

Characteristics of Japan's social security system

1 Coverage of all citizens' pension, medical care and long-term care (universal health insurance and pension systems)

- Pension, medical care and long-term care systems, which constitute the majority of social security benefits, are operated using a social insurance scheme.
- Pension system ensures pensions supporting the base of old-age life.
- Health insurance system gives every citizen an opportunity to receive medical service anywhere, any time with a health insurance card.
- Long-term care insurance system guarantees care needed to ensure independent life for people even in conditions requiring long-term care due to aging.

2 Financial management by combining "insurance contribution" and "taxes," using public funds for the social insurance scheme

- Social security heavily depends on insurance contribution; it is funded about 60% by insurance contribution, about 30% by public expenditure, and about 10% by asset income.

3 Two-fold system: one for "salaried workers" and another for "self-employed"

- The system consists of occupational insurance (Health Insurance, Employees' Pension) for salaried workers (employees) and insurance (National Health Insurance, National Pension) for the self-employed, including farmers and the elderly

4 Division and coordination of roles and responsibilities among the national, prefectural and municipal governments

- Among social security systems, pension systems are mainly operated by the national government, health care systems by prefectural governments, and welfare systems by municipal governments.
- Private organizations play key roles in medical and welfare services.