raised above require that we move beyond system maintenance and focus on integrating health care into social and community frameworks around the country. This will require that we connect to and consider various elements, including resources of the private and nonprofit sectors; lifestyles and behaviors; work environments; housing and communities; economics; and the values of the people the health care system is built to serve. Health care must be rebuilt as a new social system.

A health care system that successfully integrates services like long-term care, housing, community-building, and workstyles requires a shift in values, key principles, and thought processes. The health care system of the next 20 years requires a paradigm shift that transforms it into the multidisciplinary health care system we envision. These changes will shift the focus as follows:

From quantitative increases to qualitative improvements

A shift from the provision of identical services to diverse populations and regions toward the provision of services appropriate to individual needs that undergo on-going quality and efficiency improvement.

From focus on inputs to focus on patient-centered value

A shift from management and evaluation based on the quantity of inputs, such as physical infrastructure, human resources, and services provided, toward management and evaluation based on how efficiently these inputs are used and their related outcomes.

From government regulation to autonomy

A shift from a system in which the central government dominates major policy decisions and industry trends toward a system in which autonomy is prioritized and patients, health care professionals, insurers, and all health care stakeholders actively contribute to health policy making.

From cure-focused services to care-focused services

A shift from health care services that focus on curing disease and extending life toward health care

services that focus on caring and supporting quality of life. Care-focused services provide support that extends beyond physical health to include mental and social well-being, especially for those living with long-term or chronic illness.

From fragmentation to integration

A shift from a system that is fragmented and vertical toward a system that supports cooperation and collaboration between providers and across sectors through a common set of values and a shared vision. Such a system will be capable of responding to the increasingly diverse and complex health care issues of the public.

3. Key Principles

A health system that reflects the elements outlined above requires a reformed foundation guided by three key principles: fairness, solidarity built on autonomy, and shared prosperity for Japan and the world.

Fairness

Fairness is absolutely essential if a health care system is to gain the trust and support of the people it serves. A fair system is one that forgoes a focus on short-sighted sustainability and aspires to both support and gain the support of generations to come; does not result in health disparities related to age, family situation, income, or occupation; and evaluates health care based on the value of the services it provides.

Solidarity built on autonomy

Medical care alone does not deliver good health. Individuals play a critical role in maintaining good health in their daily life, within their communities, and in society. The health care system must contribute to creating an environment that empowers all people to make informed choices about their health in a variety of settings, including in the home, workplace, and community.

It is the responsibility of the health care system to provide an adequate safety net and support active participation in health, not to solely rely on individual efforts and behavioral changes. As income inequality increases and income related health disparities become more prevalent, it is critical to ensure that all members of society have equal access to this support.

Local health care systems must be enabled to operate autonomously with active community participation while maintaining high standards for transparency and accountability. Local-level involvement will help both health care providers and consumers understand health care resource limitations leading to more careful and considerate use of these resources.

Shared prosperity for Japan and the world

Investments in health care provide opportunities not only to promote good health outcomes, but to foster economic and social stability and development. Because health care is a sector that can both add value and contribute to a sustainable society, a wisely designed health care system can support sustainability and drive prosperity in Japan.

Specifically, an effectively functioning health care system:

- Provides relief to people suffering from anxiety about health-related issues. Freedom from avoidable anxiety can improve job performance and increase productivity resulting in a stronger economy.
- Leads to the development of services and products that add new value and encourages infrastructure improvements.
- Supports a strong financial system by increasing and expanding job opportunities in local economies.

Japan must strive to lead the world through health by taking leadership in addressing global health issues and supporting people around the world to live healthy, active lives with respect for the wide variety of lifestyles and workstyles that exist. Through the pursuit of globally innovative initiatives,

Japan has the opportunity to deepen global cooperation and build a world of shared prosperity.

4. Three Pillars of Japan Vision: Health Care 2035

Based on the goals and key principles detailed above, we have outlined a vision for health care in 2035 that focuses on three key concepts: Lean Health Care, Life Design, and Global Health Leader.

(1) Lean Health Care: Implement value-based health care¹²

A sustainable, world-class health care system in 2035 requires that we focus on maximizing patient value. However, measuring health care value remains a challenge because policies that guide effective and efficient resource utilization and policies that link patient value to pricing and budgeting have yet to be implemented.

Critical to lean health care is the efficient use of limited resources to maximize health care value, which often means providing high value services at a reasonable cost. A key concept for the health care system moving forward is the ability to provide better health care with fewer resources.

(2) Life design: Empower society and support personal choice

Health care choices and the information needed to make these choices are currently largely limited. The health care system, while supporting people to actively participate in their health, should empower people to make informed health care choices by ensuring that trusted sources of information are easily accessible. This is the essence of life design.

The system must also recognize that health extends beyond individual responsibilities and is influenced by a combination of environmental and social factors, known as social determinants of health (SDH).¹³ A health care system that factors in SDH has greater capacity to support all members of society, including vulnerable populations, in enjoying healthy, fulfilling lives that reflect their unique values. The consideration of social and structural barriers to health better enables the creation of a society of mutual respect in which everyone, regardless of age, disease or disability, can thrive. This approach will also contribute to the integration of health as a regular part of daily life.

(3) Global health leader: Lead and contribute to global health

To increase Japan's capacity to address domestic health security and provide international support for emerging and re-emerging infectious diseases that are not confined by geography, such as pandemic influenza and the Ebola virus disease, Japan must strengthen emergency and disaster support capacity and establish a function that enables Japan to act as an administrator of global health emergency management.

We envision a health care system that will become a new global model. By contributing to global policy-making and sharing Japanese health policy lessons with the world, a virtuous cycle will result in which health care in Japan and in other countries improves resulting in opportunities for

¹² "Lean" in this context refers to the quality of succinctness with no unnecessary components.

¹³ Commission on Social Determinants of Health (2008). Closing the Gap in a Generation: Health Equity through Action on the Social Determinants of Health. Final Report of the Commission on Social Determinants of Health. Geneva, World Health Organization.

growth in other sectors.

Through this type of engagement, Japan will build international trust, engage other countries in mutually beneficial partnerships, and, as a result, become a trusted leader during critical health emergencies.

5. Governance to Realize Our Vision

Health care that integrates the vision detailed above will require a health care system committed to transparency and accountability. Specifically, it will require governance that combines a secure financial structure with sound service provision. Reform of the decision-making and consensus-building processes for securing, distributing, and evaluating the system's resources will be essential.

Japan's health care system can be characterized by the health insurance fee schedule that dictates reimbursement levels for nearly all health care services and products that are provided in Japan. Through this system, health care costs are contained at the macro level through the use of global rate revisions while a certain level of flexibility remains at the micro level to accommodate technological innovations and changing health needs through adjustments to benefits and reimbursement rates for particular services or products. This structure of governance, which has won praise internationally, should be preserved and strengthened through the implementation of necessary reforms.

The fee schedule is revised every two years and, during this process, efforts to restrain medical fees have led to patchwork fiscal adjustments and reforms. Moving forward, Japan will need to consider implementing a process that would make it possible to revise the system from a mid- to long-term perspective. Implementing unified elements, such as a multiple year budget that includes the whole social security system, could balance resources between related systems and result in a more optimized health care system.

A significant portion of health care costs are financed with public funds making it essential to communicate how these funds are being used. This includes sharing information about how insurance coverage and prices are determined, how diseases and other health issues are being addressed, and how local health care plans are devised. Policy development then becomes a partner to government bodies, health care providers, patients and the general public. Objectives with detailed criteria must be used to monitor the success and failure of policies. The current progress toward these objectives must be communicated to all relevant parties, especially during staff transitions. Increasing the transparency of policy content and policy progress ensures that all parties are better able to address critical issues.

Japan will also need to strengthen the analytical capacity of the Central Social Insurance Medical Council, a group that plays a key role in the revisions of the fee schedule. Increased use of strategic and scientific evidence and a structure to support each Council member in using relevant data will ensure that available resources are used more efficiently. Identifying the mechanisms that policies are built upon and creating objective measures for policy effectiveness could also contribute to this effort.

To support the creation of stronger policy, the periodic implementation of the PDCA (plan-do-check-act) cycle based on such evaluative frameworks is crucial. Increasing the strength of policy evaluation will require that a system for gathering relevant data be designed, the personnel to empirically analyze data based on local needs be recruited, and a mechanism for improving existing systems and drafting policies be created. Overall optimization of health care will thus require

policymakers to improve systems, foster personnel, and strengthen functions.

Given the major shift in population structure driving population ageing and decline, the health care system's needs are growing larger and more diversified. Challenges at the regional level vary by region, making the implementation of a uniform system difficult. We must consider a system that enables the safety net of universal health coverage to continue to be provided while supporting a decentralized system that allows communities to achieve their “optimum”¹⁴ state given their situation and the challenges of the region.

Another characteristic of the Japanese health care system is that both patients and private-practice providers have the luxury of choice. Patients are free to choose where they receive health care and private-practice providers are free to choose their field of medicine and where they practice. In the years ahead, along with ensuring that patients have adequate access to health care, primary care providers will be needed to act as community-based coordinators capable of supporting patients and their communities.

Japan will be shifting toward a framework of the community-based integrated care, in which each local government will be asked to take the lead in designing a system to meet the health care and lifestyle needs of its residents. Yet, it will be essential that the central government remains actively involved in providing technical advice and other support during this process. The new approach, centered on decentralization and greater autonomy for local health care systems, should be implemented to ensure local governments are empowered to make critical structural decisions while the central government continues to be accountable for the implementation of basic services and evaluation of necessary reforms to the system.

¹⁴ This refers to that area's optimum performance given regional characteristics.

6. Actions to Achieve Japan Vision: Health Care 2035

(1) Lean health care: Implement value-based health care

i. Deliver high-quality, more efficient health care

Aims for 2035

- ◆ Provide access to high quality health care that is efficient, affordable, and designed to meet a variety of needs.
- ◆ Deliver integrated health care that includes health promotion, prevention, diagnosis, treatment, disease management, long-term care, and end-of-life care.
- ◆ Implement an assessment system that focuses on patient value, rather than the quantity of resource inputs, and meets global standards.
- ◆ Significantly expand the range of care options through improved benchmarking and information disclosure.

Examples of suggested actions:

1. Develop health technology assessment and incorporate evaluations into the reimbursement system
 - Aim to establish a system to measure the cost-effectiveness of medical technologies that will begin initial implementation during the fee schedule revision process of fiscal 2016.
 - Place emphasis on the effective use of contributions collected through taxes and health insurance premiums to deliver high quality care at reasonable prices as opposed to continuing to automatically associate the most advanced, expensive, and technology-heavy interventions with good health outcomes.
 - Set up a division within the Ministry of Health, Labour and Welfare to oversee the ongoing assessment of technologies and health outcomes¹⁵ staffed by specialists from within the Ministry, specialists from other ministries, and outside experts to facilitate governmental and nongovernmental coordination.
 - While implementing health outcome assessments that focus on both cost-effectiveness and performance measures, integrate global measures to assess health outcomes, such as QALYs, with careful consideration for patient-centered values. Instead of transplanting these measures directly, they should be followed by benchmarks that match circumstances in Japan and performance of key health care services should be systematically evaluated. In addition, in order to better integrate health care and long-term care services, the system for setting medical fees should be reevaluated to reflect, for example, evaluations that measure whether patient needs are being met.
2. Support health care providers to deliver care more efficiently and to recognize the critical role they play in the community-based integrated care
 - Encourage hospitals to improve care services and increase cost-effectiveness by better understanding how they fit into the larger community. Through this understanding, hospitals will also be better equipped to participate in collaborative systems that support service improvements while strengthening their performance as community partners.

¹⁵ See Chapter 7 (5) of this report.

- Expand use of the National Clinical Database (NCD).¹⁶ Through use and analysis of NCD data, medical institutions will be better able to choose the most appropriate course of care given risk analysis outcomes and to assess their own performance in light of national benchmarks leading to improved treatment outcomes. These types of provider-led initiatives should be actively encouraged.
 - Support voluntary initiatives led by professional societies and other stakeholders, such as the recent “Choosing Wisely”¹⁷ campaign that originated in the US and is now spreading to other countries, that encourage consumers to make more informed choices related to diagnostics and health care services in an effort to use resources more efficiently.
 - Ask medical institutions and professional societies to assess the delivery of health technologies and treatment procedures among individual health care providers and within the larger community in order to identify under- or over- utilization of health services using the tools listed above. Once these issues have been discovered, measures should be implemented to deliver appropriate levels of care and incentives should be provided to encourage providers to make improvements.
 - Encourage collaboration and the sharing of data not only within communities, but across communities in order to ensure that people have access to the most appropriate treatment options in the most appropriate treatment settings.
3. Increase patient ability to make informed health care choices
- Empower patients to make informed decisions about their health care and treatment options by implementing a system for facilities to communicate with consumers using the tools listed above. Ensuring that people are informed of both the benefits and risks associated with treatment options can contribute to reducing under- or over- utilization of health services.
 - Improve how people consult with their general practitioners or insurers when making health care decisions. In particular, insurers’ ability to provide health management support to each insured person is of critical importance. Efforts should be made to strengthen capacity of insurers to efficiently provide people with appropriate and timely information and advice.
 - Encourage insurers to share and utilize individual health data to improve the quality and efficiency of health care. Insurers will also become critical partners in prevention and health management by ensuring that all have access to integrated care, by identifying personal health risks, and by offering appropriate services to address those risks.

¹⁶ The National Clinical Database contains information on surgical procedures. Currently, information on over 95% of the general surgical procedures performed at the 4,000 participating medical institutions is stored in the database, totaling approximately 1.2 million surgical procedures annually. This information can be used for accessing potential health risks or health facility benchmarking.

¹⁷ “Choosing Wisely” is an independent initiative started by physicians to reduce wasteful medical care and procedures. Implementation of excess medical testing increases the risk of false positives, which can lead to adverse events. For example, positive MRI findings are usually followed by invasive examinations, in some cases, for liability reasons. Also, it is often more cost-effective to use older drugs rather than the newest, most expensive drug. The wide variety of drugs prescribed to older persons increases risk of side effects and can cause adverse events. Choosing Wisely (www.choosingwisely.org) is an initiative launched by the American Board of Internal Medicine to improve the quality of health care by identifying medical tests and procedures that may be overused.

ii. Reorganize health care to promote local autonomy

Aims for 2035

- ◆ Strengthen health care governance by integrating it into everyday life through the provision of services that meet the needs of the community as decided by members of the community.
- ◆ Supplement community efforts to design systems of the community-based integrated care and health provision built to meet community needs by ensuring the central government is active in providing support and technical assistance.
- ◆ Create health care systems centered on the needs of the communities they serve and share lessons learned through this process domestically and internationally.

Examples of suggested actions:

1. Strengthen community health care governance
 - Allow communities to make their own decisions when developing systems of the community-based integrated care. To plan a health care system that addresses local issues and meets community needs, it will be essential that communities engage administrators, health care providers, insurers, civil societies and community members to ensure a wide range of perspectives are included in decision making.
 - Secure the human resources necessary to effectively develop systems of the community-based integrated care. This requires that we develop capable leaders with the management skills to coordinate with experts in other fields and that we create a certification system to ensure consistent service delivery within medical specialties, including medical care, long-term care, and rehabilitation services.
 - Stabilize and strengthen capacity to draft and implement policies at the municipal level to meet community health care needs, including the ability to regulate hospital beds. Under the leadership of local leaders, foster and secure human resources in the area of health policy. Limited resources coupled with growing health care needs require that local governments share resources, rather than struggle to provide all services on their own.
 - Ask that the central government remains steadfast to its responsibility for the health care system despite movement toward local autonomy by providing necessary support and establishing appropriate laws and regulations. The national government should assist with fundamental services and encourage local governments to become more autonomous through incentives, regulations, and other structural reforms.
2. Secure health care, insurance, and long-term care services based on community data and needs
 - Support prefectures' ability to use comparative health data to understand population needs and appropriately allocate resources through analysis of linked health care utilization and systematic data collection using health ICT. These efforts will lead to improved quality of care and support further reorganization of the health care system through adjustments to key elements including hospital functions and the quantity of inpatient beds.
 - By conducting comprehensive analyses at both macro and micro levels¹⁸ to determine the causes of regional disparities, we better understand the appropriate level of responsibility

¹⁸ For example, the ratio of medical treatment beds to the inpatient rates vary by up to six times by prefecture. Fairness and efficiency of medical care requires that regional variation is taken into consideration when determining whether an approach is appropriate or not.

prefectures¹⁹ should be asked to take on. A structure should be introduced that requires prefectures to face fiscal consequences when regional disparities are found to be associated with reasonably avoidable action or inaction on the part of the prefecture. At the same time, prefectures should be given the authority to provide fiscal incentives to support municipalities that proactively work to support the health of their population. A structure must also be implemented to reduce regional differences in long-term care benefits that are a result of the various long-term care certification standards amongst prefectures.²⁰

- Consider introducing a system that ties service reimbursement rates to the quantity of services provided thereby allowing service reimbursement rates to increase or decrease depending on how actual utilization rates compare to utilization targets. Align health care costs to health care needs of prefectures through strategies that, for example, allow prefectures where health care costs have exceeded the estimates in the government's Medium and Long-Term Medical Care Expenditure Regulation Plan²¹ to decide reimbursement rates on their own.²²
 - By 2050, 60% of Japan's residential areas will see their populations decline by around half and nearly 20% of those areas will be completely depopulated.²³ To address these demographic changes, efforts must begin now to establish an ICT infrastructure and develop ICT-capable human resources that can deliver a variety of services, such as remote medical care, essential health care services, and support services, in areas with limited medical resources. Rapid population decline requires that a mechanism be created to coordinate community building and systems of the community-based integrated care.
 - Japan faces a misdistribution of physicians that, if continues to persist, will require strategies to ensure more equitable distribution of resources to meet the needs of people in all areas and support the career paths of physicians. Establishing physician quotas and revising factors that affect professional autonomy, including where to practice and what to specialize in, are strategies that should be considered.
3. Make general practitioners who coordinate the community-based integrated care accessible throughout Japan
- Alongside changing health care needs associated with the demographic shift, the growth of medical specialization, and increasingly complex health technologies, general practitioners will become essential to the coordination of health care services based on patient needs. By enhancing general practitioners' role as coordinators in care, patients will have access to essential health care services, while being better informed when choosing between health facilities.
 - To foster this type of system, training in comprehensive health care will need to be provided to

¹⁹ To support a sustainable health care system, an amendment was made to the National Health Insurance Law (May 27, 2015) that calls for prefectures to take responsibility for the financial management of National Health Insurance.

²⁰ Currently, health care costs, including those related to regional variation, are putting pressure on the national treasury and regions with excessive expenses are being covered by national income tax. This concept refers to the idea of asking high-cost regions to take more financial responsibility.

²¹ The Security of Medical Care for the Elderly Law (1982, Law No. 80) requires that prefectures create a five year plan to address medical expense utilization once every five years. These plans are designed to support effective utilization of resources and affect the health care budgeting process.

²² In the case that prefectures are asked to bear the costs related to regional differences, areas with positive outcomes will be rewarded to support health promotion and prevention efforts.

²³ Long-term Country Outlook: Interim Report (Ministry of Land, Infrastructure, Transport and Tourism) <http://www.mlit.go.jp/common/000135838.pdf>

general practitioners and, over the next 10 years, general practitioners with this training must be integrated into health systems throughout all regions of Japan.

- Conduct multi-faceted evaluations of care delivered by general practitioners engaged in systems of the community-based integrated care. Access to primary care is of critical importance to children and older persons. To increase this access, Japan should consider adjusting patient cost share associated with care provided in non-primary care settings. This could lead to reduced consumption of unnecessary services and products.
- Support collaborations between local government, health care facilities, long-term care facilities, and non-profits that support the delivery of the community-based integrated care. Home-based health and long-term care services can lead to fiscal and social strains and can require that families play a larger part in health care, so it is essential that communities consider how to coordinate these types of services alongside improvements to local housing and facilities options.

(2) Life design: Empower society and support personal choice

i. Empower people to make the health care choices that are right for them

Aims for 2035

- ◆ Increase awareness of health issues and empower people to actively participate in their health care choices.
- ◆ Establish means to support people in making lifestyle and health related choices.
- ◆ Build a strong evidence base and develop metrics related to health and prevention, so people will better understand the mechanisms of health motivating them to make wiser choices.

Examples of suggested actions:

1. Empower people to choose the health care that is most appropriate for them
 - Build a platform that narrows the information gap between patients and physicians so that patients are able to make informed treatment decisions with the understanding that health care involves a certain level of uncertainty. One way of achieving this would be, for example, to build an information infrastructure and secure the human resources required to support people in identifying the health care and health care facilities that best fit their needs.
 - Lack of patient engagement and the patient-provider information gap have, in some cases, led to unreasonable expectations and responses to health care. This can be addressed by increasing health literacy through efforts of the educational system, providers, government, organizations, and insurers.
 - Quality of death will become of critical importance as we approach 2035, when annual deaths in Japan will exceed 1.6 million.²⁴ To increase the quality of end-of-life care, efforts need to be made to utilize advance directives so people can outline where and how they would like to receive health care when they are best able to make such decisions, resulting in improved quality of death. It will also be essential to engage the public on this topic through educational initiatives by involving insurers, local governments, and general practitioners.
 - Under Japan's current system, people have the freedom to access any medical institution of their choosing. Yet, in some cases, health care institutions may limit the amount of information made public to prevent over-access to certain treatments or to reduce potential risks. Unfortunately, this leads to fewer opportunities for medical care. In addition to regularly assessing the quality of physicians and medical institutions, issues including the scope and method for releasing information should be examined. Other ways to control access, such as through adjustments to the copayment rate, should be considered.
 - Consider adjusting patient cost burden depending on individual health care choices. For example, ask patients to pay different copayment rates depending on whether they choose brand-name drugs or generic drugs or whether they choose home-based care or hospital-based care.²⁵
2. Support people to actively engage in health management
 - Empower people to make better informed health care and health management decisions by

²⁴ According to the Population Projection for Japan (January 2012 estimate) report, there will be 1.66 million deaths in 2035.

²⁵ Care delivered by the family and associated opportunity costs should be factored into calculations of health care costs when care is delivered at home.

making personal electronic health records that include long-term care data accessible through a portable data infrastructure.

- Make it easier for people to manage their health. For example, help people understand how over-the-counter drugs²⁶ can be used safely to self-treat²⁷ when appropriate. Initiatives like this can help create patient-friendly pharmacies contributing to on-going pharmaceutical sector reform.
- To address confusion and anxiety that may follow developments in areas including diagnostics and genetic analysis, we must establish a framework of laws and policies regarding the handling of such information. The public should have access to expert medical advice that takes into account the person's unique social and economic circumstances. In addition to making information accessible, trained personnel must also be made available to support people in choosing relevant information.

²⁶ Refers to pharmaceutical products that can be purchased at pharmacies and drugstores without a prescription.

²⁷ Refers to the concept of taking a pro-active approach to health and addressing very minor health issues on one's own.

ii. Create a society that contributes to and supports healthy lifestyles

Aims for 2035

- ◆ Ensure that communities and society as a whole become environments that contribute to health through the implementation of the community-based integrated care.
- ◆ Build a society where people actively support the health of others in a variety of settings, including at work and in the community.
- ◆ Collect and utilize scientific evidence to become a global leader in the field of preventive medicine.
- ◆ Achieve a “Tobacco-free” society.

Examples of suggested actions:

1. Build communities and a society that contributes to health
 - To address the expected increase in the number of older persons who live alone and to counter social isolation, build communities from a social determinants of health (SDH) perspective enabling people to easily integrate healthy habits into daily life.
 - Deliver health care and support services that are integrated to support community building and inclusion of all people in the community, regardless of age, physical condition, or income level. To contribute to this effort, create comprehensive community care centers, where people can go to receive information and advice in local areas.
 - The community-based integrated care systems and health communities cannot be created through government initiatives and public services alone. It is essential to engage a variety of stakeholders, including health care providers, industry representatives, and community members, in this process by integrating their perspectives and encouraging them to play an active role through the creation of a collaborative platform that links the public and private sectors.
 - Link community care centers, social support centers, public health nurses, local welfare officers (*minseijin*), schools, and other community-based leaders and organizations so that community members, including low-income residents and residents with dementia, can access one-stop consultation and support services on a wide range of health and lifestyle issues. This is another area where the private sector and non-profit organizations must play a key role.
 - Design communities that utilize local characteristics to strengthen health and long-term care systems. Include health care policy in community planning policy, and create workplaces and public spaces that integrate healthy food options and healthy lifestyles into the design, so people feel encouraged to, for example, be more physically active. To support these efforts, 30 municipalities nationwide will be recognized as Health Care 2035 Model Cities and their efforts will be shared.
 - Strengthen measures and support services for high-risk populations to ensure all members of society have access to a healthy lifestyle by recognizing the health impact of SDH factors, such as income, stress, working environment, and isolation.
2. Support the ability to live a healthy lifestyle throughout the entire life course
 - Society must play an active role in supporting people to be healthy throughout the entire life course, from childhood to old age. This will require that we support people of all generations to become more health literate by providing opportunities to learn about health starting in daycare centers and nursery schools and continuing into the workplace and the community.

- Establish a system that ensures women receive comprehensive health care over the course of their lives and provides adequate social support to both men and women during conception and pregnancy, childbirth, and parenting. Efforts must be made to strengthen support systems that enable people to continue to work in good health while taking on a caretaker role for both children and parents.
 - The health of workers is an important asset for companies and other organizations. Measures to address mental health must be strengthened as mental health has critical impact on productivity. We must create a model for early detection of and response to mental health issues, such as depression, and support must be provided to companies that attend to the mental well-being of employees. Alongside these efforts, community-level mental health measures must also be strengthened.
 - Strengthening preventive health measures for older persons that address issues such as pneumonia and malnutrition that are grounded in the unique characteristics of this stage of life is crucial. By reducing the risk of frailty-related incidents and preventing social isolation, we build a society where older persons play an active role at work and in the community.
 - Dental health is critical to health overall as it extends beyond the oral cavity to affect outcomes related to, for example, aspiration pneumonia or diabetes. To better support health maintenance and prevention throughout the life course, dental care must be directly linked to health care.
 - The health of older persons today has advanced alongside progress in health care. In response to this, the mandatory retirement age should be abolished contributing to growth of the working population. People should no longer be discouraged from pursuing multiple career changes throughout their lives. We support the health and longevity of older persons by supporting older persons to remain engaged in society through employment.
3. Promote prevention and health while strengthening the evidence base
- Investing in health improves quality of life and leads to increased productivity. Therefore, we should pursue this type of investment with a focus on supporting older persons to remain independent longer. The working population as well should be encouraged to manage their health and take part in preventive health measures.²⁸ These investments also have potential to spill over into the employment and economic sectors by generating business growth in such areas.
 - Actively promote preventive health measures that have been shown to be effective (e.g., smoking cessation and vaccines). In particular, secondary and tertiary prevention of chronic disease has been correlated with reduced health care costs and should, therefore, be pursued. For example, efforts should be made to encourage those who are statistically at high risk for diabetes to seek early medical attention through the use of health data and other prevention tools.
 - Compared to evidence related to diagnosis and treatment, evidence related to prevention is severely lacking. For example, the effect of incentives on behavior change is limited.²⁹ Therefore, efforts need to be made to accelerate initiatives in preventive health by bringing

²⁸ This also includes the concept of pre-disease (or *me-byo*) that refers to the state of health when moving toward disease (includes symptoms such as cold hands, fatigue, digestive issues).

²⁹ Cutler DM. Behavioral health interventions: What works and why? In: Anderson NA, Bulatao RA, Cohen B, editors. National Research Council, Critical Perspectives on Racial and Ethnic Differences in Health in Later Life. Washington, DC: The National Academies Press; 2004. Committee on Population, Division of Behavioral and Social Sciences and Education.

together data from checkups and clinical care as well as medical life logs and body sensors. Japan should seek to become a leader in data collection and utilization to provide scientific evidence regarding disease prevention and health promotion.

4. Realize a “Tobacco-free” society

- Scientific evidence shows that tobacco prevention reduces the risk of serious disease and reduces health care costs. While the WHO is supporting efforts to bring about a tobacco-free world by 2040, Japan seeks to work more quickly toward a “Tobacco-free” society so that, among other things, the 2020 Tokyo Olympic and Paralympic Games will be free of second-hand smoke. There are ongoing efforts in cooperation with the Tokyo Metropolitan Government to establish the legal and policy structure to support these efforts. To bring the smoking rate close to zero by 2035, serious measures should be implemented that include raising the tobacco tax, restricting advertising and packaging, supporting smoking cessation, and educating people on tobacco prevention.

(3) Global health leader: Leading and contributing to global health

Aims for 2035

- ◆ Build a health care system that allows Japan to respond to issues of global health security and provide global leadership in partnership with other nations.
- ◆ Contribute to improvements in global health and reduction of inequality by participating in global policy making and sharing Japan's health care model. These efforts will support Japan in being recognized as a leader in healthy longevity.
- ◆ Japan is becoming a central figure in the global health care network as it leads efforts to reform the health care ecosystem and transforms into a health care service hub poised to meet the medical needs of those around the world.

Examples of suggested actions:

1. Establish a health emergency management system
 - Create a Center for Health Protection and Promotion (tentative name) tasked with promptly communicating key actions in the event of a critical infectious disease outbreak and leading efforts to prevent the disease from spreading beyond the country of origin. In times of non-crisis, the center will coordinate efforts related to public health and will also provide support to countries or regions unable to fulfill the functions outlined in the WHO's International Health Regulations³⁰ by dispatching personnel and other resources to help strengthen health care systems.
 - In the mid- to long-term, establish a public health security system in partnership with other countries, particularly those in Asia and the Western Pacific, to provide assistance during global health crises, including the dispatch of Disaster Medical Assistance Teams,³¹ Japan Disaster Relief Teams,³² as well as personnel from the Self-Defense Forces, non-profits, and civil society.
2. Take the lead in global rule-making
 - Contribute globally through health care diplomacy, including the diffusion of Japanese health care and systems, and make Japan a world leader in the field of healthy longevity. In particular, Japan should contribute to the development of age-friendly communities as well as the development of strategies to address non-communicable diseases, such as dementia.
 - Actively make use of global events, such as the meetings of G7 nations, to take the lead in health care agenda-setting including universal health coverage by convening a Global Health Summit (tentative name), of which Japan could become the permanent host.
 - Promote exchange between government officials, health care providers, and researchers to develop future health leaders who have a global perspective by, for example, supporting

³⁰ World Health Organization. International Health Regulations (2005).

<http://www.who.int/ihr/publications/9789241596664/en>

³¹ DMAT refers to expert teams composed of doctors, nurses, and logistics specialists (as well as other medical professionals and support staff) that are immediately dispatched to a disaster site (within 48 hours of its occurrence) to provide medical assistance to the injured.

³² The Japan Disaster Relief Team Dispatch Law (1987, Law No. 93) stipulates that JDR teams are to be dispatched abroad, particularly to developing countries, to respond to large-scale natural disasters that have occurred or are expected to occur. They can also be dispatched at the request of national, based requests for assistance from governments in the areas affected or international organizations in the areas affected.

younger personnel to participate in conferences such as the annual World Health Assembly. A mechanism must be developed that pools and supports future global health leaders from both the public and private sectors.

- Support a social impact investment structure and other such measures aimed at comprehensively and strategically contributing to global health. Significantly increase Japan's health-related ODA from its current level of 2% of total ODA to around 20%, a level equivalent to that of Europe and the United States. Japan should also increase voluntary contributions to the WHO and other international organizations, and play a part in the construction of an effective system of global health governance through effective actions by public-private partnerships led by Japan.
3. Promote the global development of health care
- In an increasingly borderless world, health care personnel must be trained and certified to care for people from around the world. Domestically, Japan must quickly establish necessary systems for foreign visitors to access the health care services and interpretation services they need prior to the 2020 Tokyo Olympic and Paralympic Games. Such efforts will allow Japan to showcase its health care system to the world.
 - Japan can globalize its health care by helping Asian countries build systems in such areas as universal health coverage and regulatory science related to pharmaceuticals and medical devices.
 - Support should be offered as a package encompassing not only preventive measures, treatment, pharmaceuticals, and medical devices but also the development of medical personnel and IT infrastructure that serve as the basis for those goods and services.
 - In addition to supporting individual hospitals and sending outstanding doctors overseas, Japan will promote global partnerships by providing systems of community health care. Linking core clusters of hospitals with “super clinics”³³ in remote areas to support the health care needs of large areas is one example of a strategy that can be effectively applied abroad. Developments abroad should involve more than diagnosis and treatment, but include the exportation of the community-based integrated care and long-term care systems through the sharing of system design and operations methods.
 - Domestic health care policies will be continually verified and improved by strengthening comparative analysis and understanding policy trends in other countries. Through joint research and collaborative efforts to address emerging problems, Japan can become a stronger global health leader.
 - In partnership with other relevant ministries and agencies, the Ministry of Health, Labour and Welfare should play a leading role in global health by formulating plans to hasten comprehensive initiatives and pushing forward the policies needed in line with such initiatives.

³³ This term refers to the setting up of bases for medical treatment in remote areas staffed with medical specialists. The medical teams at these clinics can be dispatched to locations inside and outside Japan during an emergency, such as a natural disaster or pandemic.

7. Infrastructure for Achieving Japan Vision: Health Care 2035

A health care system for the next 20 years built upon the three pillars of this vision will require integrated, cross-cutting initiatives, systems, and resources that call for restructured infrastructure in the following five areas.

- Innovation
- Information
- Sustainable financing
- Health professionals
- A world-class Ministry of Health, Labour and Welfare

(1) Innovation

Innovation is more than technological development. Innovation brings change to society through added value and new ideas. If we are to achieve long, healthy lives faster, easier and cheaper, innovative strategies in health care are critical. Essential innovations will be those that cut across fields of diagnosis and disease care and include prevention, risk management, rehabilitation, and long-term care.

Alongside development of technology, systems that foster these developments must be reformed to promote innovation. These systems must actively encourage and incorporate innovation while investing in the foundation of industry. Funding and guidelines must be established so innovation can more easily be adopted. The integration of outcome assessments will lead to increased competition.

To increase innovation in health care, we must look beyond the field of basic and clinical medicine and seek a cross-disciplinary approach that integrates fields such as public health, epidemiology, health economics, health policy, business administration, economics, behavioral science, and engineering. This will also contribute to the creation and implementation of national and local health care policy and policy assessment. We must continue to support the creation of environments for research, education, and training that promote interdisciplinary and practical initiatives.

Create a high-quality system for collecting statistical data, support cancer and dementia prevention, and further efforts in the prevention of disease relapse. As society continues to age, it will be critically important to secure new avenues to fund research as genomics and cohort studies expand clinical trial and clinical research opportunities. Possible ways to diversify new research funding in these areas include donations, private funding, and insurance savings, in addition to expanding basic policy expenditures.

Organizations including Japan Agency for Medical Research and Development (AMED), the National Centers, major hospitals conducting clinical research, pharmaceutical and medical equipment manufacturers, and the Pharmaceuticals and Medical Devices Agency (PMDA) should cooperate to build a network, apply data on registered patients' diseases, and accelerate development of infrastructure to facilitate the collection of clinical trial data. This will increase the value of the clinical development field while reducing research and development costs for

participating manufacturers and increasing the speed of clinical development through the incorporation of knowledge from both domestic and international sources.

Research and development in regenerative medicine requires a world-class research environment. Regenerative medicine offers hope for sufferers of intractable diseases and can contribute to the discovery of new drugs. With a focus on practical use, the Ministry of Health, Labour and Welfare has designated certain cities as centers for regenerative medicine where researchers and related industries from around the world can gather to drive research growth. These cities will strongly boost efforts to reduce the costs of regenerative medical research and performance, while simultaneously improving to meet global safety standards.

To ensure that people from around the world can benefit from pharmaceutical and medical device developments, international cooperation on regulations in these areas will be essential. Exerting leadership in this field and spearheading the establishment of global standards would bolster Japan's competitiveness. To strategically promote the harmonization of international regulations, it is necessary to establish a regulatory science initiative that clarifies long-term priorities to guide policies while concurrently pursuing programs that support these goals. For example, the establishment of an Asia-based pharmaceutical and medical equipment training center within the PMDA that trains those responsible for overseeing pharmaceuticals in other countries should be considered.

In addition to increasing capacity of human resources in Japan, attracting international talent to Japan is critical to accelerating innovation. Building platforms within industry, government, and academia for those from Asia and around the world to learn and share information about health care will benefit Japan as well as other countries in sharing knowledge while gaining access to cutting-edge knowledge and innovation from around the world.

(2) Information

By 2035, Japan must drastically improve health care quality, value, safety, and performance through the use of ICT. The utilization of an extensive health care database will lead to increased quality, patient value, and performance while enhancing the safety of health care. Essential to this process will be ensuring that the public understands the benefits of such a system.

Japan has yet to sufficiently connect its health care databases and data sets, which include the National Database (NDB) on claims and services, the Kokuho Database (KDB) on national health insurance, the long-term care claim database, and data on nursing care authorizations. Each of the data sets including comprehensive health care data and long-term care data should be linked and combined into one database, provisionally named the Health Care Data Network 2035 (HDN2035), that is reflective of the Diagnosis Procedure Combination (DPC)³⁴ code datasets. Currently, when

³⁴ A reimbursement fee system combining a comprehensive assessment driven payment system for in-patient care component (for basic hospitalization fee, examination, medication, injections, diagnostic imaging, etc.) based on a per-diem rates established by the MHLW for the most high-cost procedures and diseases that require the greatest medical resources for treatment during a hospital stay and services (including basic hospitalization fees, examinations, medications, injections, and diagnostic imaging). This system also includes a fee-for-service component (for services including surgery) operations, etc.

individuals change insurers, their health data within the KDB and NDB is lost. To prevent this type of loss and ensure continuity, regardless of insurer, an individual ID number for use within systems, including the health care system, is essential. This will enable benchmarks to be set and verified making it possible to assess treatment outcomes by analyzing the links between risk factors and patient conditions; to determine how service and pharmaceutical redundancies can be avoided; to identify ways for insurers to best address prevention; and to track health care benefits.

Improvements must be made to the National Clinical Database (NCD) and health care databases. In addition to creating a database of the scale of the NCD that contains data related to all diseases, improvements must be made to the quality and quantity of the statistics in major databases including the DPC database, the NDB, and the KDB. A foundation that establishes a legal framework and standardizes statistical practices, like the Health Insurance Portability and Accountability Act (HIPPA)³⁵ in the United States, must be created so that government, academia, research institutes, academic societies, and other organizations are able to use a wide variety of data while firmly protecting privacy. Efforts to increase quality must extend beyond medical specialties to other parts of the health care system through, for example, the creation of a database to support improvements in the quality of nursing care.

Cancer treatments that span the life course will improve through the ability to link cohort data available through the cancer registry with vaccination, examination, treatment, and long-term care data. For long-term care insurance, combining long-term care authorization data with long-term care claim data enables better understanding of service usage patterns and the health status of those using such services. This will allow local authorities to further reform systems for providing long-term care based on the data.

In addition to data management, a strong ICT infrastructure enables remote diagnosis, treatment, and surgery, meaning that people can safely receive high-quality treatment in areas without specialists and ensuring access to health care throughout the entire life course moving from prevention to diagnosis, treatment, disease management, long-term care, and end-of-life care. Physicians can also provide treatment more efficiently by focusing on medical decisions and interventions, and working to build consensus with patients along the lines of treatment needs.

(3) Sustainable financing

Because increased use of public funding to support the Japanese health care system leads to budget deficits that put financial pressure on future generations, it is critical that we address the financial health of the system through sustainable means. And while the population of those over 75 is expected to plateau between now and 2020, estimates show that 2021 will see a rapid increase in this population making a long-term outlook critical.

Setting prices to reflect effectiveness and quality of health care will ensure greater access to world-class care available within the health care system. Yet, these initiatives should be

³⁵ The United States' Health Insurance Portability and Accountability Act was passed in 1996 and enacted in 2003. It promotes conversion of health-related data to electronic form, while setting standards for safety and privacy protection.

accompanied by an ongoing discussion of the role and function of public health insurance, the balance between benefits and costs, new approaches to funding, and other efforts that address the sustainability of the health care system to ensure least impact on future generations.

i. The role and functions of public health insurance

The role and function of public health insurance must be reevaluated while ensuring the system remains centered on basic principles, such as the provision of appropriate health care services and safeguarding the public from serious health issues. Such evaluation will reveal a core set of services that the public health insurance system must continue to provide. Services that fall outside of the scope of the functions of the public health insurance system will require new financial structures that enable people to access such services when necessary.³⁶ Financial support structures, including donation-based systems, that complement public health insurance will become critical.

ii. Securing funding

A renewed understanding of the role and functions of public health insurance, as described in (i), will require resources that include out-of-pocket payments, insurance premiums, or taxation. Reviews of each funding sources will be necessary to ensure fairness and equity. Efforts to ensure public buy-in for necessary increases will be required. To ensure fairness between generations, these reviews must be made from a mid- to long-term perspective and payments should be redesigned to be in proportion to benefits.

Certain age groups, such as those aged 75 and over, are afforded out-of-pocket payment reductions. However, there is a need to discuss how to achieve a basic balance with younger generations. Even within the same age group, populations face a variety of social and economic conditions that call for a similar system of out-of-pocket payment balancing. While maintaining the health care system's basic responsibility to cover necessary and appropriate health services and safeguard against serious health issues, adjustments to fees based on disease class should be considered. For example, fees that are unreasonably low could be increased, people could be asked to pay more out-of-pocket to be seen for minor health concerns like the common cold, and those facing serious illness could be asked to pay less. Changes to fees within the long-term care insurance system should also be considered, such as the introduction of user fees for services based on care plans developed by care managers.

We should also consider, from the perspective of making fees fair based on the ability to pay, developing a system to ensure out-of-pocket payments and insurance premiums are determined based on not only income, but assets. Another consideration might be to incorporate reverse mortgages following death.

The costs and services associated with pensions and long-term care provided to older persons is of much concern. However, social insurance benefits for those raising children do not gain adequate attention. To ensure fairness, these benefits need to be examined depending on whether beneficiaries support dependents or not. Also, the system of increasing national health insurance premiums based on the number of children needs to be examined.

³⁶ There are a variety of potential approaches that support the inclusion of new services by regional and employment-based insurance, including the provision of supplementary insurance or the exclusion of certain cost-ineffective services for minor, non-life threatening from the scope of insurance.

To ensure the sustainability of public funding, various strategies must be considered, including increasing taxes or imposing new taxes on products that affect health, such as tobacco, alcohol, and sugar. Environmental taxes could also be used to fund social security. However, it has been shown that there is a link between socioeconomic factors and lifestyle³⁷ so people with low incomes should be given additional support in making healthy lifestyle choices.

Further, as fiscal adjustment systems are becoming more complex making the connection between insurance benefits and cost share increasingly difficult to decipher, it is critical to implement ways to ensure the public is aware of how the employer-based health insurance system contributes to the insurance scheme for older persons.³⁸

iii. Strengthening financial governance

Insurers in 2035 will be asked to balance the benefits they provide with the fees they collect while contributing to a sustainable insurance system. The system should comprehensively support the insured by providing prevention and health management services and implementing initiatives that increase health literacy and improve health care quality using tools, such as ICT.³⁹

Making health care costs reasonable will require that expenses be evaluated regularly against expected costs. To address cases where resulting expenses exceed expectations, reasons for major discrepancies must be analyzed, efforts to prevent further increases in expenses that may include a review of benefits should be implemented, new sources of funding should be discussed with the relevant parties, and a system for making mid-term adjustments should be created. Accordingly, we will promote initiatives to transfer authority to prefectures so regional disparities can be addressed.⁴⁰

(4) Health professionals

Physicians and other health care professionals require adequately equipped working environments in order to continually provide high-quality care. To create a strong health system, it is necessary to hold ongoing discussions on the health care professionals required by the ideal system, taking into account advances in technology and changes that arise over time, and to develop human resources who are competent in those areas.

³⁷ Shakai keizaiteki yoin to kenko-shokuseikatsu: Nihon ni okeru jittai to kongo no seikatsu hogo jukyusha shien ni mukete (Social Economic Factors and Health and Eating Habits: The State of Affairs in Japan and Working to Support Future Public Welfare Recipients). Second Ministry of Health, Labour and Welfare Social Welfare and War Victims' Relief Bureau Social Welfare Recipient Health Management Research Group document. <http://www.mhlw.go.jp/file/05-Shingikai-12201000-Shakaiengokyokushougaihokenfukushibu-Kikakuka/0000064273.pdf>

³⁸ Prefectures and other bodies should be allowed to play a more active part in overseeing the health insurance and health care systems to support systems for those who are making contributions to employer-based health insurance for employed people.

³⁹ To foster sustainability, there is a need not only for government regulations and industry standards for health care professionals, but also for functions that allow insurers to independently set reimbursement fees, designate medical institutions authorized to treat patients with health insurance coverage, and grant region-specific qualifications and licenses.

⁴⁰ Measures such as introducing fees based on regional disparities between prefectures, as noted in Chapter 6 (1), should also be considered.

Physician placement and employment structure should be reviewed and concentration should be placed on fostering productivity through the use of various tools, including advanced technology. For example, productivity could be increased by training physicians to be able to treat patients who present with multiple health issues and training physicians in the areas of prevention, public health, communication, and management. Other efforts to contribute to increased productivity include reform of state examinations and medical education, expansion of team-based health care, and creation of a system to train hospital specialists who become community-based general practitioners. Training for physicians and other health care professionals should be made more efficient and effective through the use of MOOCs⁴¹ and other ICT methods, comfortable working environments should be created for health care professionals, and model career paths for female physicians should be developed.

Through various efforts that include increasing the number of graduate schools of public health, those with potential in the area of health policy must be supported through training and career development systems made available in regional areas. Management of health care facilities must be improved through training that extends beyond clinical practice and data science and includes a multidisciplinary approach featuring leadership training and courses on management and public health.

Analysis of each region is necessary to determine which medical departments face shortages due to ageing physicians and uneven distribution of physicians. During this investigative process, prefectural governments, which are responsible for creating health care plans, should implement policies to prevent physician shortages and create strategies to ensure departments, including general practice departments, facing shortages have an adequate number of physicians. Specifically, this means creating policies that encourage physicians to transfer from highly competitive departments to those that are understaffed. These policies could include incentives such as grants and advanced training programs that make moving more attractive. Policies that address uneven distribution of human resources in clinical and specialist research are also needed.

As regional hospitals start to specialize, cooperation must be strengthened between specialists and general practitioners in order to form organic networks. This should be followed by increased cooperation within and between local governments.

In many cases, smaller health care facilities in rural areas lack access to advances in medical technologies and knowledge creating the need for systems that make it possible to concentrate on clinical and general research even in these areas. Physicians could have access to the latest information, research, and clinical medicine practices through the establishment of regionally based research networks and the expansion of clinical trial networks.

In addition to the global trends of population ageing and NCDs, countries in Asia share the challenge of healthcare workforce shortages, funding shortages, and the transition to community-based care. Medical schools should establish month-long training programs on community-based care in Japan and health care in other countries, particularly in developing

⁴¹ Massive open online courses (free, web-based course services that offer certifications).

countries. Further, systems to support postgraduate programs that provide opportunities for clinical training in other countries as well as “glocal”⁴² clinical training held in regional areas of Japan and in Asia should be established.

In an ageing society, delivering comprehensive care to address the multiple health issues patients present is essential. Unfortunately, this is often not possible because of the divisions between different specialties and between different roles, such as doctors, nurses and other para-medicals. To address workforce shortage across specialties while contributing to the implementation of comprehensive care, after review of multiple roles each qualification plays, we should allow professionals who have adequate experience and training to fulfill an expanded list of roles within their job classification. Home health care will also face workforce shortages. To prepare for advancements in health care and as specialty nursing develops, the health care services delivered by para-medicals will need to be expanded.

An ageing society coupled with a low birthrate requires that we train a workforce capable of multiple job functions in both the health care and social service sectors. This will concurrently support the growth of the community-based integrated care by training human resources to work within these systems. While taking local needs and professional specialization in consideration, a common set of medical and social service qualifications should be established for those working in the community-based integrated care systems. We should also support the skill development of administrative and other critical support staff across Japan’s various regions who contribute to the functioning of the public health insurance system.

(5) A world-class Ministry of Health, Labour and Welfare

The Ministry of Health, Labour and Welfare (MHLW) and ministries and agencies that support the MHLW have not been able to effectively optimize the social security system through critical reforms of key cross-cutting systems and policy areas (including the pension system, health care, long-term care, housing, community development, and urban planning). It should be noted that national and regional governments pay out nearly ¥110 trillion in health care benefits when the national budget is approximately ¥90 trillion, putting health care resource reform next to overall economic reform in terms of Japan’s most critical issues.

Reform of the management structure of the MHLW is also required to fully implement *Japan Vision: Health Care 2035*. Fragmentation within the organization slows processes and leads to inefficiencies. Increased pressure in the areas of pensions, health care, long-term care, social services, and employment will require that capable human resources are secured to meet these needs.

MHLW leadership must be provided with the appropriate tools to make timely and necessary policy decisions. Currently, cross-sectional communication is becoming more difficult despite the need for leadership to address an increasingly broad spectrum of issues. In addition to job function reform and workforce strengthening, cross-cutting management and communication capacity that extends

⁴² Clinical training systems, which include clinic training in regional areas of Japan as well as overseas experience for a fixed period in Asian countries or other locations.

to regional bureaus must be increased to allow for proactive communication with health professionals in the field.

Health policy discussions and the establishment of shared benchmarks tend to occur within European and North American governments. Japan, however, has yet to engage with neighboring countries to understand, analyze, and engage in collaborative trend analysis. For example, Japan has fallen behind in developing health technology assessment (HTA) as well as health care ICT despite major advances taking place in the region. Looking forward to 2035, the MHLW must strive to be recognized as a global organization that moves quickly and precisely to support innovation and address health crises.

A Chief Medical Officer (CMO) should be appointed to serve a five-year term to advise the Prime Minister and the Minister of Health on health policy. The role of the CMO should be filled by a person with expertise in technology and public health who can provide recommendations to ministers and other politicians from a neutral and objective stance. The CMO will need to be supported by a structure that ensures access to the most up-to-date health information and research from around the world. Functions of the CMO will also require that communication must not only come in from global sources, but that Japan sends communication outward as well. Additionally, a Bureau for Medical Innovation should be established that horizontally drives health care innovation from the development stage to assessment of its effects on expenditure. The bureau would become a base for medical technology assessment and health care ICT.

Japan can contribute to global health needs by supporting health care development around the world. In order to do this, establishing a provisionally-titled Global Strategy Officer will support the creation of a comprehensive vision (Global Health Initiative) and strengthen Japan's ability to engage in global dialogue and analysis enabling Japan to play a stronger leadership role.

Japan must take the lead in addressing urgent global health crises as well as emerging infectious diseases by establishing crisis management systems and centers for infectious disease that serve as public health command posts and detect potential threats, conduct P4-level investigations, develop treatments, and ensure effective disease control measures are implemented when necessary. At the same time, an organization that integrates multiple bureaus within the MHLW should be established to address the growing threat of non-communicable diseases (NCDs), support nationwide and regional health initiatives, and communicate NCD policy and health system information outward.

Strengthening institutional structure alone will not suffice. Human resource management must be revised to include more active hiring of ambitious young talent and accomplished professionals. And the current classification of human resources into administrative and technical staff should be reexamined, so that staff are assigned to positions that match their abilities leading to improved performance of the organization as a whole.

8. Looking Ahead

A headquarters should be established within the Ministry of Health, Labour and Welfare to carry out the above proposals, encourage wide-ranging public discussion about the proposals, and, after careful consideration, steadily implement practical, short-term policies. We should also create a system for appropriately following up on the progress of *Japan Vision: Health Care 2035*.

Further, it is critical that the health care system not remain self-contained. We must enhance links with long-term care services, community development and other related areas, and deepen debate to promote partnership and integration with these areas.

Conclusion

In compiling this report, we received valuable opinions on everything from present issues to awareness of future trends from four main advisors, as well as many experts and government officials. We also gathered useful statements from 149 citizens during a campaign that ran from April 24 to May 20, 2015, when people were asked to share their ideas with Health Minister Yasuhisa Shiozaki. During the same time period, we gathered comments from all employees of the Ministry of Health, Labour and Welfare. We looked through all of these various opinions and adopted some of them in the report.

The Health Care 2035 Advisory Panel, the authors of this report, is composed of members with an average age of 42.7 who are likely to still be working 20 years from now. We have conducted discussions while aiming not to be tied down by existing frameworks and limitations and trying to constructively and creatively consider the world in 20 years. In making suggestions looking two decades ahead, some proposals and examples of policy will arouse debate. We welcome feedback and criticism on this report, and hope that it will be the start of national debate. We are sure that debate in itself will be the first step toward a brighter future.

Even around the world, there are few visions for health care policy similar to this report looking ahead 20 years. This English version has been prepared alongside the original Japanese version to present Japanese policy ideas to the world, deepen global debate, and make an intellectual contribution both domestically and overseas.

(Appendix) Japan Vision: Health Care 2035 Timeline

| | By 2020 | By 2035 |
|--|--|---|
| Lean health care: Implement value-based health care | <ul style="list-style-type: none"> ▪ Establish and implement health technology assessment system ▪ Support practitioner-led quality of care improvements (including prevention of excessive care and adverse events) ▪ Educate general practitioners to deliver the community-based integrated care and ensure such practitioners are available throughout Japan ▪ Ensure that communities and hospitals are able to deliver the best options available to patients | <ul style="list-style-type: none"> ▪ Evaluate provider performance and effectiveness of health care providers and health technology) based on value delivered to the patient and reflect evaluation in fee schedule ▪ Improve treatment outcomes by monitoring medical facility performance and setting benchmarks ▪ Ensure that health, medical, and long-term care services that are available reflect regional data and needs |
| Life design: Empower society and support personal choice | <ul style="list-style-type: none"> ▪ Establish the means to realize a “Tobacco-free” Olympic and Paralympic Games (e.g., youth smoking prevention programs, raising the tobacco tax, regulating advertising and packaging, smoking cessation programs and treatment) ▪ Promote preventive health measures that have shown to be effective and pursue, in particular, secondary and tertiary prevention strategies that reduce costs ▪ Improve quality of life and increase social productivity by investing in health | <ul style="list-style-type: none"> ▪ Realize a “Tobacco-free” society by 2035 ▪ Support the widespread use of electronic personal health records that include long-term care service information ▪ Establish centers where people can access health and social consultation services in one place ▪ Create communities and cities based on a social determinants of health (SDH) perspective |
| Global health leader: Lead and contribute to global health | <ul style="list-style-type: none"> ▪ Establish a health emergency management system (an organization to manage health emergencies and disease control) ▪ Create a health care delivery system prepared to meet the needs of people from around the world by the 2020 Tokyo Olympic and Paralympic Games | <ul style="list-style-type: none"> ▪ Position Japan as an administrator of global health emergency management and increase capacity to lead during international health crises, such as infectious disease outbreaks and disasters ▪ Develop a system of health security that integrates various stakeholders, |

| | | | |
|--|-----------------------|--|--|
| | | <ul style="list-style-type: none"> ▪ Develop a mechanism to pool and educate future global health leaders from both the public and private sectors ▪ Support universal health coverage and regulatory science capacity building in Asia and around the world | <p>including the government, Self-Defense Forces, non-profits, and civil society</p> <ul style="list-style-type: none"> ▪ Export medical care and long-term care systems based on care models, including the community-based integrated care model ▪ Contribute to construction of global health governance by contributing to international organizations and other means |
| Infrastructure to Achieve Japan Vision: Health Care 2035 | Innovation | <ul style="list-style-type: none"> ▪ Build a clinical trial and clinical study platform ▪ Foster human resources and build research and educational environments that support the practical application of research efforts | <ul style="list-style-type: none"> ▪ Ensure adequate resources for continued research of diseases, such as cancer and dementia ▪ Attract people capable in the field of innovation from inside and outside of Japan |
| | Information | <ul style="list-style-type: none"> ▪ Establish and utilize a health care data network (link data through use of health care ID) ▪ Implement prevention, health care, and disease management services based on analysis of check up and treatment data | <ul style="list-style-type: none"> ▪ Build infrastructure to enable delivery of ICT-based health care that includes remote screening, treatment and surgery ▪ Develop a policy evaluation process that utilizes prevention, diagnosis, treatment, disease management, long-term care, and end-of-life care (the final stage of life) data |
| | Sustainable financing | <ul style="list-style-type: none"> ▪ Introduce a system that allows for mid-term adjustments when health care costs surpass expectations | <ul style="list-style-type: none"> ▪ Establish a financial support mechanism to complement public insurance ▪ Enable prefectures to address regional disparities by, for example, transferring authority |
| | Health professionals | <ul style="list-style-type: none"> ▪ Foster physicians with capacity in prevention, public health, communication, and management ▪ Build a “glocal” clinical training system ▪ Foster health policy | <ul style="list-style-type: none"> ▪ Develop a common set of medical and social service qualifications (e.g., shared promotion and training programs) ▪ Address physician misdistribution through strategies that include |

| | | | |
|--|--|---|--|
| | | professionals by increasing the number of graduate schools of public health, amongst other approaches | placing physicians in areas with persistent shortages and setting physician quotas |
| | A world-class Ministry of Health, Labour and Welfare | <ul style="list-style-type: none"> ▪ Appoint a Chief Medical Officer (for a term of five years) ▪ Formulate a Global Health Initiative ▪ Establish a Bureau for Medical Innovation | <ul style="list-style-type: none"> ▪ Take leadership in global dialogue and policy making |

Health Care 2035 Advisory Panel

List of Members

| | | |
|--------|--------------------|--|
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as of 9 June, 2015

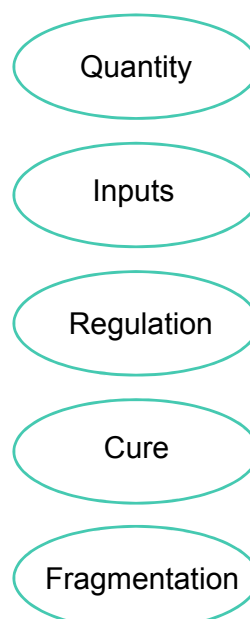
Brief Summary

Issues and outlook

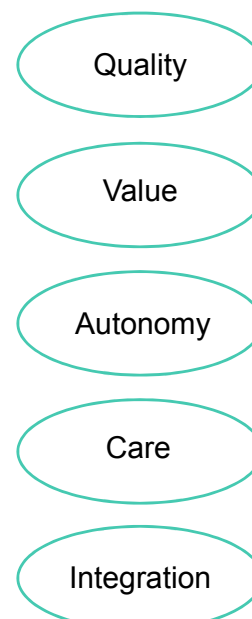
- Address growing health care needs, changing social environments and values, increasing inequity, and globalization
- Transform health care into a horizontal system that engages all sectors through shared vision and values, in contrast to maintaining the current system through basic cost share increases and benefits cuts
- Promote innovation in health care technologies and systems that drives Japan's growth and development while maintaining excellence in health
- Tackle fiscal deficits and contribute to Japan's economic stability
- Position Japan as the authority on healthy longevity by addressing population ageing and a low birthrate

Paradigm shift

Existing model



Toward 2035



Health care for the next 20 years: Vision and actions

Goal

To build a sustainable health care system that delivers unmatched health outcomes through care that is responsive and equitable to each member of society and that contributes to prosperity in Japan and around the world.

Principles

Fairness

Solidarity built
on autonomy

Shared prosperity
of Japan and the world

Vision and actions for health care in 2035

LEAN HEALTHCARE

1 Implement value-based health care

- Base reimbursement rates on value to the patient
- Support increased quality of care through professional initiatives
- Develop and ensure access throughout the country to general practitioners

LIFE DESIGN

2 Empower society and support personal choice

- Realize a "Tobacco-free" Tokyo 2020 Olympics
- Accelerate prevention and disease management through strategic use of ICT
- Build communities from a social determinants of health (SDH) perspective

GLOBAL HEALTH LEADER

3 Lead and contribute to global health

- Establish a health emergency management system (building a Center for Health Protection and Promotion)
- Provide support in developing core systems, such as universal health coverage and drug approval processes
- Develop a system to educate global health leaders

1. Innovation

- ❑ Establish a platform for clinical trials
- ❑ Secure research funding through various sources for diseases, including cancer and dementia

2. Information

- ❑ Build and utilize a health care network that links data using unique identifiers
- ❑ Promote care and disease management through collection and analysis of check-up and treatment data

3. Sustainable financing

- ❑ Allow for intermediate adjustments when health care costs exceed projections (e.g., adjust benefits, implement preventive measures)
- ❑ Establish a financial support mechanism to complement public insurance

4. Health care professionals

- ❑ Increase, where appropriate, integration of paramedical professionals
- ❑ Introduce quotas in areas that continue to face physician shortages and misdistribution of specialties

5. A world-class Ministry of Health, Labour and Welfare

- ❑ Establish a Chief Medical Officer (CMO) position
- ❑ Establish a Bureau for Medical Innovation

Life in 2035

85 year old man, community volunteer (current age: 65)

- After visiting **my family physician** for joint pain, I was referred to a local specialist right away.
- Although I used to have to go back multiple times, this time my specialist had already received **access to my electronic health record** so there was no need for additional visits.
- The specialist gave me different treatment options using information in a database of patients just like me. And she explained potential complications so **I was able to understand** and decide on a treatment that's best for me.

20 year old woman, student (current age: 0)

- Since I was a child, I have had a rare disease that causes pain all over my body. Yet, I have the understanding and support of those around me and I can see my specialist using telemedicine, so I can **live with this disease while studying and working** just like everyone else.
- Information about this disease is registered in a database and I am participating in the **development of a new drug**. This is thanks to Japan's improved research environment.

50 year old woman, contract worker (current age: 30)

- A single mom, I was able to raise my two kids and continue to work in a local factory.
- After graduating from high school, my son wanted to find a job in our hometown where he has lots of friends. He likes people and wanted to make a difference, and now he is working in a care facility. I feel so proud when I hear others say how hard-working he is.
- My daughter got a scholarship to study nursing at a local university. Next year, she plans to start working at a nearby hospital.
- **Health care and caregiving have become the employment and economic drivers of this community.**

48 year old woman, physician (current age: 28)

- Although I was busy 20 years ago, there were so few surgery cases that I actually had to seek opportunities to do surgery. This made it difficult to assess my own surgical skills.
- I was very surprised the first time my hospital was **assessed using benchmarks** and I saw the grade we received.
- Since then, I have been working to build a new network of nearby hospitals and staff and we have seen **outcomes improve**. Including young physicians and staff, everyone is able to **thrive in the workplace**.

65 year old man, company employee and non-Japanese resident (current age: 45)

- When I was transferred to Japan 20 years ago, my family had such a hard time figuring out where to go and communicating during medical emergencies.
- Just before the Tokyo Olympics, things changed. And now even **those who don't understand Japanese can readily access medical care**. I now enjoy life here with a greater sense of security.
- Japan is known for high quality health care and age-friendly initiatives. The world views it as a **medically advanced country**. And now we see people coming to Japan from around the world to get medical care.





<http://www.mhlw.go.jp/healthcare2035>