Social security system supporting people throughout their lifetime

<table>
<thead>
<tr>
<th>Birth</th>
<th>Age 6</th>
<th>12</th>
<th>15</th>
<th>18</th>
<th>20</th>
<th>40</th>
<th>50</th>
<th>60</th>
<th>70</th>
<th>75</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before school</td>
<td>School period</td>
<td>Child-raising/working period</td>
<td>After retirement</td>
<td></td>
<td></td>
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</tbody>
</table>

**[Health/medical care]**
- Health promotion
- Checkups
- Disease treatment
- Medical care

**Checkups, maternal & child health handbook, etc.**
- Checkups, medical care for premature infants, vaccination, etc.
- Health checkups by employer
- Specific checkups & specific health guidance

**Health insurance (coverage of medical expenses)**

**[Social welfare, etc.]**
- Day nursery
- After-school children's club
- Support for community-based child care
  (Program to visit all families with babies, family visit program to support child-raising, etc.)
- Child allowance
- Child rearing allowance
- Social care for children in need of protection
  - In-home services (home long-term care, day service, short-term stay, grants for prosthetic appliance, etc.)
  - In-facility services (support facilities for the disabled, etc.)
  - Promotion of social participation (sport promotion, etc.)
  - Provision of allowances (special disability benefits, etc.)

**Long-term care insurance**
(in-home services, in-facility services, etc.)

**[Income security]**
- Pension system
- Public assistance

**Survivors' Pension**

**Disability Pension**

**Old-age Pension**

**Ensuring minimum livelihood for those still in need even after using all their assets, skills, etc.**

**[Employment]**
- Labor supply-demand adjustment
- Workers' compensation insurance
- Employment insurance
- Vocational capability development
- Equal employment opportunity between men and women
- Support for work-life balance
- Working conditions

**Job placement, career counseling, etc.**
- Elderly employment
- Employment of disabled persons

**In case of occupational accidents, loss of jobs, etc.**

**Public vocational training**
- Supporting individual workers' voluntary development of vocational capability

**Equal employment opportunity, child care/family care leave, etc.**

**Ensuring minimum working conditions and wages**
- Safety and sanitation measures for workers
Structure of the pension system

National Pension (Basic Pension)

- Dependent spouses of the secondary insured: 10.21 million
- Self-employed, etc.: 19.85 million
- Private-sector salaried workers: 38.72 million people
- Public servants, etc.

Secondary insured, etc.: 68.78 million people

Employees’ Pension Insurance

- Defined contribution pension (personal type): 34.25 million subscribers

Defined contribution pension (corporate type)
- Defined benefit company pension
- Approved retirement pension
- Employees’ Pension Fund

National Pension Fund

- 0.58 million subscribers
- 0.11 million subscribers

Mutual Aid Pension

- Occupational addition
- 4.47 million subscribers (Mar. 31, 2009)

Approved retirement pension

38.72 million people

(Figures are as of the end of March 2010 unless otherwise noted.)
Overview of the medical care system

**Medical service structure**

- Ages 75 and over: Pay 10% of the bill (30% for those earning as much as working generations)
- Ages 70 to 74: Pay 20% of the bill* (30% for those earning as much as working generations)
- After enrollment in compulsory schooling to age 69: Pay 30% of the bill
- Before enrollment in compulsory schooling: Pay 20% of the bill

*Maintained at 10% since April 2008

**Health insurance system**

### (Major systems) (No. of insurers) (No. of Subscribers)
- National Health Insurance 1,888 39 million
- Health insurance managed by Japan Health Insurance Association (formerly government-managed) 1 35 million
- Society-managed Health Insurance 1,473 30 million
- Mutual Aid Associations 83 9 million

*Both the numbers of insurers and subscribers as of the end of March 2010

### Medical care system for the latter-stage elderly
- Insurers: 47 14 million

*The number of subscribers as of the end of March 2010

**Insurers**

- **State**
- **Prefecture**
- **Municipality**

**Public funds**

**Support contribution**

**Insurers**

**Government**

- **8,739 hospitals** (1,601,476 beds)
- **99,635 clinics** (141,817 beds)
- **68,097 dental clinics**
- **53,304 pharmacies**

*Figures as of October 1, 2009; the figure for pharmacies as of March 31, 2009

**Insurers**

- **286,699 doctors**
- **99,426 dentists**
- **267,751 pharmacists**
- **918,263 nurses**
- **51,703 public health nurses**
- **30,130 midwives**

*Figures for doctors, physicians, dentists and pharmacists as of December 31, 2008
*Figures for nurses, public health nurses, and midwives based on 2008 data compiled by the Nursing Division of the Ministry of Health, Labour and Welfare
The structure of the health insurance system in Japan is divided into two main categories: medical care system for the latter-stage elderly and finance adjustment system for the early-stage elderly.

**Medical care system for the latter-stage elderly**
- For those aged 75 and over
- Approx. 13 million people covered
- 47 insurers

**Finance Adjustment System for the early-stage elderly (approx. 14 million people)**
- For retired salaried workers
- Approx. 2 million people

**National Health Insurance**
- For the self-employed, those living on pensions, irregular employees, etc.
- Approx. 39 million people
- Approx. 2,000 insurers

**Japan Health Insurance Association (formerly Government-managed Health Insurance)**
- For salaried workers at SMEs
- Approx. 35 million people
- 1 insurer

**Society-managed Health Insurance**
- For salaried workers at large companies
- Approx. 30 million people
- Approx. 1,500 insurers

**Mutual Aid Associations**
- For public servants
- Approx. 9 million people
- 77 insurers

*The numbers of subscribers and insurers as of the end of 2009 (except those for the early-stage elderly, which are estimates in FY 2010 budget)*
Structure of the long-term care insurance system

Municipal government (insurer)

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Prefecture</th>
<th>State</th>
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</thead>
<tbody>
<tr>
<td>12.5%</td>
<td>12.5% (*)</td>
<td>25% (*)</td>
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</tbody>
</table>

*For facility benefits, 20% by the state and 17.5% by the prefecture

Pay 90% of expenses

Pay 10%

Billing

National pool

Insurance contribution

Deducted from pension, in principle

Tax

50%

Insurance contribution

50%

Financial Stability Fund

Each municipality

(FY 2009-2011)

Service provider

- In-home services
  - Home-visit care
  - Commuting for care
- Community-based services
  - Home-Visit at Night for Long-Term Care
  - Communal Daily Long-Term Care for a Dementia Patient
- In-facility services
  - Welfare facilities for the elderly
  - Health service facilities for the elderly

Subscribers

(Insured persons)

Primary insured
- Ages 65 and over
  (28.38 million people)

Secondary insured
- Ages 40 to 64
  (42.40 million people)

Certification of Needed Long-Term Care

(4.69 million people)

Residence/food expenses

Set according to population ratio

Note: The number of the primary insured is based on the "Report on the Operation Status of the Long-Term Care Insurance System (provisional) (as of the end of April 2009)."
The number of the secondary insured is based on reports from the insurers submitted to the Social Insurance Medical Fee Payment Fund to determine the amount of long-term care benefits payment, and is the monthly average in FY 2008.