

Long-Term Care Insurance in Japan



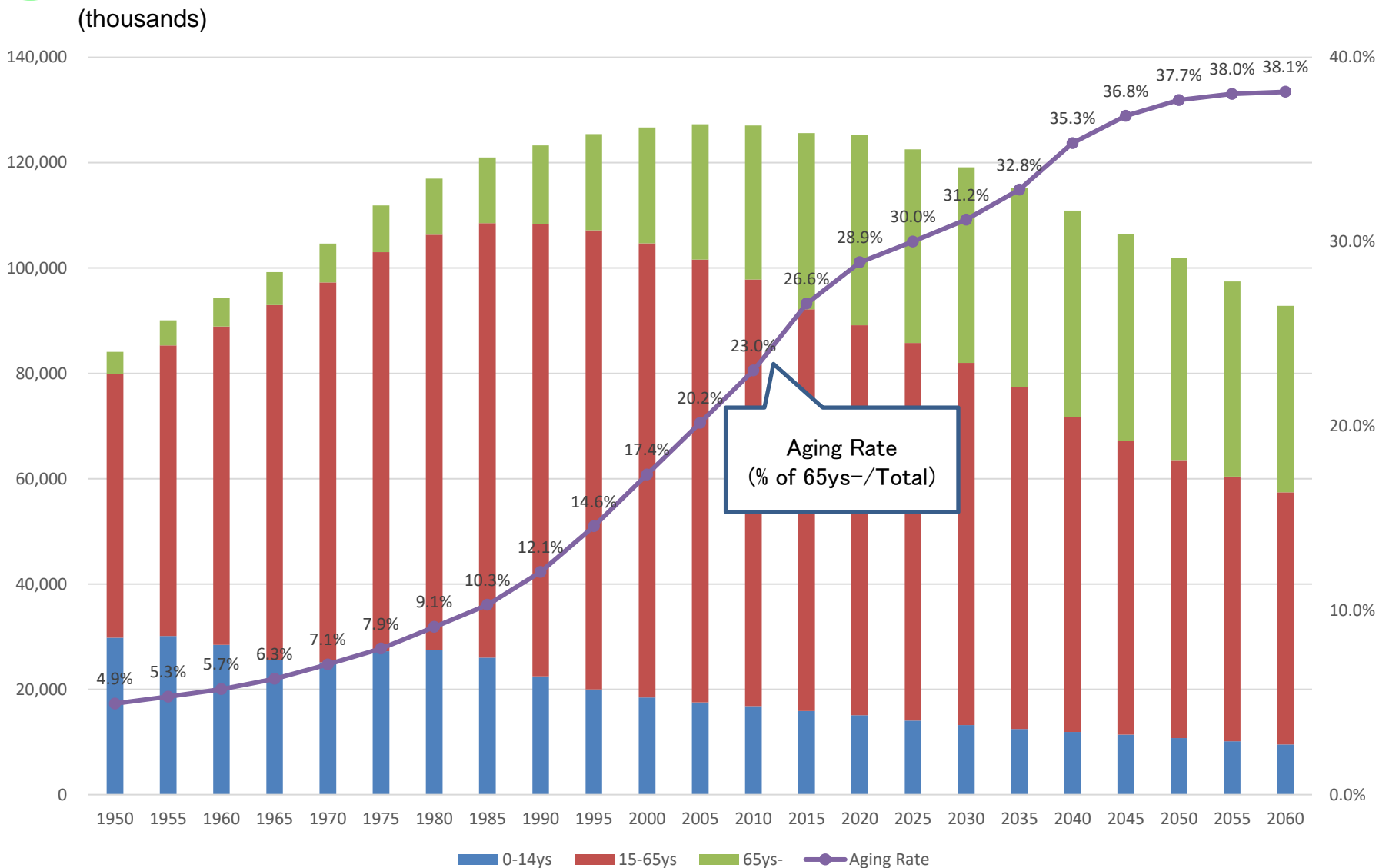
Oriental Life Insurance Cultural Development Center

Agenda

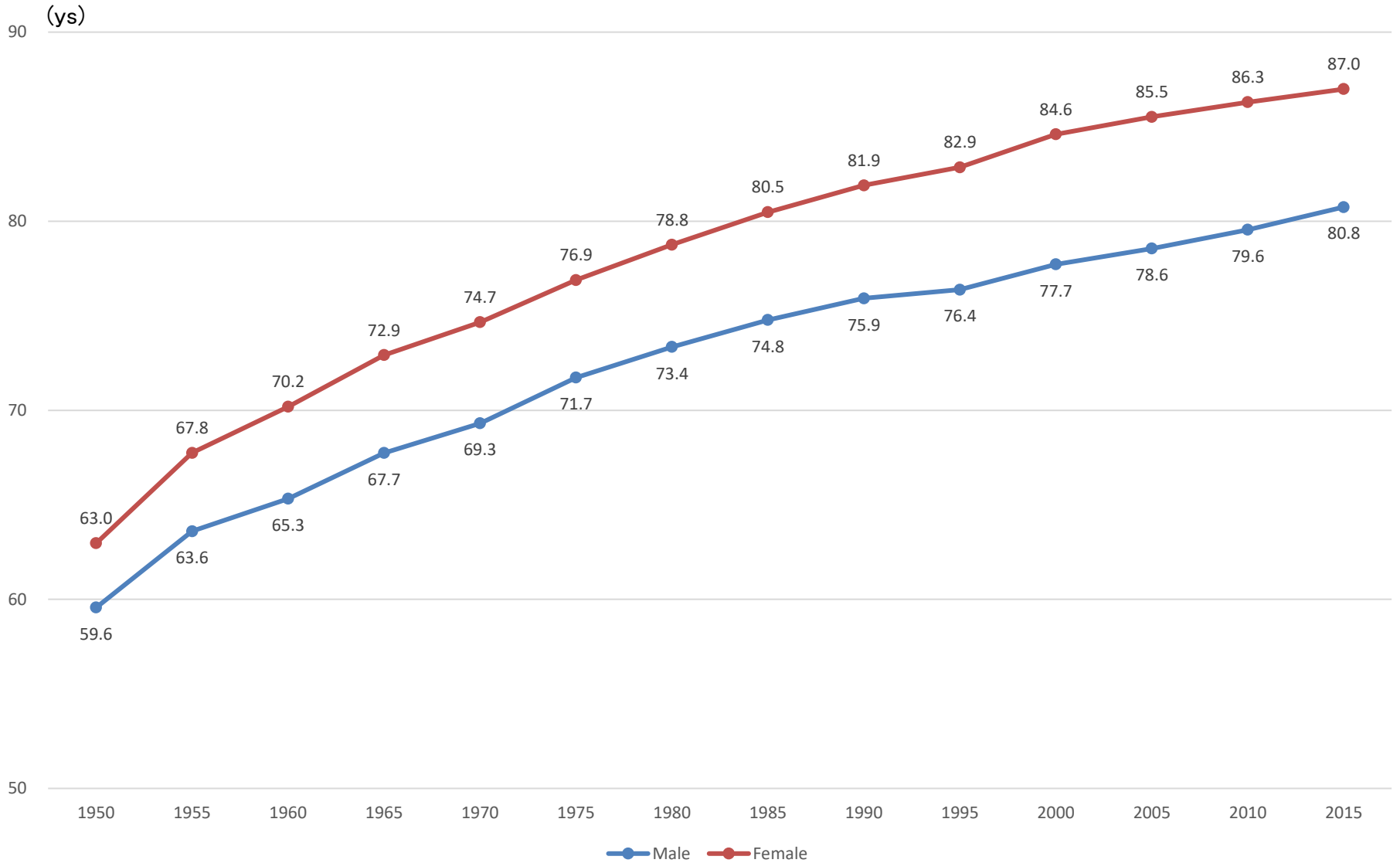


- Low Birthrate and Aging in Japan
- Risk and Insurance of Long-Term Care
- Public Long-Term Care Insurance
- Private Long-Term Care Insurance
- Private Long-Term Care Business

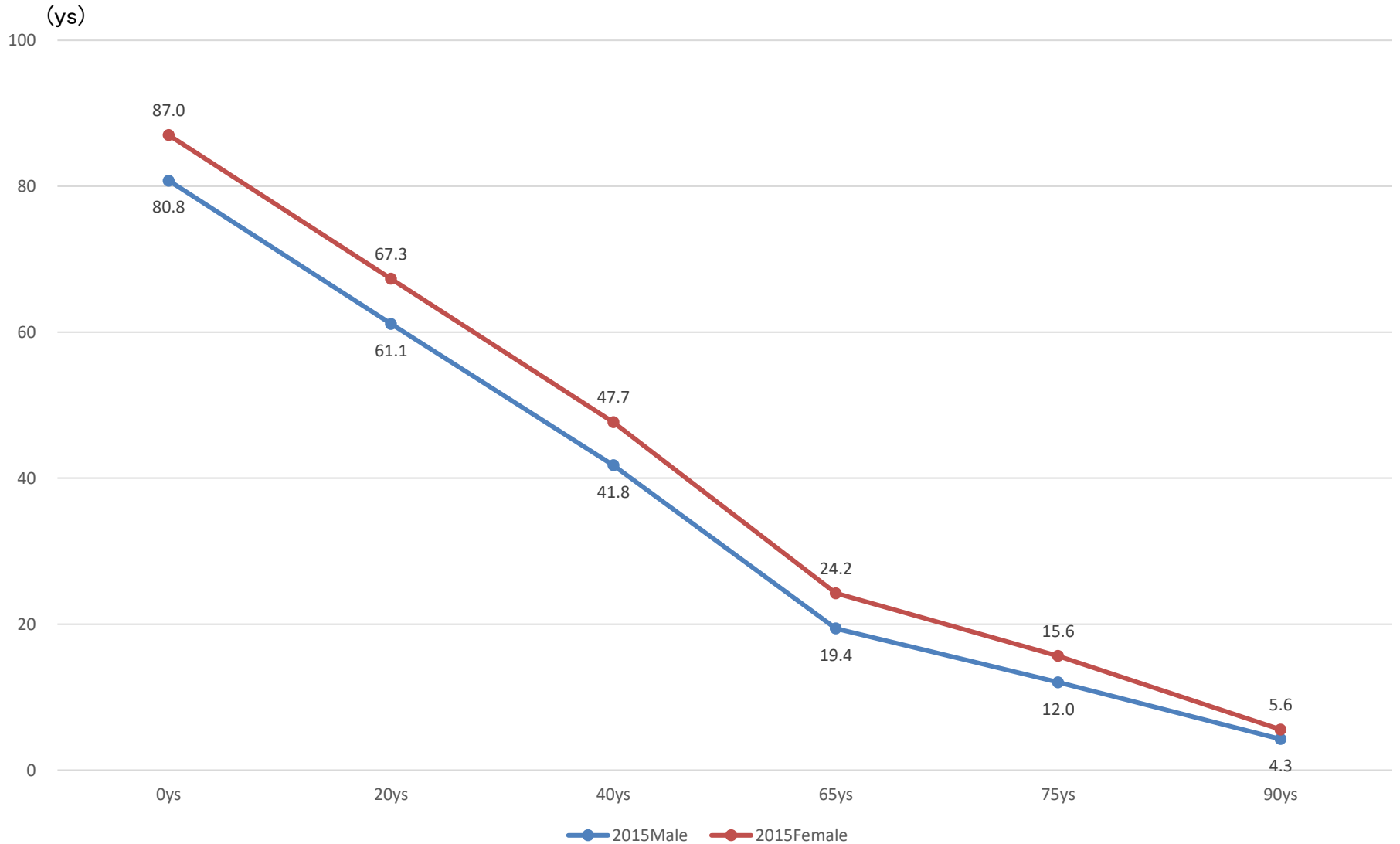
Population in Japan



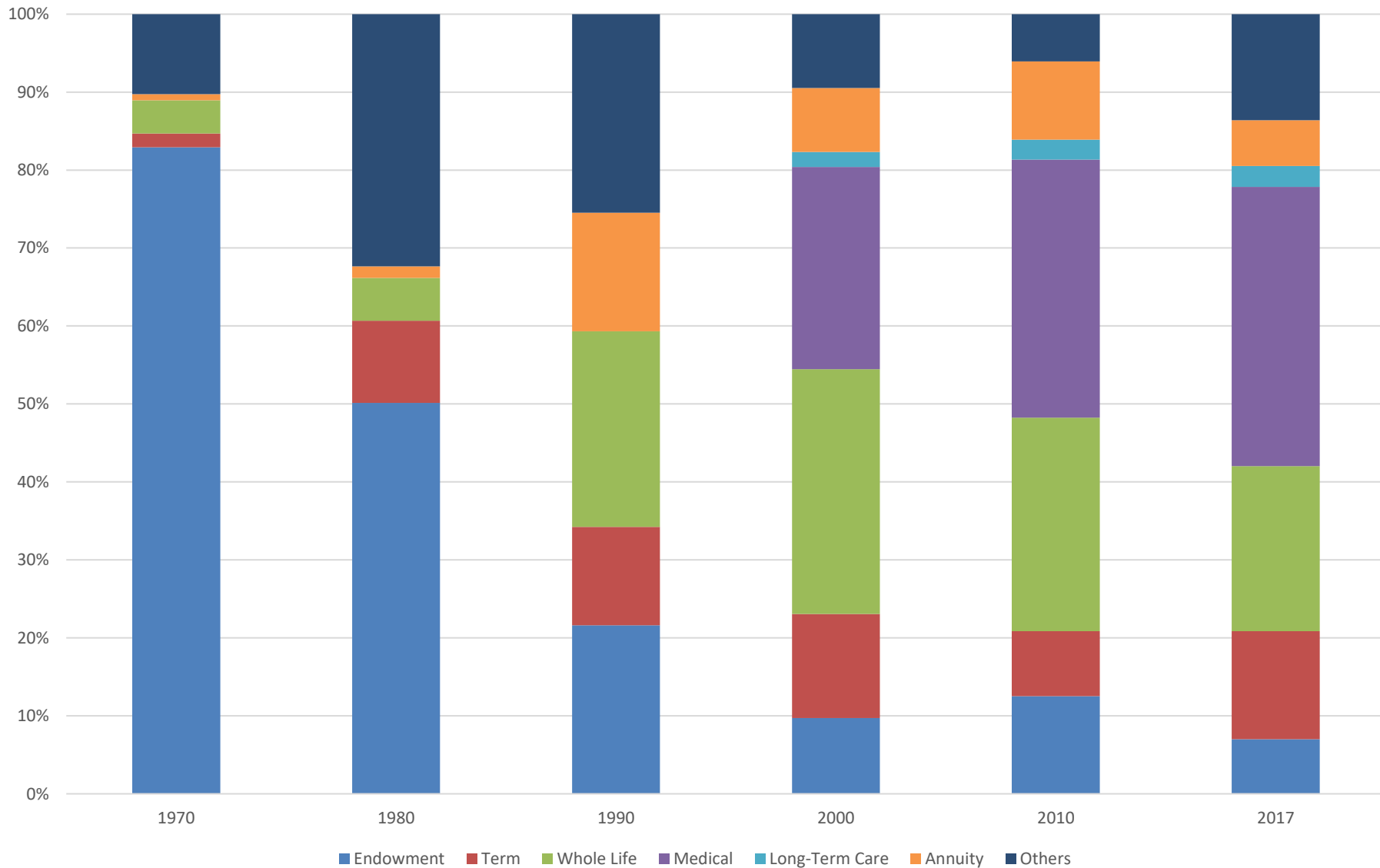
Life Span in Japan



Life Expectancy by Ages



New Business as Number

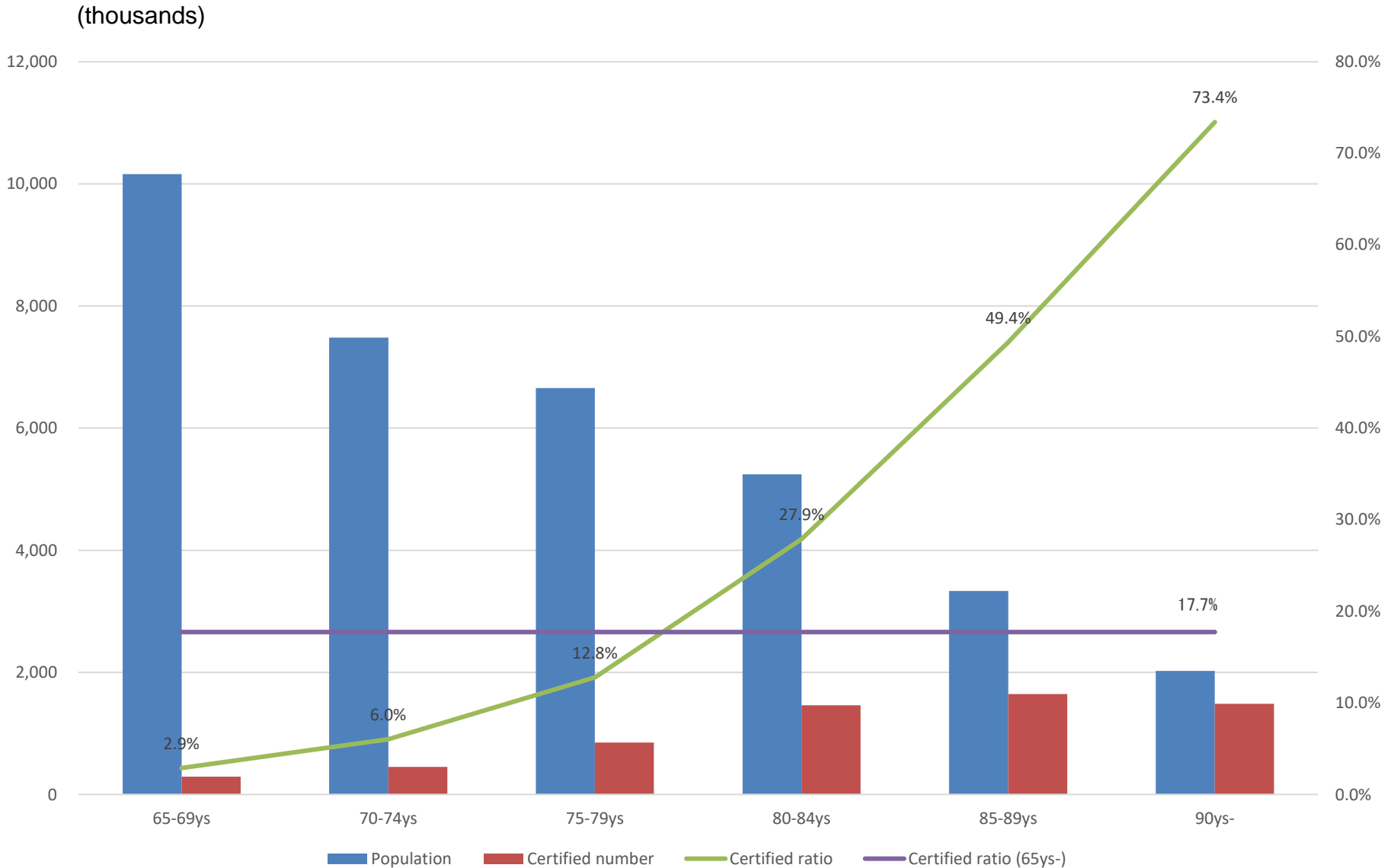


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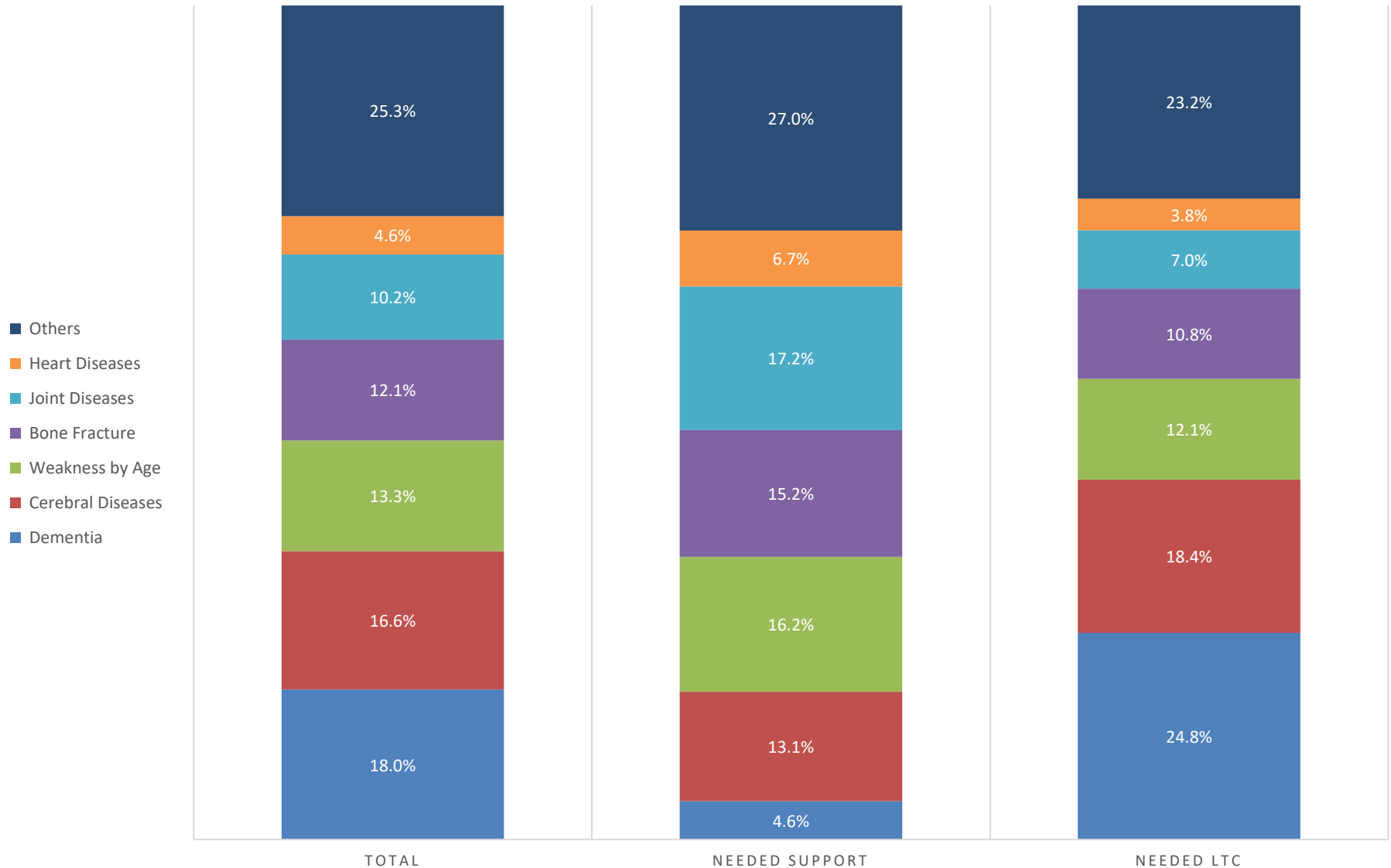


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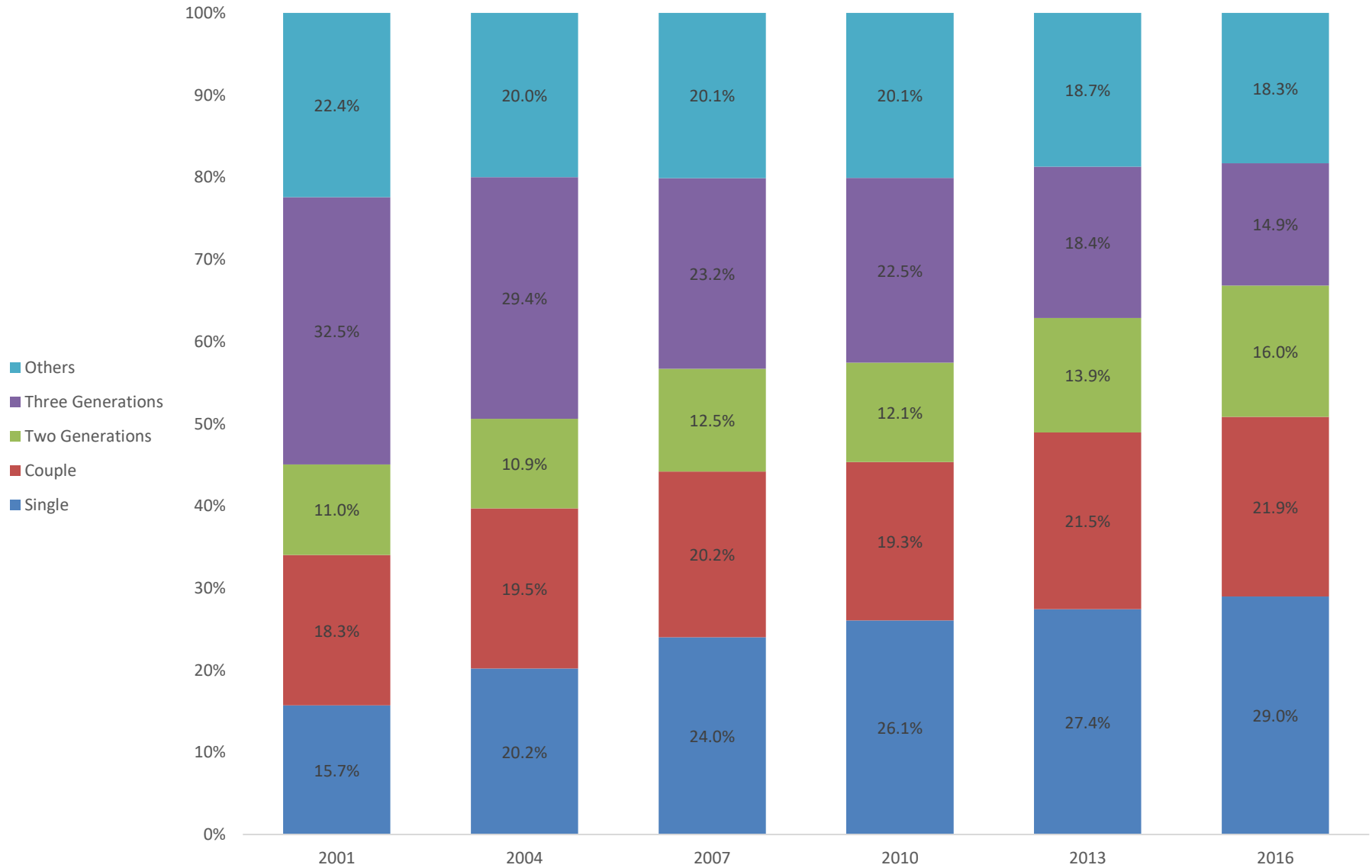
Certified Ratio of Long-Term Care Needed⁸



Cause of Long-Term Care

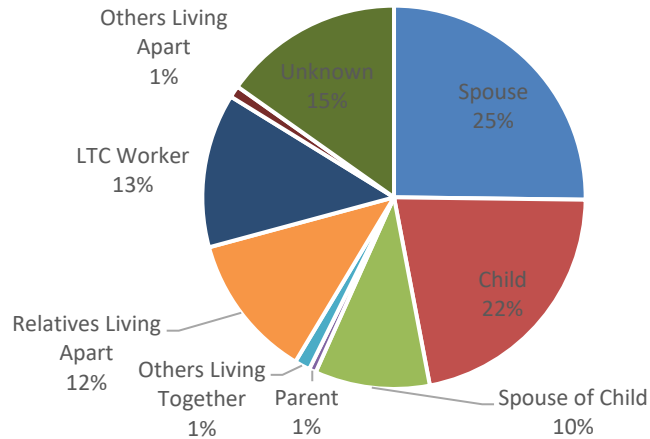


Household Structure of LTC Needed

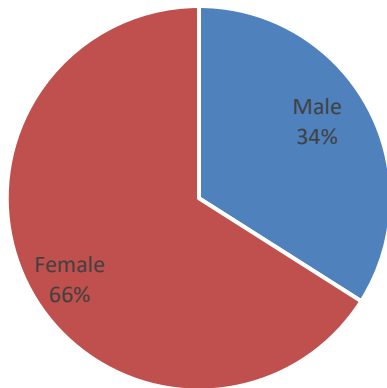


Status of Supporters

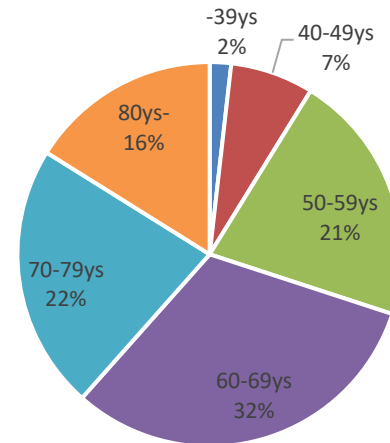
Relation of Supporter



Gender of Supporter Living Together

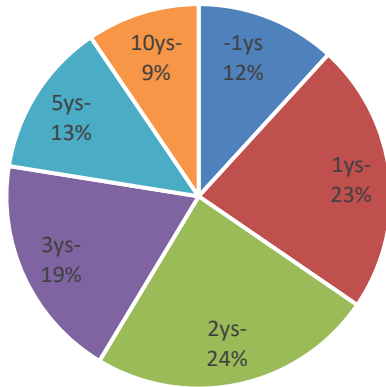


Age of Supporter Living Together

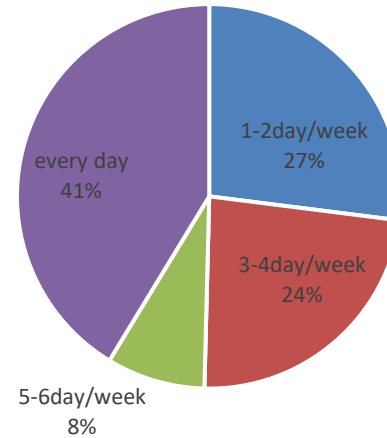


Questionnaire to Supporters

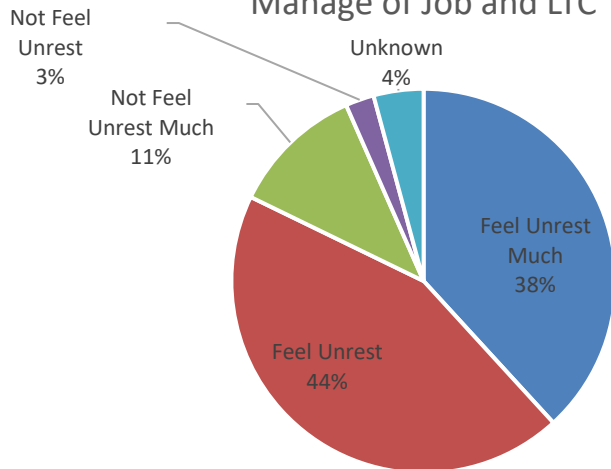
Period of LTC



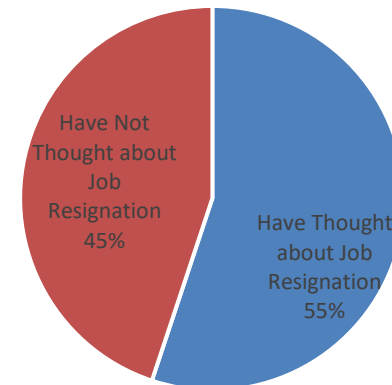
Frequency of LTC



Manage of Job and LTC



Job Resignation by LTC



Agenda



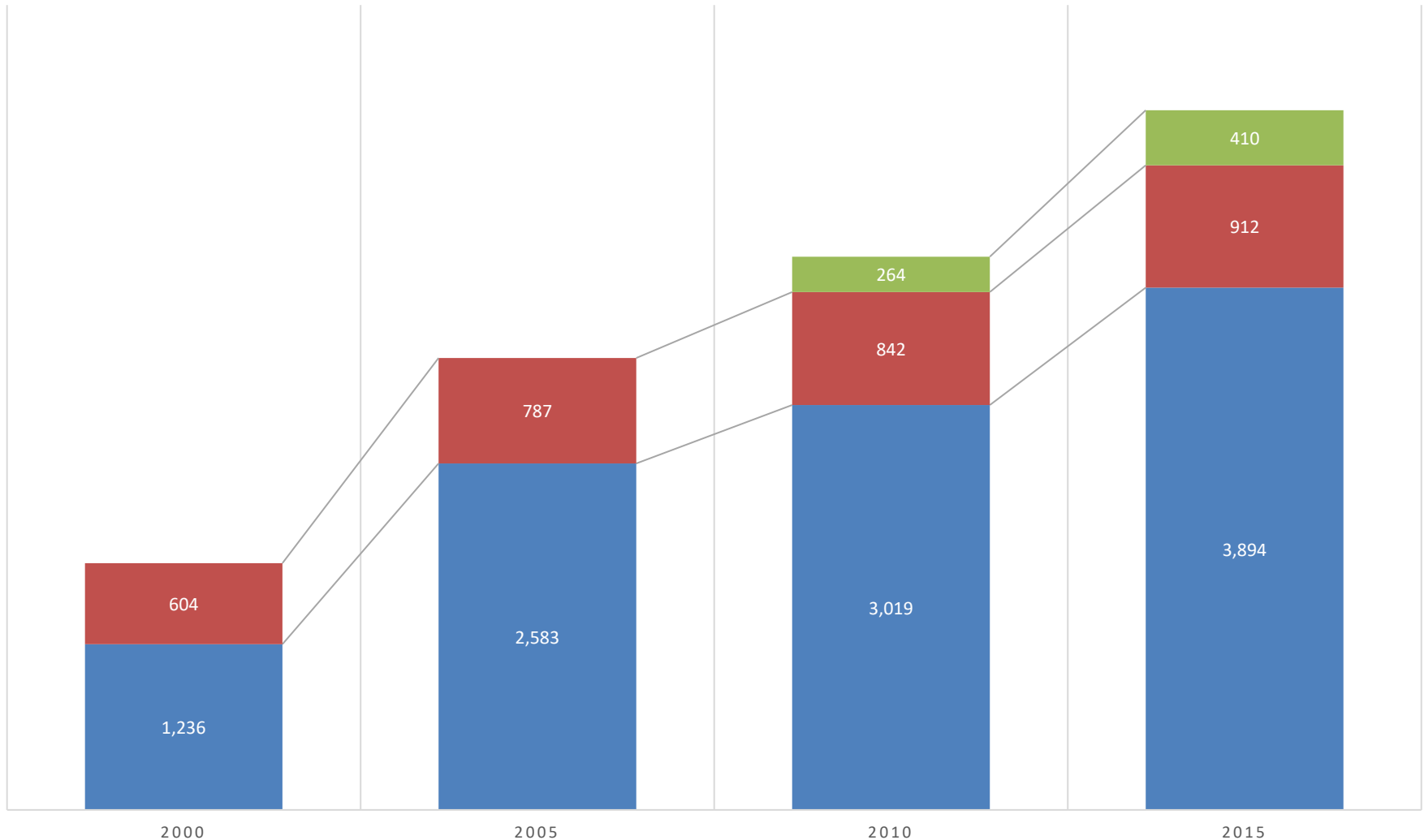
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- Medical Insurance
- Pension Insurance
- Unemployment Insurance
- Workers Accident Insurance
- Long-Term Care Insurance (2000)

Beneficiary of Public LTC Insurance

■ Home Care Service ■ Facility Service ■ Community-Based Service

Thousands



Scheme of Public LTC Insurance

Insurer	Cities, Towns or Villages
Insured	1 st Insured 65ys or more available for services regardless to cause of LTC state
	2 nd Insured between 40ys and 64ys available for services limited to specified diseases like dementia etc.
Premium	Set by Insurer according to income amount
Resource	Halved by premium and public money
Benefit	LTC service in kind as general rule
Own	10% of necessary expense
Expense	20–30% in case of defined income or more

Process of Public LTC Insurance



LTC Needed Level

LTC Level	Physical State	Benefit Limit
Support1	Support needed for a part of daily life	50,030 yen
Support2	LTC needed for a part of daily life / recoverable	104,730 yen
LTC1	LTC needed for a part of daily life / unrecoverable	166,920 yen
LTC2	LTC needed to light level	196,160 yen
LTC3	LTC needed to middle level	269,310 yen
LTC4	LTC needed to severe level	308,060 yen
LTC5	LTC needed to most severe level	360,650 yen

Own Expense

Service	Own Expense to Income Amount	Full Own Expense
Home Care Service (Home Visit LTC etc.)	10%-30% of Service Expense	
Facility Visit Service (Day Service etc.)	10%-30% of Service Expense	+ Food + Living Cost
Facility Stay Service (Short Stay etc.)	10%-30% of Service Expense	+ Food + Living Cost + Stay Cost
Facility Service (Nursing Home Care etc.)	10%-30% of Service Expense	+ Food + Living Cost + Residential Cost
Other Service (Private Residential Home etc.)	10%-30% of Service Expense	+ Food + Living Cost + House Rent

Home Care and Community-Based Service²⁰

Home Care Service		Community-Based Service	
	Home Visit LTC		Nighttime Home Visit LTC
	Home Visit Bathing	①	Patrol/Daytime Home Visit LTC
①	Home Visit Nursing		Facility Visit LTC for Dementia
	Home Visit Rehabilitation		Facility Stay LTC for Dementia (Group Home)
	Home LTC Advice	②	Small-sized Multifunctional Facility Stay LTC
	Facility Visit LTC (Day Service)		Complex Type Service
	Facility Visit Rehabilitation (Day Care)		
②	Facility Stay LTC (Short Stay)		
	Facility Stay Medical Care (Short Stay)		
	Specified Facility Stay LTC		
	Rental of Welfare Device		
③	Payment for Welfare Device		
	Payment for Home Renovation		

- ① Home Care
- ② Facility Visit/Stay
- ③ LTC Environment

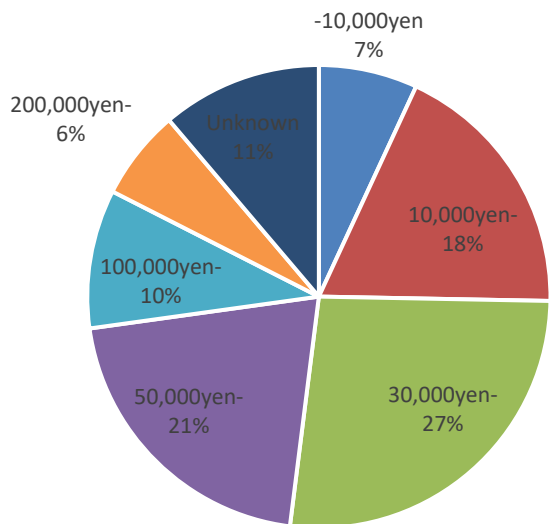
Facility Service and Out of LTC Insurance

Facility Service		Average Fee (Own Expense)
LTC Welfare Facility (Special Nursing Home)	LTC for Daily Living	75,855 yen
LTC Health facility	LTC and Rehabilitation	86,594 yen
LTC Medical Center (April 2018-)	Complex Needs for Medical and LTC	
LTC Nursing Care Center	Medical care	92,983 yen

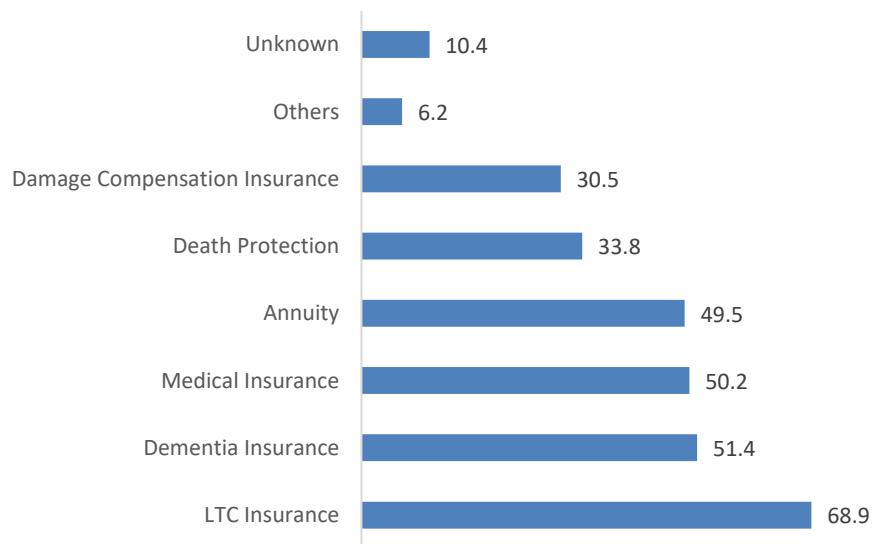
Facility Out of LTC Insurance	
Private Residential Home	Own Expense for Residential Lamp-sum, Monthly Fee (House Rent, Fuel/Light Expense etc.) and Food
Residence for Elder People with Services	Rental House for Elder People

LTC as Self-Supporting Efforts

Monthly Expense for LTC



Private Insurance Needed



Coffee Break



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LTC Insurance in Life Insurance Company

Cover Risk

- LTC Protection under 40ys and uncovered diseases in 40–64ys
- Cost and income decline which is not covered by public LTC insurance

Contract Type

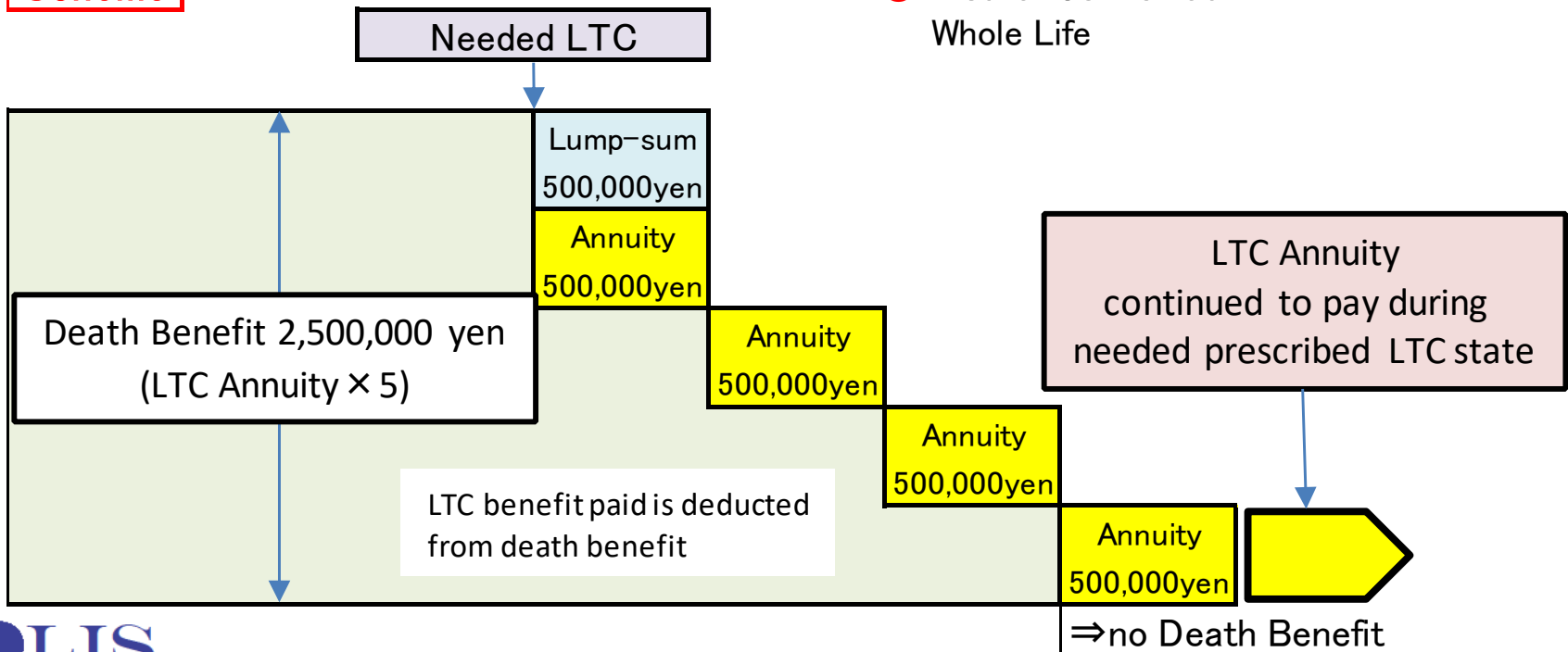
Benefit	Lump-sum or Annuity or (Lump-sum + Annuity)
Condition of Payment	① LTC needed in activity of daily living ② Diagnosed as dementia and got impaired orientation ③ Linked with public LTC Insurance
Contract	Main product or Rider
Protection	(LTC + Death) or LTC only
Term	Limited period or Whole life
LTC Annuity	Limited period or Whole life

Private LTC Insurance (Case 1)

Outline

- **Needed prescribed LTC**
LTC Lump-sum : 500,000 yen
LTC Annuity : 500,000 yen
Annuity Period : Whole Life
- **Death**
Death Benefit : 2,500,000 yen
(Deduct LTC Benefit paid)
- **Insurance Period**
Whole Life

Scheme

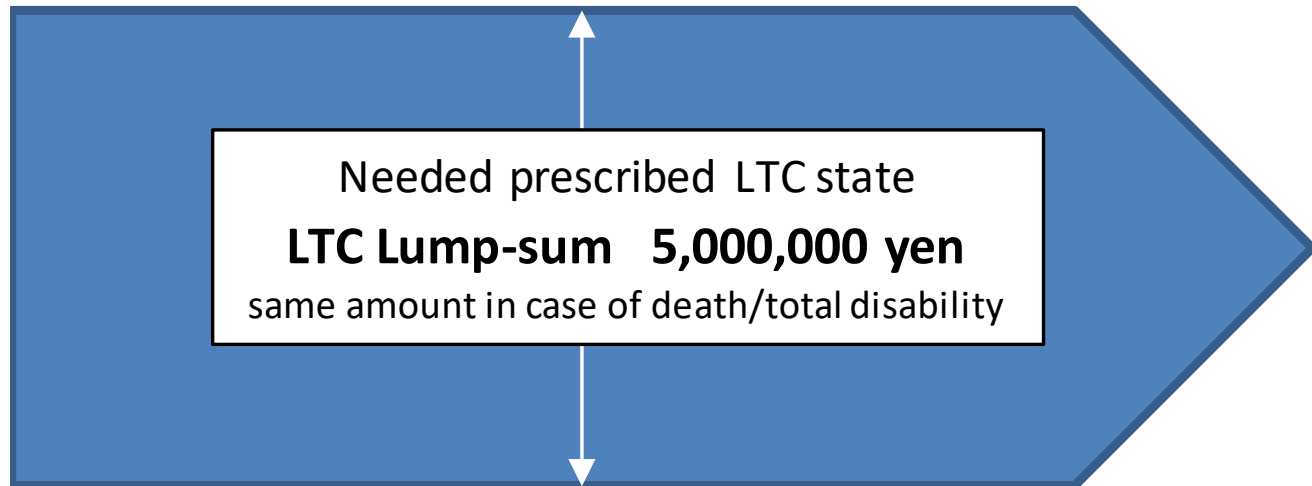


Private LTC Insurance (Case2)

Outline

- **Needed prescribed LTC**
LTC Lump-sum : 5,000,000 yen
- **Death/Total Disability**
Death Benefit : 5,000,000 yen
- **Insurance Period**
Whole Life

Scheme

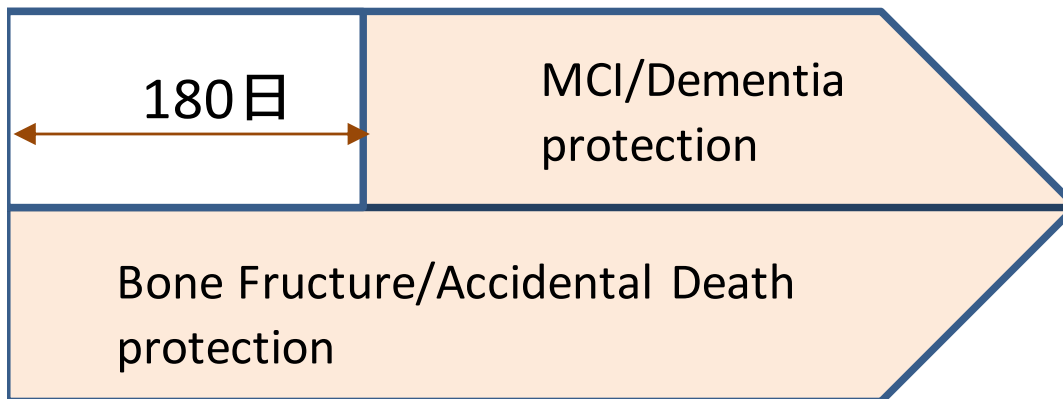


Private LTC Insurance (Case3)

Outline

- **Mild Cognitive Impairment**
MCI Lump-sum : 100,000 yen
- **Dementia**
Lump-sum : 1,900,000 yen (MCI paid)
Lump-sum : 2,000,000 yen (no MCI paid)
- **Medical Cure for Bone Fracture**
BF Benefit : 50,000 yen (Limit 10 times)
- **Accidental Death**
Accidental Death Benefit : 500,000 yen
- **Insurance Period**
Whole Life

Scheme

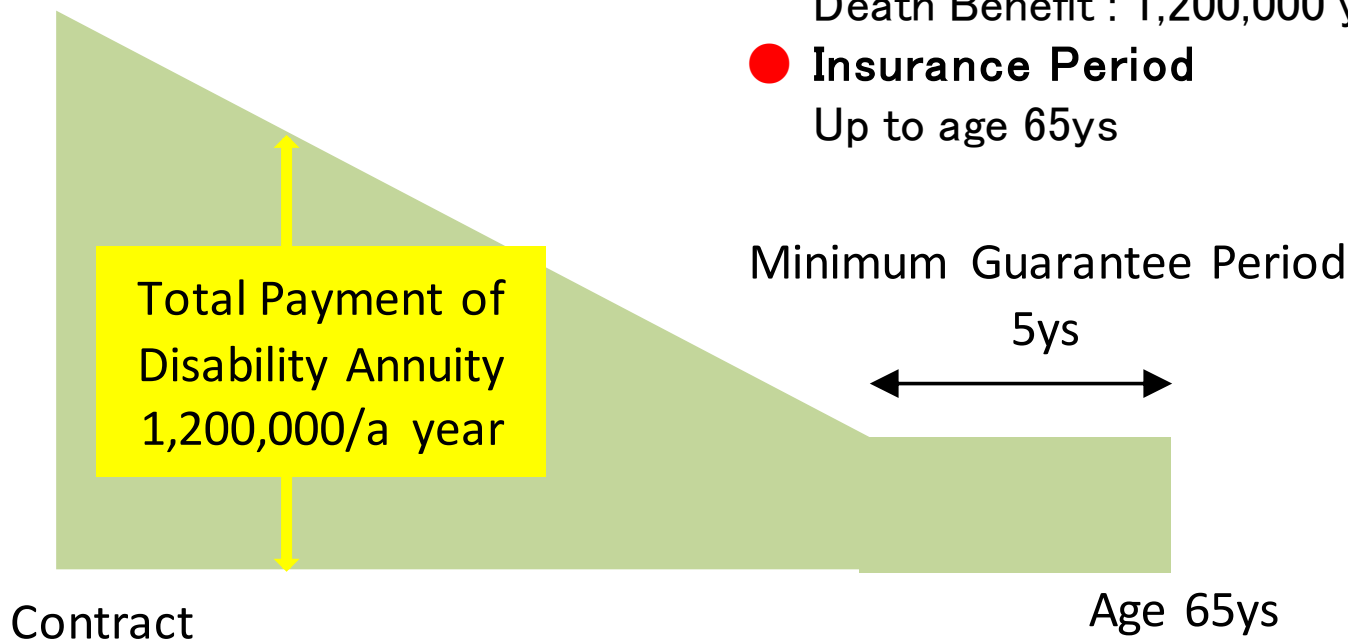


Private LTC Insurance (Case4)

Outline

- Needed prescribed LTC or Fell prescribed Disorder State
Disability Annuity : 1,200,000 yen
Annuity Period : up to age 65ys
Minimum Guarantee Period : 5ys
- Death
Death Benefit : 1,200,000 yen
- Insurance Period
Up to age 65ys

Scheme



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LTC Business in Life Insurance Company

Life Insurance Company	Foundation	Home Visit LTC	Private Residential Home
N Life	July 1989	2 offices	760 rooms
M Life	Dec. 1987	–	137 rooms
G Life	Sep. 1965	–	200 rooms

LTC Services in Life Insurance Company

Service	Main Function
LTC Consultation	LTC consultation by care managers etc. through phone
Introduction/use of LTC facilities etc.	Introduction of LTC facilities or preferential utilization of LTC equipment/housekeeping agency etc.
Information provide/search	Provide information useful for LTC/search for LTC facilities etc.
Mental support	Phycological counseling by doctors/clinical phycologist
Security service	Preferential utilization of security products provided by security company
Training service	Preferential utilization of Home Helper course
Application provide	Provide application to find risk indication of Dementia

Sompo Japan Nippon Kowa

- ❑ Compensate LTC cost born by child to support parent
- ❑ Aim to prevent that child resign job for LTC
 - When insured used services provided by affiliated of Sompo Japan, insurance money is paid directly to affiliated as service fee.

Tokyo Marine Nichido

- ❑ Safety package product for person with Dementia and family
 - Expense to search missing person with Dementia
 - Indemnity for injury etc. caused by person with Dementia
 - Indemnity for failure of railroad operation in case person with dementia cross the line (Upper limit 100 mil yen)

(App.) Dementia Control by Kobe City

1st in Japan “Kobe Model” 4 Points

- ① Free 2 step type Dementia diagnosis in medical institution for people aged 65ys or more
- ② Provide warm support like indemnity insurance (Max 200 mil yen) for people with Dementia
- ③ Pay solatium (Max 30 mil yen) to Kobe citizen for accident caused by people with Dementia
- ④ All Kobe citizen pay small amount of fee to cover the system without any postpone to future generation

Thank you !

