

# Long Term Care Insurance in Korea: Introduction and Global Cooperation Perspective

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# Agenda

- 01** NHIS LTCI in Korea
- 02** Global Cooperation of NHIS
- 03** A Way Forward : LTCI  
Learning/Cooperation Platform

# 01 Key Features of LTCI in Korea

01 NHIS LTCI in Korea

## 1. Separated Operation from National Health Insurance

- Operated under different legislation, financial fund and premium calculation (Long-Term Care Insurance Act) ... enhance the quality of life of citizens by providing for matters concerning Long-Term Care benefit, such as aid provided for physical activities and household chores to older persons who have difficulties in carrying on with daily life on their own due to old age or senile diseases (Article 1)

## 2. State's Subsidization aligned with National Social Security System

- State grants 20% of estimated revenue of insurance contribution

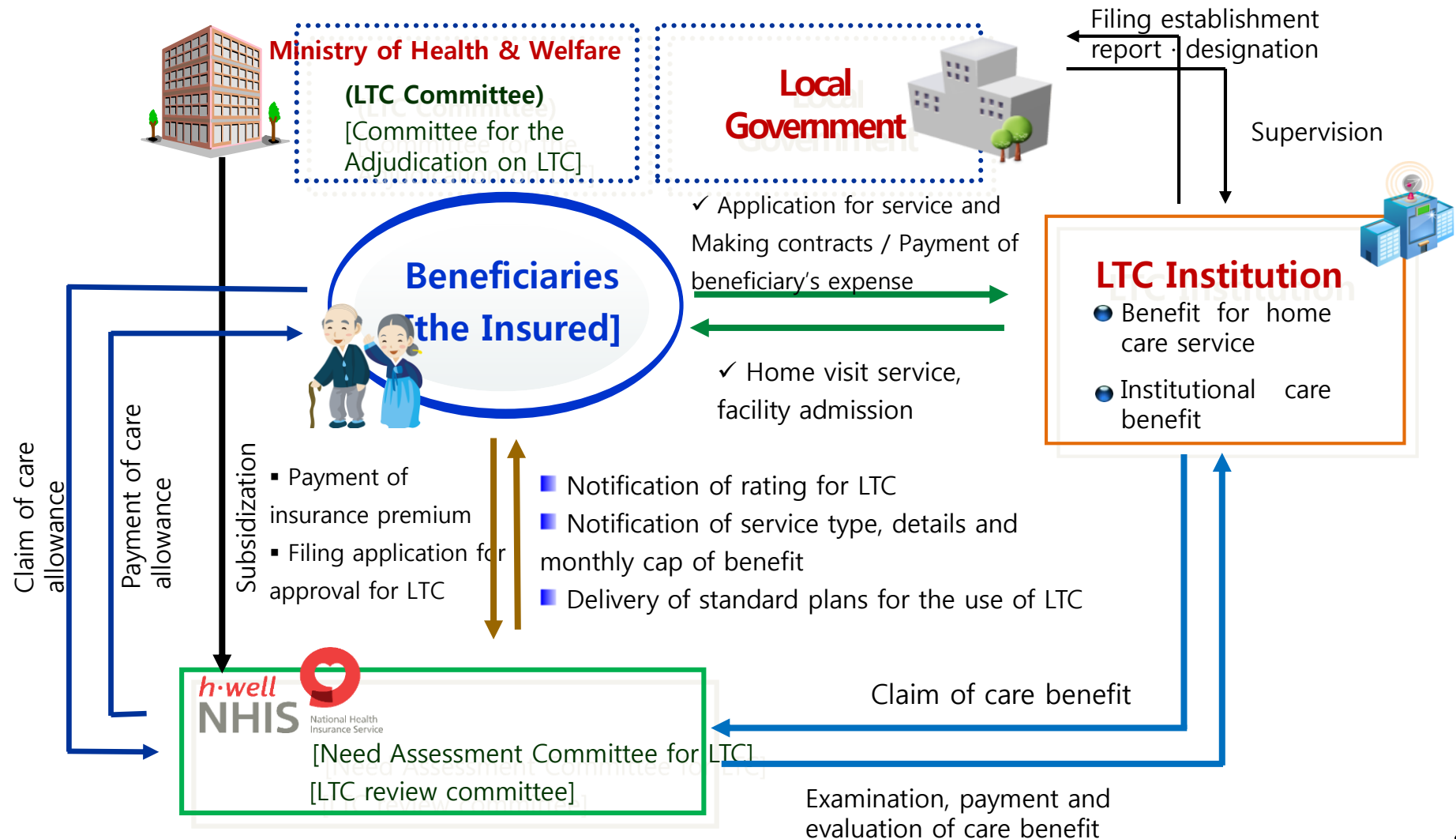
## 3. Single insurer and operation by NHIS

- NHIS (National Health Insurance Service) as the single insurer and operation institution of both Public Health Insurance and Long-Term Care(LTC) insurance.

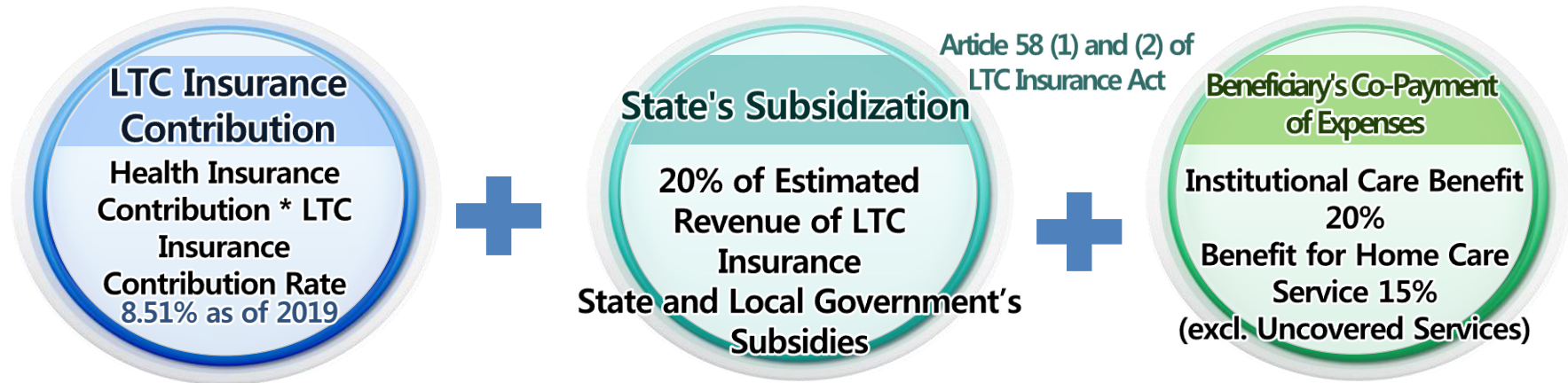
## 4. Payment focused on older people with disabilities

- The benefit is paid to persons under 65 years of age (age and disability limits)

# 02 LTCI Operation



# 03 LTCI Financing



## Subsidy from State and Local Governments

Beneficiaries Entitled to Basic Living Security



- Local government 100%
- Si/Do and Si/Gun/Gu

Recipient of Medical benefit



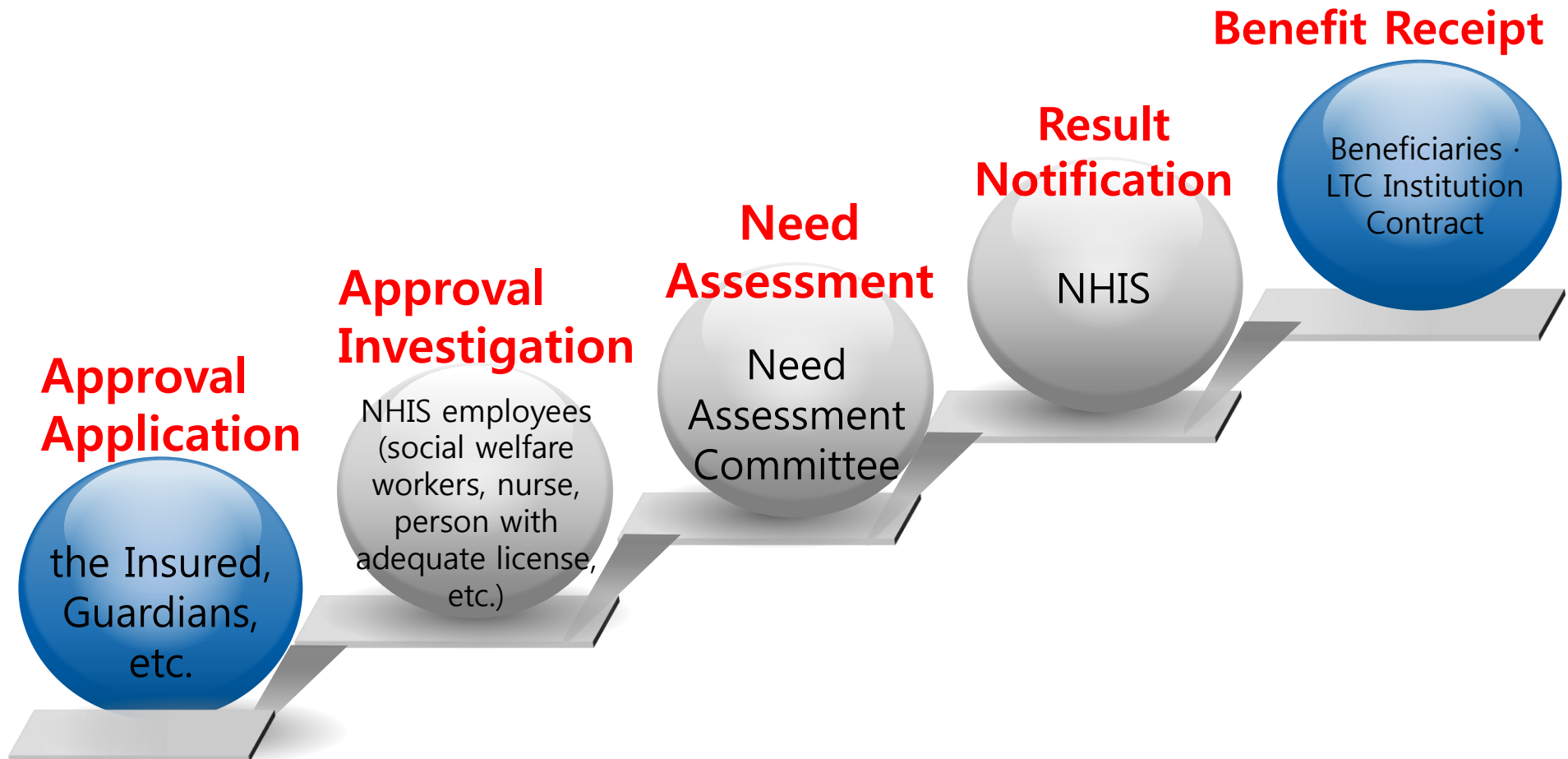
- State 80%, Local Government 20%

## Exemption or Reduction of Beneficiary's Co-Payment of Expenses

### Exemption or reduction of beneficiary's co-payment of expenses

- Exemption: for beneficiaries entitled to basic living security
- Reduction: for recipient of medical benefit or person in lower income group or income/property level for reduction : 40 ~ 60% ↓ (Institutional care 8~12%, home care 6~9%)

# 04 LTCI Approval Process



## 05 Eligibility – Overview

### 01 NHIS LTCI in Korea

**(Who can apply?)** The Insured of Health Insurance, dependent and recipient of medical benefit, who is not less than 65 years of age or a person who is less than 65 years of age and suffers from a geriatric disease, regardless the level of income

**(Who can be a recipient?)** Person who is determined to have difficulties in carrying on with daily life on his/her own for six months or longer due to a geriatric disease such as Alzheimer's disease, stroke, Parkinson disease, etc., and received LTC rating

**(What is assessment method for approval?)** Results will be statistically calculated from the level of health care needs of candidates

- Objective rate of needs of another person's help for his/her daily life

**(Calculation of points for approval)** Apply the investigation results of 52 items in 5 domains and 8 service check items for level assessment - 5 domains (Physical functions, Cognitive functions, Behavioral change, Nursing treatment, Rehabilitative function)  
- 8 service check items (Hygiene, Excretion, Diet, Functional assistance, Response to behavioral change, indirect assistance needs, Nursing treatment, Rehabilitation training)

# 05 Eligibility – Rating

Rating	Status	Points for Approval
Rating-1	A person who needs another person's help <b>entirely</b> for his/her daily life	Above 95
Rating-2	A person who needs another person's help <b>substantially</b> for his/her daily life	Above 75
Rating-3	A person who needs another person's help <b>partially</b> for his/her daily life	Above 60
Rating-4	A person who needs another person's help for his/her daily life	Above 51
Rating-5	A dementia patient (limited to dementia falling under the category of geriatric disease under Article 2), and scores at least 45, but less than 51 points for approval for LTC	Above 45



Non-rated A	Scores less than 51 points except Rating-5 (dementia patients)
Non-rated B	Scores at least 40 but less than 45
Non-rated C	Scores less than 40

-> Non rated groups will be supported by local government with other law and ordinances



# 06 Benefits for LTCI eligible recipients

01 NHIS LTCI in Korea

## Benefit for Home Care Service

- **Benefit for home visit** (Home visit care · bathing · nursing)
- **Day and night care, short-term respite care / Assistive devices**

- ① Qualification : Rating-III, IV, V, Cognitive Assistance
- ② Type of benefit : Home visit care, home visit bathing, short-term respite care, day and night care, home visit nursing, assistive devices
- ③ beneficiary's co-payment : 15% (NHIS 85%)

※ The benefit of Cognitive Assistance is limited to day and night care only

## Institutional Care Benefit

- **A sanatorium for the older persons**
- **A communal living home for the older persons**

- ① Qualification : Rating-I, II
- ② Type of benefit : sanatoria for the older persons, communal living home for the older persons
- ③ beneficiary's co-payment : 20% (NHIS 80%)

※Admission to the facility is required to receive services

## Care Allowance for Special Cases

- **Reimbursement for family care benefit in cash**
- **Exceptional care benefit in cash/ Nursing expenses of a LTC hospital**

- Reimbursement for family care benefit in cash
  - 150,000 KRW/month, regardless of rating
  - for those who reside in an island or a remote area only
- Exceptional care benefit in cash : suspended
- Nursing expenses of a LTC hospital : suspended

# 06 Benefits – non covered groups (1)

## Local Government Support

### [1] Elder Care Total Service

- National household monthly Income of 150% under
- Home service support, day and night care, short-term chore service:
  - \* free ~ USD 60

### [2] Elder Care Basic Service for elderly living alone

- Age over 65 who lives alone and doesn't need long term care service by evaluating income, health, housing, social contacts level, etc., and select benefit recipients.
- Home visit, regular based phone call, check safety of the person (free)

## 06 Benefits – non covered groups (2)

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### **[3] Emergency safety and care service for elderly living alone**

- Age over 65 who gets basic security allowances
- 1st tier selection: a person with a potential risks of dementia progression or public clinic reported person for dementia test)
- 2nd tier selection: long term care service recipients with home care and whose health condition is weak)
- Gas and fire detector, motion detector and emergency button support for potential risks

### **[4] Elderly living alone connection service**

- NGO and volunteer support (free)

## 06 Benefits – non covered groups (3)

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### Public Medical Clinique Support

#### [1] Home visiting Care Management

- Socially weak household (basic security allowance recipients, age over 65 living alone, an elderly person with disabilities)

#### [2] Dementia Management/Cost Support

- Health check up for a person with age over 60 taking dementia remedy pills
- Dementia remedy expenses support (up to 30 USD)
- Dementia test for elderly people

### NGO and volunteer supports

- Safety check, talking mate, cultural and leisure education, housing condition renovation, food delivery service, etc.

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# 01 Global Cooperation Photos

## 02 Global Cooperation of NHIS

### Health Insurance Capacity Building Program (16<sup>th</sup> year in 2019)

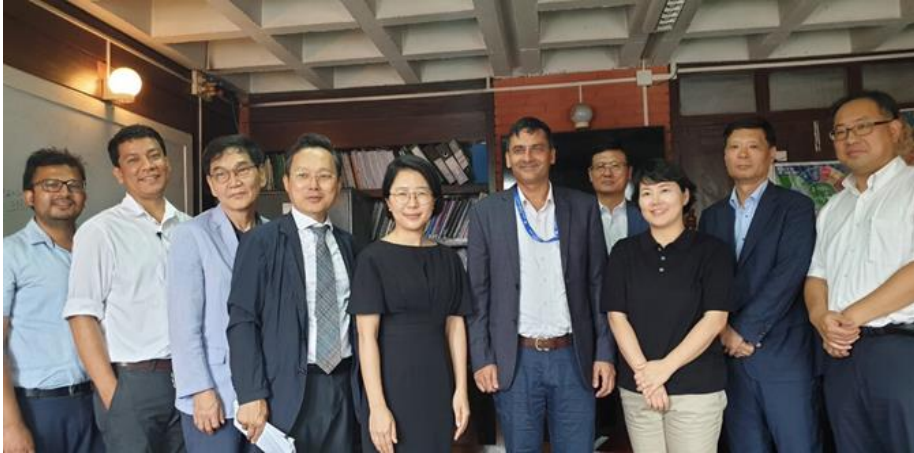




# 01 Global Cooperation Photos

## 02 Global Cooperation of NHIS

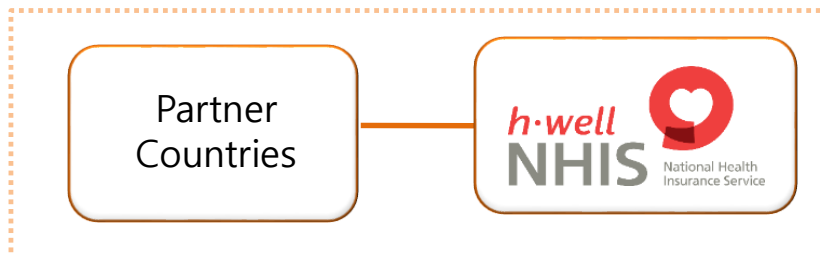
### NEPAL Project (2019- present)



# 01 Global Cooperation Classification

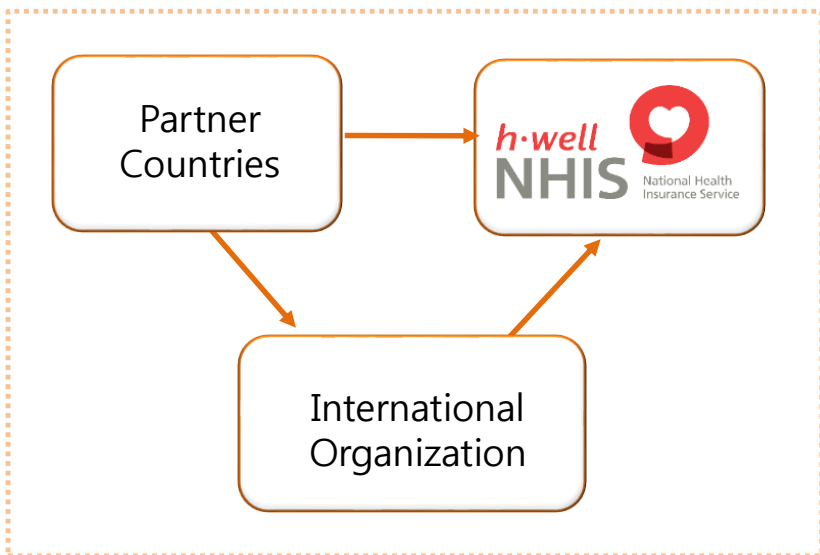
## 02 Global Cooperation of NHIS

### ◆ Bilateral Cooperation Project



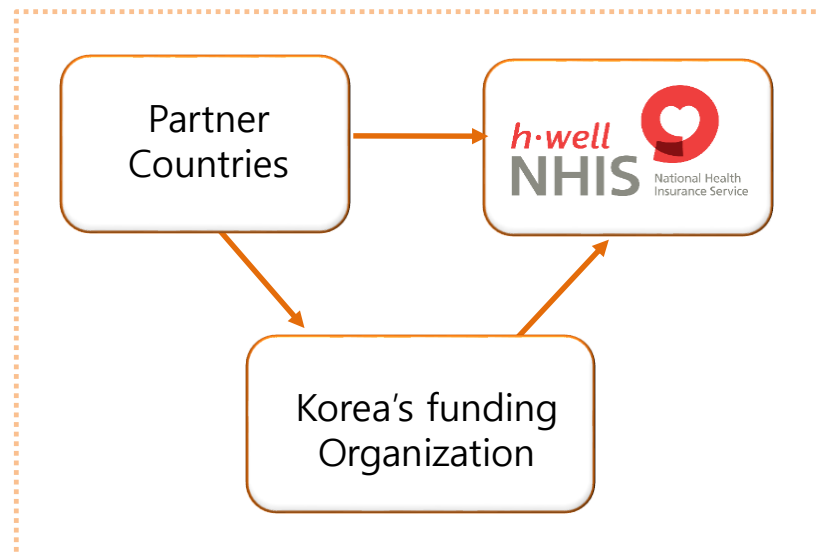
- ※ Oman(Ministry of Health of Oman)
- ※ Invitational workshop for international development

### ◆ Multilateral Cooperation Project with MDB's



- ※ Philippine, Peru, Colombia (World Bank, KWPF)

### ◆ Multilateral Cooperation Project with Korean Funding Agency



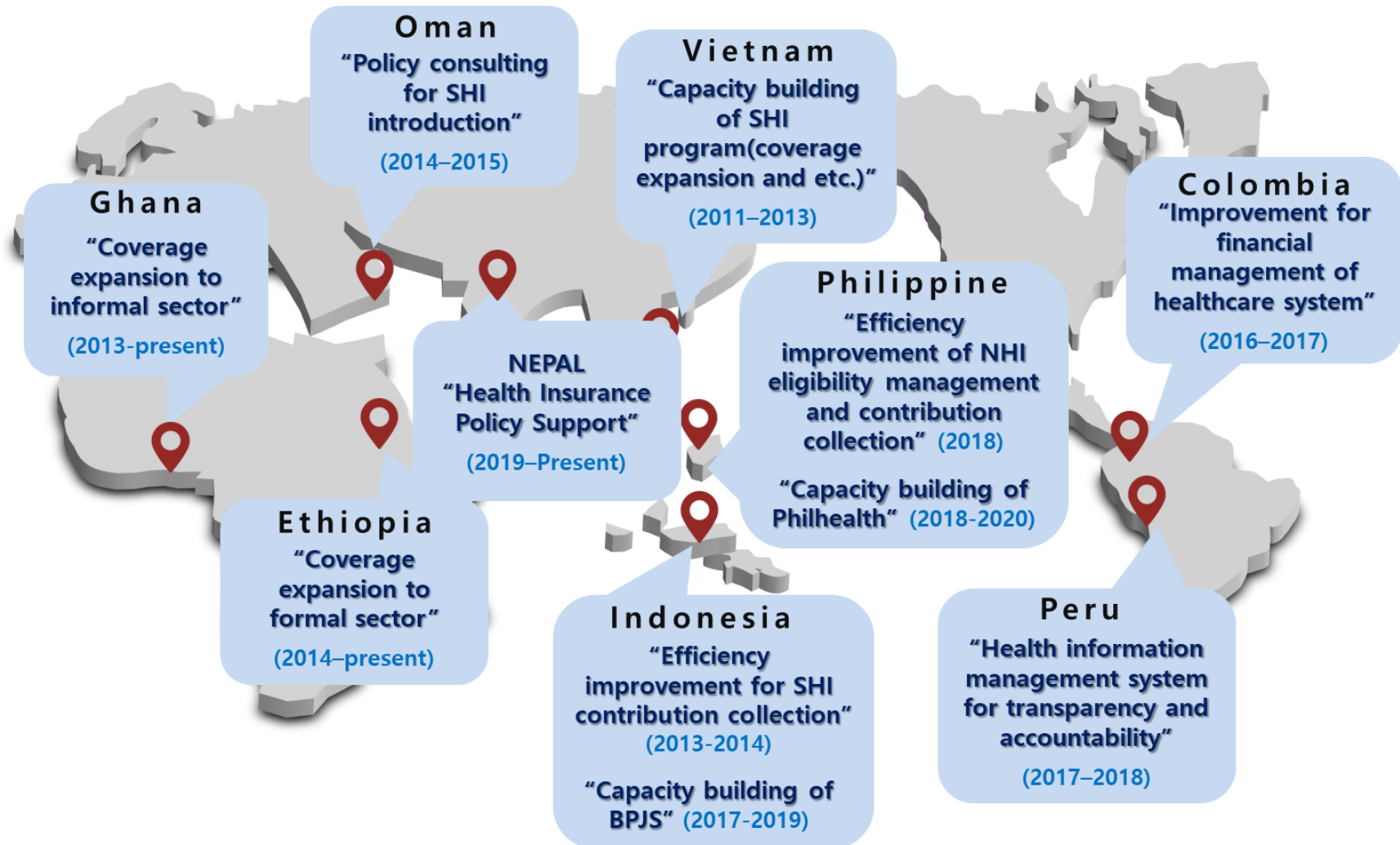
- ※ Vietnam, Philippine(KOICA),  
Ghana, Ethiopia(KOFIH)  
Colombia, Peru (EXIM Bank)  
Indonesia(KDI)

※ **Korea's funding organizations**  
(Total ODA volume : \$ 23.7 billion,  
Health sector : 11%)

1. KOICA, KOFIH(Grants)
2. EXIM Bank (EDCF: Loans)
3. Others(KSP, Trust funds)



# 02 Global Cooperation with Partner Countries



# 03 Global Cooperation Achievements

## 02 Global Cooperation of NHIS

### ● NHIS international training course on social health insurance

- ⇒ Sharing Korea's operational experience of NHI(2 weeks, annually)
- ⇒ Participation of 623 healthcare officials from 57 countries

### ● Cooperation with international organizations

- ⇒ ISSA : ISSA Bureau member(2012-present), ISSA Liaison office for East Asia(2011-present),  
ISSA Technical committee member(2017-present)
- ⇒ JLN : Steering committee member(2017-present), JLN collaborative participation
  - \* Collaborative participation : Domestic resource mobilization, Data foundation,  
People centered integrated care, Primary healthcare financing and payment

### ● MoU with partner countries

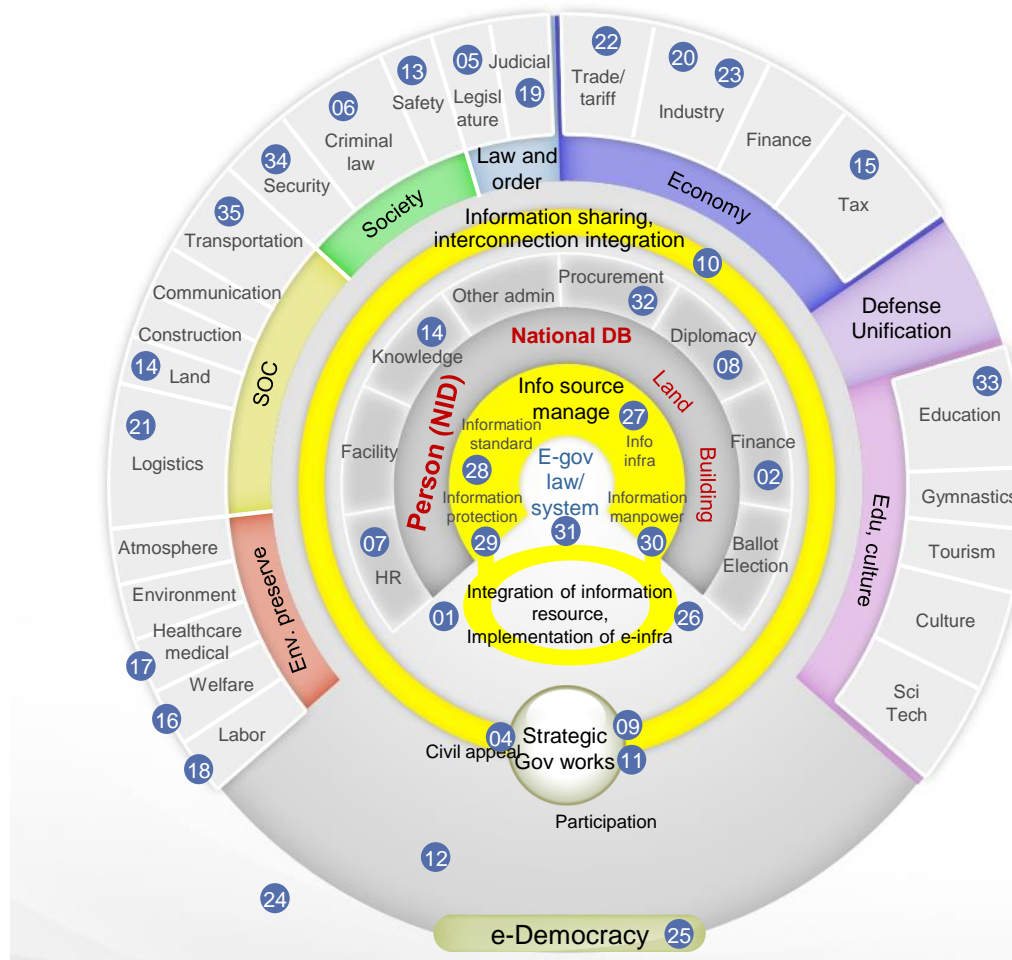
- ⇒ Laying the foundation for bilateral/multilateral cooperation
- ⇒ Taiwan, Thailand, Philippines, Vietnam, Belgium, Sudan, Mexico, Ethiopia, Kenya, Mongolia,  
Indonesia + international organizations (WHO/WPRO, UNESCAP, ISSA, WB)

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# 01 Importance of Identification

- Identification is a core of e-government including Health Insurance and LTC



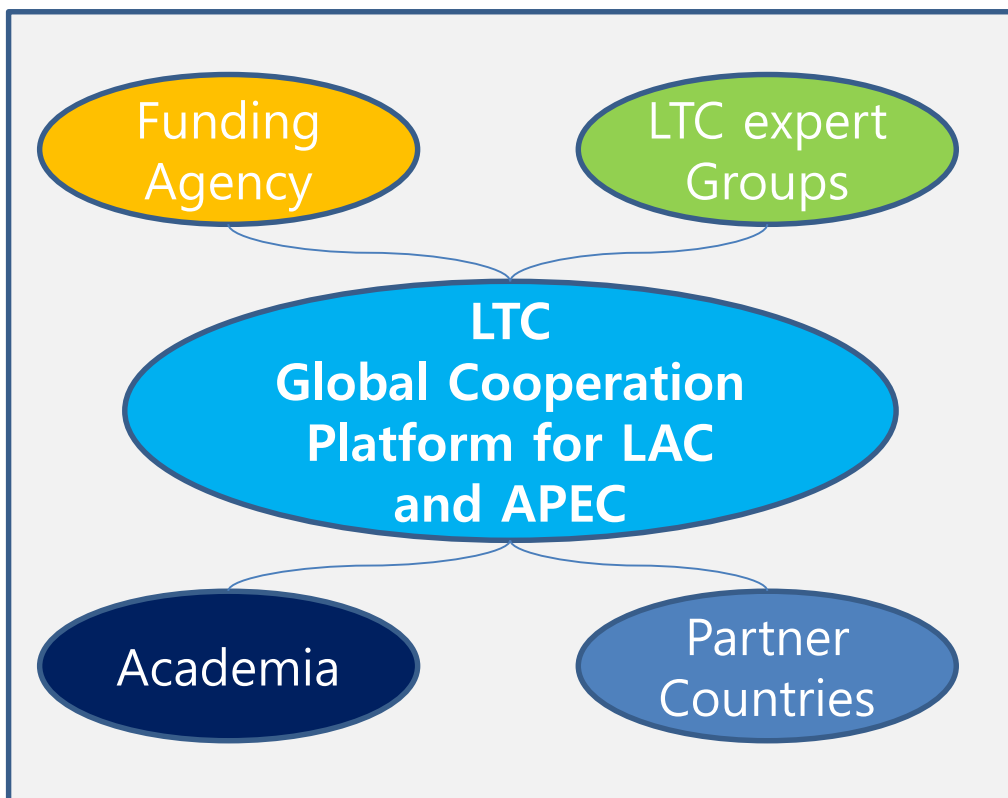
01. All electronic document handling processes
02. Comprehensive informatization of central and local finance
03. Implementation of local e-government
04. Implementation of an electronic audit system
05. Implementation of e-congress
06. Implementation of a comprehensive criminal law system
07. Comprehensive informatization of HR and administration
08. Informatization of diplomacy and trading
09. Real time management of national tasks
10. Expanded sharing of admin information
11. Development of a government function interconnection model
12. Implementation of internet civil appeal service
13. Comprehensive national safety management
14. Implementation and interconnection of architecture/land/registration
15. Comprehensive national tax service
16. Comprehensive national welfare information service
17. Comprehensive food/drug information service
18. Comprehensive hiring/job information service
19. Admin court internet service
20. Unified company application account service
21. Comprehensive logistic information service
22. e-trading/tariff service
23. Comprehensive foreigner support service
24. Support for e-government's oversea exploration
25. Expanded online citizen participation
26. Implementation of the integrated government computer system
27. Advancement of the e-government communication network
28. Application of the government's IT architecture
29. Implementation of an information protection system
30. IT manpower and operation organization strengthened and repaired
31. Implementation of e-government ant system and foundation
32. e-procurement
33. (NEIS) National Education Information System
34. Police IT System
35. ITS, BIS (Transportation)

## 02 Proposal for Future Cooperation

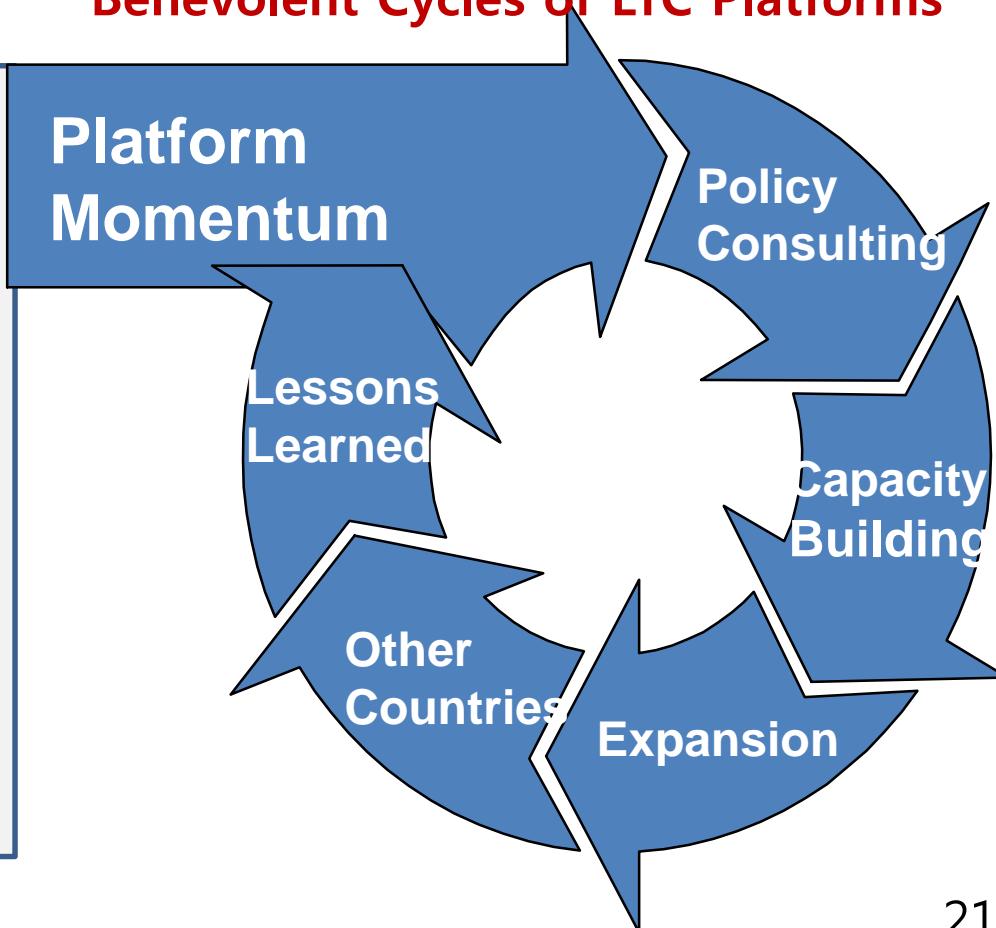
03 A Way Forward

### A Platform Based Cooperation Approach for LTCI

#### Global Platform for LTC



#### Benevolent Cycles of LTC Platforms





**Thank You!**