

# Dementia Support Policy and the role of the LTCI in Korea

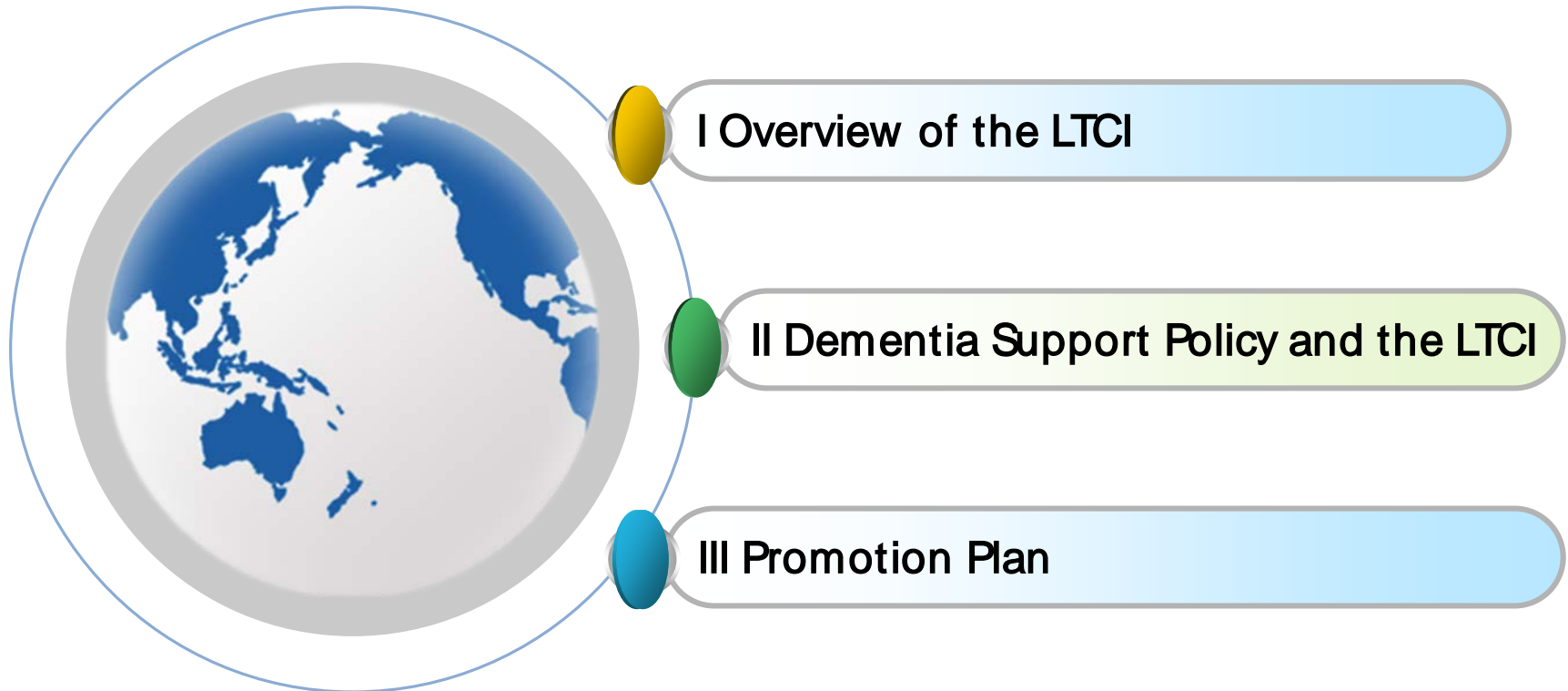
2016.02

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# Overview of the Long term care Insurance

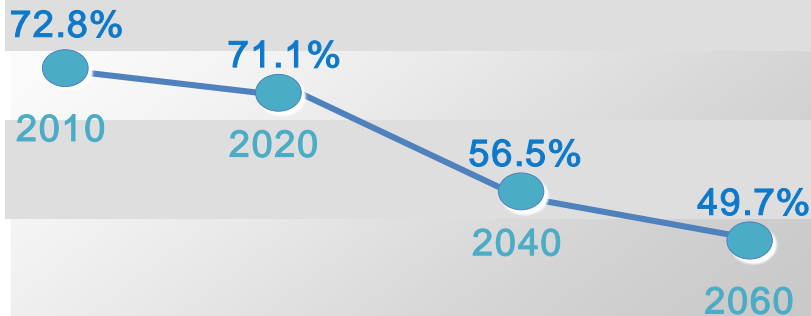
## 1. Change in the population structure

Import expansion stagnated due to decreases in the economically active population caused by low fertility and the aging phenomenon, in the economic growth potential, and in the growth trend of domestic and foreign economies

Ratio of the economically active population

(unit: %)

Total fertility rate on 06.2014: Korea 1.25, Japan 1.40, the U.S. 2.01, France 2.08

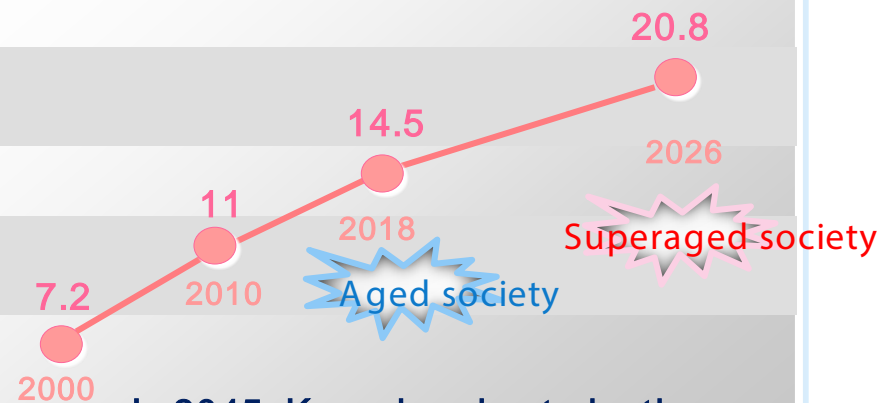


OECD nations' lowest fertility rate

(Financial news - the U.S. World Factbook 16.06.2014)

Ratio of the population over age 65

(unit: %)



In 2045, Korea is going to be the most aged nation in the world with an average age of 55

# I Overview of the Long term care insurance



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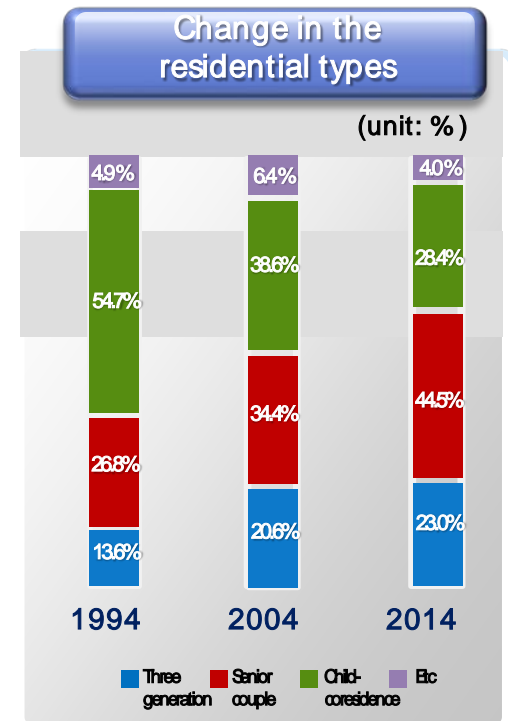
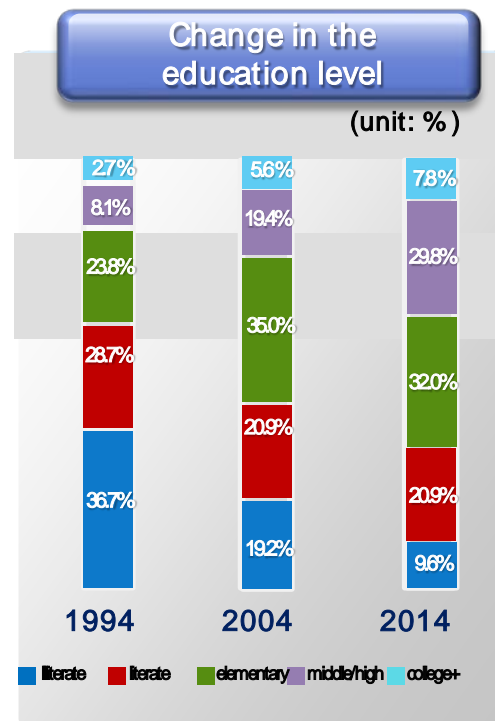
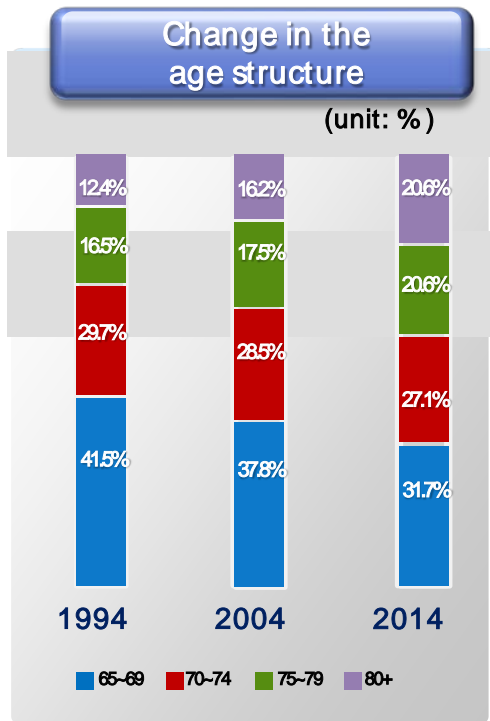
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LONG TERM CARE  
노인장기요양보험

## 2. Change in the characteristics of the aging population

- The number of senior citizens who dwell in the city, are 80 years old or more, and have graduated from middle/high schools or higher has increased.
- The number of single senior households and senior couples has increased (according to an elderly condition survey in 2014).

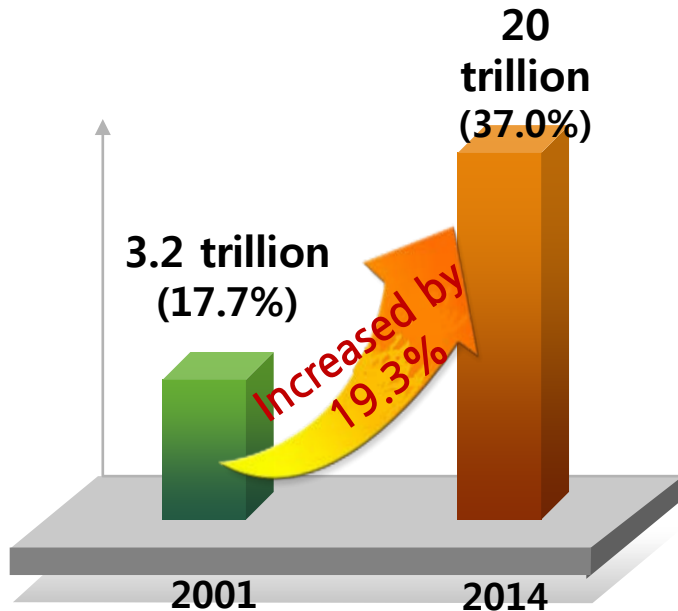


## 3. Rapid increase in the medical costs for elderly individuals and patients with chronic diseases

Medical costs are expected to increase continuously due to the change in disease pattern, mainly in geriatric and chronic diseases

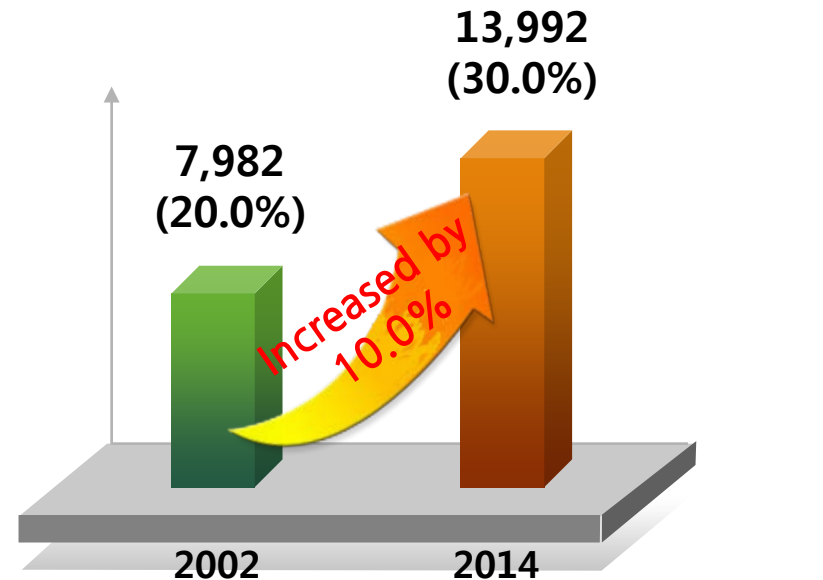
<Growth of health care costs for elderly individuals>

(unit: won)



<Growth of number of patients with chronic diseases>

(unit: 1,000 people)



# I Overview of the Long term care insurance



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Starting in July 2008,  
after **7 years of  
preparation**



## Characteristics of the LTCI

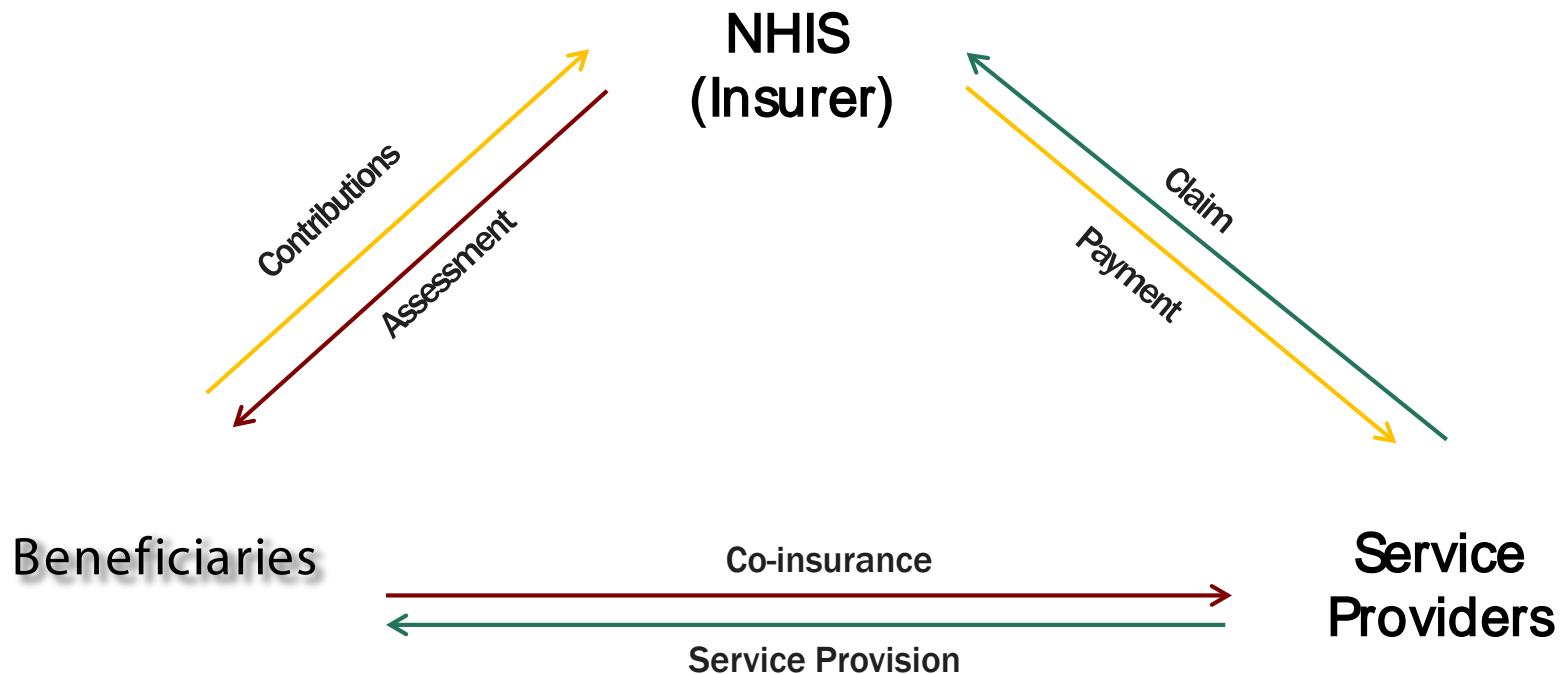
- Targeting at **older persons aged 65 and over** as beneficiaries
  - But, in the case of those under the age of 65, only individuals with geriatric diseases (i.e. mainly dementia, stroke, etc.)
- Exclusion of younger disabled persons under the age of 65
  - Introduction of the **Personal Assistance Service** program for the Disabled in October 2011
  - July 2008 ~ September 2011, Personal Assistance Allowance, and pilot study
- Centered on **in-kind centered benefit** provision
  - Recognition of care services provided by only professional caregivers
  - But, in special case, cash benefit is available to family caregivers



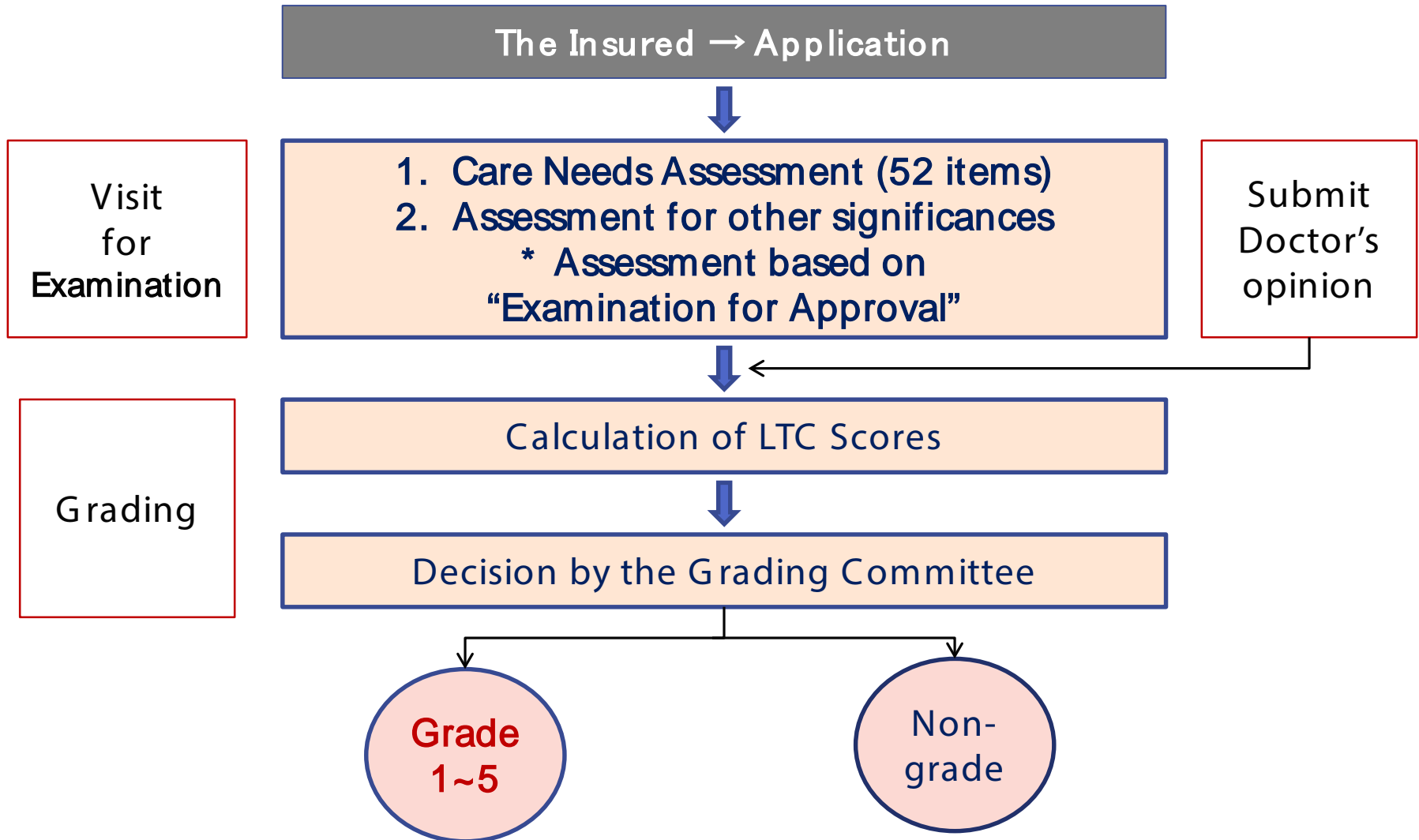
## Delivery System of The LTCI

**Ministry of Health and Welfare**  
(Planning, Supervising)

- Provide the standardized LTC utilization plan
- Services monitoring
- Manage qualification and charge contribution
- Manage Grading Committee

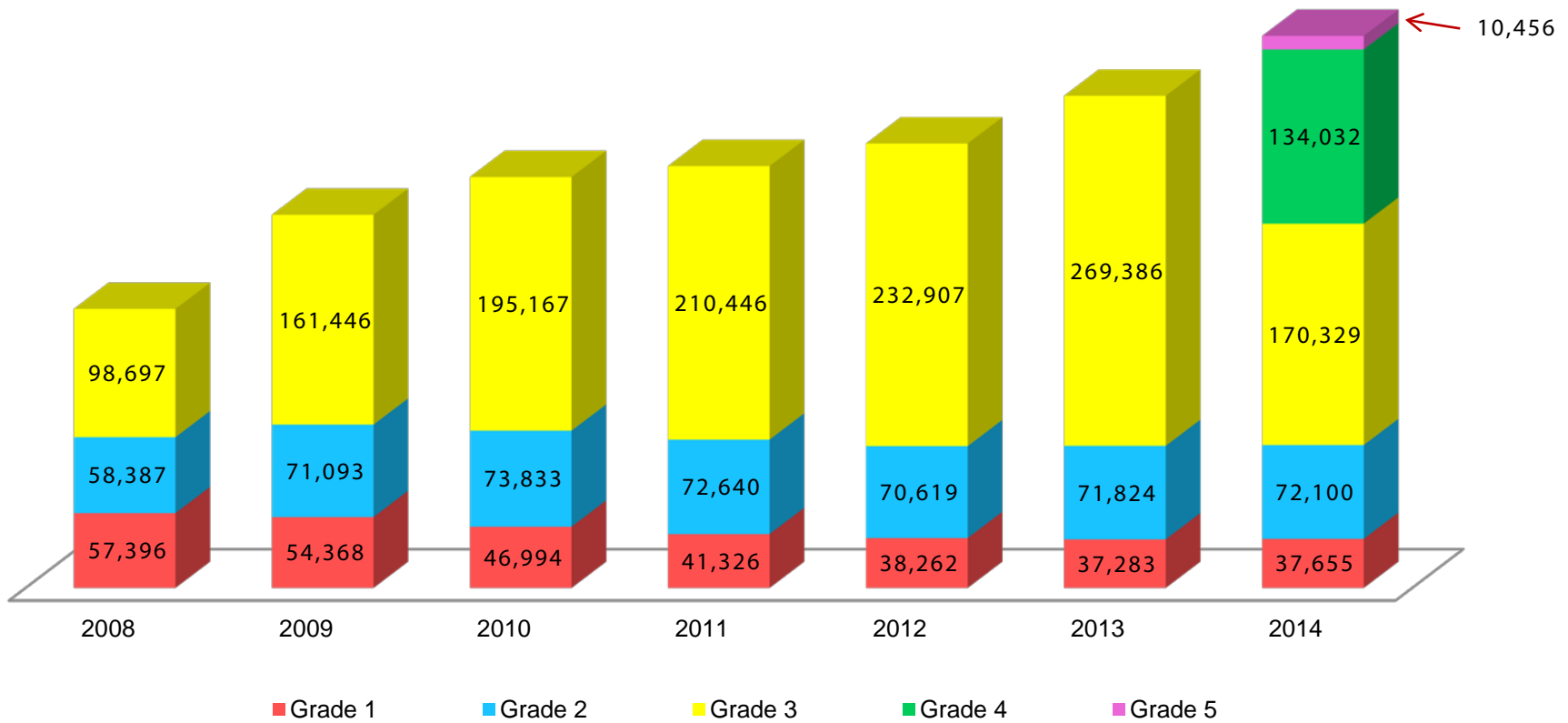


## Assessment Process



## The Numbers of Beneficiaries by Grade (2008-14)

Unit: person



\* Source: LTCI statistical yearbook 2015. 9, NHIS

## Types of the LTCI Benefits

- In principle, LTC benefits are centered on benefits in kind
- Cash benefits provided only in unavoidable circumstances (150,000 KRW /mon.)

Benefits		Co-insurance
In-home Care	Home-visit care	15% of the costs
	Home-visit bathing	
	Home-visit nursing	
	Day / night care	
	Short-term respite care	
	Other benefits(Assistive products, etc.)	
Institutional care	Aged Care Facility	20% of the costs
	Senior Congregate Housing	

## Financing System of the LTCI

Contributions  
(60~65%)

- Approximately 0.4% of income
- 6.55% (2012) of health insurance contributions (6.07% of average income)

Govt. subsidy  
(20%)

- The government and municipalities finance 20% of expected revenue within the range of budget (according to the LTCI Act, Article 58)

Co-insurance  
(15~20%)

- Home care, 15% of total costs
- Residential care, 20% of total costs, plus costs for uncovered benefits i.e. meals, accommodations, etc.
- But, 7.5% ~10% in case of lower income brackets



# Dementia Support Policy and LTCI

## II Dementia Support Policy and LTCI

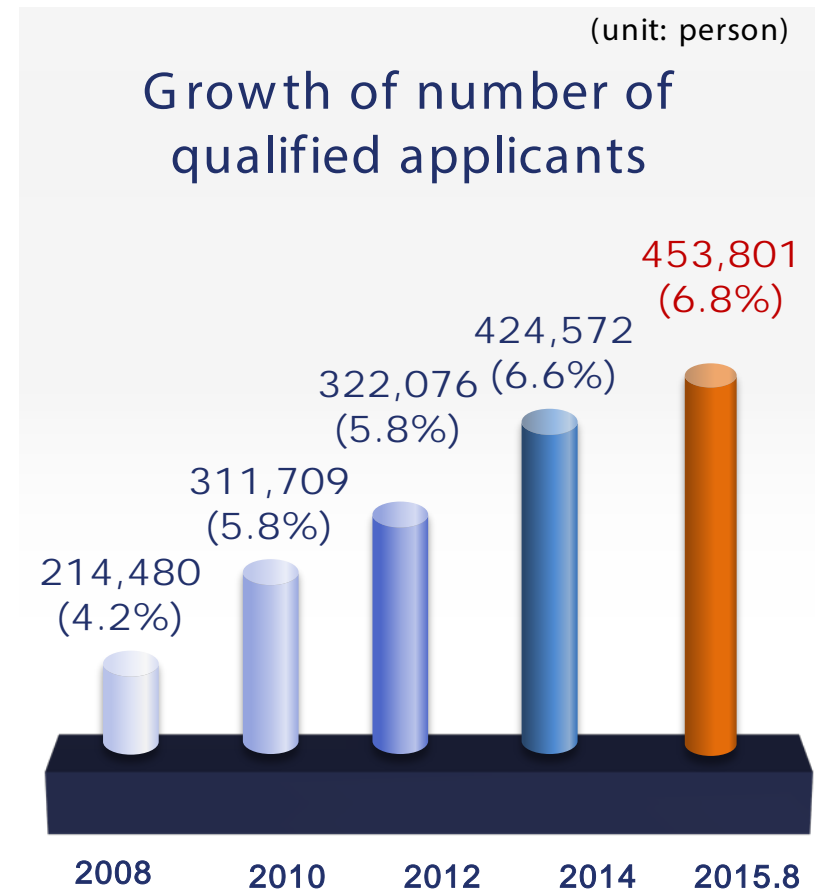
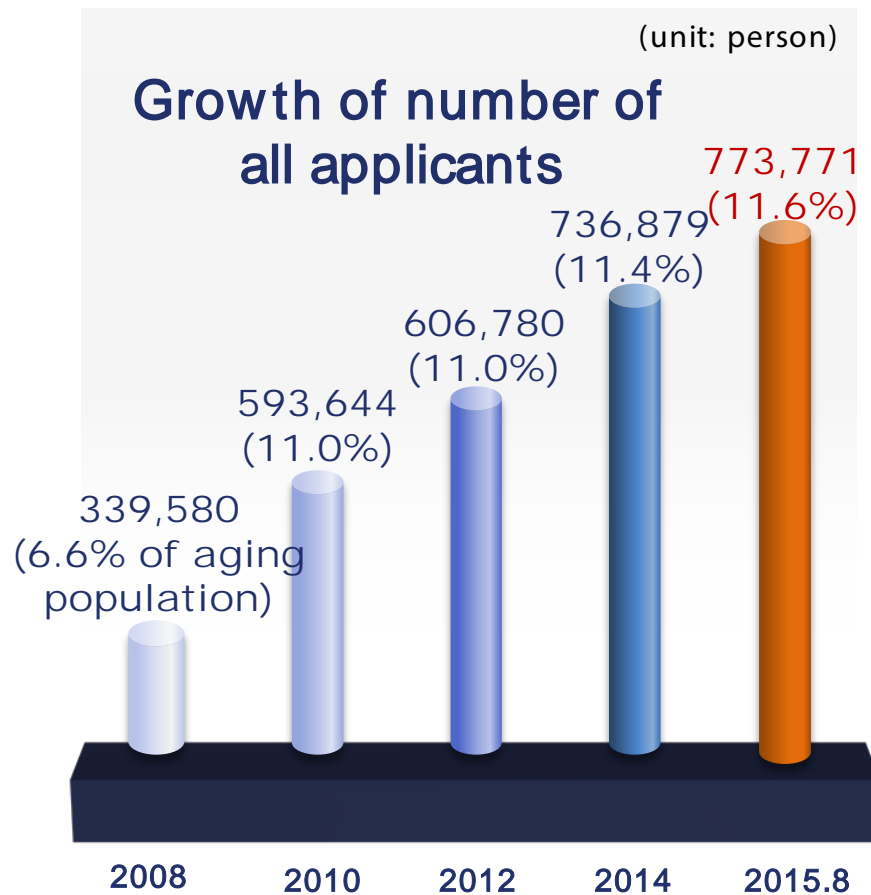


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### 1. The increase in the numbers of all and qualified applicants

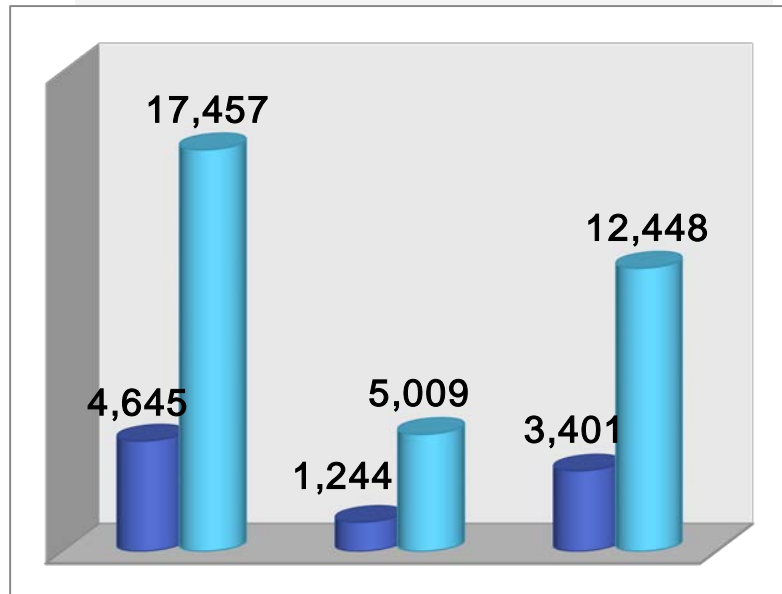


## II Dementia Support Policy and LTCI

### 2. The ease of accessibility of service use through infrastructure expansion

(unit: place)

#### Current LTC Facilities

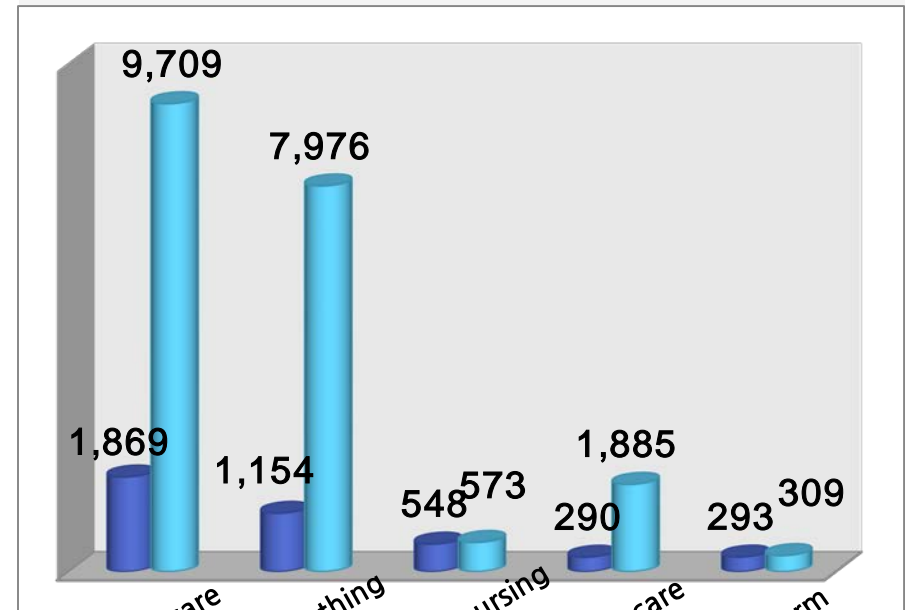


Total      Facilities      home-care centre

■ 2008.06    ■ 2015.08

(unit: place)

#### LTC Facilities by Types of Programs(home-care)



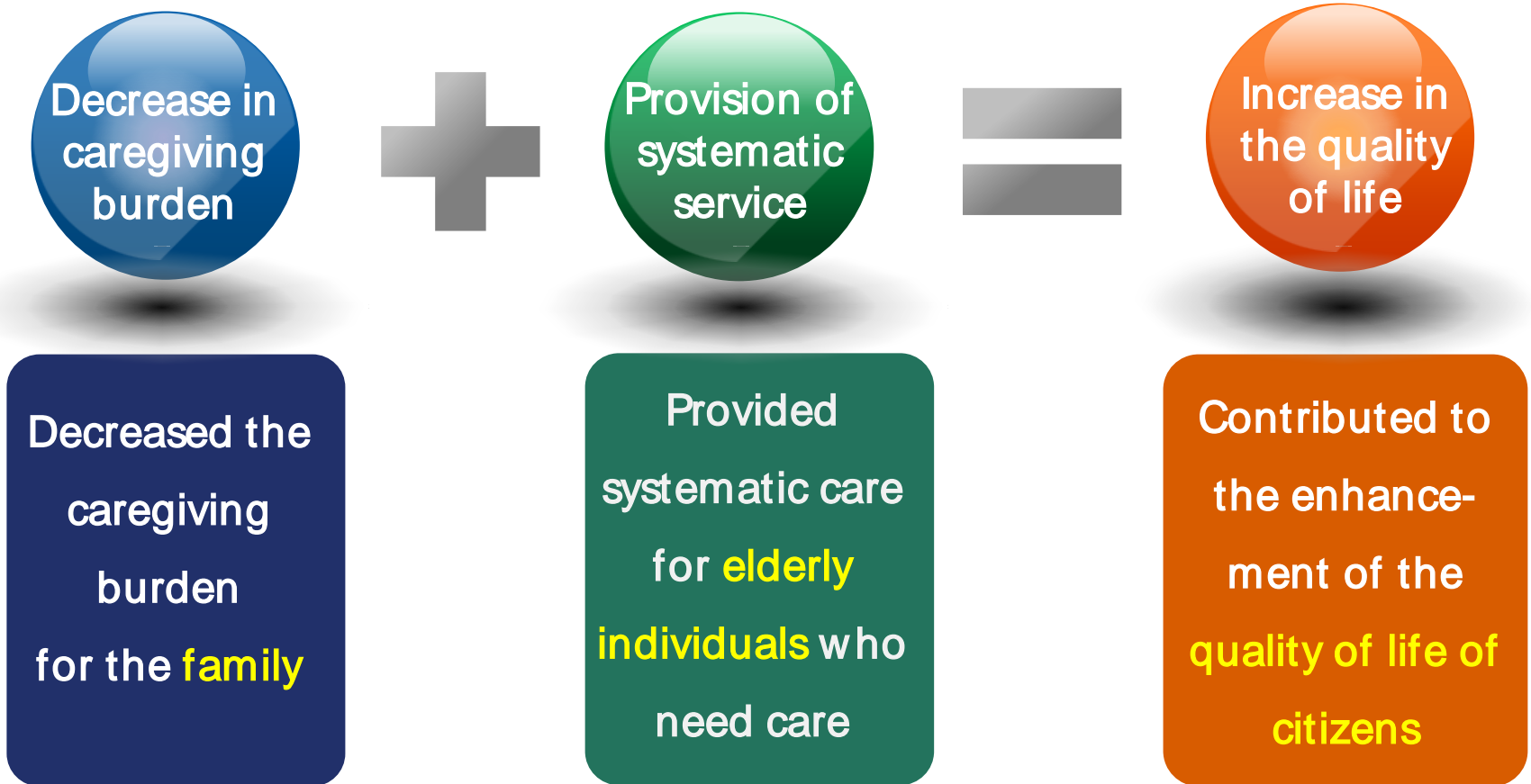
Home-visit care      Home-visit bathing      Home-visit nursing      Day/night care      Short-term respite care

■ 2008.06    ■ 2015.08



## II Dementia Support Policy and LTCI

### ◆ The implementation of LTCI for elderly individuals in July 2008



## II Dementia Support Policy and LTCI



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- ✓ Not only the total aging population but also **the percentage of the aging population over the age of 80 with high possibility of buying LTCI has consistently increased.**

### ① The increase in the aging population (age 65+)

- Development of yearly rates of increase in the aging population
  - (2010) 3.2% → (2011) 3.8% → (2012) 4.8% → (2013) 4.4% → (2014) 4.0%
- ✓ Rates in the aging population increase 3~4% every year.

### ② The increase in the post-aging population within the aging population

- The proportion of beneficiaries over the age 80 is high due to their mental and physical deterioration. (56.4% ... 2014.10)
  - Percentage of aging population over the age 80: (2010) 17.9% → (2014) 21.6% → (2020) 24.0% → (2040) 29.2% → (2060) 42.8%
- Development of yearly rates of increase in the post-aged population
  - (2010) 8.3% → (2011) 8.3% → (2012) 8.5% → (2013) 8.2% → (2014) 7.7%
- ✓ The rate of increase of the post-aging population is about 3~4% higher than that of the aging population.

## II Dementia Support Policy and LTCI



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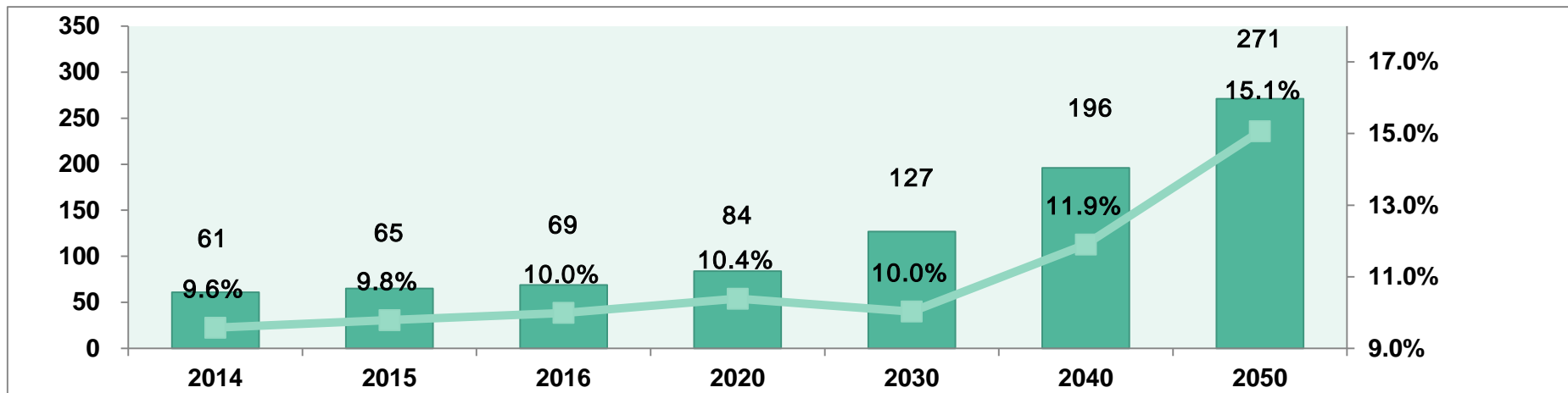
- ✓ The dementia prevalence rate in 2015 is **9.8%**, and the number of dementia patients is expected **to double every 20 years**.

→ Influences on LTC grade-5 beneficiaries

- Development of the number of dementia patients:
- (2014) 0.61 mil → (2015) 0.65 mil → (2030) 1.27 mil → (2050) 2.71 mil
- Number of beneficiaries of elderly individuals with dementia (2015 late April):
- 0.222 mil (50.7% of all beneficiaries)

### ✓ Dementia Prevalence Rate and Number of Dementia Patients Aged 65 or Older

(unit: ten thousands)

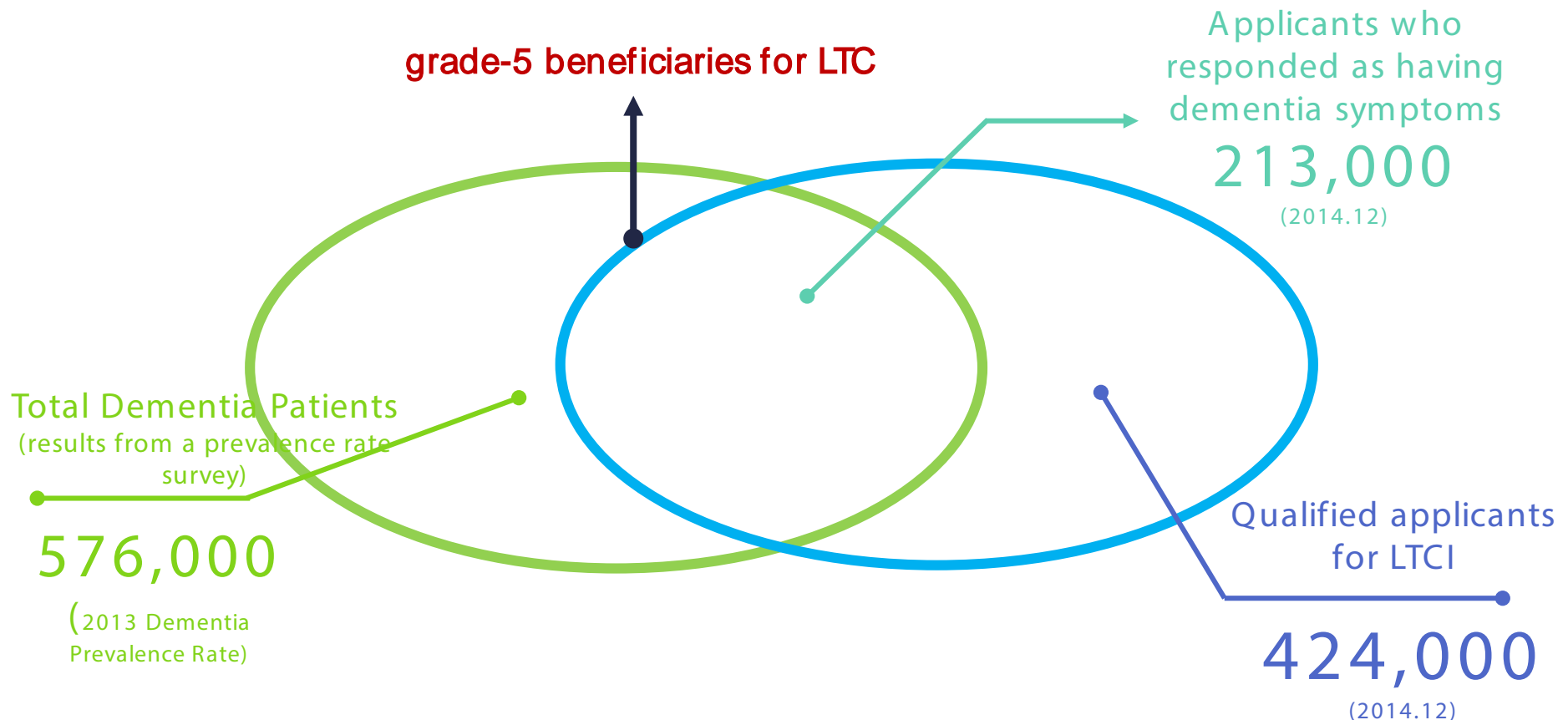


\* Source: Bundang Seoul National University Hospital Research (2012)

## II Dementia Support Policy and LTCI

### Dementia support status within the LTCI policy for elderly individuals

- The number of qualified applicants for LTCI for elderly individuals in late December of 2014 was 424,000.
  - Among them, **213,000 (50.2%)** responded that they experienced dementia symptoms during the survey.
  - Composition: grade-1 9.3% / grade-2 19.2% / **grade-3 39.4%** / **grade-4 27.2%** / **grade-5 4.9%**



## II Dementia Support Policy and LTCI

- ★ Dementia support status within the LTCI policy for elderly individuals
  - **Establishment of the grade-5 LTC system (2014.07)**
    - Targeted for mild dementia patients who have difficulties in daily life but cannot receive the LTC service due to relatively favourable physical function status
    - Targeted for dementia patients whose LTC assessment scores are between 45 and 51
    - (Types of programs) Day and night care (with cognitive stimulation training) and cognitive-activity-type home-visiting care service (more than three times per week). For home-visiting care service, one hour of cognitive stimulation training and one hour of spending time together in daily life will be provided. Provision of home visiting nursing service more than one time per month is mandatory.
    - (Provision of programs) The program manager establishes the cognitive-activity-type programs → Provision of services through care-providers.
    - (Labour supply) Program managers, care-providers, and nurses who completed the dementia professional education

## II Dementia Support Policy and LTCI

- ★ Dementia support status within the LTCI policy for elderly individuals
  - **Holiday system for families of dementia patients (2014.07~)**
    - (Objective) Providing holidays for family members who take care of dementia patients long-term relieves their caregiving burden.
    - (Dementia patients among beneficiaries of LTCI for elderly individuals) Even when the monthly limit is exceeded, patients can utilize short-term care service for six days every year.
    - (Dementia patients using non-beneficiaries of LTCI for elderly individuals) home-visiting care, day and night care, and vouchers (for 10,000 people) for using short-term care service (six days per year) are provided.
  - **Operation of dementia incentive system (2011.06~)**
    - By implementing the dementia incentive system in the assessment of grades, candidates who have more caregiving burden due to their family members with dementia are assessed to be one grade higher than the intended grade, thereby promoting the daily life support for dementia patients and reducing the caregiving burdens for families.

### ★ Problems with dementia support within the LTCI policy for elderly individuals

- With the implementation of grade-5 LTC, policy enforcement for supporting dementia patients within LTCI has begun in earnest
- There is a need to find a definite direction concerning policy enforcement and establish consistent infrastructure



#### Insufficient in sharing the goal of dementia care provision within LTCI policy

- Insufficient in establishing a clear role of LTCI-local government social welfare service for elderly individuals within the frame of a national dementia caring plan
- Insufficient in sharing the ultimate goal of dementia care (professional support aiming at maintaining one's life even with the dementia symptoms) among providers and beneficiaries (guardians)

#### Insufficient in actualizing the direction for establishing the professional support system of dementia care

- The grade-5 support has been prioritized considering that the policy enforcement for dementia care within the LTCI is at the beginning stage. Thus, it is necessary to promote the efficient expansion of grade-3 and 4 supports
- There is a need to prepare an active plan for policy enforcement such as the establishment of a dementia support management system, infrastructure and dementia professional education in order to provide grade-3 and 4 dementia professional care

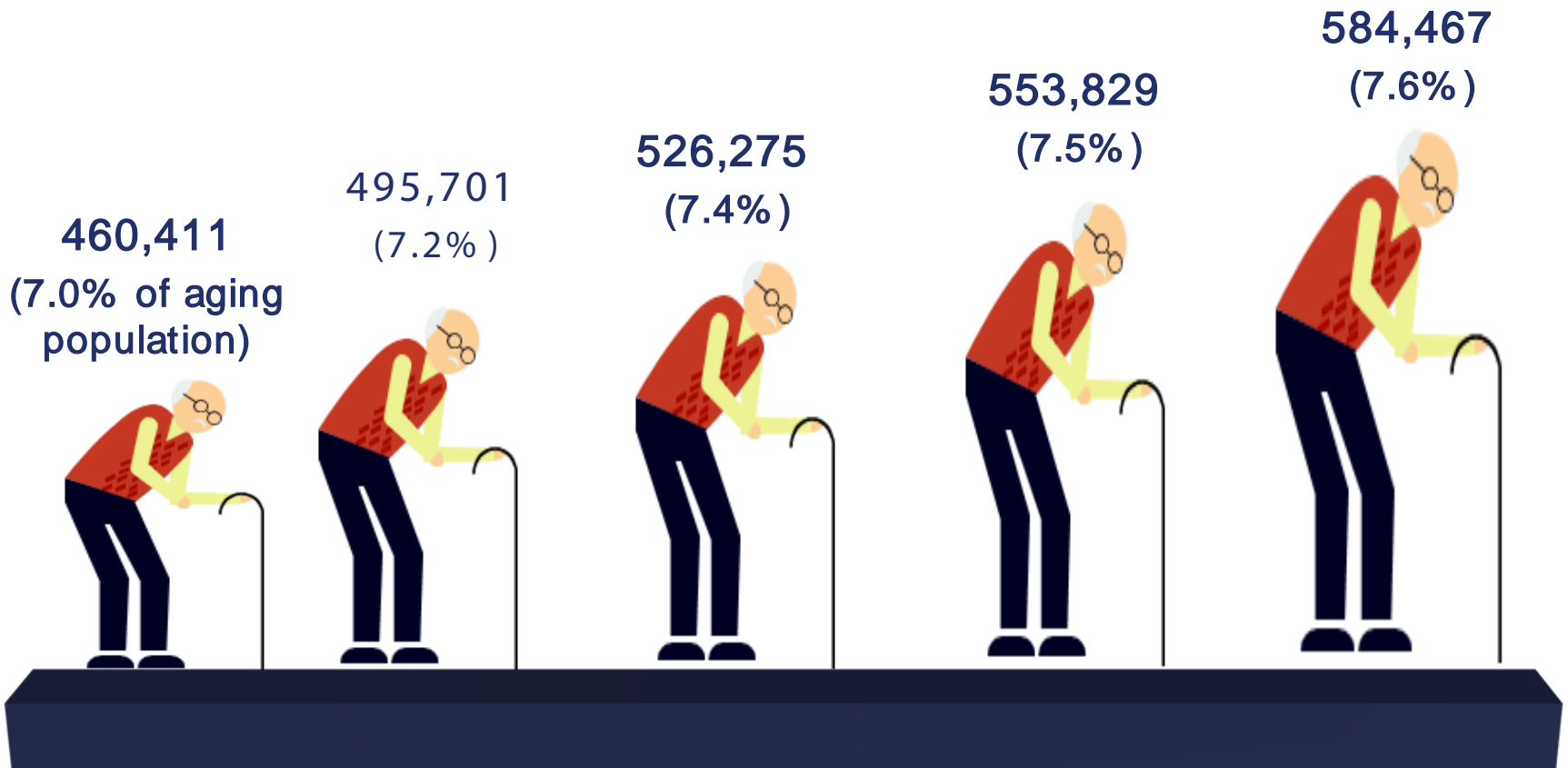


# Promotion Plan



# III Promotion Plan

## ▶ Objective of Beneficiaries Expansion (2015~2019)



## ▶ Establishment and Operation of LTC Dementia Facility (2016~)

### ● Operation of the dementia unit in a care facility

- 🚩 Operate a 'Dementia Office' within a care facility that provides an exclusive place for patients with dementia symptoms in order to promote emotional stability and avoid the deterioration of cognitive function
- 🚩 Establish a personalized LTC dementia facility and workers' requirements

### ● Expansion of the day and night care service center

- 🚩 Provide cognitive activity and rehabilitation service during days and nights
- 🚩 Establish day and night care institutions for patients with mild dementia and promote the provision of professionalized cognitive activity services

## ▶ Reinforcement of Professionalism in LTC Service Providers

### ● Reinforcement of care-providers' professionalism

- 📌 Pursue legislation of on-the-job education and expansion of its candidates
- 📌 Prepare ways of securing high-quality workers for medium/long-term through training professional care providers

### ● Enhancement of Dementia Professional Education Operation of

- 📌 Enhance the dementia professional education provision system for workers at welfare institutions
- 📌 About 13,000 people completed the education with the implementation of the grade-5 LTC policy
- 📌 Expand dementia professional education completion by workers at LTC institutions, taking account of establishing the LTC dementia facilities

### III Promotion Plan

#### ▶ Administration of demo project for supporting families with LTC patients (2015.10~)

- 📌 Promote a 'family support and consultation project' for families of LTC patients such as patients with dementia in order for patients to spend time with their families
- Provide personalized support and consultation (individual or group) for the LTC patients and their families





Thank You

