## Health Policy

## Innovatively Changing US Health Care From the Perspective of a Japanese Physician

This past summer I visited Thomas Jefferson University and with my host, Dr. Nash, Dean of the School of Population Health (JSPH), I was able to meet with executives throughout the university and hospital system. I also spent a great deal of time within JSPH, meeting with faculty, attending educational seminars, and developing an invaluable collegial exchange. I am very thankful for this amazing opportunity. I believe we can help each other to improve our respective health care systems, even though they are different. We share the goals of improving access to and quality of health care while maintaining proper cost control. I would like to briefly introduce the Japanese health care system, describe what we can learn from the United States, and comment on the Patient Protection and Affordable Care Act.

Japan has a universal health care system. Employers are required to provide health insurance for employees and their dependents. The rest of the population - those who are self-employed, farmers, unemployed, or retired - are covered by National Health Insurance. The central government in Japan maintains great control over all types of insurance by setting policies regarding minimum coverage, maximum out-of-pocket costs, and many other features. Thus, the Japanese health insurance system covers comprehensive and uniform services including inpatient, outpatient, dental care and prescription drugs. The reimbursement is based on a uniform national fee schedule, which is regulated by the central government with consideration of total health care spending. Japan spends 8% of GDP on health care, while the US spends 15.3%.<sup>1</sup> In addition, Japan

spends more on outpatient care (including home care services) than the US. This could lead to lower health care costs in Japan because of early detection and early treatment of diseases. Male life expectancy in Japan is 79.0 years and female life expectancy is 86 years,<sup>2</sup> while in the US, male life expectancy is 75 years and female life expectancy is 80 years.<sup>3</sup>

From my perspective, the US, has more freedom in healthcare markets than Japan, and the US government has created a system to control private sectors. The US has implemented a more innovative quality improvement system for health care than Japan. The US has public reporting systems on quality and safety indicators, such as the Healthcare Effectiveness Data and Information Set (HEDIS), that are linked to financial reimbursement through pay for performance. The electronic health record (EHR) system is more pervasive in the US than in Japan. It is a tool with potential to improve quality and reduce costs because it makes it possible to access precise information and conduct communication among health care professionals quickly. In the area of primary care, the concept of a patient-centered medical home may deliver comprehensive primary care with modern tools such as EHR, e-mail, and informed decision making. A patient-centered medical home allows patients to have effective and efficient coordinated health care because knowledgeable health care professionals support patients in a variety of ways, from clinical decision making to lifestyle modification.

My visit provided me with an abundance of information on the pros and cons of the provisions

of the Patient Protection and Affordable Care Act. Until now, the US has led innovation in health care with high technology and freedom of choice of health care for patients and professional freedom for physicians. However, this cannot be sustained because of the increasing numbers of uninsured people, escalating health care costs, and the increasing problems related to an aging society. The main causes of death in developed countries are chronic diseases related to lifestyle factors including diet, exercise and rest. Both preventative activities based on evidence-based medicine and continuous responsible care are essential for sustainable and effective health care with efficient use of high technology resources. In addition, primary health care will contribute to improving the quality of life of patients with chronic diseases by providing teamwork care. I hope that the Act improves health outcomes for Americans.

We have made progress in addressing the issues of improving healthcare quality and decreasing risk, at a reasonable cost. I believe that we can make additional progress by doing better at sharing and exchanging information to manage care. Making the best use of health care resources that are allocated is more important than how much is actually spent on health care.

## Akira Babazono, MS, MD, PhD

Chair and Professor Department of Health Care Administration and Management Graduate School of Medical Sciences, Kyushu University, Japan

## REFERENCES

- 2. World Health Organization. Japan. 2010. http://www.who.int/countries/jpn/en/
- 3. World Health Organization. United States of America. 2010. http://www.who.int/countries/usa/en/. Accessed December 7, 2010.

<sup>1.</sup> WHYY Frontline. Sick around the world. Graphs: US Health care stats compared to other countries. April 15, 2008. http://www.pbs.org/wgbh/pages/frontline/sickaroundtheworld/etc/ graphs.html. Accessed December 7, 2010.