ON THE MEDICAL INSURANCE SYSTEM IN JAPAN

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Mr. President, Ladies and Gentlemen:
First of all, I wish to extend, on behalf of the Japan Medical Association, greetings to the Fellow Delegates of the assembly and congratulations to Mr. Chairman for his thorough and comprehensive report on social security problems.

I also wish to thank the chairman for the privilege of being allowed to speak briefly in connection with the special security problem, particularly on medical insurance now being carried out in our country.

Medical insurance scheme is one of the most trying problems that the Japan Medical Association has to deal with today. The fact that almost 60 million persons or two-thirds of the entire population of the country are covered by some sort of insurance is in itself significant enough. But what we are concerned with the fact that the scheme now practised in Japan is far from satisfactory in the light of twelve principles of social security set forth in the blue book now on your desk.

The social security scheme in our country was established in 1927, that is, more than 25 years ago. At the beginning of its formation our government provided laws with purpose of protecting the health of factory workers. But the scheme has since been extended to the following various forms: (1) Health Insurance, (2) Welfare Pension Insurance, (3) Unemployment Insurance, (5) Seamen's Insurance, (6) Government Personnel Mutual Aid Association, and (7) National Health Insurance. The national government is the administrative nucleus for this broad social insurance structure. The entire expense for the handling of the various insurance programs is paid from the national treasury.

Unfortunately, the bureaucratic and feudalistic attitude of the government which once prevailed has not entirely disappeared to this day and the voice of the Japan Medical Association has not infrequently been either bypassed or ignored so that in spite of all and continued efforts to uphold the principles of social security set forth by the World Medical Association the result has been rather disappointing.

Limiting myself to the so-called health insurance, may I point out a few facts which the unreasonableness of the scheme...
would at once be apparent. First, during the last 27 years of the administration of the health insurance scheme, laws have been revised as often as 17 times and the by-laws more than twenty times. These revisions were made by the government, more for its own financial or social conveniences than for the good of patients or medical profession.

Second: The insurance doctor is deprived of the freedom of treatment. The method of treatment must be governed and in conformity with certain rules and regulations. The doctor is not allowed to use medicament unless that medicament is in the approved list. He is not allowed to apply newer medicinces and techniques which he has learned from recent medical journals until a security committee has given approval which may take several months or even a year. This deprives not only the freedom of treatment but I think, also, deprives the freedom of learning.

Third: The present scheme lacks a unified policy and coordinated management. The government bodies which are in charge of management are Ministries of Transportation, Finance, Agriculture and Forestry, Labor, as well as Welfare Ministry. Because of lack of unified policy among these government bodies the doctor is obliged to follow different regulations of various ministries and must be supervised by all of them.

Fourth: Lately there has been a tendency of losing the freedom to choose doctor and hospital on the part of patient. The health insurance organizations are building their own clinics and hospitals so that the patient is obliged to go to a specified hospital regardless of his choice.

Fifth: Lastly, the scheme does not recognize the ability and skill of the doctors. That is the fees are fixed so that a specialist in medicine or surgery can charge not a cent more than those who have just been out of medical school. In this connection I may mention that the fees are ridiculously low. This may be shown by an example. While the price of general commodities in Japan is 300 times as high as that of 1935, the medical fee is only less than 90 times. Once the medical expenditure was 6% of the people in our country, it has decreed to 3%. While the price of the commodities in Japan is higher than the average price of the world, the medical fee is far below it, it being one-fourth or one-fifth of what it is in that of the United States and England in hospital fee and thirtieth in treatment fee.

Let me cite one other example. A proposal was made early this year by our medical association to raise the hospital fee. However, the proposal was rejected because the security committee thought it was already high enough. The hospital fee per day including, of course, three meals and doctors' and nursing care is only ¥462 or $1.27. One may ask if there is any lodging house in which we can spend overnight for $1.27 with three meals. If there should be one, one cannot expect good service. Is it not unreasonable to say that charges of $1.27 per day is too low for a lodging house but too high for the hospital?

Thus I only mentioned a few facts. But this, in a nutshell, may serve to give you at least a glimpse of what is going on in the health insurance scheme in our country.

I realize, Mr. Chairman, that what I have said is merely a matter of internal and local problem. But I believe it has
certain bearings with each member association for no country shall be immune from vulnerablity of the trials and tribulation in the formulation of end in carrying out the social security program in the future. For this reason I should like to urge the Committee on Social Security to consider carrying out a survey on factual situations of this scheme in each and all countries of the member associations.

The Japan Medical Association has for many years been fitting in the effort to rectify the health insurance scheme to the line of twelve principles of social security of the World Medical Association but with little success, I regret to say. I shall appreciate it very much if the Committee would offer us further suggestions or recommendations which it may deem fit and which may help the Japan Medical Association in the successful solution of this difficult problem. Thank you.

TWELVE PRINCIPLES OF SOCIAL SECURITY OF THE WORLD MEDICAL ASSOCIATION

Whenever medical care is provided as part of the social security, the following principles should govern its provisions:

I. Freedom of choice of physician by the patient. Liberty of physician to choose patient except in cases of urgency or humanitarianism.
II. No intervention of third party between physician and patient.
III. Where medical service is to be submitted to control, this control should be exercised by physicians.
IV. Freedom of hospital by patient.
V. Freedom of the physician to choose the loose the location and type of his practice.
VI. No restriction of medication or mode of treatment by physician except in case of abuse.
VII. Appropriate representation of medical profession in every official body dealing with medical care.
VIII. It is not in the public interest that physicians should be full time salaried servants of the government or social security bodies.
IX. Remuneration of medical services ought not to depend directly on the financial condition of the insurance organization.
X. Any social security or insurance plan must be open to the participation of any licensed physician, and no physician should be compelled to participate if he does not wish to do so.
XI. Compulsory health insurance plans should cover only those persons who are unable to make their own arrangements for medical care.
XII. There shall be no exploitation of the physician, the physician's services or the public by any person or organization.