

The Formation and Reorganization of the System of Long-Term Care Services in Japan: From the 1980s to the Present

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This paper aims to analyze the process of the formation and reorganization of the system of long-term care services in Japan and to discuss the significance of the results of this analysis for the debate on the characteristics of the Japanese welfare regime.

This paper comprises five sections.

The first section analyzes the process by which the system of long-term care services in Japan was formed in the 1980s and 1990s. It focuses on how the long-term care policy that had formerly been heavily reliant on family care changed drastically around the year 1990 and was replaced by a new policy that promoted the expansion of formal care services. It concludes that the influence of the Scandinavian long-term care system, the development of new programs and skills for eldercare in the care facilities, and the pressure exerted by the rising costs of "social hospitalization", in addition to the demographic, socioeconomic, and political changes were important factors in this policy shift.

The second section examines how the system of long-term care services was reorganized with the launch of the Long-Term Care Insurance (LTCI) scheme in 2000, focusing on the aspects of both service provision and financing. First, it discusses a clear shift in the government policy concerning the system of service provision. In the early 1990s, the government policy emphasized the idea of local autonomy and the role of local governments in the planning and the management of long-term care services. In contrast, the policy in the latter half of the 1990s --- concerning the designing of a system of service delivery under the LTCI scheme --- attached greater importance to nationwide standardization and the introduction of the "market mechanism" than to local autonomy and the role of local governments. With regard to the financing of long-term care services, it is pointed out that the LTCI scheme was a precursor to the reform of the pension, medical insurance, and public assistance schemes. This is because it imposed a considerably heavy financial burden upon the older generation in the form of insurance contributions and user charges as compared to the burden borne by them before its establishment.

This section also analyzes the influence of the British "community care reform" and the German long-term care insurance on the system of long-term care services under the LTCI scheme. It is concluded that, while the influence of the systems in these two countries is evident, the most important aspects of the Japanese system of long-term care services is undoubtedly different.

The third section studies the reform of the long-term care services that was implemented in 2005 and 2006 following the amendment of the LTCI Law in 2005.

This reform represents a substantial revision in the basic principles of service provision since it incorporates the targeting and cost-containment mechanisms. However, it is argued that despite these changes, a major improvement in the financial sustainability will not be realized through this reform.

The fourth section discusses the significance of the results of the abovementioned analysis for the debate on the characteristics of the Japanese welfare regime. Firstly, this section points out that, while familialism was, and may still be, an important feature of the Japanese welfare regime, the manner in which it has influenced the long-term care policy may not be as straightforward as is often argued. It draws attention to the "paradox of familialism" --- familialism in the government policy aggravated the problem of "social hospitalization" in the 1970s and 1980s --- which resulted in the generosity of the LTCI benefits as is pointed out by J. C. Campbell (2002). Secondly, it concludes that the LTCI scheme both strengthens and weakens the gendered nature of the Japanese welfare regime: on the one hand, the LTCI benefits have "defamilializing" effects; on the other, the establishment of the LTCI has increased the proportion of the low-wage and irregular jobs in the care sector. Thirdly, this section calls attention to the fact that despite the rhetoric and ideology of "marketization" of long-term care that has dominated the policy discourse on long-term care, the market plays a limited role in the provision of long-term care services under the LTCI scheme.

The final section briefly discusses the issue of the transferability of the Japanese system of long-term care services to countries that are in the process of forming their own systems of long-term care services.

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