

**Topic-Setting Program to Advance Cutting-Edge
Humanities and Social Sciences Research**

(Responding to Real Society)

Progress Report
(Summary of Final Report)

[The future of the public-private mixed provision of health care in the context of
pressures of the deregulation reform]

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Institution: Hokkaido University

Academic Unit: Graduate School of Law

Position: Professor

Research Period: FY 2013 – FY 2015

1. Basic information of research project

Research Area	Evaluation Analysis on a Regulatory Reform	
Project Title	The future of the public-private mixed provision of health care in the context of pressures of the deregulation reform	
Institution	Hokkaido University	
Core-Researcher (Name, Academic Unit & Position)	Tomoyuki Kato (Graduate School of Law, Professor)	
Project Period	FY 2013 - FY 2015	
Appropriations Plan (¥)	FY 2013	JPY 3,002,000
	FY 2014	JPY 4,797,000
	FY 2015	JPY 2,201,000
	FY	JPY

2. Purpose of research

[Introduction/Recent Policy Trends]

Easing of regulatory restrictions in the medical industry has been slow despite increasing market pressures in areas such as generic medicine and push for relaxing regulations under the TPP.

This trend puts into focus necessary adjustments in the health insurance sector in order to cut down the cost of medical care, address the low birth rate issue, and increase life expectancy.

[I. Health insurance contract] [II. Necessity of review on insurance coverage]

These regulatory reforms will have significant impact on two areas:

One is patient-doctor relationship and the other relates to the health insurance establishment as a system.

Patient-doctor relationship is governed by what medical treatment is covered under the health insurance contract.

Adjustment in the manner by which insurance coverage are paid will have significant impact on the health insurance system.

Medical treatments covered by health insurance as well as private medical care that is not covered have to be clearly defined.

The key question to ask then is how do we structure actual medical care in the context of health insurance coverage provisions.

This is very much related to how public medical insurance claims are paid and there is quite a lot of disagreement on this issue.

The existing disagreements result largely from “a rather narrow interpretation of the rules based on standard medical industry practice and too much focus on control logic and financial administration, without taking

into account a total understanding of how the health insurance system should work”.

(By Syouji Kawakami “medical service fee and patient partial expenses within health insurance treatment.”)

Whether regulatory reform in the medical industry moves ahead or becomes more restrictive, two important factors have to be considered: I. Health insurance contracts must make clear the financial liabilities of all parties concerned. II. More studies have to be made in the processing of insurance coverage so that the demarcation between public health insurance coverage and private medical care can be clearly established.

[III. Supplementary considerations in Germany and France]

In this present study, we tried to tackle problems encountered in mixed medical treatment cases, particularly in the areas of health insurance coverage and claims, by taking into consideration the experience of doctors and hospital management.

Therefore, we decided to look into the experiences of Germany and France -- where the health insurance system is at the core of medical security – as points of reference.

3. Outline of research (Including study member)

[Focus of the study]

One of the focuses for regulatory reform in the medical industry is problems encountered in mixed medical care.

In this present study, the mixed medical care problem is the main focus as it involves to critical factors that are very much related: (a) parties involved in health insurance contract, and (b) processing of insurance coverage under the present health care insurance system.

In this research, what we mean by mixed medical care is that we are focusing on treatments or coverage under the public health insurance system and its private health insurance counterpart.

In Japan, mixed medical care includes treatment as part of public health insurance coverage and the associated exceptions (medical Expenses Combined with Treatment Outside Insurance Coverage), which in turn needs to be privately covered.

What we mean by expanded mixed medical care is not that all treatment have to be covered under the public health insurance systems but rather that the non-covered treatments currently under exceptions which need to be take care of by private insurance are likely to increase.

In another word, Mixed medical care policy has to make clear who covers what fees, as our discussing Health insurance treatment contract problem(I) and insurance coverage(II)

[Methodology]

Recent discussions on the topic of mixed medical are rather too theoretical since the medical provider’s (doctor’s) point of view is not taken well into consideration.

Therefore, we made sure that our examination of the issues included extensive interactions with doctors and experienced hospital management in order for our conclusions not to be based too much on theoretical discussions.

To facilitate this exchange of opinions, members of the research team held investigative hearings.

We also examined some court cases and integrated observations gleaned from the hearings conducted by specialists. Our objective in combining these inputs is to be able to clearly articulate the advantages and disadvantages of an expansion of mixed medical care, from the points of view of patients, doctors and insurers. I .They are the main involved parties in a health insurance contract. Although pre-existing conditions and the severity of the medical condition being treated area also factors that go into the evaluation of whether to expand mixed medical care, inputs from these parties and the control authority, as gleaned from the hearings, also have to be taken into consideration.

[Composition of the Research Team]

Mr.Tomoyuki Dobata (ex pediatric doctor at Teine Keijinkai Hospital) was the expert in charge of hearings on health insurance treatment contract and Mr. Hachiro Mikami (Dentist at Dental office Liberty) was in charge of hearings on processing insurance coverage.

Also Mr. Tsuyoshi Ishiguro (Niigata University faculty German civil Law) and Mrs. Okuda (Nichii Research Institute French correspondent/ French health system) were included in order to compare experiences in Germany and France as additional inputs. They conducted actual surveys in Germany and France.

4. Research results and outcomes produced

i) In this study, we hypothesized on how well a health insurance contract is able to address the respective needs of the different parties to the contract and their relationship with each other: insurer/insured person, insured person/healthcare agency. It remains to be seen whether our findings and conclusions can be adaptable and thus require more discussions.

Although we tried to look into commonalities between social security law and civil law pertaining to this issue, we have not been able to arrive at a collective position in this study.

We have taken an in-depth look at health insurance coverage in Germany and France, which are used as reference, and the relationship between insurer/insured person and insured person/healthcare agency and concluded that differences in each country exist.

Knowing this has been the most important achievement of this research.

ii) With regard to insurance coverage, there have been several discussions and hearings among those who are pushing for revisions, doctors, persons in hospital management, and other experts. However many of them disagreed with adapting mixed medical care.

The reasons for disagreement came from following 2 issues in our country.

One is that while the process of insurance coverage have been expanded after the war and medical reimbursement standards have been set up, the systems that have been put in place have not functioned properly despite government guarantees for private practice.

As can be seen today, barriers to limited medical care have been overcome by expanding the insurance coverage.

However, despite advances in healthcare technology, many serious ailments and advanced medical care are still not covered by insurance.

Even though the cost of medical insurance have declined, we still have not come up with meaningful programs on how maintain our health. This is the main issue for consideration on whether to adapt mixed medical care or not in our country. Knowing this is another very important achievement of this research.

iii) Germany and France are the countries that have been chosen as points of reference on the basis of their healthcare insurance system being roughly the same as Japan at first glance.

However, since they have their own approach on differentiating between insured and non-insured healthcare treatments, adapting valuable ideas from their experience is not straightforward.

We concluded that a simple comparison of our medical insurance system with those of other countries could actually cause more problems in solving our own issues since cultures and traditions are deeply embedded in the respective countries' medical insurance systems.

Completion of this research has been made possible through the co-hosting of the Social Security Act Conference between Hokkaido University and Kumamoto, who conducted 5 academic workshops to prepare the report in October 2014. Our team also went on research trips abroad 4 times.

We visited France in the Fall of 2013 and conducted discussions with the Accounting Office, the French National Health Insurance Fund for Salaried Workers (CNAMTS) and the Federation des Medicines de France (FMF).

We visited various healthcare agencies and conducted insurer consultations with expert Mr. Hachiro Mikami in 2014 and then visited the CNAMTS in France. Then we went to Germany with expert Mr. Iwasaki in February 2015.

In this research, we followed the same itinerary in each of the countries visited to really see differences between our system and theirs.

This research would not have been possible with the collaboration with expert Mrs. Okuda in France and Mrs. Keiko Yoshida (medical interpretation specialist) in Germany, both of whom are very knowledgeable about medical insurance issues. We did have a lot of social interactions with other expert, doctors, dentists, and insurer-related persons during our visits.

Mr. Tsuyoshi Ishiguro (associate professor at Niigata University), who not only exchanged opinions in Germany but also attended local conferences, provided invaluable opinions pertaining to civil law as well.

We could not have completed this research without the collaboration and invaluable assistance of all the people involved.

Therefore, we have to continue the research on I. Health insurance treatment contract problem and II. Insurance coverage. And when we study the medical delivery system at large in Germany and France, we can get more meaningful result.

Thanks to this research rated highly, Core-Researcher got the fund, Grant-in-Aid for Scientific Research (A), "The Comparative Study on Hospitals and Medical Care Facilities: Aiming at Establishing a Sustainable Social Security System," FY 2015- FY 2019.

The new research has taken over the fruit from this research and the human network formed by this one.