Chapter **1**

Introduction

October 2020

This chapter should be cited as

Study Member (2019), 'Introduction', in Tamiya, N., H.Yasunaga, X.Jin, K.Uda and O.Komazawa (eds.), *Outcomes of Long-term Care Insurance Services in Japan: Evidence from National Long-term Care Insurance Claim Data.* ERIA Research Project Report FY2020 no.13, Jakarta: ERIA, pp.1-2.

Chapter 1 Introduction

As the country with the most aged population structure in the world, Japan has been required to modify its social system and improve its long-term care provision system, which mainly depends on long-term care insurance (LTCI) as the social compulsory insurance system. As the proportion of older people increases, demands for higher quality and more efficient long-term care are also growing. The increasing cost of long-term care is imposing a financial burden on those insured by the LTCI and taxpayers in Japan, so maintenance and improvement of the conditions of LTCI beneficiaries are being encouraged to reduce the cost of long-term care services as much as possible.

Asia is one of the most rapidly ageing regions in the world. Some Association of Southeast Asian Nations (ASEAN) Member States are also in the process of rapid population ageing and are required to establish their own long-term care provision systems. Japan's long-term care system has been used as a reference model in other countries. For example, in 2013, Thailand initiated a project for long-term care service development for the frail, elderly, and other vulnerable people in an effort to emulate Japan's system. According to the Japan International Cooperation Agency (JICA), the effects of Thailand's long-term care services model expanded from Thailand to other countries, such as Malaysia and Viet Nam (Japan International Cooperation Agency, 2017). Thus, it seems timely to review the lessons that can be drawn from the Japanese experience regarding the effects of long-term care insurance services.

Previous research regarding the evaluation of long-term care services in Japan has mainly focused on their structural (equipment/personnel allocation, etc.) and procedural characteristics (provision of care). Nonetheless, while outcome assessment is necessary for measuring the effects of long-term care services on the physical conditions of the beneficiaries, research focusing on outcome assessments (evaluation of the changes in the physical conditions of the beneficiaries) has not been fully addressed (Ito, 2012).

To ensure continuous improvement in the quality of long-term care and to explain how Japan's long-term care services contribute to maintaining and improving the conditions of the long-term care service beneficiaries, it is necessary to clarify the structures and processes that contribute to such improvements and share the evidence with the ASEAN Member States.

For older people, functional status is strongly linked to service needs, care cost, and institutionalisation (Palese et al., 2016). Functional status has been used as a core measure informing the quality of long-term care (Rosen et al., 1999) and, therefore, extensive knowledge of the factors associated with functional status is fundamental for the planning of health services. A decline in functional status, as measured by an individual's loss of independence over a period

of time, is considered to be one of the most meaningful outcomes for quality assessment in long-term care (Rosen et al., 1999). However, in Japan, one of the most generally used assessments of functional status is the care-need level, because all beneficiaries of long-term care insurance services are required to have care-need level certificates. Care-need levels are assessed using a nationally standardised questionnaire, which includes questions on the current physical and mental status. Recently, a good correlation between activities of daily living and the care-need level was reported by Matsuda et al. (2019).

Through its universal long-term care insurance system, Japan retains all information on beneficiaries' long-term care insurance claims. Moreover, long-term care claims ensure that care-need level information is up to date, making it easier to observe functional changes over time.

Therefore, this report aims to investigate the predictors of care-need level change by focusing on the users of long-term care facility services, adult day service users, and day care users by applying national-level long-term care claims data.

This study was approved by the ethical committee of the University of Tsukuba. (NO.1325)