

On 3 July 2018, Waseda Institute of Social and Human Capital Studies (WISH) hosted a lecture under the title of “Effective allocation of medical care resources at the Ministry of Health, Labour and Welfare (MHLW): Actual processes for revising medical care remuneration and formulating medical care policies,” inviting Dr. Kensuke Yoshimura, Program-Specific Senior Lecturer at the Health Care Management Center, Chiba University Hospital, to speak. This lecture called together for the first time a number of participants representing several different standpoints—including government officials, patients and physicians—drawn from among the many stakeholders associated with medical care policy in Japan. Participants at the lecture included students from the Health Economics (Subject instructor: Prof. Haruko Noguchi), and postgraduate students from the Graduate School of Political Science, the Graduate School of Public Management and the Graduate School of Economics at Waseda University.



Dr. Yoshimura acquired the position of Master of Public Health (MPH) during an eight-year period working as a psychiatrist. In 2015, he entered MHLW as a “medical technical official,” over a period of two years he worked in policymaking, followed by one year working as a senior researcher in policy research at the National Institute of Public Health (NIPH). At the lecture, he gave an overview of medical care policy and discussed the challenges that are faced, drawing upon his experience working as an official in the government.

Japan saw continued population growth from its first establishment as a nation until recently, and the country’s various systems, including medical care, have been designed and operated based on the assumption of an increasing population. However, despite a continual decrease in Japan’s population since its peak in 2008, the country’s national medical expenditure reached over 42 trillion in FY2015 and has continued to reach new record highs since then, with expenditure rising at around 1 trillion yen per year—a problem which, as Dr. Yoshimura emphasized, has reached a critical situation that could potentially lead to financial collapse should these trends continue.



Japan's medical care system is characterized by a four-part structure, comprising (1) universal public insurance; (2) freedom of access; (3) freedom of providers to establish facilities/freedom of beneficiaries to adopt any provider; and (4) a system of medical care provision centered on private medical institutions. However, it will not be possible to continue all aspects of this structure going forward. MHLW has now begun to put

together medical care policies which adopt “evidence-based policies” as a principle, aiming to ensure a soft landing as Japan moves away from the current situation in which the burden of social insurance expenditure falls upon the generations comprising young people and children (a situation that has been termed “policy-based child abuse”), and towards a sustainable medical care system. The policies for doing this can be broadly divided into two areas: control of the unit prices of treatments and drugs, and control of the numbers and quantities of these that are provided (through regional medical care concepts based on the Medical Care Act, plans aimed at optimizing medical care expenditure based on the Act on Assurance of Medical Care for Elderly People, and the correction of the uneven distribution of physicians in medical departments based on the New Medical Specialist System, among other policies). At the present stage, Japan has now finally embarked on reforms which have already produced a certain level of outcomes in several other countries, including the introduction of economic evaluations of medical care based on cost effectiveness and outcomes. In addition to giving an overview of the medical care system in this way, Dr. Yoshimura also discussed the Quality Adjusted Life-Year (QALY) indicator, a comprehensive measure which is calculated based on Quality Of Life (QOL) values and which has been used as part of the economic evaluation of healthcare in recent years; describing how the use of this measure as an indicator of effectiveness for the Incremental Cost Effectiveness Ratio (ICER) has become mainstream throughout the world, Dr. Yoshimura set out his expectations regarding the execution of the latest surveys on QALY in Japan as well.

The processes for determining such policies involve people who occupy a wide range of different perspectives. Dr. Yoshimura's message to the students emphasized how, when efforts are underway to create new initiatives, it is essential to lead a process of consensus-building through negotiations whenever clashes of values develop among the various people involved based on their different viewpoints, and that it is essential for each individual to think for themselves and take risks when taking action, since the way such processes should be led will vary for each person. While providing a bird's-eye view of the current status of the medical care system in Japan using supporting documents as evidence, Dr. Yoshimura's lecture also gave the listeners an opportunity to consider what

perspectives are required for the effective allocation of limited medical care resources such as personnel, time and equipment, in order to realize a sustainable medical care system.