

# Recent Issues on the Housing of the Elderly in Japan

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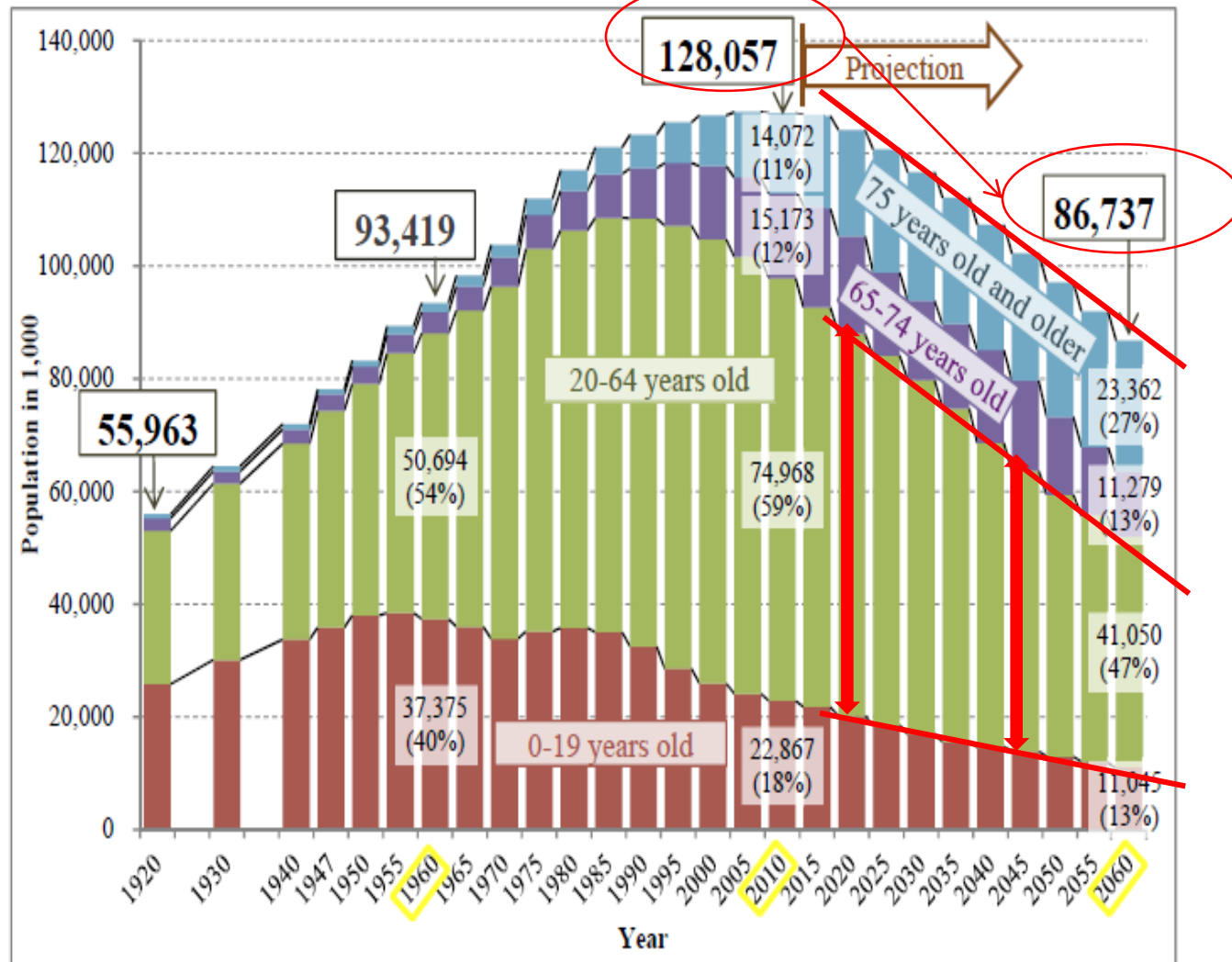
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# Outline

1. Some Figures and Statistics
2. Selected issues to be discussed
  - Concept of Integrated Community-based Care
  - Balancing the need for LTCI services and its financial burden
  - “Explosion” of seniors in Tokyo Metropolitan Areas
3. Summary

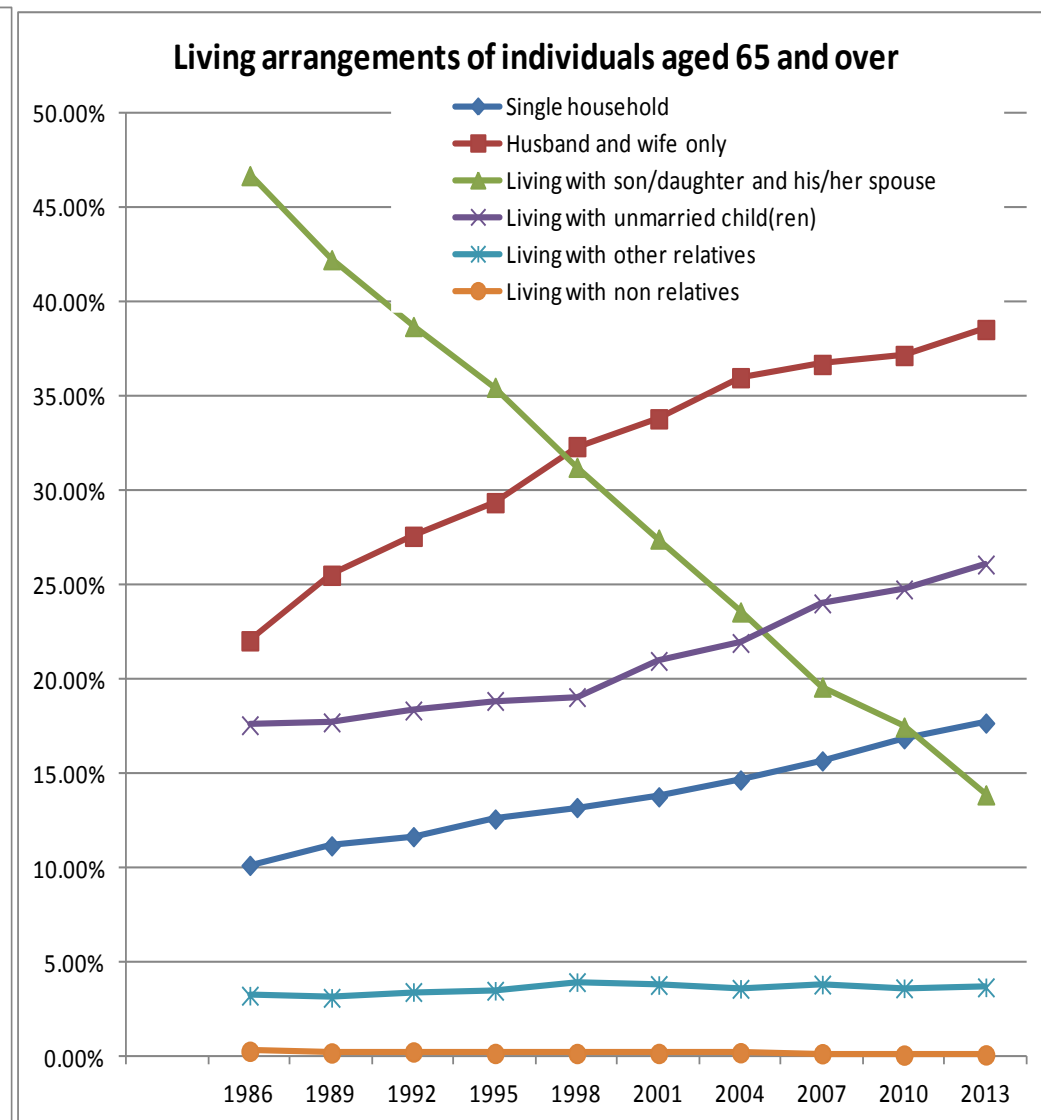
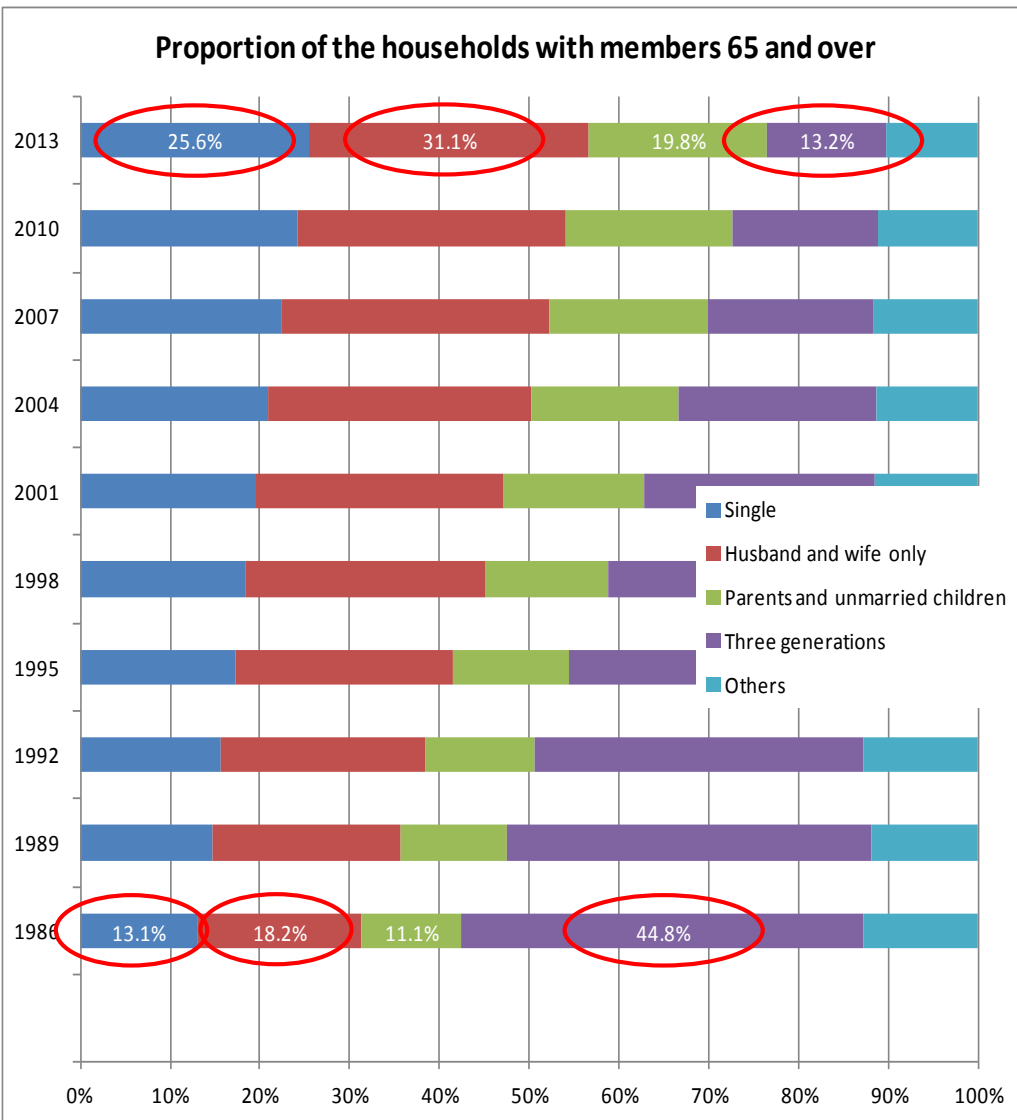
# Total population is decreasing; absolute number of the elderly remains the same

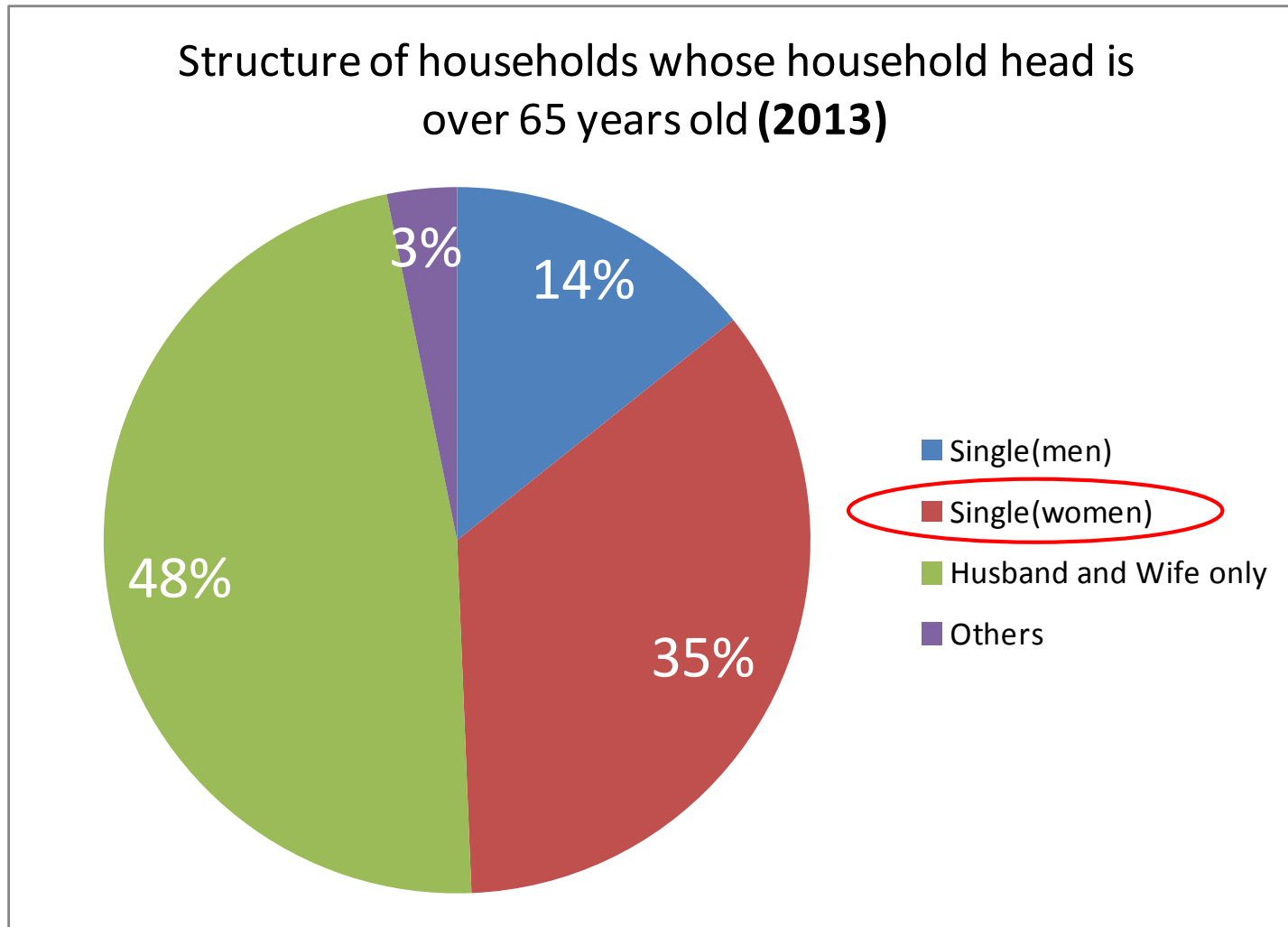
Population trend by age group in Japan (1920-2060)



Source : For data up to 2010, Census data by Statistics Bureau of Ministry of Internal Affairs and Communication (<http://www.stat.go.jp>) . For data from 2015, "Population Projections for Japan", IPSS (see footnote)

# Among elderly, wife-and-husband only household is increasing; single household also; multi-generational household is decreasing





# Home ownership is declining

## Only 3% (1/6 of care-need certified) are in facilities

○ The house ownership rates of the elderly households are declining

→ The house ownership rates over time are showing a downward trend.

○ 90% or more elderly people are living at home

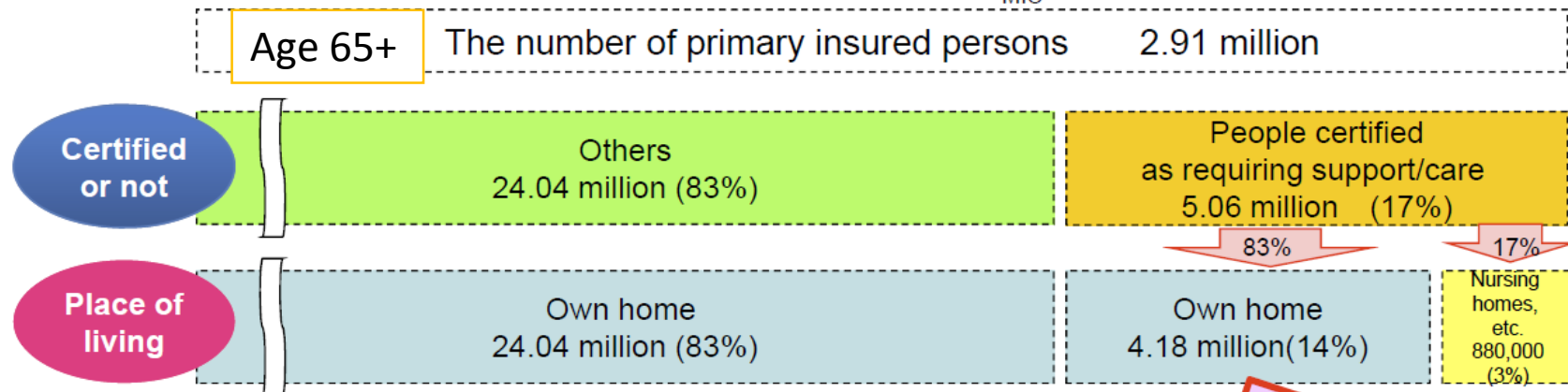
→ Out of 29.1 million primary insured persons, 28.22 million people (97%) are living at home.

○ Approximately 80% of the elderly requiring long-term care are living at home

→ Out of 5.06 million people certified as requiring long-term care, 4.18 million (83%) are using in-home long-term care.

	H20	H15	H10
All households	51.5%	54.7%	56.4%
Below 25	0.9%	1.2%	1.6%
25-29	7.8%	9.4%	10.1%
30-34	22.8%	23.8%	24.9%
35-39	38.0%	41.3%	44.1%
40-44	49.0%	54.3%	58.1%
45-49	57.7%	62.8%	65.8%
50-54	63.4%	67.3%	70.1%
55-59	66.7%	71.0%	73.8%
60-64	69.7%	72.9%	76.5%
65-69	70.5%	72.7%	78.7%
70-74	70.5%	73.7%	79.0%
75 or older	69.9%	71.6%	75.5%

Source: "Housing and Land Survey," Statistics Bureau, MIC

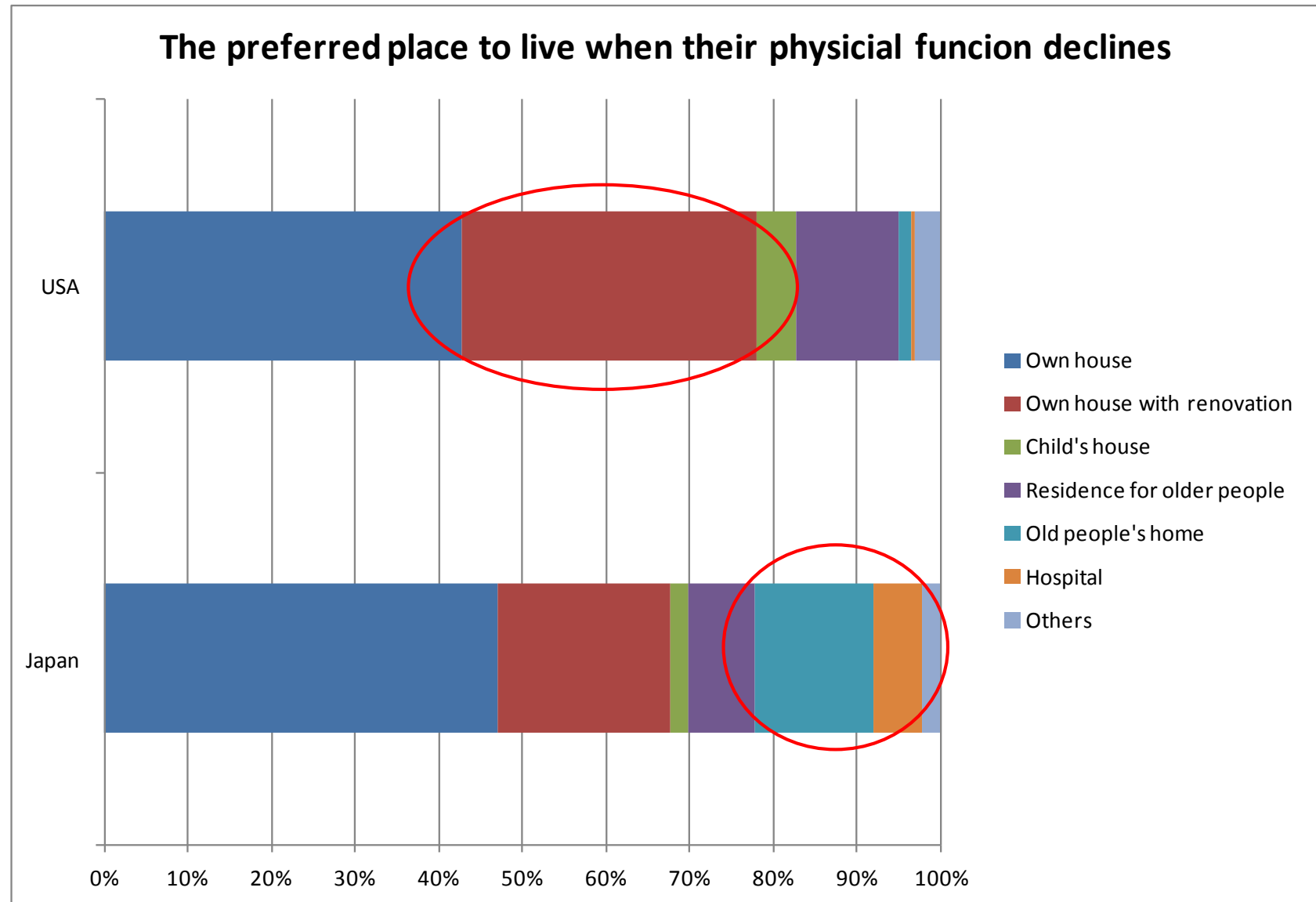


- ① The numbers of primary insured persons and persons requiring support/care - Report on Status of Long-term Care Insurance in FY2010
- ② The number of persons admitted to nursing homes, etc. - The sum of the numbers of people placed in 3 long-term care health facilities and service users of communal daily long-term care for dementia patients (group homes), based on the overview of the results of Survey of Institutions and Establishments for Long-term Care in FY2010

Needs for long-term care for the elderly living at home are high.

# They want to stay at their house; some wish to move to the places with care services

Figures and Stats



# ““Residences” with Care Services” are on the rise

Intensive care home for the elderly (LTCI covered, supply controlled by local gov't)

2012: 498,700 beds -> 2014: 538,900 beds (108%)

Fee-based home for the elderly (with/without LTCI coverage)

2012: 315,678 persons -> 2014: 387,656 persons (123%)

Elderly housing with care services (with/without LTCI coverage) (registered)

2012: 70,999 rooms -> 2014: 158,579 rooms (223%)

## Definition

“Intensive care home ---” :

Mainly provided by social welfare corporation. All services except room and board, and some daily necessities are basically covered by LTCI, with 10% copayment. For the poor, room and board payments are partially subsidized, depending on his/her financial condition and type of the room. (It used to be that for the assessment of financial condition, only the cash income has been taken into account. By the recent reform, the rule has been changed to take their assets into account.)

“Fee-based home ---” : Mainly provided by for-profit companies. All services are basically NOT covered by LTCI, except daily supervision and/or care services, if certain criteria are met. Some residences provide in-house LTCI-certified care services; at other residences elderly need to purchase LTCI-covered care services from outside when necessary. Regulated under Elderly Welfare Law. Defined as the facilities to provide at least one of the following four services (provision of care, meals, laundry and cleaning, or health management).

“Elderly housing ---” : Mainly provided by for-profit companies. Covered by LTCI if the facility falls on the definition of “Fee-based home ---”. Basically purchasing LTCI-insured helpers from outside if care is needed. Regulated under the Law for the Stable Provision of the Residences for the Elderly. Required to registrate. At least some “supervision” (say hello and see he/she’s in usual condition) and consultation are provided. The revised Law has been enacted recently (Oct., 2011).



# Issues for the housing of the elderly

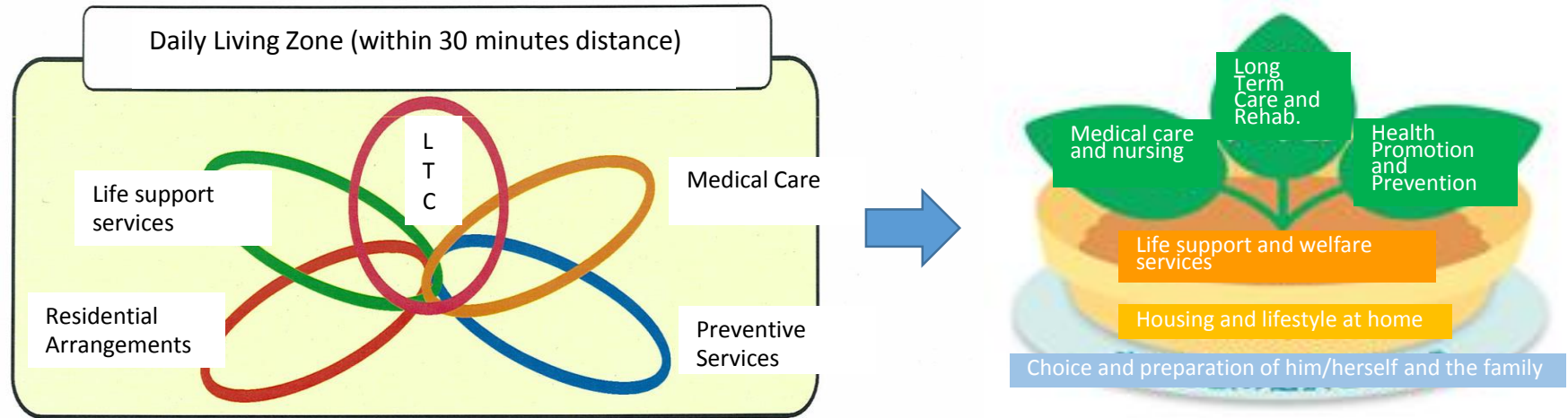
Condition of the elderly	Major issues for the place of living / lifestyle
Who stays at own home (incl. rent) and <u>not</u> in need for assistance or care services	Enhancement of active and healthy lifestyle
Who moves to “Residences” with care services” (with or without LTCI-insured)	Advancement of the market and industry (Consumer protection, Quality of care)
Who stays at own home and in need for assistance or care services	Enhancement of “Integrated Community Care”
Who moves to LTCI-insured facilities (Nursing Homes, Communal Memory Care Homes, etc.)	Balancing the need for services and financial burdens for LTCI

## Common issues

Housing for the poor elderly

“Explosion” of senior population in Tokyo Metropolitan Area

# Enhancement of the “Integrated Community-based Care”



## Five viewpoints that realizes “Integrated Community-based Care”

It is necessary for the realization of “Integrated Community-based Care” to enforce the necessary measures with five viewpoints below in a comprehensive (appropriate mixture of services from 1. to 5. to meet the needs of the users) and continuous (seamless provision of services throughout hospitalization, discharge and return to home) manner.

1. Strengthened cooperation with medical care services

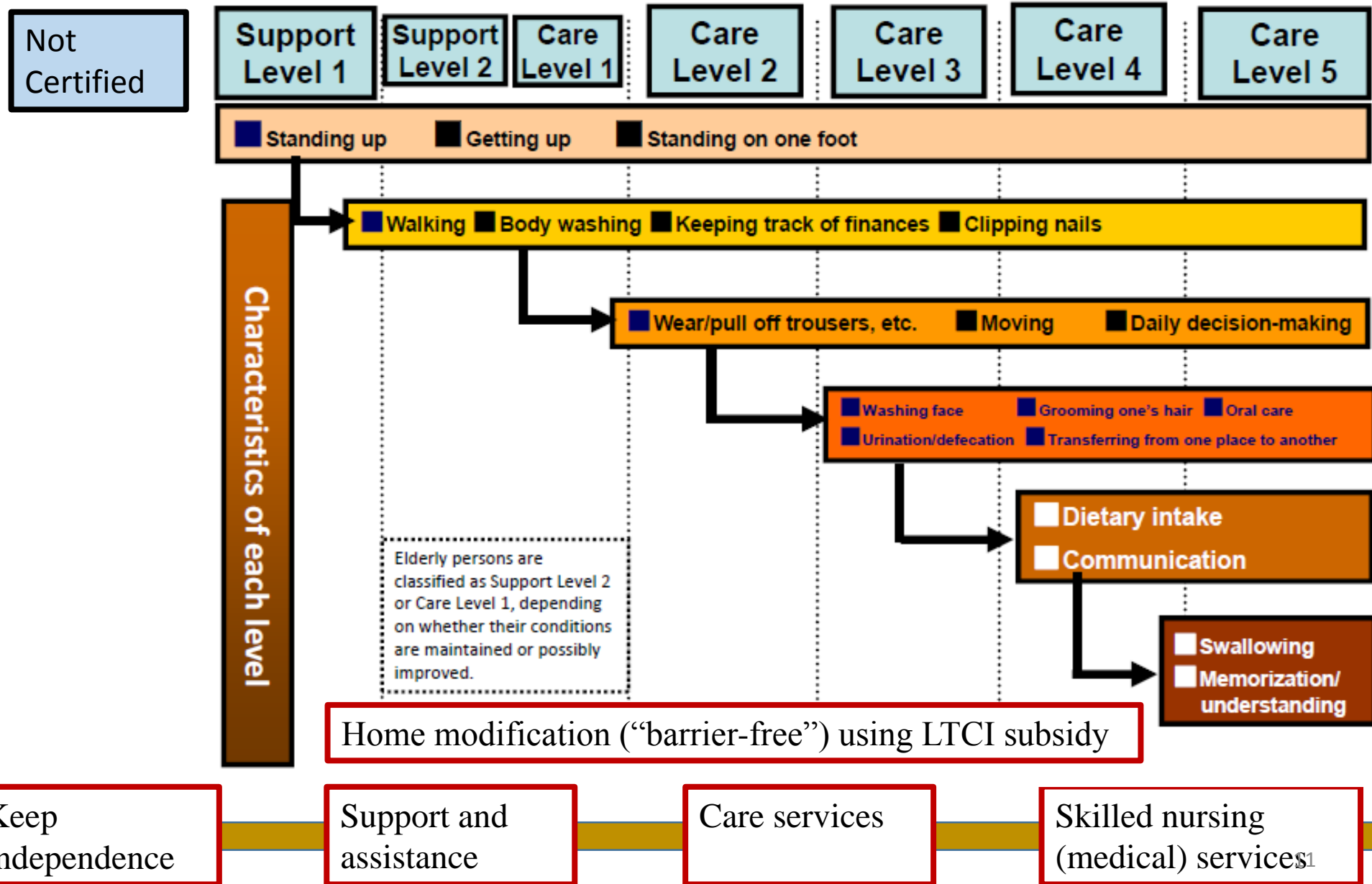
2. Enriched and strengthened long-term care services

3. Promotion of preventive services

✓ 4. Securing various life-support services (guardianship, meal delivery, shopping, etc.) and rights advocacy

✓ 5. Enhancing the provision of residents for continuous living of the elderly

# Enhancement of the “Integrated Community-based Care”



# Enhancement of the “Integrated Community-based Care”

## Two meanings for the “Integrated Community-based Care”

For seniors who are basically healthy, not in need for care or rehabilitative services, but a little bit frail and some assistances (support services) are necessary to sustain their independence within the community –

-Enhancement of active and healthy lifestyle by active social participation, such as working, volunteering activities, etc., including even as the provider of the care or support services to the peers. LTCI Law has been amended recently to enrich and enhance the provision of “life-support services” by various bodies within the community. Such “life-support services” include support for outing, safety confirmation, food and meal delivery, rights advocacy, “tailgate sell”, homemaking, “senior salon”, periodical visit , “community café”, etc.

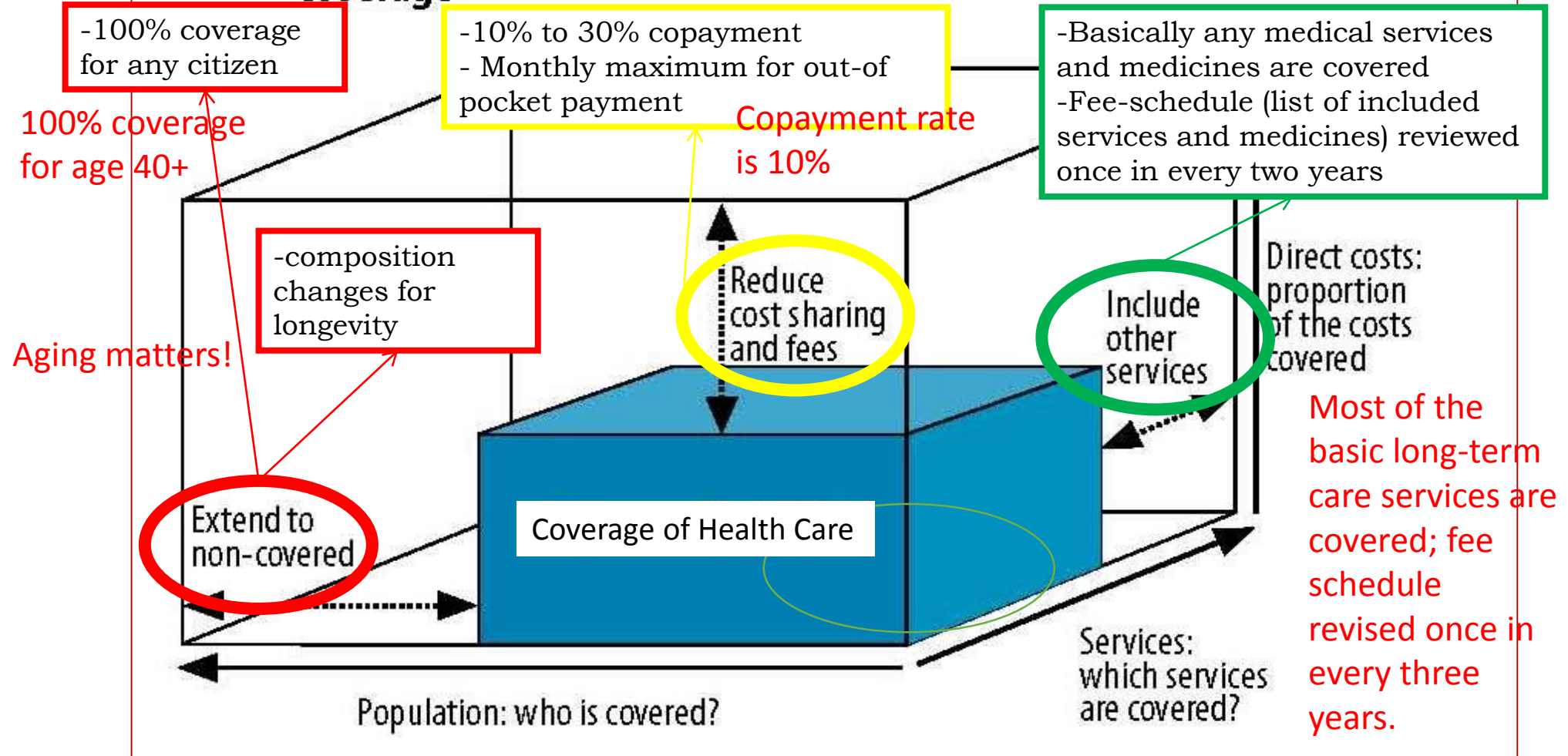
For seniors who are at home but LTCI certified, in need for medical services and care services -

- Establishment of well-coordinated, integrated medical care system within the community. “Players” include the medical doctors at the clinics, nurses in visiting nurse station, various therapists for rehabilitation, dentists, pharmacists at the prescription-accepted pharmacy, and the care service providers such as home helpers.

# Balancing the need for LTCI services and financial burden

How the “Universal Coverage of Health Care” works under Japanese system

Fig. 1. **Three dimensions to consider when moving towards universal coverage**



**How should we manage the “expansion” of this blue box?**

# Balancing the need for LTCI services and financial burden

Significant features of the Long-Term Care Insurance to prevent the total cost from skyrocketing

## Rationales for introducing public LTCI system

- + Abolishment of “social hospitalization” (more costly but worse quality of care).
- + Paradigm change for the use of long-term care institutions (“Intensive Care Homes for the Elderly”, among others) from government-managed, welfare oriented ones to more market-oriented with guaranteed choice.

## Main features from the beginning

(learned from the experience of medical care insurance)

- + Introduction of 10% fixed rate copayment (rather than fixed amount copayment)
- + Introduction of maximum amount of use for each care level (services exceeding that limit are financed 100% out-of-pocket)
- + Introduction of “Care Management” that aims for providing only necessary services in a subjective manner
- + Scheduled fee-schedule revision once in every three years

## 2005 reform

- + Change to the prevention oriented system (so as to prevent from becoming frail)

+ Restraining (not eliminating) domestic help services by home helpers for the elderly with “milder” frailty (daily-life assistance services (such as cooking meals together) are still provided )

## + Introduction of copayment for meal, rooms and utilities for the residents at long-term care institutions

(Balanced out-of-pocket expenses between those at his/her own home and at the institutions)

# Balancing the need for LTCI services and financial burden

## 2014 reform

+ Inclusion of the domestic help services and day-care services for the elderly certified as “milder” frailty ( “support level I & II” ) (difficulty in standing up, getting up , and standing on one foot, etc.) to the community-based, non fee-for-service supportive services. (i.e., domestic home-help services provided to the seniors with “milder” frailty will not be reimbursed as fee-for-service basic from LTCI.)

+ Limitation of the new admission to the “Intensive care home for the elderly” basically to those “very frail “ (“care level III” (difficulty in washing his/her face, grooming, brushing teeth, urination/defecation, etc.) and above)

+ Increased copayment rate (10% ->20%) imposed to the elderly with higher income

+ Reduction of the amount of the partial subsidization for meal, rooms and utilities payment to the poor (by taking into account the assets of those elderly; currently only incomes are taken into account to access their financial conditions.)

Despite these features, due to the natural increase of the elderly population, fiscal soundness and sustainability of the system has been, and will be of concern.

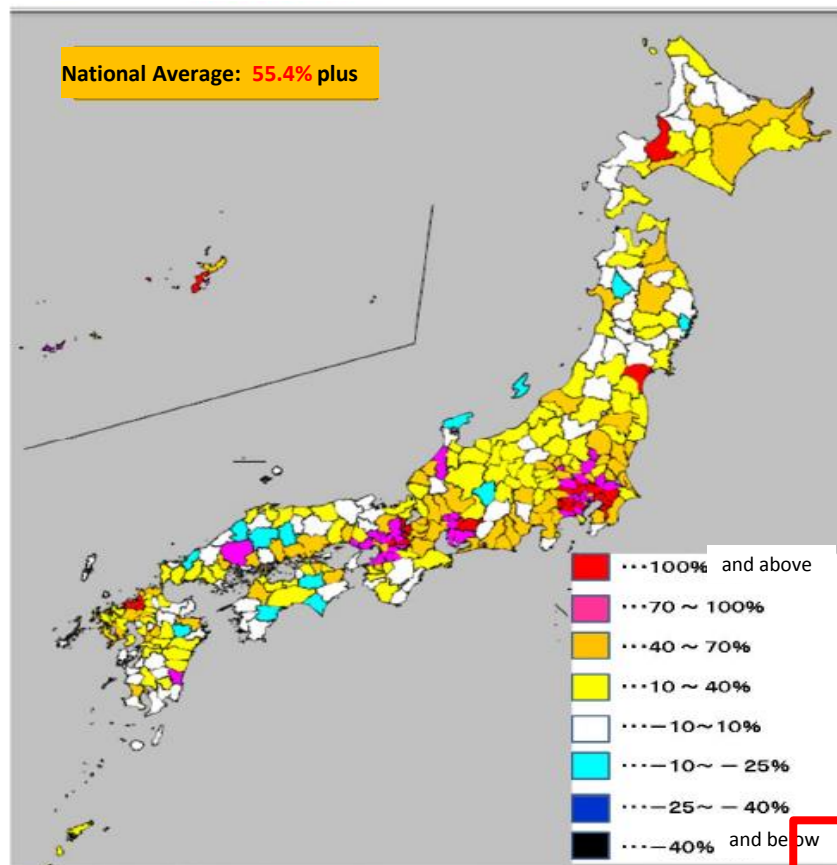
As the major part of the housing for the frail elderly, including nursing homes, are the facilities supported by LTCI that compulsory covers any senior, the issues of its financial viability is closely untied to the issues of the housing security for the elderly.



# “Explosion” of senior population in Tokyo Metropolitan Area

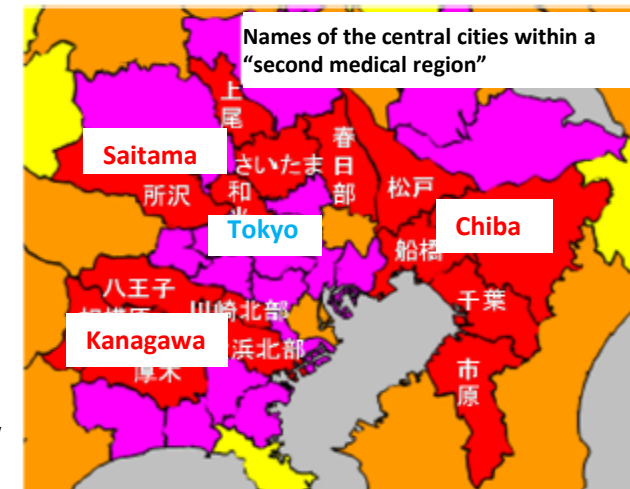
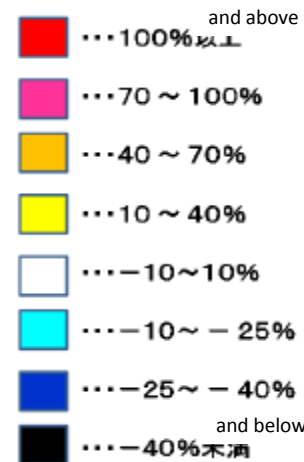
- ✓ Huge population of “baby-boomers” (born in 1946-49) residing in metropolitan areas, especially Tokyo and its surrounding areas
- ✓ “Explosion” of senior population in these areas
  - Not “Tokyo-specific” but **national problem**

Rate of increase of population 75+ (2010-2040)



(Source) “Strategy for stopping declining number of births and vitalizing local economy”, Japan Policy Council

Rate of increase /decrease of population 75+ (2010-2040) in Tokyo and its suburbs



Showing the Tokyo metropolitan areas where the massive increase of population aged 75+ is expected. In areas such as Western Chiba Pref., Eastern and Central Saitama Pref., and Northern Kanagawa Pref. (areas close to central Tokyo), **more than 100% increase** is expected for population aged 75+.

(Source) Presentation by Dr. Tai Takahashi at the 9<sup>th</sup> conference of National Council for Social Security System Reform (April 19<sup>th</sup>, 2013)

Translation by IPSS

“Empty-nested houses -> Empty-nested communities”  
“How should we deal with their care and medical needs?”



# **“Explosion” of senior population in Tokyo Metropolitan Area**

As part of the comprehensive strategy for local economy revitalization, the Japanese Government is promoting the relocation of the people from metropolitan areas (especially Tokyo and its surrounding areas).

Their concern, among others, is that in a decade or so when the “baby-boomers” reaches in their middle 70’ s, and these suburban areas will face tremendous shortage of nursing home beds and emergency hospital beds. This might incur the additional establishment of these facilities. Such facilities would attract more younger generations at rural areas where the job opportunity is scarce and the lifestyle is less stimulating for the youth, as care workers to work there. As they regard the over-concentration of the younger generation in metropolitan area is one of the causes for declining birthrate (due to working-obsessed lifestyle, long commuting hours, and small houses with few rooms for children), relocation of seniors to more remote areas would solve both the crisis of the urban areas as well as the depopulation of Japan as a whole. (Nowadays, some claim, facilities for the seniors are not regarded as NIBY in some areas, because of the maturity of the public pension.)

Among various measures, consideration is given to the establishment of the “Japanese-style CCRC (Continuing Care Retirement Communities).

# **“Explosion” of senior population in Tokyo Metropolitan Area**

## Characteristics of CCRCs in the United States to be brought into the Japanese style CCRCs.

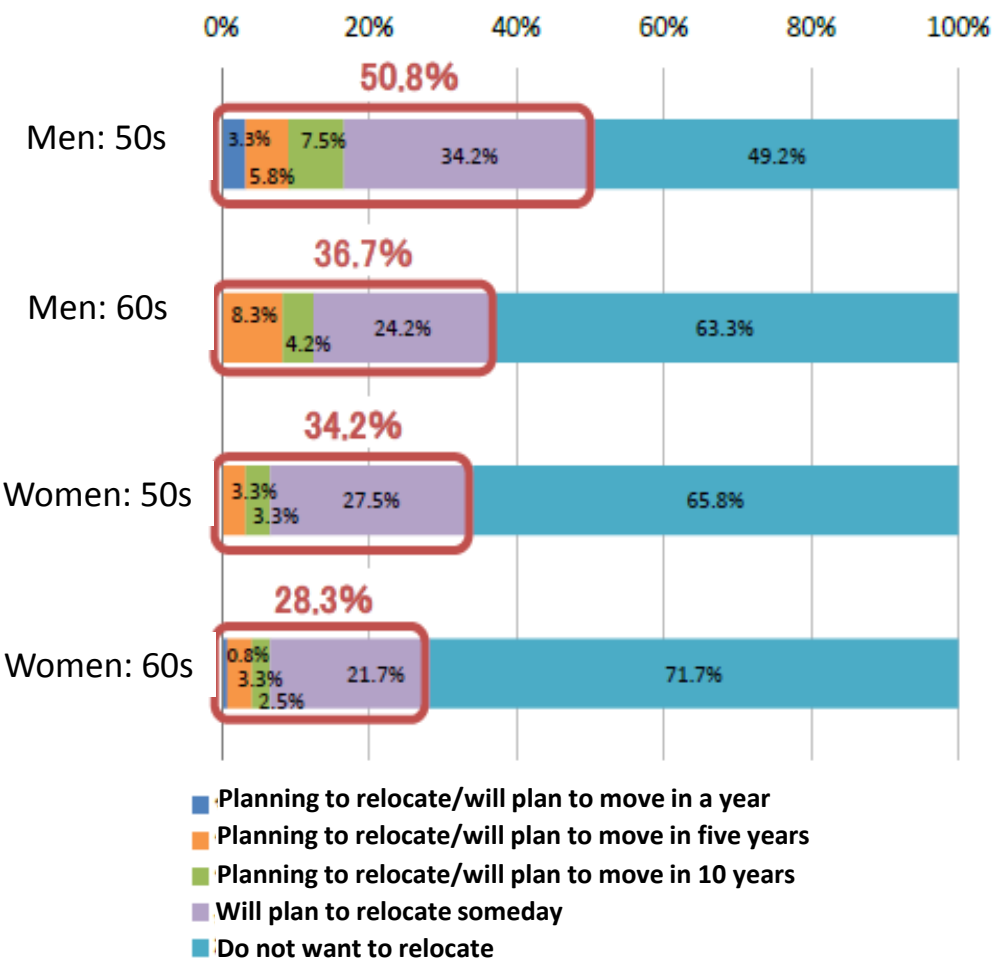
- 1) Relocation while the seniors are still active and healthy.
- 2) Initiatives by the resident senior themselves not only for socializing occasions within CCRCs, but for the participation to various volunteering activities both within and outside of the community.
- 3) Active participation by the residents to the lifelong-learning opportunities.
- 4) Foreseeable consequence for their care in later stage that provides sense of comfort.

## Seven key concepts of the ideas for Japanese style CCRCs (6/1/2015)

- 1) Supporting the relocation of the seniors in urban areas (including Tokyo metropolitan areas)
- 2) Realizing “healthy and active” lifestyle
- 3) Securing continuation of care
- 4) (Multi-generational) Collaboration with the local communities
- 5) Efficient service provision (use of IT)
- 6) Transparent operation by resident participation to the management and information disclosure
- 7) Policy measures for support, using related systems and “designated district for local economy revitalization, among others

# "Explosion" of senior population in Tokyo Metropolitan Area

Wishes of the seniors (50s, 60s) to relocate to rural areas  
(Total of "planning to relocate" and "will plan someday")

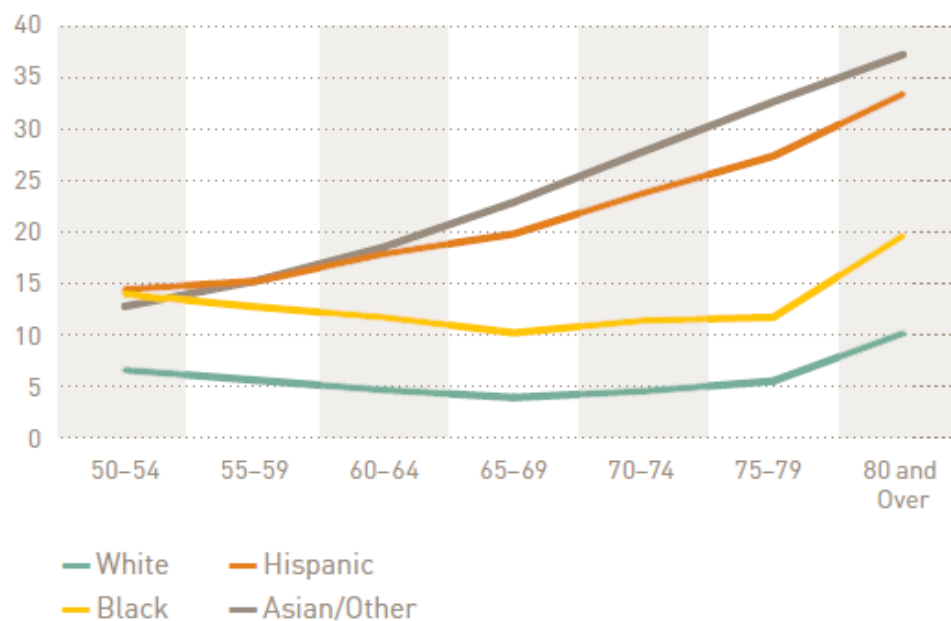


Survey by Cabinet Office (2014)

FIGURE 6

## Older Asians and Hispanics Are Much More Likely to Live with Relatives as They Age

Share of Population Living in Other Family Members' Households by Age Group (Percent)



Notes: Other family members are relatives other than a spouse or partner. Whites, blacks, and Asian/others are non-Hispanic. Hispanics may be of any race. Data include people living in group quarters.

Source: JCHS tabulations of US Census Bureau, 2012 American Community Survey.

SOURCE:

"HOUSING AMERICA'S OLDER ADULTS—MEETING THE NEEDS OF AN AGING POPULATION"

Harvard Joint Center for Housing Studies (Sept., 2014)

# Summary

- ✓ Issues on the housing for the elderly is diverse; seniors with different degree of frailty, financial condition, and geographical location have his/her own issue.
- ✓ Successful implementation of the “Integrated Community-based Care” within the community is the key to realize “Aging-in-Place”, considering the changing household structure and the fiscal constraints of LTCI burden.
- ✓ “Explosion” of senior population in Tokyo metropolitan area is of national concern. Due consideration should be provided upon implementing the “Japanese-style CCRCs”.