



Long-Term Care System in Korea

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Received: June 9, 2020

Revised: July 8, 2020

Accepted: July 19, 2020

Korea is a country with unexpectedly fast ageing speed, which gives burden on caregivers of older adults. Thanks to long-term care insurance and national health insurance system, most people who need long-term care are currently staying in long-term care facilities like nursing homes and long-term care hospitals. However, new project of integrated community care system is under trial implementation. This review demonstrates perspectives on Korean long-term care system from the past to the future.

Key Words: Long-term care, Korea, Nursing homes, Community health services

INTRODUCTION

Fast-Aging Korea

Since the early 1960s with the rapid socioeconomic development and implementation of family planning, a remarkable demographic transition kicked off in Korea, with subsequent unprecedented growth in the aging population.¹⁾ As of April 2020, 15.9% of the Korean population is aged 65 years or older, a proportion that is expected to reach 37.0% by 2050, the second-highest proportion among the Organisation for Economic Cooperation and Development countries after Japan.^{2,3)}

Traditional Welfare for Older Adults in Korea

“Respect for seniors” has been one of the core principles of Confucian philosophy that originated in the Chosun dynasty. This idea considered caring for parents to be a family duty; thus, institutionalized care was regarded as inappropriate until recent decades when long-term care facilities (LTCFs) became necessary.⁴⁾ In 1885, a French Catholic missionary priest, Jean Marie Gustave Blanc, established a care home and cared for 40 people in Seoul, which was the first documented facility for older people in Korea.⁵⁾

Modernization Transformed Living Arrangements

With industrialization, urbanization, and overall economic development, the household structure generally shifts from an extended to a nuclear form.⁶⁾ The rate of family support for older parents began to decrease from 18.8% in 1970 to 9.1% in 1995 and 5.3% in 2015, consistent with the modernization of the Korean society.⁷⁾ Accordingly, home is no longer a common place of care for older adults and its role has been replaced by various care facilities.

Facilities for Independent Seniors

A senior center, a place where older adults build friendships and engage in hobbies, is one of the most typical and popular leisure and welfare facilities for Korean seniors. Senior centers originated from places for rest and leisure for neighborhood older adults in rural areas and have now expanded to cities. However, they do not receive sufficient government funds to operate programs specific to older adults.⁸⁾ In contrast, senior welfare centers are operated by local governments and offer a wide variety of leisure and social activities, as well as programs and services that promote health and prevent diseases at no to low costs and are usually located in urban areas.^{8,9)} A total of 66,286 senior centers and 385 senior welfare centers were reported in 2018.¹⁰⁾

IMPLEMENTATION OF THE LTCI SYSTEM IN KOREA

The Japanese long-term care insurance (LTCI) system, which began in 2000, is the role model for the Korean LTCI. The “Promotion Board of the long-term care (LTC) system for the Elderly” was established in 2000, the same year in which Korea first became an “aging society”, with a proportion of older adults exceeding 7% of the whole population.¹¹⁾ The law regarding LTCI for older adults was passed in the National Assembly’s plenary session in 2007, and the program began in July 2008.¹²⁾ According to the Act on LTCI for the Aged,¹³⁾ LTCI aims to provide assistance in physical or housekeeping activities for older people and eventually improve citizens’ quality of life.

THE LTCI SYSTEM

Older adults aged 65 years or older or citizens younger than 65 years but with chronic illnesses or disabilities are eligible for LTCI. Among these, people with difficulties in activities of daily living for at least 6 months are eligible for LTCI. LTCI benefits include both in-kind and cash benefits. In-kind benefits include home care and institutional care services. The seven types of home care services are (1) day/night care center services, (2) home-visit care services by LTC assistants, (3) home-visit services to promote cognition activities, (4) home-visit nursing services by nurses, dental hygienists, or nursing assistants, (5) home-visit bathing services, (6) short-term institutionalized care, and (7) provision of welfare devices.¹⁴⁾

The LTCI program, unlike the National Health Insurance (NHI) program, operates the eligibility selection process. The LTCI benefits are granted only following application and approval.¹⁵⁾ After application documents are received, LTCI agents visit the applicants and assess their eligibility using a 90-item LTCI checklist categorized into 11 sections, namely activities of daily living (ADL), instrumental ADL (IADL), cognition level, behavioral changes, need for nursing care, need for rehabilitation, need for welfare medical devices, state of care, environmental evaluation, visual/hearing ability, and diseases or symptoms. Currently, only 52 of the 90 items are evaluated and used to calculate final scores. Initially, LTCI recipients were classified into three categories, with those in level 1 having the most severe disabilities; with the addition of a new category, “special level of dementia” and splitting level 3 into two in July 2014 and the recent addition of a “cognition supporting level” in January 2018, there are currently six levels (Table 1).^{16,17)} To be admitted to nursing homes, the recipients should be levels 1 or 2; however, with the approval of the LTCI committee, people who are in levels 3–5 can also be admitted. The final decision is made

by the eligibility committee managed under each local LTCI corporation. This committee comprises 15 people, including at least one physician or traditional doctor.^{13,18)} The monthly expenses for staying in nursing homes are approximately ₩ 900,000 ~1,300,000 (US\$ 800 -1,100) and LTCI covers 80%–100% according to the beneficiaries’ economic status, while 85%–100% of expenses for in-home services are covered. Fig. 1 depicts the process of determining the care level from application to final results.

By regulation, contracted physicians must visit the facilities twice monthly to clinically examine the residents, order nursing treatments, or provide hospital referrals. However, these physicians are not allowed to provide any direct medical services to the residents except for prescriptions, as these places are not designated as medical care facilities by law.¹⁹⁾ The quality of nursing homes is assessed every 3 years by the NHI corporation, with the results announced on the LTCI website.

Based on a recent survey, 90.9% of the respondents expressed satisfaction with the LTCI system; however, the number of LTCI recipients has increased approximately three-fold, from 214,000 in 2008 to 671,000 in 2019, and long-term financial shortage and financial problems are the main issues in the Korean LTC system.²⁰⁾

The Ministry of Health and Welfare (MOHW) announced a plan to minimize financial loss by (1) expanding spot surveys to identify unjustified financial claims, (2) reducing pay for day-care centers, (3) strictly selecting recipients who benefit financially, and (4) tightening the qualification for the opening of LTC facilities.²¹⁾

LTC HOSPITALS

LTC hospitals (LTCHs) provide another distinct form of LTC in Korea. They deliver various medical services, including subacute to LTC, palliative care, and rehabilitation services. As of June 2020, there were 1,481 LTCHs in Korea. LTCHs have become widespread across the country because all citizens are eligible for coverage under the NHI Program, in which out-of-pocket payment is 10%–20% of the total medical fees.²²⁻²⁴⁾ The major priorities of LTCHs center around medical care and functional rehabilitation so that a patient may return home.²⁴⁾ Table 2 demonstrates the differences between LTCHs and nursing homes. However, some studies have found few differences in functions between LTCHs and nursing homes.^{25,26)} The Health Insurance Review & Assessment Service (HIRA) instituted a unique medical insurance fee system for LTCHs in 2008 by requiring LTCHs to classify inpatients into one of 15 Resource Utilization Groups (RUGs) in seven categories based on assessment data from an Inpatients’ Data Set (IDS). An IDS is a tool used for the standardized assessment of

Table 1. Long-term care eligibility levels

Level	Mental and physical status	Long-term care approval score
1	Requires help in all aspects of daily life	≥ 95
2	Requires help in most parts of daily life	≥ 75 and < 95
3	Requires help in part of daily life	≥ 60 and < 75
4	Requires some help for daily living because of functional disability	≥ 51 and < 60
5 (Special level of dementia)	Dementia with limited functional decline	≥ 45 and < 51, dementia
6 (Cognition-supporting level)	Dementia with intact physical function	< 45, dementia

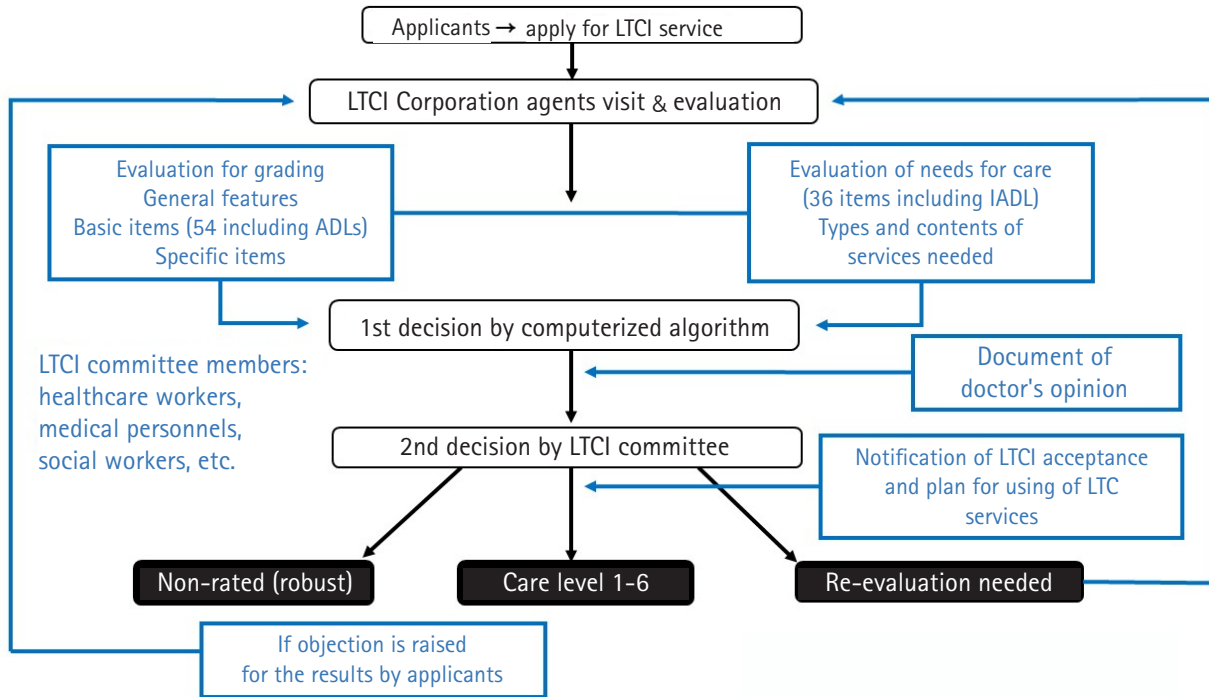


Fig. 1. Process of determining the care level from application to final results. LTCI, long-term care insurance; ADL, activities of daily living; IADL, instrumental ADL.

inpatients in LTCHs and is similar to the Minimum Data Set (MDS) for nursing home residents in the United States. It comprises 11 sections (A to K): general characteristics (A), mental state (B), cognition and behavioral problems (C), functional status (D), incontinence (E), diseases (F), general health problems (G), oral and nutritional status (H), skin problems (I), medications (J), and special management and rehabilitation (K).^{27,28} In this new payment system, LTCHs are reimbursed according to their patients' functional status and requirements for medical services. LTCHs must electronically submit an IDS with various indices to the HIRA every month.²⁹ In November 2019, the seven categories were simplified to five.

Since 2008, the HIRA has evaluated LTCH quality every one or two years. In 2013, a new accreditation system that covers 3 do-

main was introduced for LTCHs: basic values, patient management, and supporting structure. These domains are subdivided into 11 chapters—safety, quality improvement, medical delivery system and evaluation, medical examination, drug management, patient rights, hospital management, manpower management, infection control, safe facilities and environment, and medical record management.³⁰ This is an obligatory evaluation performed by the Korea Institute for Healthcare Accreditation; LTCHs must pass this accreditation survey every 4 years to avoid a monetary penalty.

PLANNING FOR THE NEW COMMUNITY CARE SYSTEM

In November 2018, the MOHW announced a plan to launch so-

Table 2. Comparisons of two types of long-term care facilities

Facility type	Nursing home	Long-term care hospital
Related law	Long-term care insurance law	Medical law
National insurance	Long-term care insurance	National health insurance
Services mainly provided	Assistance with daily living	Treatment and prevention of geriatric diseases and geriatric syndromes
Indication for admission	Long-term care insurance level 1 or 2	Physician decision
Manpower required	Social worker (1 per 100 residents), nurses or nursing assistants (1/25), physiotherapist or occupational therapist (1 per 100 residents)	Medical or traditional doctor (1 per 40 residents), nurses (1 per 6 residents; 2/3 of nurses can be replaced by nursing assistants), physiotherapist (1 per 100 residents), social workers (1 per hospital)



Fig. 2. The current and future Korean long-term care (LTC) system. IDS, Inpatients' Data Set; LTCH, long-term care hospital.

called Community Care projects in local communities led by local authorities. One of the major reasons to promote Community Care is the lack of finances for LTCI services, with the cumulative reserve fund of LTCI estimated to be zero by 2022.¹⁷⁾ The government's new Community Care initiative refers to a social service policy that provides integrated support for lodging, healthcare, day-care, and independent livelihood to people in their own homes.³¹⁾ The MOHW started providing the community care service in June 2019 as a trial implementation. The service will be expanded by 2026, when Korea is expected to become a superaged society, to provide older adults with wider coverage.^{32,33)} The project is divided into three stages, as follows.³³⁾

- Stage 1: Trial implementation (2018–2022);
- Stage 2: Construction of community care provision (by 2025);

and Stage 3: Spread of community care services (after 2025). The MOHW has proposed various models such as comprehensive patient assessment and care planning in LTCHs, in-home services for discharged patients, home medical care, primary care for chronic diseases, home hospice care, and support for care houses and families.³³⁾ However, this remains a challenge as institutionalized care is already too familiar to leave for Korean citizens and the implementation of home medical care requires obtaining physician agreement and legal evidence.³⁴⁾

The current and future Korean LTC system is overviewed in Fig. 2.

CONCLUSION

Korea is one of the fastest-aging countries worldwide. The LTC of older adults imposes social burdens on their families and the government. While nursing homes and LTCHs are currently the common solutions for older adults requiring LTC, the Korean government is planning to implement integrated community care services by 2025.

ACKNOWLEDGMENTS

CONFLICT OF INTEREST

The researcher claims no conflicts of interest.

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