

Korea's Efforts to achieve UHC

2024. 11.

**Lee, Hwa-yeon,
Senior Deputy Director**





I . Policy Conditions

II . Korea's Systems and future Direction

III . Prepare for the Challenges : Digital Health



I

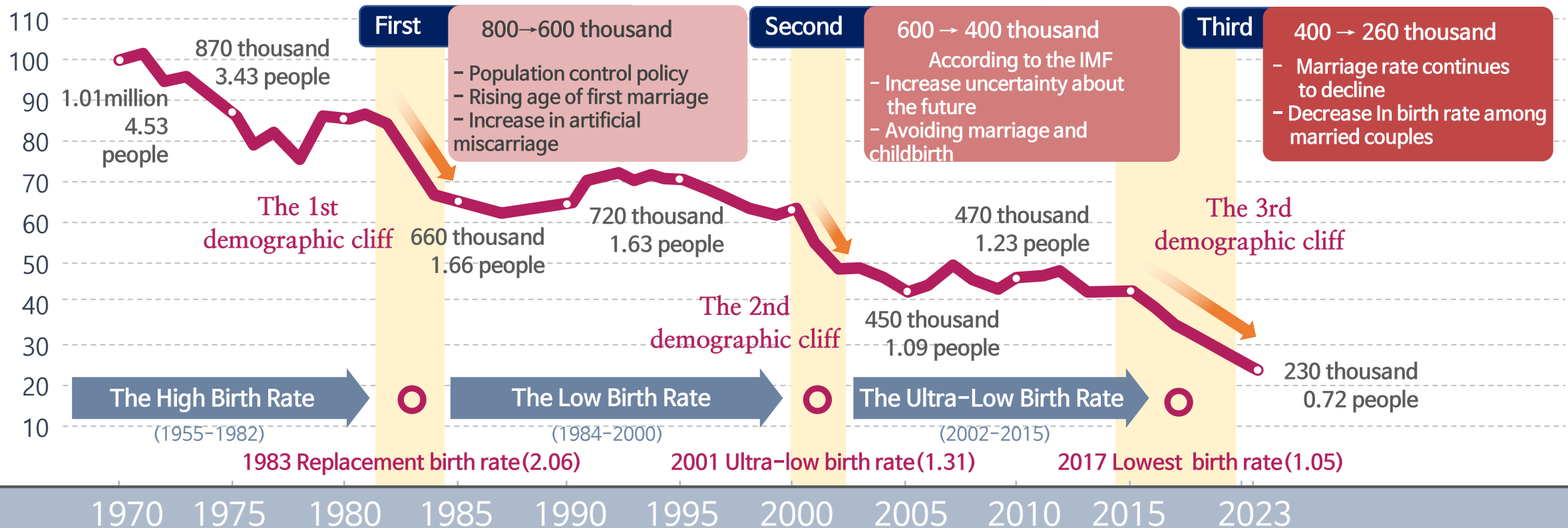
Policy Conditions

(1) A Sharp decline after 3 population reductions

✓ '23 Total fertility rate: 0.72, Number of birth: 230 thousand

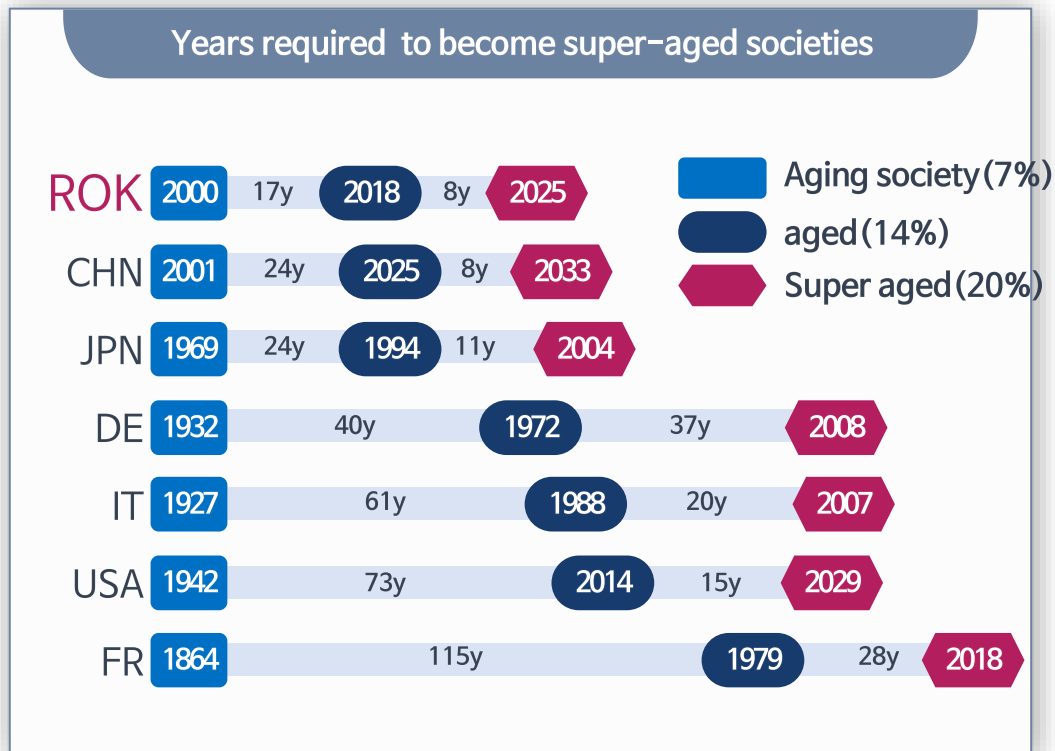
*자료: 통계청, 출생통계 (2024), 재가공

✓ Compared to a generation ago ('92, Total fertility rate: 1.76, Number of birth: 730 thousand) it is 1/2, 1/3 respectively

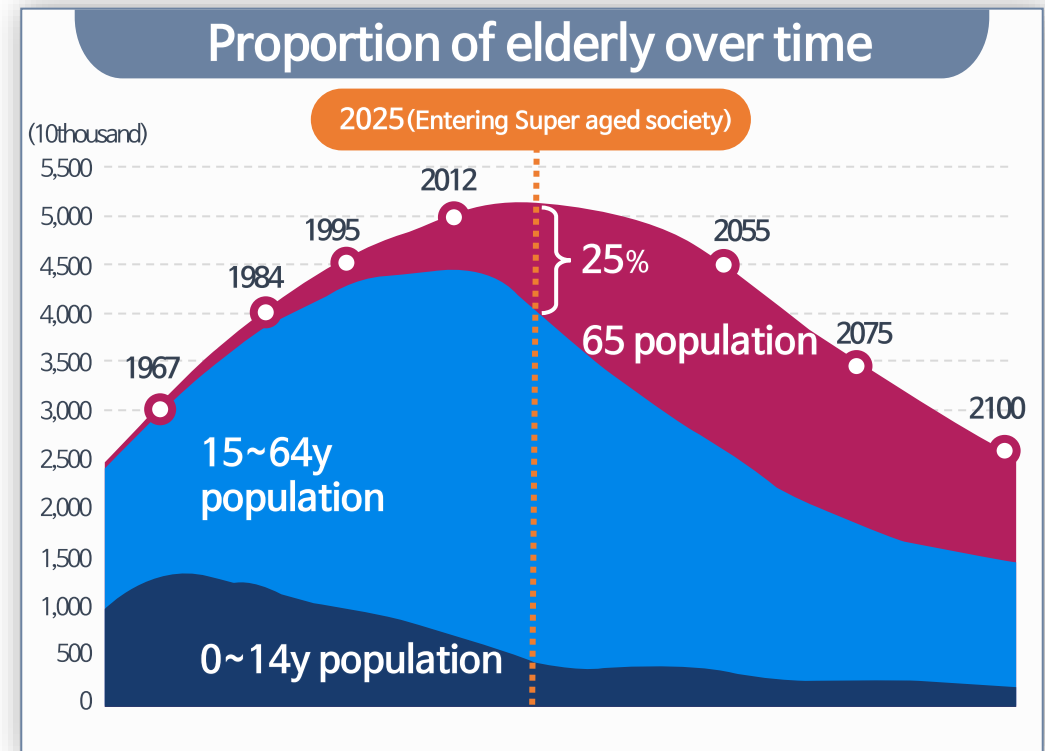


(2) The World's Fastest Aging Population

- ✓ The Baby Boom generation (1955–1963, 7.1 million) entering the elderly population in 2020.
- ✓ expected to enter a super-aged society by 2025, with half of the population over 50 years old within the next decade.



* 자료: 통계청, 고령자통계(2022)

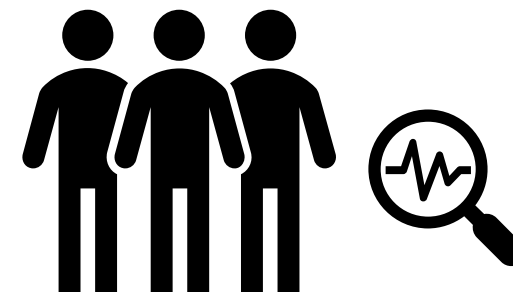
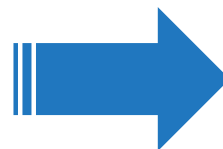


* 자료: 통계청, 고령자통계(2022)

(1) Infectious Disease Crisis

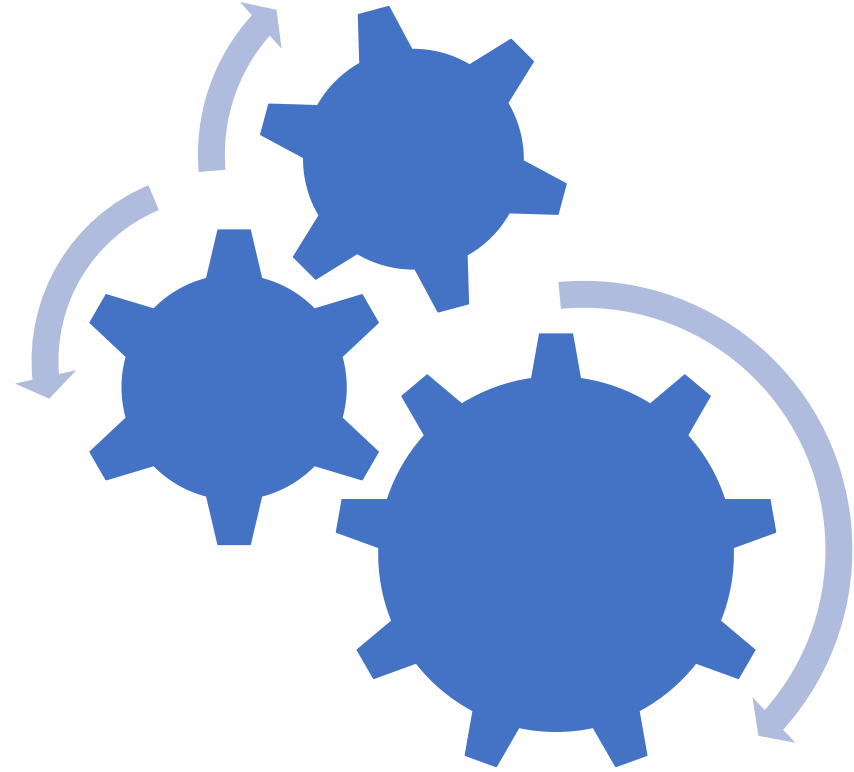
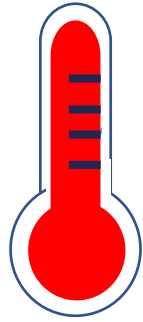
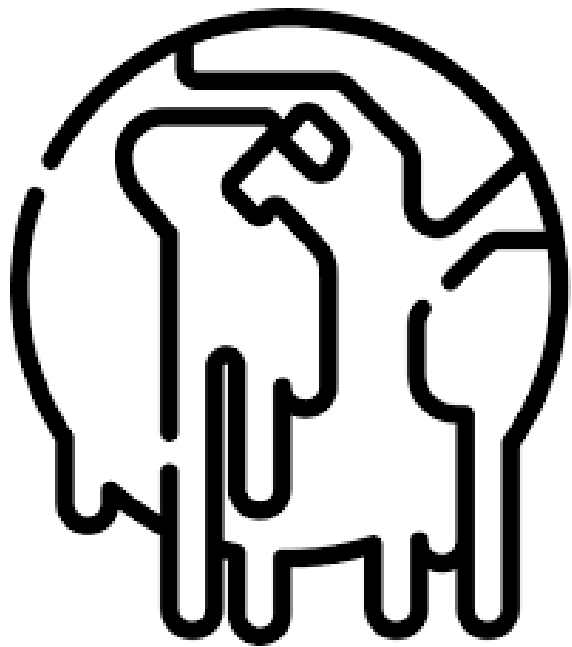


Announcement of
the Lifting of COVID-19 PHEIC
(2023.5.5.)



Occurrence of **New Mutation**
And the possibility of **another**
new inflectional disease

(2) Climate Change, Supply Chain Fragmentation



(3) WHO GPW14



Strategic Objectives



Climate
change and
Healthcare

Determinants
of Health

Reduction
of Inequality
for Essential
Health

Improve
Health
Service
Coverage

Prevent ·
Mitigate ·
and Prepare
for Health
Emergency

Rapidly
Detect
Sustain an
effective
response to
all health
emergency

II

Korea's Systems and future Direction

**(1) National
Health Insurance**

*** future Direction
(4) Healthcare
Reform**

**(2) Long Term
Care Insurance**

**(3) Primary Healthcare
Chronic illness
management project**

(1) Health insurance : Health Insurance Coverage

UHC

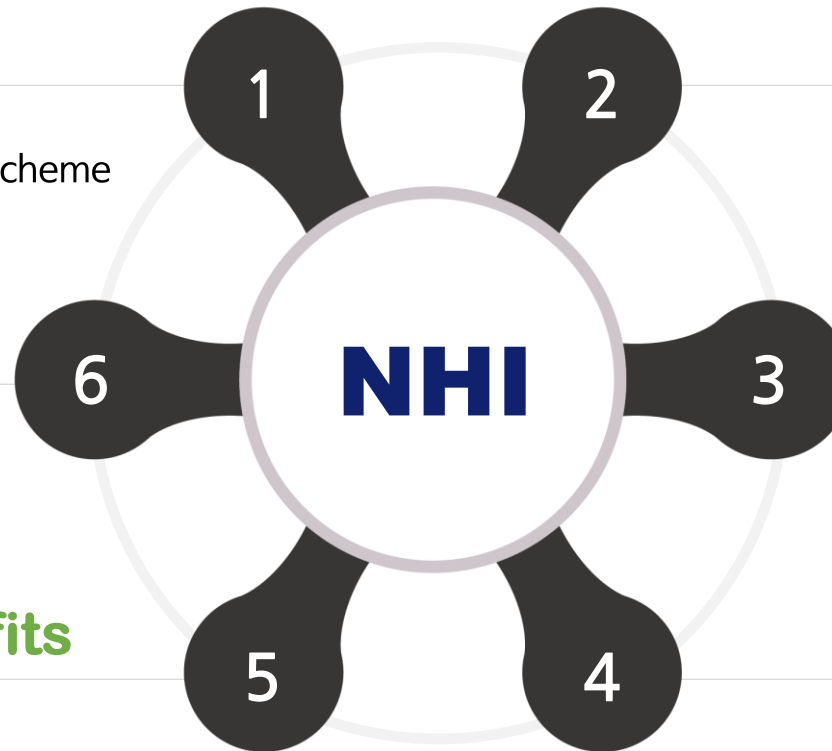
Healthcare coverage for all
by National Health Insurance (NHI) scheme

Low Healthcare Expenditure

9.3% of GDP
OECD average: 9.7% (2022, OECD)

Comprehensive Benefits

64.5% of coverage (2021, NHIS)



Single Insurer

- National Health Insurance Service (NHIS)
- Mandatory enrolment
- Contribution from the insured
- Monopsony purchasing power

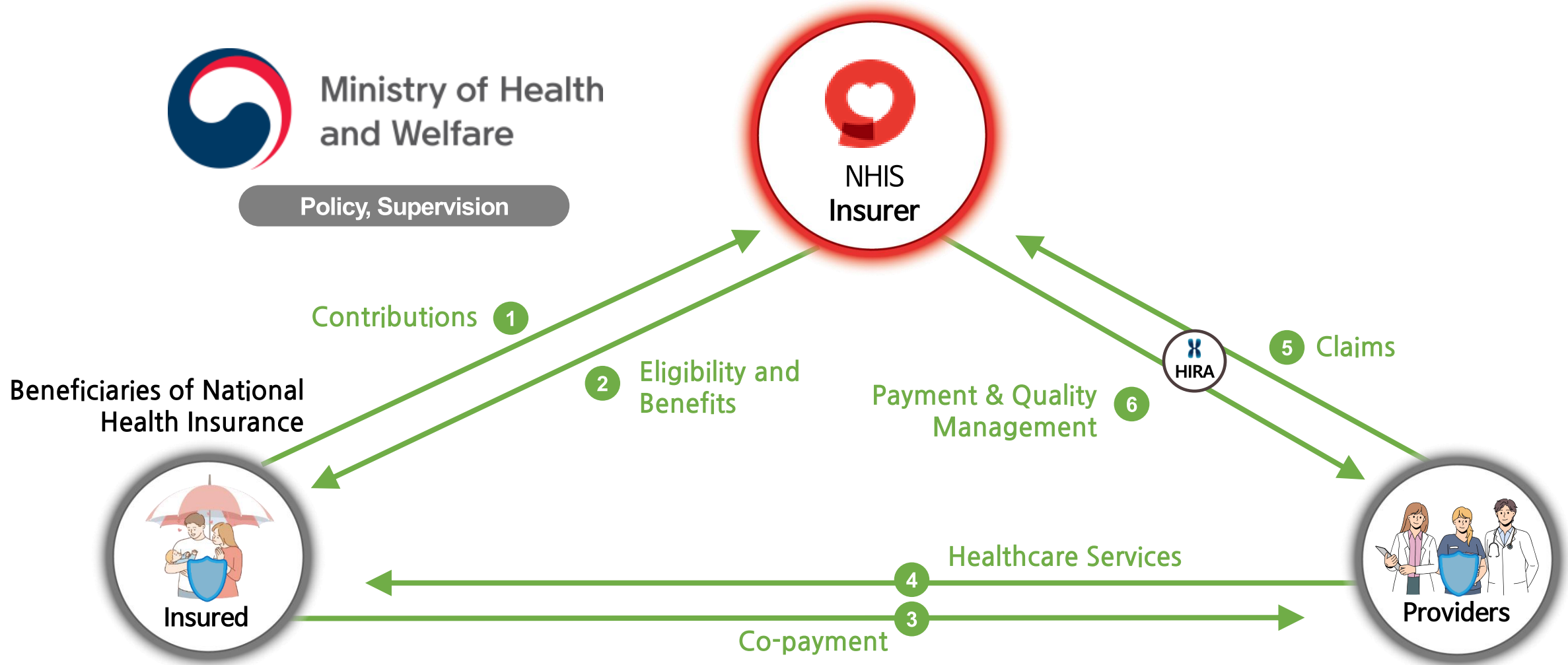
Coverage

94.7% of Healthcare facilities (2023, KOSIS)
No. of Providers: 101,832 (2023.11, NHIS)

Mandatory

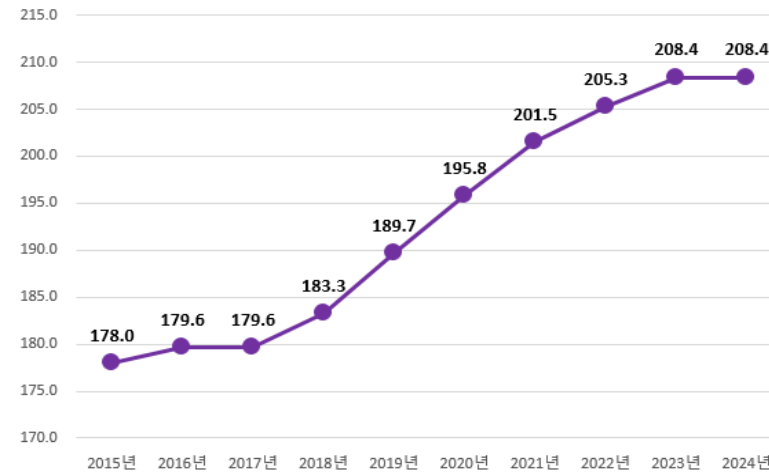
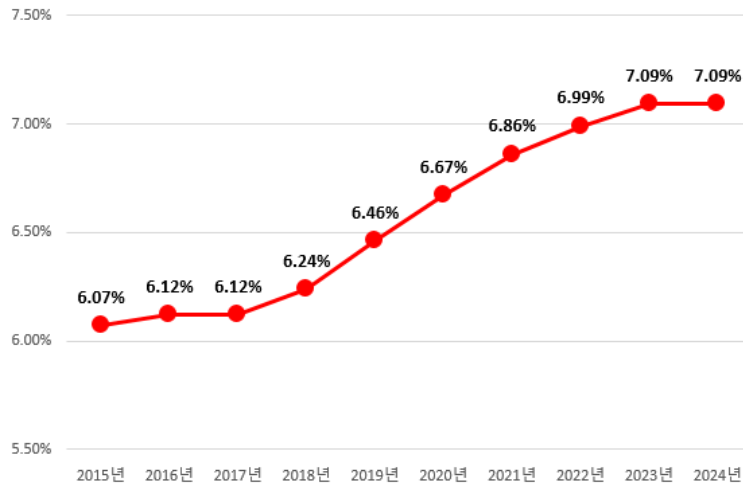
Mandatory participation & services
provision

(1) Health insurance : governance



(1) Health insurance : Financial sources(1) – Contribution

- **Contribution rate**: Determined by the **Health Insurance Policy Deliberative Committee**(insured, providers, public interest representatives, etc.) economic conditions, health insurance income and expenses, etc.
- **2024 insurance rate**: **7.09%** for the employee insured / unit price per point for the self-employed insured: **208.4 KRW**



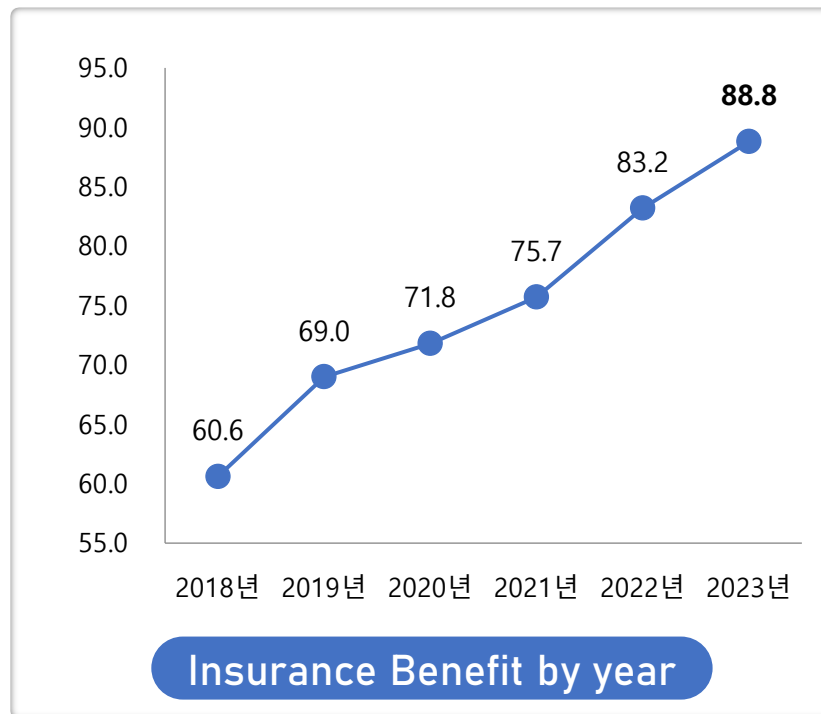
■ Contribution rates in another countries

	Korea('24)	Germany('23)	France('23)	Japan('23)
Contribution rates	7.09%	16.2%	13.25%	10.0 ~ 11.82%

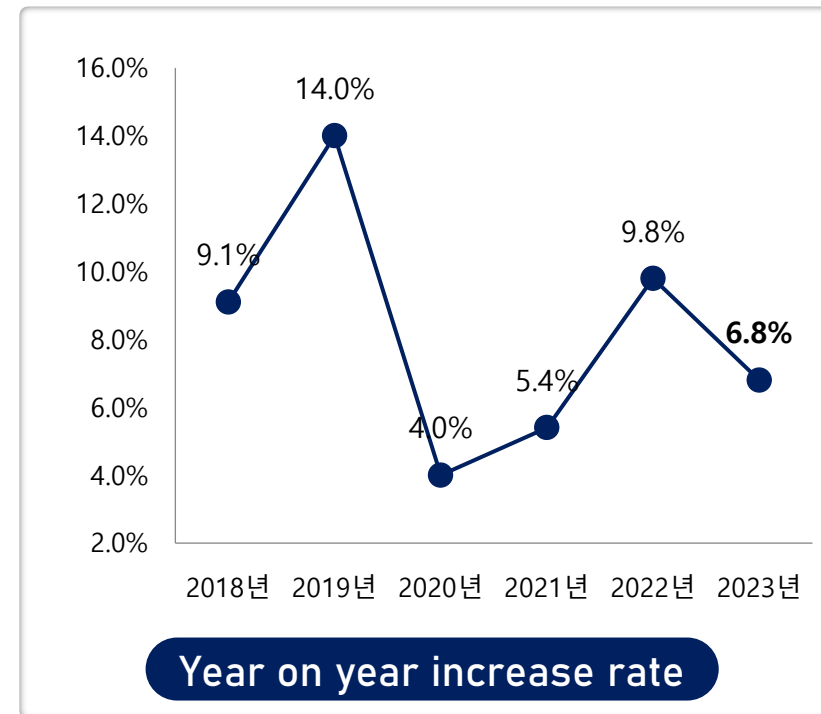
(1) Health insurance : Expenditure – Insurance Benefit

- Insurance benefit expenses in 2023 are 88.8 trillion KRW an 6.8% increase from the previous year

(unit : trillion KRW)



(unit : %)



(1-1) Achievement of Health Insurance System

- 1 (Accessibility) Health insurance coverage for the entire population
– Ratio of the population covered by health insurance to the total population
- 2 (Healthcare Quality) Continuous improvement of healthcare standards - Enhancements in life expectancy, infant mortality rate, and avoidable mortality rate, among others
- 3 (Mitigation of Healthcare Cost Burden) Reduction of co-payment rates, relaxation of benefit criteria, and the inclusion of non-covered services under insurance coverage.
- 4 (Expand Medical Infrastructure) Quantitative infrastructure growth to supply medical services, such as hospital beds and medical equipment
- 5 (Improving System) Reform of the contribution system to be income-based

Challenges

- Regional-Essential Healthcare Crisis
- Change of Healthcare Services
- Concerns about Sustainability of Health Insurance
- Supply-demand instability and healthcare innovation

(1-2) 2nd National Health Insurance Comprehensive Plan

Vision and Policy Direction

1

Providing Essential Health and Fair Compensation

Protection of the Public's life and health

2

Improvement of the healthcare delivery system and support for healthcare management

Reduction of healthcare gap and Assurance of healthy life

3

Enhancement of the financial sustainability of Health Insurance

Reduction of medical overuse such as unnecessary medical shopping, excessive treatment

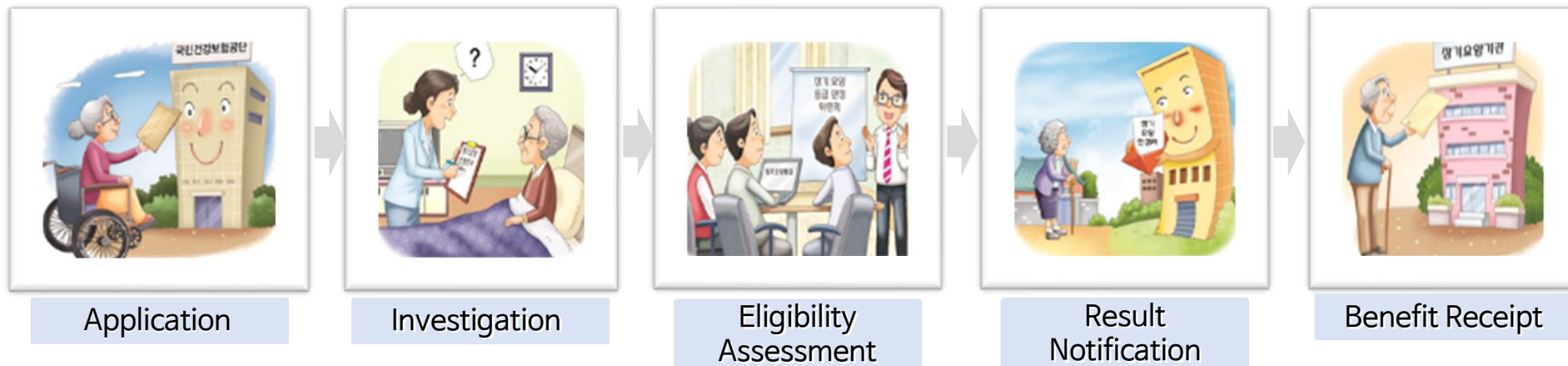
4

Establishment of a stable supply system and a virtuous cycle structure

Preparing upcoming Super-aged Society

(2) Long-Term Care Insurance System

- ▶ In case of 'The elderly aged 65 or older' or 'a person under 65 years of age with senile diseases such as dementia or cerebrovascular diseases who have difficulty carrying out daily life on their own for more than 6 months
- ▶ A system capable of receiving long-term care benefits, such as support for physical activities, household activities, and cognitive activities by receiving a long-term care level
- ▶ LCTI Process



(2) LTCI: Governance



Ministry of Health
and Welfare

Policy-making and Supervision

Long-Term Care Committee

- 16 to 22 members of government officials, experts, stakeholders
- Decision on the LTCI contribution rate and changes to the benefit types



Policy Development and Implementation

Approx. 4000 employees
& 227 operating centers

- Collection of LTCI contributions
- Evaluation of eligibility
- LTC Service Claims Review & Assessment
 - ✓ Detection of fraud or illegal claims
- Payment



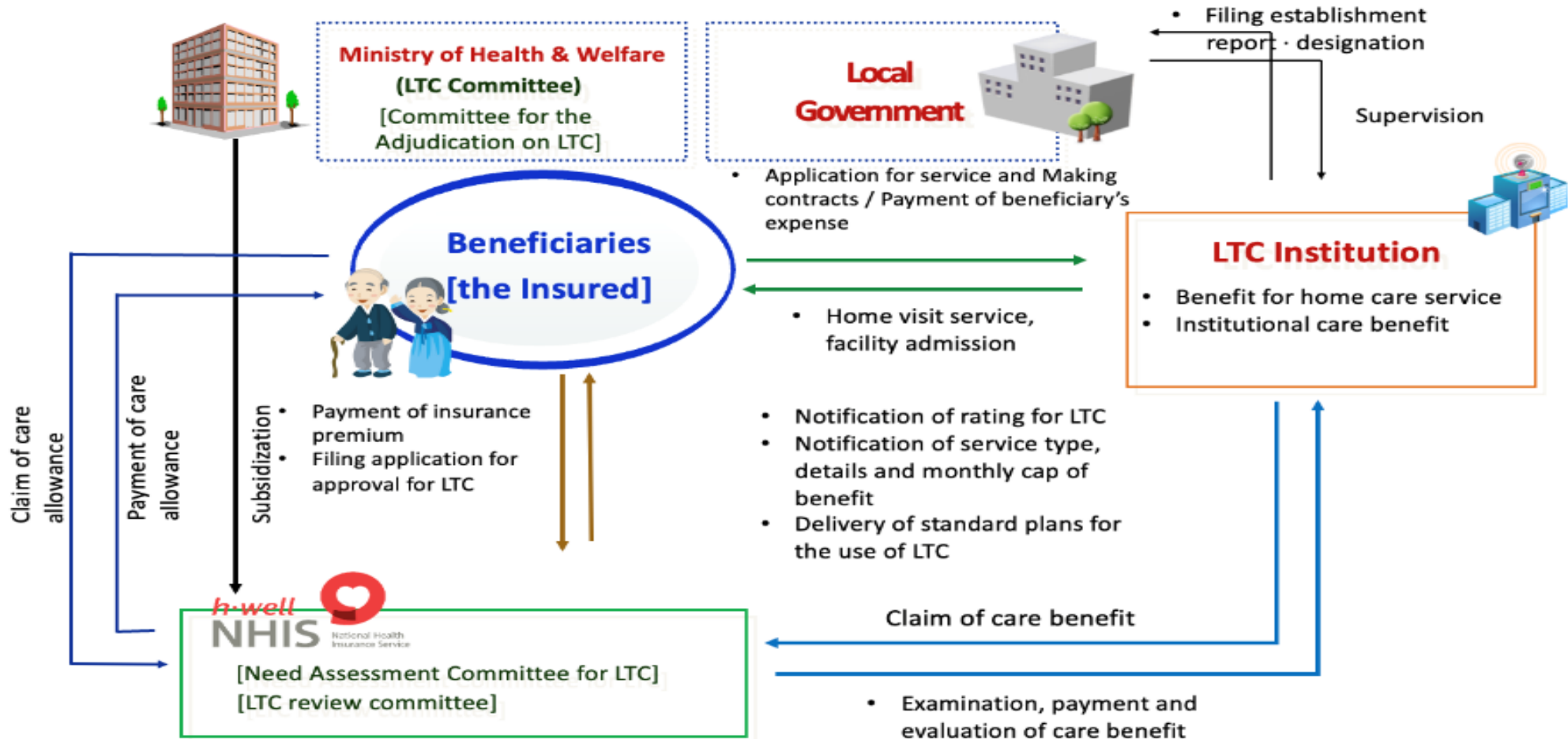
Local governments

Service Delivery

Si, Gun, Gu
(local administrative unit)

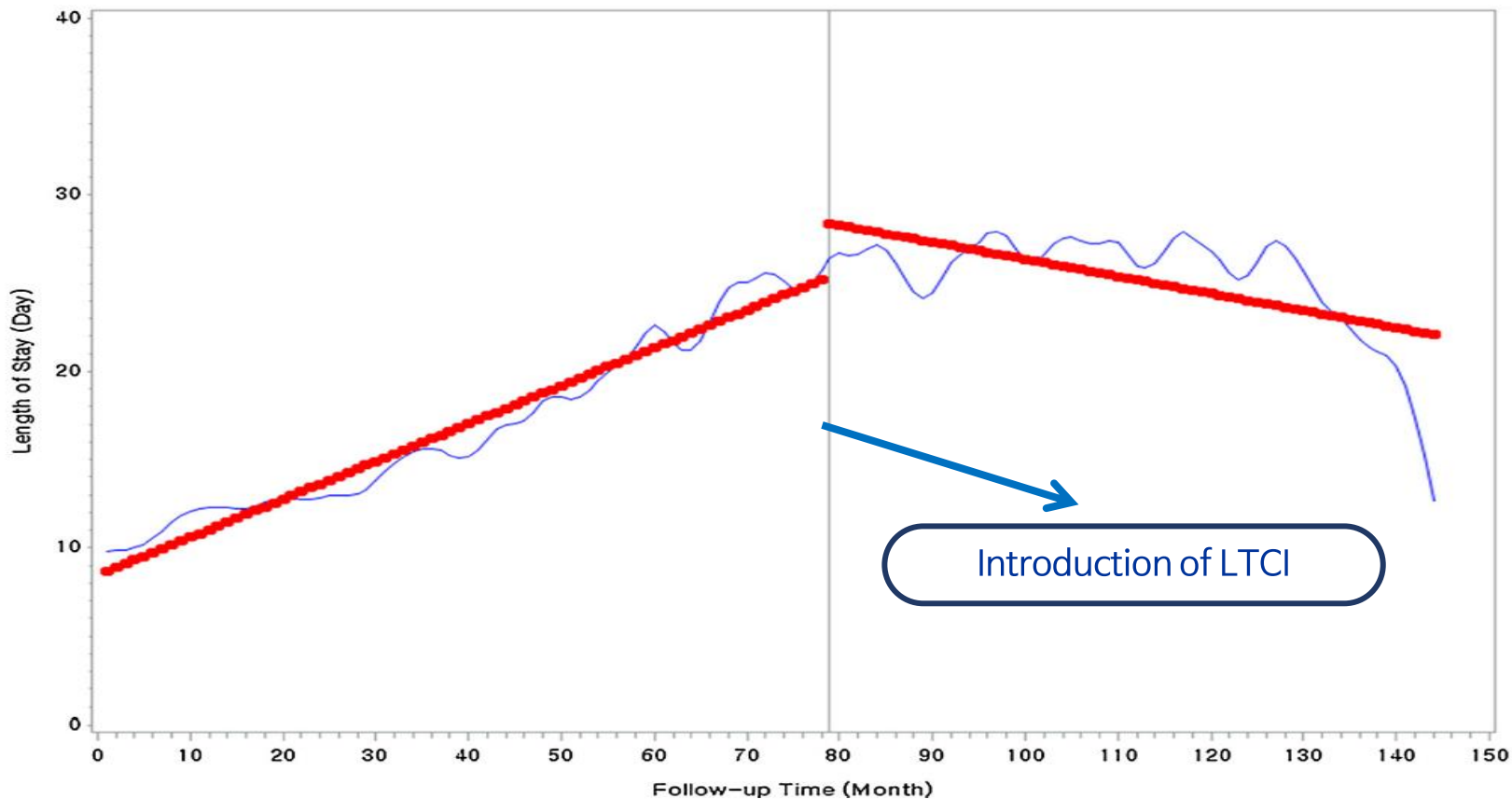
- Designation of LTC facilities
- Administrative disposition against LTC facilities engaged in wrongful activities

(3) LTCl: Operation

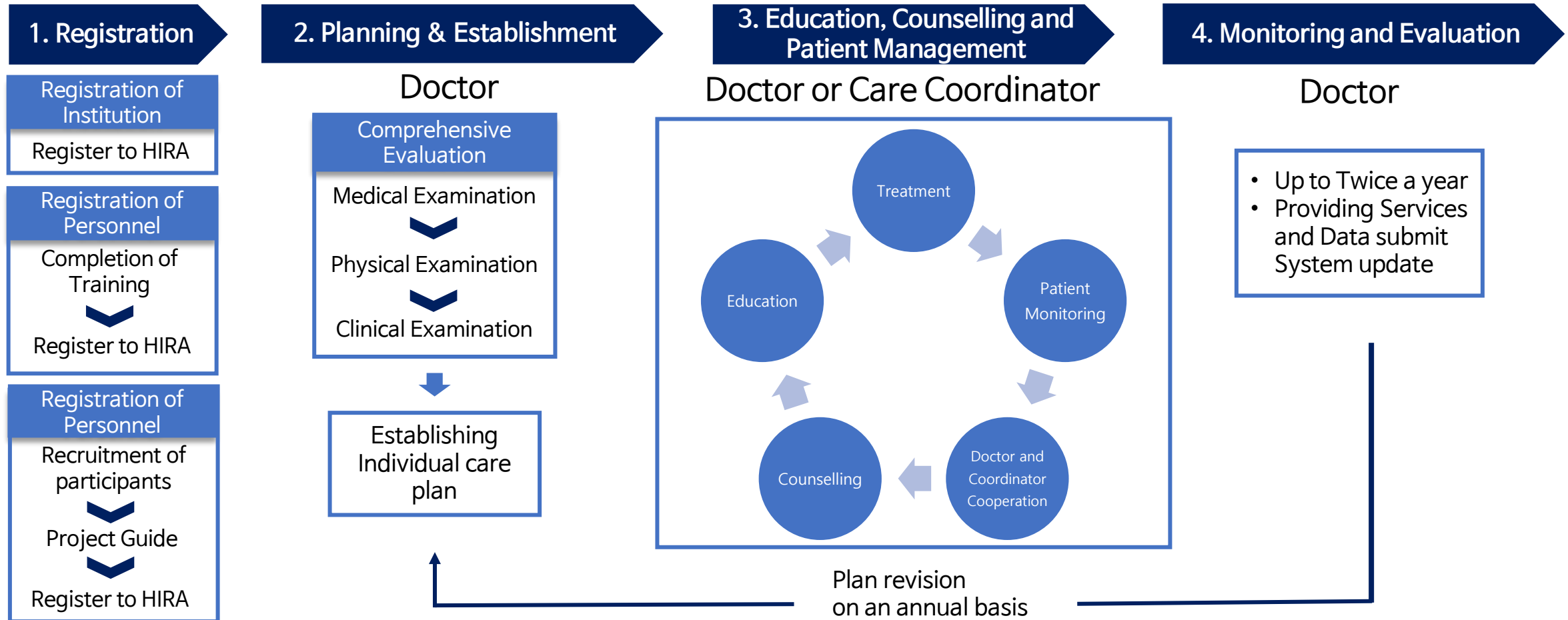


(2-1) LTCI Impact : Trends of medical expenses

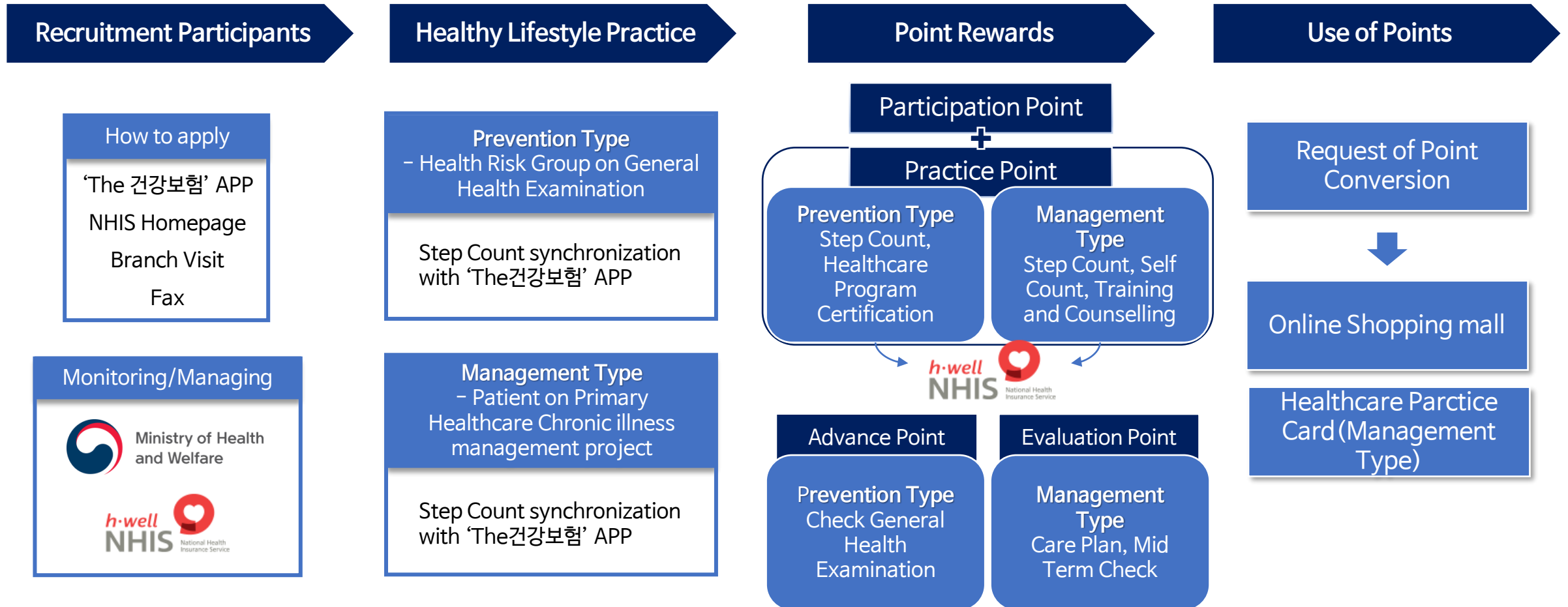
〈Trends of medical expenses of older persons〉



(3) Primary Healthcare Chronic illness management project



(3-1) Health Lifestyle Support Fund Pilot Project



(4) Healthcare Reform



The Korean government promotes Healthcare reform
to **save lives and the region**

(4-1) 4 Major Tasks of Healthcare Reform

1 | Expand Medical Personnel

- Expand Medical school capacity
- Transit to the Specialist-focused Hospital

2 | Strengthen Local Healthcare

- Establish Roles of Tertiary/General hospital, Hospital and Clinics
- Expand Regional Medical Human Resources

3 | Establish the Medical accident Safety Net

- Reduce the Burden of Medical Personnel
: Enact Medical Accident Managing Special Act

4 | Improve the Fairness of the Compensation system

- Compensate Essential Healthcare
- Manage Non-payment(Improve Actual Insurance)



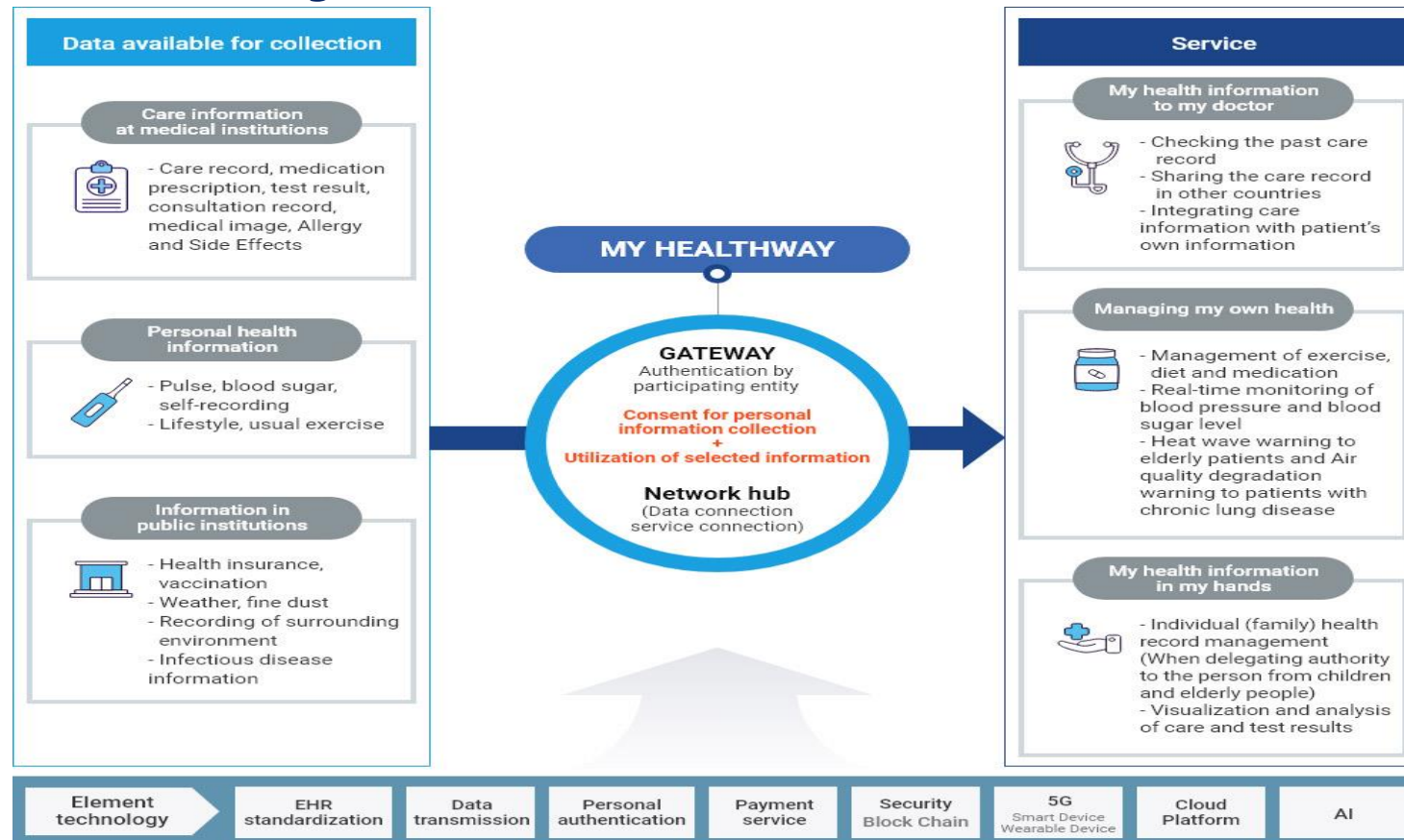
Prepare for the Challenges : **Digital Health**

**(1) Enhancement
for Accessibility**

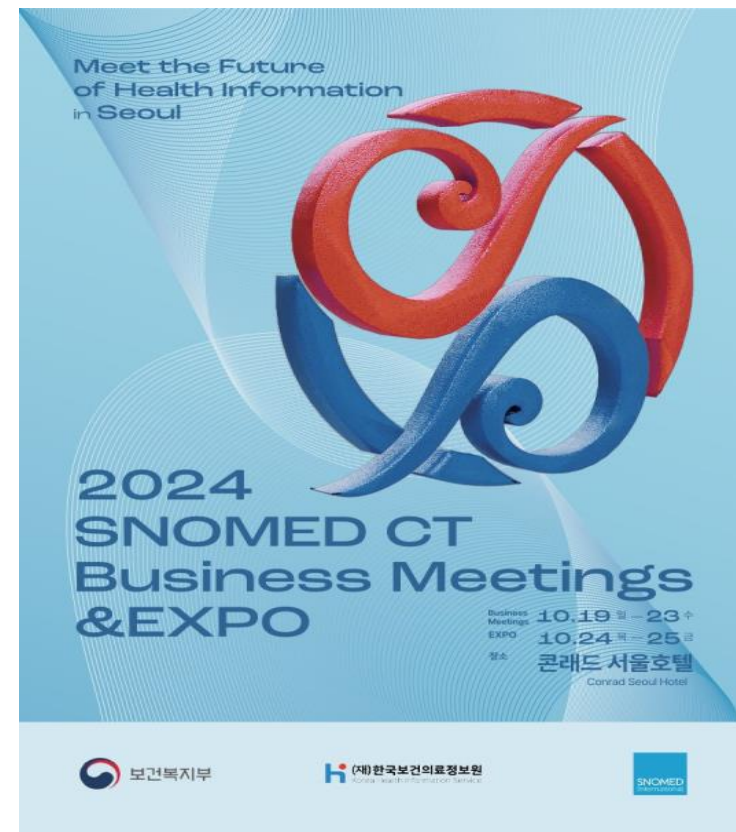
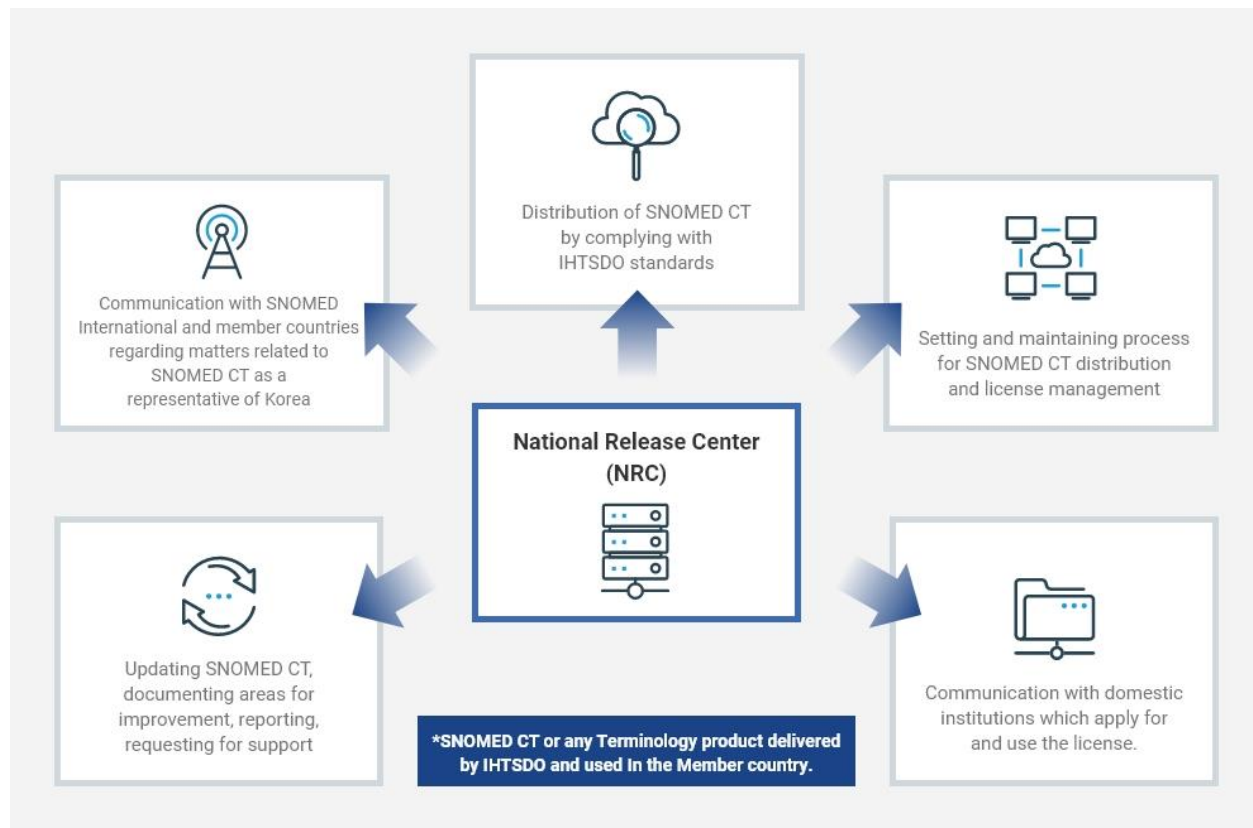
(2) Care Services

**(3) Public Health
data Digitalization**

(1) Enhancement of Accessibility: My Healthway



(1-2) Enhancement of Data Interoperability



(2) Enhancement Care Services by utilizing welfare technology

KARPA-H

(Mission-oriented R&D) Derivation of urgent national tasks for solving health challenges

- Support for Mission-oriented R&D with high cost, high difficulty or ripple effect
- PM(Project Manager)'s quick decision to achieve the goals

(2-1) Enhancement Care Services by utilizing welfare technology

Preliminary benefit Pilot project
for long-term care welfare equipment('23.7~)



Emergency safety services



(2-2) Enhancement Care Services by utilizing welfare technology

Social Service Investment Fund('23~)



Smart Social Service Pilot Project('24~)



(3) Public Health data Digitalization – ODA with AMS

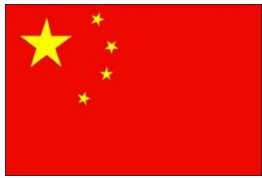
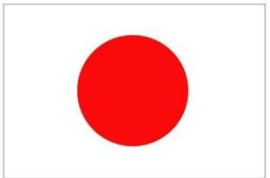


Health Insurance

Medical Digitalization

Digital Health

Enhancing cooperation among ASEAN+3



Ministry of Health
and Welfare



Thank you!

Q&A : elyon12@korea.kr