

*The Current Status and Issues Surrounding
Active Aging
in the ASEAN plus 3 Countries*

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THE SPEED OF AGEING



<http://ja.wikipedia.org/wiki/新幹線>

Comparison of Aging-Related Indicators (ASEAN+3)

	Aging rate 1990 (60+) (%) ¹⁾	Aging rate 2010 (60+) (%) ¹⁾	Prospect of aging rate 2025 (60+) (%) ¹⁾	Prospect of aging rate 2050(60+) (%) ¹⁾	Total fertility rate ¹⁾	Life expectancy at birth ¹⁾		Labor-force participation ratio (60-64year-old) ²⁾		Per capita GDP (US\$) ³⁾	Income disparity (Richest 10% to poorest 10%) ⁴⁾
						Male	Female	Male	Female		
Japan	17.4	30.5	35.5	41.5	1.32	79.3	86.1	76.0	45.7	45,903	4.5
Republic of Korea	7.7	15.7	27.2	38.9	1.29	76.5	83.3	70.2	41.5	22,424	7.8
Singapore	8.4	14.0	27.1	37.8	1.25	78.5	82.7	67.5	35.4	46,241	17.7
Thailand	7.3	12.9	21.3	31.8	1.63	70.2	77.1	50.1 (60-)	29.5 (60-)	4,972	12.6
China	8.9	12.3	20.2	33.9	1.64	71.1	74.5	58.3	40.6	5,445	21.6
Vietnam	7.3	8.4	15.3	30.8	1.89	72.3	76.2	69.4	58.2	1,407	6.9
Indonesia	6.1	8.2	13.2	25.5	2.19	66.3	69.4	78.9	47.3	3,495	7.8
Malaysia	5.6	7.7	13.1	20.4	2.72	71.2	75.7	52.3	17.1	9,977	22.1
Myanmar	7.0	7.9	13.0	24.5	2.08	62.1	65.0	-	-	880	-
Brunei Darussalam	4.4	5.7	12.1	23.1	2.11	75.3	80.0	45.5	11.2	40,301	-
Cambodia	4.5	6.2	9.5	19.0	2.80	60.2	62.6	69.5	33.0	897	12.2
Philippines	4.7	5.7	8.9	15.3	3.27	64.5	71.3	79.0 (55-64)	54.8 (55-64)	2,370	15.5
Lao PDR	5.7	5.9	8.4	18.9	3.02	64.8	67.3	-	-	1,320	8.3

Source 1) UN: World Population Prospects: The 2010 Revision Population Database

2) Statistical data of respective countries.

3) World Bank Search 2011 (Myanmar ; National Accounts Estimates of Main Aggregates, 2010, United Nations Statistics Division)

4) Human Development Report 2007/2008:Published for the United Nations Development Programme (UNDP)

Number of Years Required for the Proportion of the Aged Population to Double (Doubling Time)

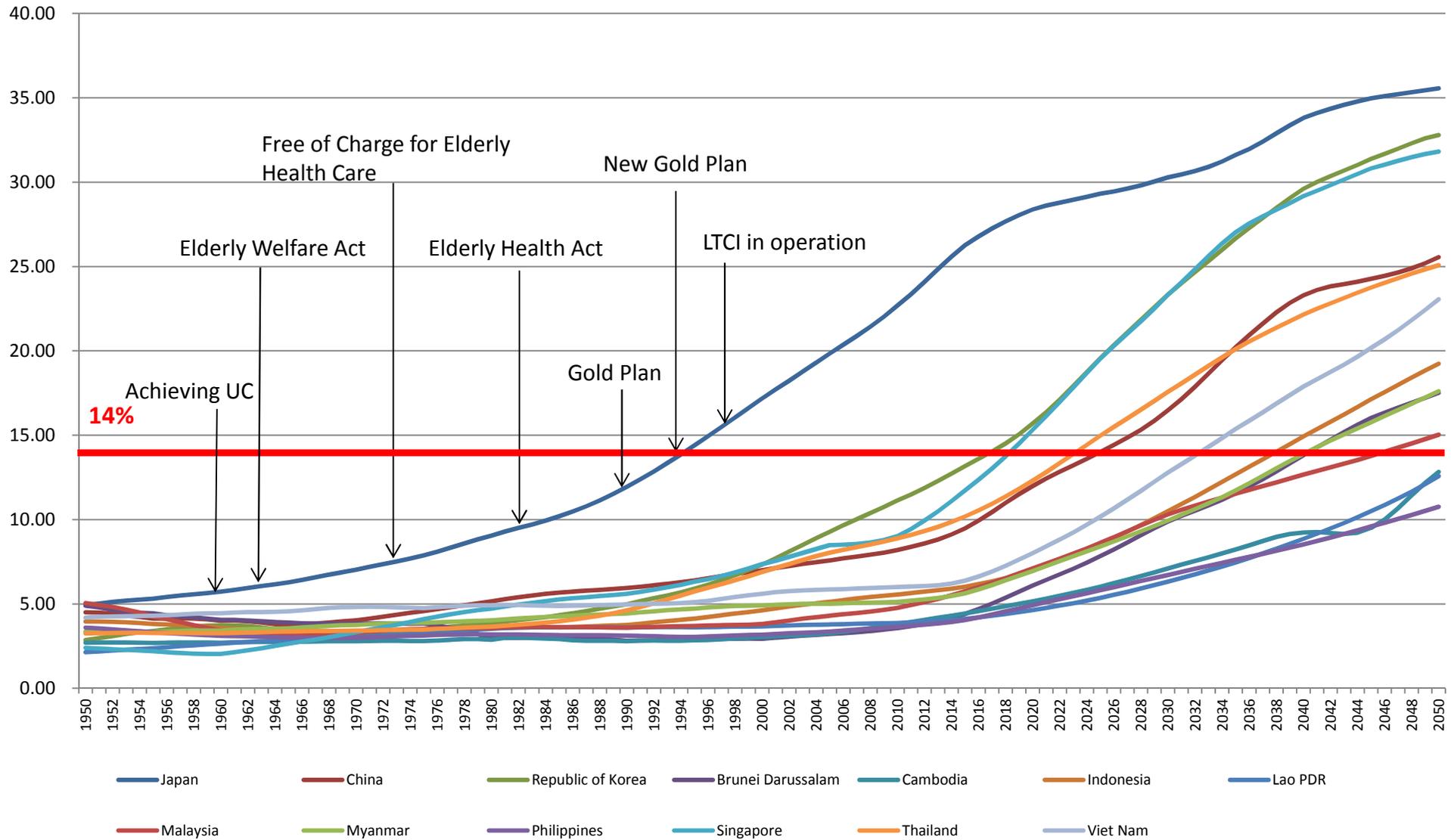
	Population (million)	Aging rate (65+) 7% <u>Aging society</u>	Aging rate (65+) 14% <u>Aged society</u>	Doubling time Number of years required for the proportion of the aged population from 7% to 14%	Aging rate (65+) 21% <u>Super Aged society</u>
Philippines	94.85	2032	2062	30	2088
Malaysia	28.86	2020	2046	26	2073
Japan	127.82	1970	1995	25	2008
China	1,344.13	2000	2025	25	2037
Cambodia	14.31	2030	2053	23	2068
Thailand	69.52	2001	2024	23	2038
Myanmar	48.34	2021	2041	20	2060
Singapore	5.18	1999	2019	20	2027
Lao PDR	6.29	2034	2053	19	2065
Republic of Korea	49.78	1999	2017	18	2027
Brunei Darussalam	0.41	2023	2041	18	2063
Indonesia	242.33	2021	2038	17	2056
Vietnam	87.84	2018	2033	15	2047

Note: Japanese statistics generally state the doubling time as 24 years, using 1994 as the year that the rate reached 14.0%, whereas the UN statistics showed that the rate was 14.39% in 1995. This table shows the doubling time as 25 years, for comparability.

Source: World Bank, World Development Indicators database

Compiled by Mitsubishi UFJ Research and Consulting based on data from the United Nations' *World Population Prospects*, the 2010 revision

Aging Rates of ASEAN Countries and Historical Development of Japan's Elderly Care System



Source: UN, World Population Prospects, Database

Promoting Active Ageing

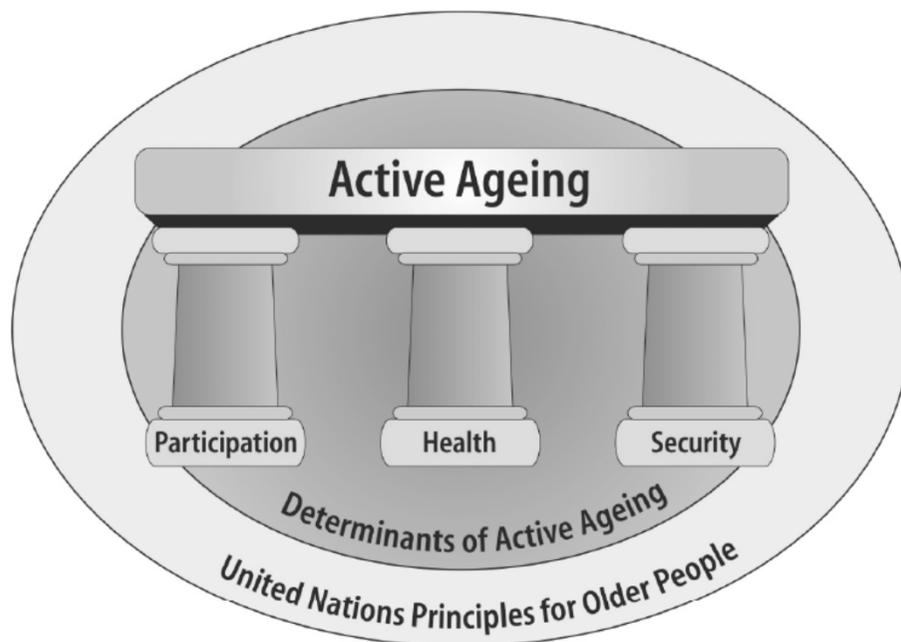


<http://www.y-create.jp/bowling.html>



Determinants of Active Aging (WHO policy framework, 2002)

- WHO defined Active Aging as “*Active aging is the process of optimizing opportunities for health, participation, and security in order to enhance quality of life as people age*”.
- WHO identified three elements based on UN classification as “determinants” of Active Aging; Participation, Health, and Security.



Health: When the risk factors (both environmental and behavioral) for chronic diseases and functional decline are kept low while the protective factors are kept high, people will enjoy both a longer quantity and quality of life; they will remain healthy and able to manage their own lives as they grow older; fewer older adults will need costly medical treatment and care services.

For those who do need care, they should have access to the entire range of health and social services that address the needs and rights of women and men as they age.

Participation: When labor market, employment, education, health and social policies and programmes support their full participation in socioeconomic, cultural and spiritual activities, according to their basic human rights, capacities, needs and preferences, people will continue to make a productive contribution to society in both paid and unpaid activities as they age.

Security: When policies and programmes address the social, financial and physical security needs and rights of people as they age, older people are ensured of protection, dignity and care in the event that they are no longer able to support and protect themselves. Families and communities are supported in efforts to care for their older members.

Source) Active Aging: Policy Framework, WHO, 2002
(http://whqlibdoc.who.int/hq/2002/who_nmh_nph_02.8.pdf)

Measures Applied to “Active Aging” based on WHO Description (selected)

Health	Participation	Security
<ul style="list-style-type: none"> ◆ <u>Prevent and reduce the burden of excess disabilities, chronic disease and premature mortality.</u> <ul style="list-style-type: none"> ✓ Prevention and effective treatment ✓ Age friendly, safe environment ✓ Hearing and Vision ✓ Barrier free living ✓ Rehabilitation, community support for family, assistive device, eyeglasses. ✓ Social Support reducing risks for loneliness or isolation ✓ HIV/AIDS ✓ Mental Health services ✓ Clean environment (clean water, safe food and so on) ◆ <u>Reduce risk factors associated with major diseases and increase factors that protect health throughout the life course.</u> <ul style="list-style-type: none"> ✓ Physical Activity (safe guidance, safe walking area, and supporting leaders) ✓ Nutrition (including children) ✓ Healthy eating ✓ Oral Health ✓ Psychological factor ✓ Alcohol and drugs ✓ Medication ✓ Adherence (e.g. correct ing poor adherence to therapies) ◆ <u>Develop a continuum of affordable, accessible, high quality and age-friendly health and social services that address the needs and rights of women and men as they age.</u> <ul style="list-style-type: none"> ✓ A continuum of care throughout the life course (collaboration between private and public and formal and informal, aging at home and in the community) ✓ Affordable, equitable access to primary care ◆ <u>Provide training and education to caregivers.</u> <ul style="list-style-type: none"> ✓ Informal caregivers and Formal caregivers 	<ul style="list-style-type: none"> ◆ <u>Provide education and learning opportunities throughout the life course.</u> <ul style="list-style-type: none"> ✓ Basic education and health literacy ✓ Lifelong learning ◆ <u>Recognize and enable the active participation of people in economic development activities, formal and informal work and voluntary activities as they age, according to their individual needs, preferences and capacities.</u> <ul style="list-style-type: none"> ✓ Poverty reduction and income generation ✓ Formal Work and Informal Work ✓ Voluntary activities ◆ <u>Encourage people to participate fully in family community life, as they grow older.</u> <ul style="list-style-type: none"> ✓ Transportation ✓ Leadership ✓ Society for all age ✓ Positive image of aging ✓ Reduce inequalities in participation by woman ✓ Support organization representing older people 	<ul style="list-style-type: none"> ◆ <u>Ensure the protection, safety and dignity of older people by addressing the social, financial and physical security rights and needs of people as they age.</u> <ul style="list-style-type: none"> ✓ Social Security ✓ HIV/AIDS ✓ Consumer protection (e.g. unsafe medicine) ✓ Social Justice ✓ Shelter ✓ Crises (elderly people in emergency situation) ✓ Elder Abuse ◆ <u>Reduce inequities in the security rights and needs of older women.</u>

Aging issues in ASEAN countries

		Issues in ASEAN countries
Health	Facility services	<ul style="list-style-type: none"> ✓ Secure the quality of services for the middle-income class ✓ Standardize facility services ✓ Develop facility services to rural areas
	Home services	<ul style="list-style-type: none"> ✓ Draw up a strategic roadmap towards development of home services ✓ Develop and improve technical skills for each home services
	Measures against NCDs	<ul style="list-style-type: none"> ✓ Study and develop specific intervention schemes ✓ Develop action plans and utilize statistic data
Participation	Social participation	<ul style="list-style-type: none"> ✓ Promote initiatives by utilizing existing social capital ✓ Identify the fragile elderly who may not be able to participate in the elderly clubs
	Measures for employment and livelihood	<ul style="list-style-type: none"> ✓ Encourage the elderly to actively participate in activities in order to secure caring resources in local communities
Security	Health security program	<ul style="list-style-type: none"> ✓ Extend health programs to the informal sector ✓ Secure sustainable financing ✓ Establish basic health services
	Income security for the elderly	<ul style="list-style-type: none"> ✓ Improve the coverage ✓ Improve the take-up rate and manage expenditures (e.g. old-age welfare allowance) ✓ Improve the saving ratio

Examples in Japan

Health	Participation	Security
<ul style="list-style-type: none"> ◆ <u>Appropriate medical treatment for the elderly</u> <ul style="list-style-type: none"> ✓ Technical assistance for the appropriate consultation for the patients of chronic disease ◆ <u>Human Resource for Health/LTC service</u> <ul style="list-style-type: none"> ✓ Training for caregivers, social workers, and other related specialist in elderly care (care managers) on the care skills and assessment. ✓ Training for public health and LTC related local government officers ✓ Training for occupational therapist or physical therapists for rehabilitation ◆ <u>Health Promotion Activities for NCD prevention</u> <ul style="list-style-type: none"> ✓ Regular Health Checkup ✓ Disease prevention activity at community level ◆ <u>Environmental Support</u> <ul style="list-style-type: none"> ✓ LTC facility regulation and operation ✓ Heart Bill Act (Barrier free) / Universal Design ◆ <u>Community and Service Development</u> <ul style="list-style-type: none"> ✓ Community activities (watch over) for isolated elderly ✓ Community based integrated service system ✓ Oral Care, Eating, Nutrition for the elderly ✓ Supporting to caregivers ✓ Medical care at home ◆ <u>Public Awareness</u> <ul style="list-style-type: none"> ✓ Dementia Supporter Caravan 	<ul style="list-style-type: none"> ◆ <u>Social Participation (employed)</u> <ul style="list-style-type: none"> ✓ Silver Human Resource Center ✓ Extension of employment ✓ Promotion of employment after retirement age ✓ Improvement of pension scheme for diversity of retirement ◆ <u>Social Participation (as peer provider in community)</u> <ul style="list-style-type: none"> ✓ Social Entrepreneur/ Community business development ✓ Support for NPO ✓ Volunteer ◆ <u>Social Participation (peer support/ neighborhood)</u> <ul style="list-style-type: none"> ✓ Peer Counseling ✓ Formation of informal group ✓ Life long education (Elderly University) ◆ <u>Environmental Support</u> <ul style="list-style-type: none"> ✓ Transportation service (e.g. community bus) 	<ul style="list-style-type: none"> ◆ <u>Social Security [income]</u> <ul style="list-style-type: none"> ✓ Pension Scheme (including informal sector) ✓ Arrangement for woman in the pension scheme ✓ Public Assistance ◆ <u>Health Security</u> <ul style="list-style-type: none"> ✓ Health Insurance ✓ Health service for the poor ✓ Financial control over health security system at the macro level ◆ <u>LTC Security</u> <ul style="list-style-type: none"> ✓ Service Development for home care ✓ Long term care insurance (financing mechanism for elderly care) ✓ Care Management System ✓ LTCI accreditation system ◆ <u>Life Support</u> <ul style="list-style-type: none"> ✓ Elderly Abuse ✓ Adult Guardianship ✓ Advocacy for the elderly program ◆ Shelter and Elderly housing policy

Developing Policies

from experiences in Japan

Act 1



Hatsan: Goinkyō-san, Goinkyō-san, please listen to me!

Goinkyō: What is it, Hatsan? You're always overreacting to things. What's the matter?

Hatsan: Well this time it's really serious. I just heard that old man at Joushuya is planning to build a gigantic storage house in their back yard that's three stories high and four-ken long.....

Main Programs/Schemes related to Aging in Japan

	Health, Medical and Elderly Care	Income Security and Social Participation
Laws/ Institutions	<ul style="list-style-type: none"> ➤ Medical Insurance System, Long-Term Care Insurance System, Elderly Medical System, Act for the Welfare of the Aged ➤ Medical Assistance System ➤ Adult Guardianship, Advocacy for the Elderly Rights Program 	<ul style="list-style-type: none"> ➤ Pension Insurance System (National Pension Fund, Employees Pension Insurance Fund, etc.) ➤ Laws on Promotion of Employment after Retirement ➤ Public Assistance
System Development	<ul style="list-style-type: none"> ➤ Development for the Community Based Integrated Care System ➤ Health check system ➤ System development for rehabilitation from the hospitalized (community based rehabilitation) ➤ Service development for home care ➤ Infrastructure development for the elderly care (regulations, promotion for private investment s) ➤ Promotion for Health Improvement 	<ul style="list-style-type: none"> ➤ Employment Promotion for the elderly ➤ Silver Human Resource Center Programs ➤ Volunteers and businesses at the community level ➤ Lifetime education (e.g. the elderly university) ➤ Olympic events for the elderly ➤ Secure for the elderly mobility using community buses
Human Resource Development R&D	<ul style="list-style-type: none"> ➤ Specialists for gerontology/aging care (e.g. NCD, dementia) ➤ Human Resource for care givers ➤ Human Resource on rehabilitation ➤ R&D for Dementia and Care for the dementia ➤ The Community Based Integrated Care System Development ➤ R&D for Barrier-free/Universal Design ➤ Care Management System ➤ LTCI accreditation system 	<ul style="list-style-type: none"> ➤ Raise the retirement age and pensionable age ➤ Technical assistance for pension actuary
Promotions/ disseminations	<ul style="list-style-type: none"> ➤ Dementia Supporter Caravan ➤ Projects to avoid the elderly abuse ➤ Campaign for no body restraint 	<ul style="list-style-type: none"> ➤ Reform for payment for National Pension Fund
Institutional Capacity Development	<ul style="list-style-type: none"> ➤ Data Collections/Analysis, and Monitoring and Evaluations ➤ Networking among the related stakeholders/institutions 	

History of the Social Security System in Japan

1945 – 1954

- Post-war confusion,
- Urgent needs to support for the poor

Post-war emergency aid and infrastructure development

- 1946 Public Assistance Act
- 1947 Child Welfare Act
- 1948 Medical Care Act, Medical Practitioners Act
- 1949 Act on Welfare of Physically Disabled Persons

1954 – 1974

- Rapid economic growth,
- Improvement in the living standard

Development of universal health insurance and pensions and the social security system

- 1058 Revised National Health Insurance Act
- 1059 National Pension Act
- 1061 Implementation of Universal Health Insurance & Pension System
- 1063 Act on Social Welfare Service for Elderly

1975 – 1989

- End of High economic growth,
- Administrative /financial reforms

Shift to stable growth and review of the social welfare system

- 1982 Health and Medical Services Act for the Aged
- 1984 Revised Health Insurance Act
- 1985 Revised Pension system, Revised Medical Care Act

1989~

- Declining birthrate
- Collapse of the bubble economy
- Long stagflation

Structural reforms of a social welfare system that keeps up with the aging society with fewer children

- | | |
|-----------------------------------|--------------------------------------|
| 1989 Gold Plan | 1999 New Angel Plan |
| 1990 Revised Eight welfare laws | 2004 Pension System reform |
| 1984 Angel Plan & New Gold Plan | 2005 Long-term care Insurance Reform |
| 1997 Long-term Care Insurance Act | 2006 Medical Care System Reform |

Milestone Elderly Policies in Japan

	Rate of 65+ in total pop.	Policies and Schemes
<u>1960s</u> Beginning of Elderly Welfare	5.7% (1960)	1961: Universal Pension System 1961: Universal Health Care 1963: Elderly Welfare Law (start of Special Nursing Home; SNH)
<u>1970s</u> Expansion of Expenditure for Elderly healthcare	7.1% (1970)	1973: Free Health Care for Elderly
<u>1980s</u> Hospitalization and Bedridden elderly Elderly issues recognized as Social Problem	9.1% (1980)	1982: Elderly Health Act (Health Check & Health Promotion) 1983: Partial Co-payment introduced for Elderly (70+) 1988: Municipalities to make health and welfare plans for Elderly 1989: Gold Plan (National Strategy to secure Elderly services)
<u>1990s</u> Implementation of Gold Plan	12.0% (1990)	1994: New Gold Plan 1995: Aging Society Basic Law
<u>2000s</u> Long Term Care Insurance	17.3% (2000)	2000: Long Term Care Insurance System 2006: Elderly Abuse Prevention Law
<u>2010s</u>	25.0% (2013.10)	2012: Comprehensive Reform of Tax and Social Security 2013: Bill on Reform Program for Sustainable Social Security System <i>under Parliamentary Review</i>

Comparison of Public Assistance and Insurance System : Japan

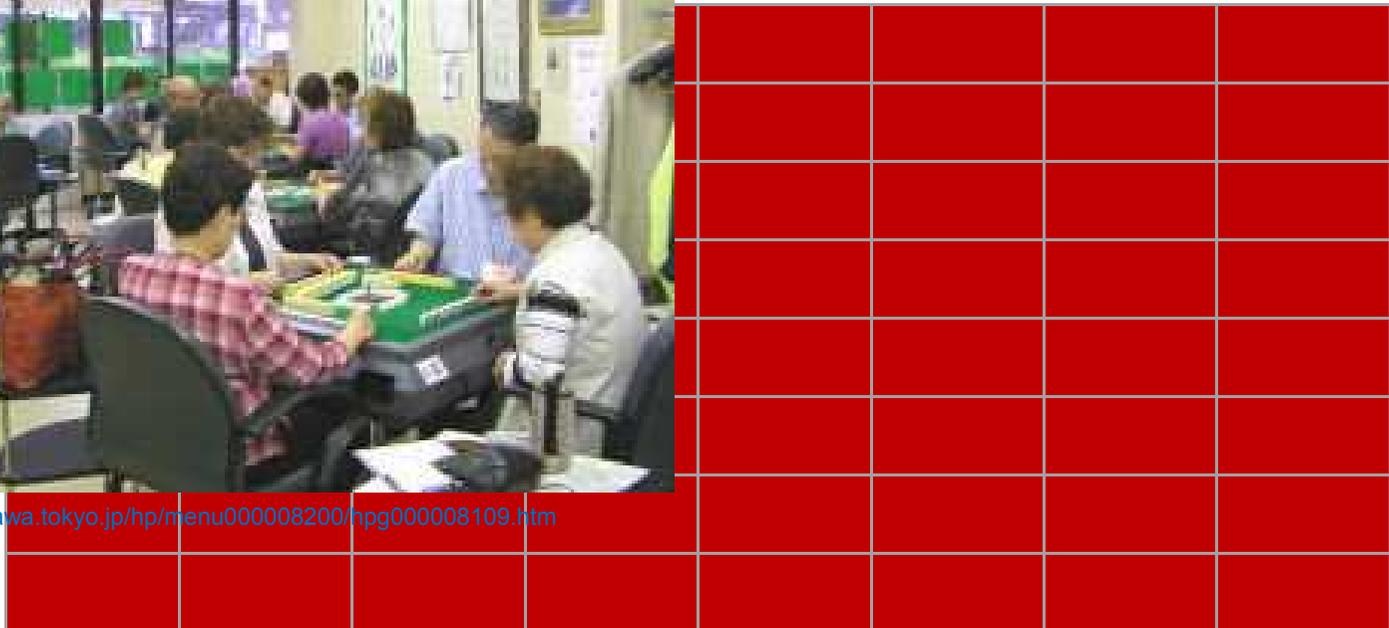
	Public Assistance	Insurance System
Financial source	➤ Services or payments with budget	➤ Services or payments based on premium and budget
Financial arrangements	<ul style="list-style-type: none"> ➤ Budget constraints ➤ (sometimes) Unstable 	<ul style="list-style-type: none"> ➤ Agreement between younger generations and the elderly ➤ stable based on legal contract
Nature of services or payments	<ul style="list-style-type: none"> ➤ Given by local authorities ➤ (often) Providers-oriented 	<ul style="list-style-type: none"> ➤ Obtainable as rights of the insured members ➤ intended to be User-oriented
System Design	<ul style="list-style-type: none"> ➤ Relatively simple ➤ No need to collect premium 	<ul style="list-style-type: none"> ➤ Quite detailed ➤ Actuarial calculation needed
In Japan	<ul style="list-style-type: none"> ➤ Living protection (monthly allowance) ➤ Assistance for the disabled 	<ul style="list-style-type: none"> ➤ Health care insurance ➤ Public pension ➤ Elderly Care Insurance

THE CHALLENGES

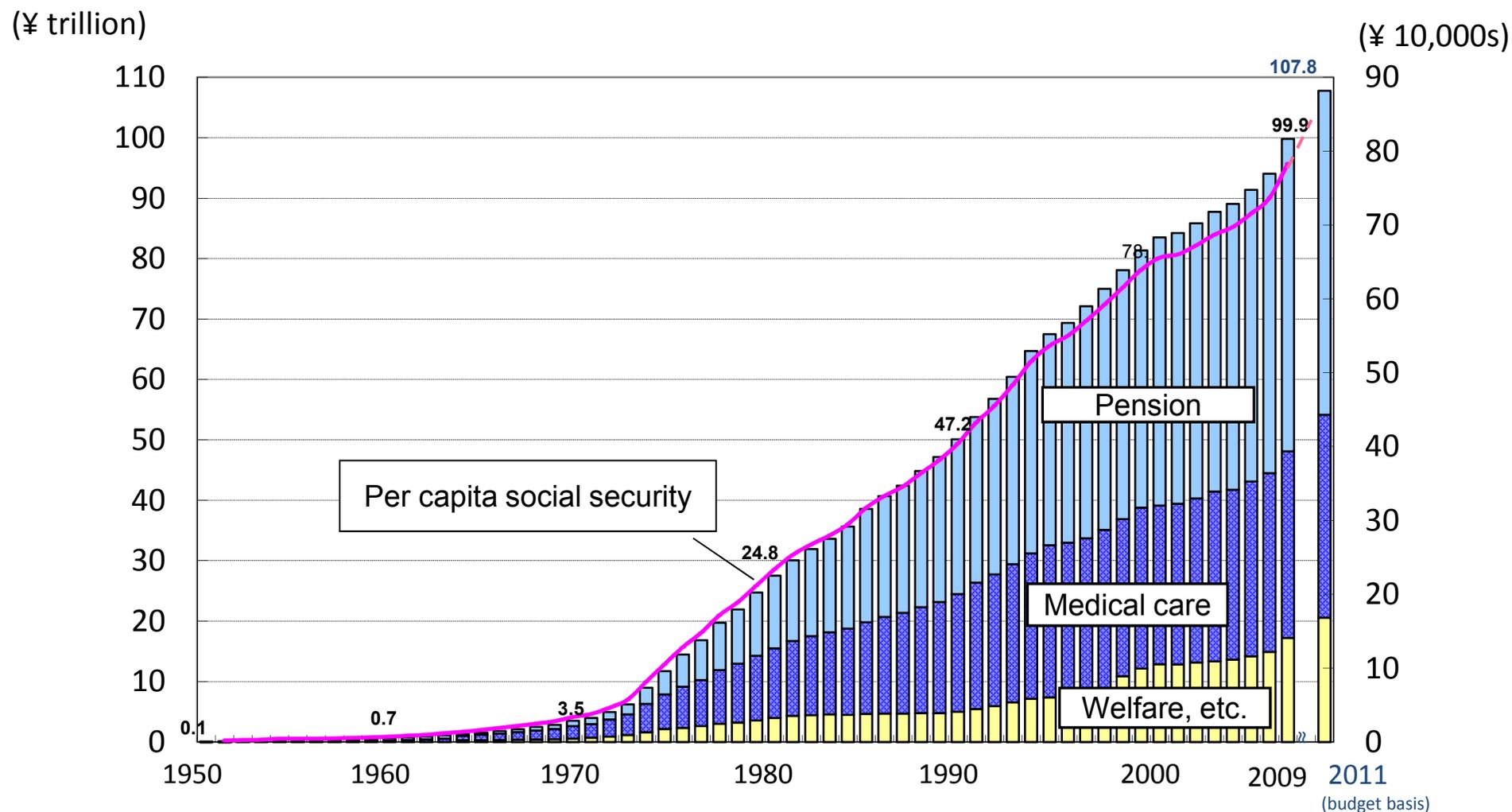
that we face



<http://www.city.shinagawa.tokyo.jp/hp/menu000008200/hpg000008109.htm>



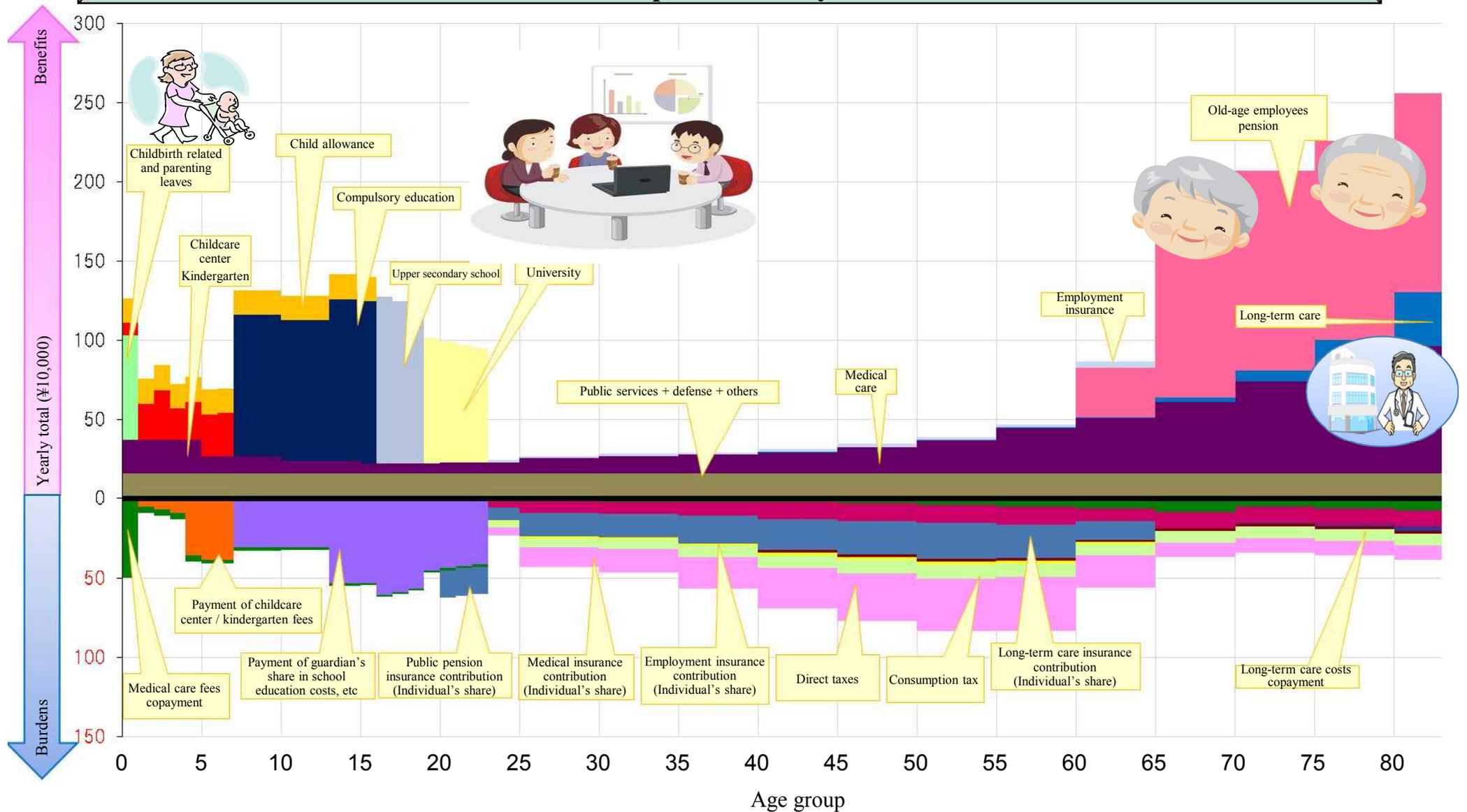
Changes in Social Security Expenditure



Sources: National Institute of Population and Social Security Research, "The Cost of Social Security in Japan FY 2009"; the figures for FY 2011 (budget basis) are based on estimations by the Ministry of Health, Labour and Welfare; the national income for FY 2011 is based on "Fiscal 2011 Economic Outlook and Basic Stance for Economic and Fiscal Management" (Cabinet decision on January 24, 2011)

Note: The numbers in the graph are social security expenditures in fiscal 1950, 1960, 1970, 1980, 1990, 2000, 2008, and 2011 (budget basis) in trillion yens.

An Overview of Benefits and Burdens of Social Insurance and Services in Japanese Life cycle



Note 1: Calculation of per person figures based on FY2009 data (actual; or closest if no 2009 data available).

Specific method of calculation is as in the appendix. "Public services + defense + others" data are based on FY2010 budget

2: The direct and consumption taxes are total of national and local government taxes

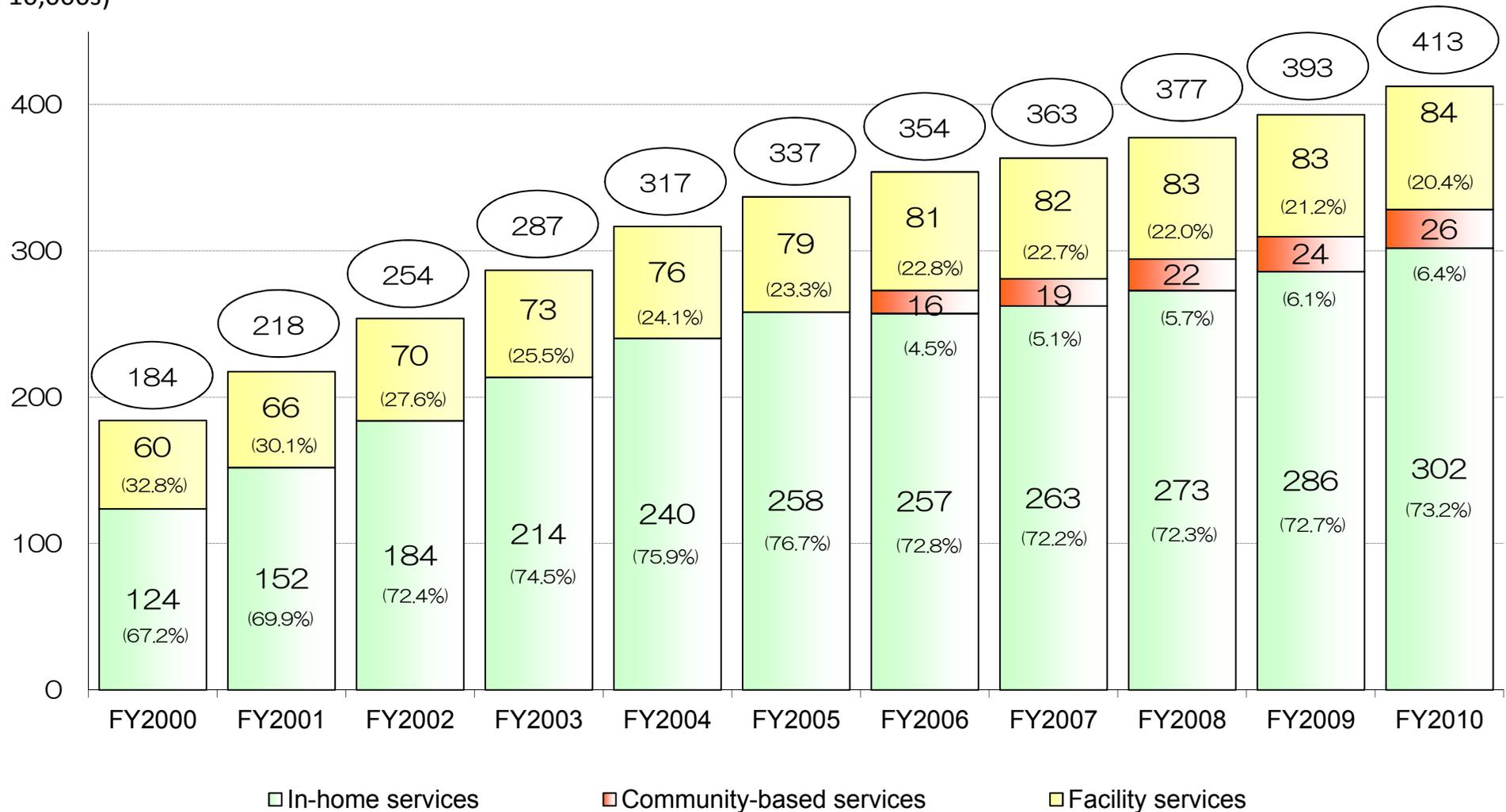
3: In terms of burdens, the public debts are regarded as a form of burden for next generation
(Approx ¥44 trillion based on FY2010 budget: about ¥350,000 for each citizen)



The users of long-term care insurance service grew to 4.13 million (about 2.2 fold increase) over a decade

(as of FY2010) (The number of the users by service type (fiscal year average))

(in 10,000s)

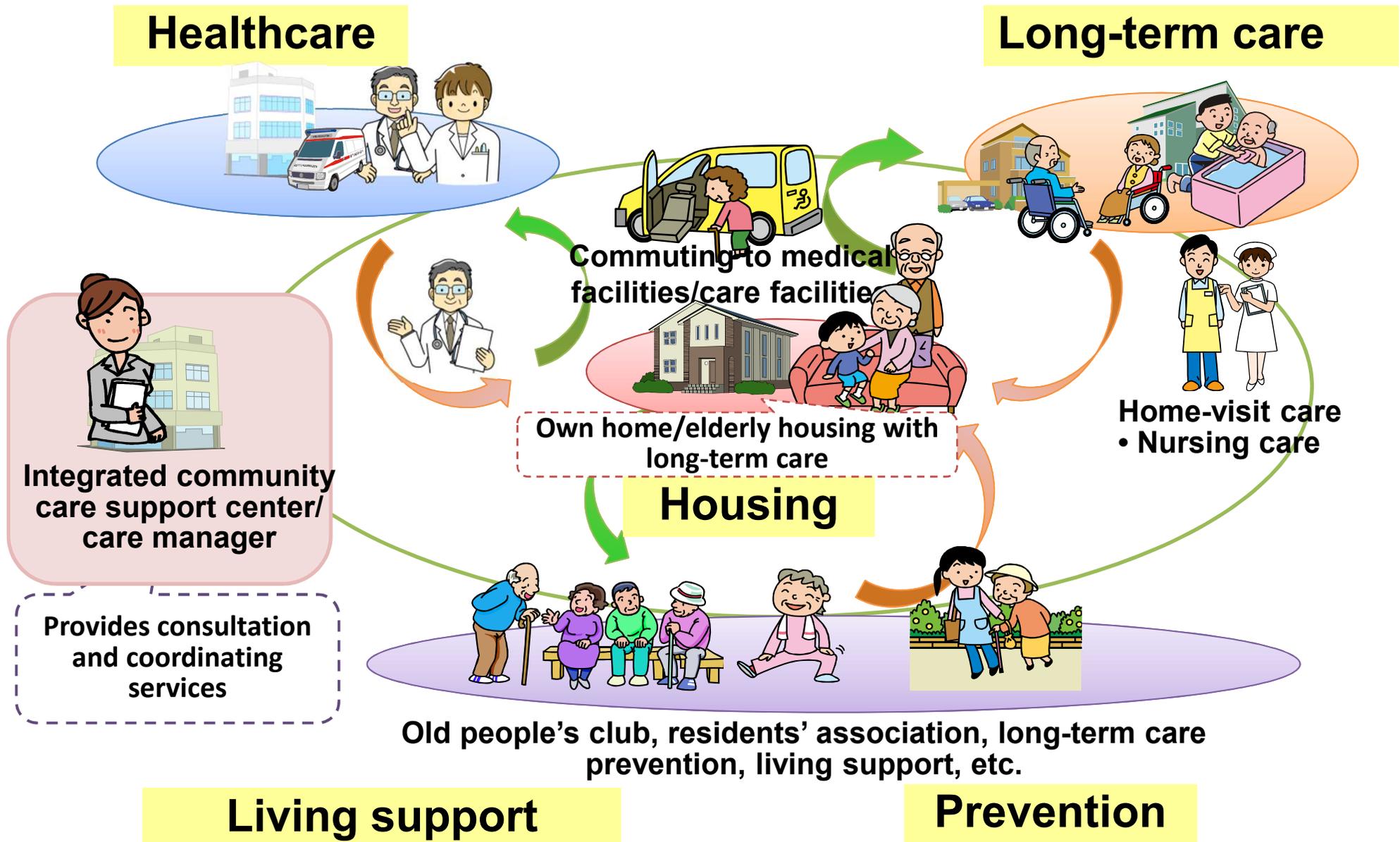


(Note 1) () is the percentage of the users of long-term insurance service in each fiscal year.

(Note 2) Figures are the March-February average (however, FY2000 is the April-February average).

(Note 3) The number of community-based service users in FY2006 is the April-February average.

Integrated Community Care System (Long-term care)



Points for Consideration

- **What can we learn from the demographic trends and characteristics in the ASEAN plus 3 countries related to ageing?**
- **Are there useful experiences and good practices we can share among the countries?**
- **Where are potential areas for cooperation and developing relations for active ageing among the countries?**
- **& more?**



Kanbara in snow, by Hiroshige

Thank you!