

## **Chapter 7**

# **Creating a Society Where Elderly can be Active and Comfortable**

## **Section 1. Operation of a Long-Term Care Insurance System and Promotion of Related Measures**

### **1. Establishment of a Long-Term Care Insurance System**

In order to cope with the increase in elderly requiring long-term care due to the rapid aging of society and changes in the environments of families that have been supporting those requiring long-term care, including the orientation toward being nuclear families, the long-term care insurance system was established in April 2000 as a system to support the nursing care of elderly throughout society.

Since the establishment of the long-term care insurance system, bases that offer nursing care services are improving rapidly. In addition, the number of users has quickly increased and the long-term insurance care system has now been firmly established among people as a system to support the safety of their lives in old age.

### **2. Measures to Establish a Sustainable System**

While the long-term care insurance system has been firmly established with people, the expenditure of the system is increasing quickly due to the rapid growth in users. As Japan is facing a further birth rate decline and aging, securing a sustainable long-term care insurance system is becoming an important future issue.

Furthermore, as elderly with dementia and elderly single-person households are expected to increase, the creation of a “bright and vigorous super aging society” is being called for, through establishing living bases where they can be self-sufficient in the communities they are familiar with as long as possible. To cope with these problems, the Long-Term Care Insurance Act was revised in 2005 and efforts are now being made to promote long-term care and establish a system of community-based comprehensive care.

### **3. Services Provided by Diverse Entities**

One of the characteristics of a long-term care insurance system is that diverse entities, including profit corporations and non-profit corporations, are allowed to enter the market so that the quality of services is secured through appropriate selection by users and competition among business operators.

Since the establishment of the long-term care insurance system, many long-term care service

providers have entered the market. However, it was pointed out that the quality of services was not properly secured and the ex-post regulation not working effectively. Hence the revision of the Long-Term Care Insurance Act in 2005 introduced a designated renewal system and reviewed disqualification conditions to secure and improve the quality of services, in addition to promoting nursing care prevention.

#### **4. Reviewing Restrictions on Service Providers**

While efforts are being made to establish bases to provide high-quality services through diverse entities, malicious and systematic wrongful acts by broad-based long-term care service provider took place. In consideration of this, the “Draft Law to Amend the Long-Term Care Insurance Act and Welfare Law for the Aged” to review regulation of long-term care service providers was presented at a regular Diet session in 2008 after going through discussions at a Subcommittee for Long-term Care Insurance of the Medical Social Security Council to prevent the recurrence of any such wrongful acts and ensure proper operation of long-term care services. This draft law was approved in May 2008 and will be enforced on a day specified by Cabinet Order within a year from the date of promulgation (see Figure 7-1-1).

