

# Emergent Health Issues in Korea: '21/'22 UNDP Human Development Report Discussion

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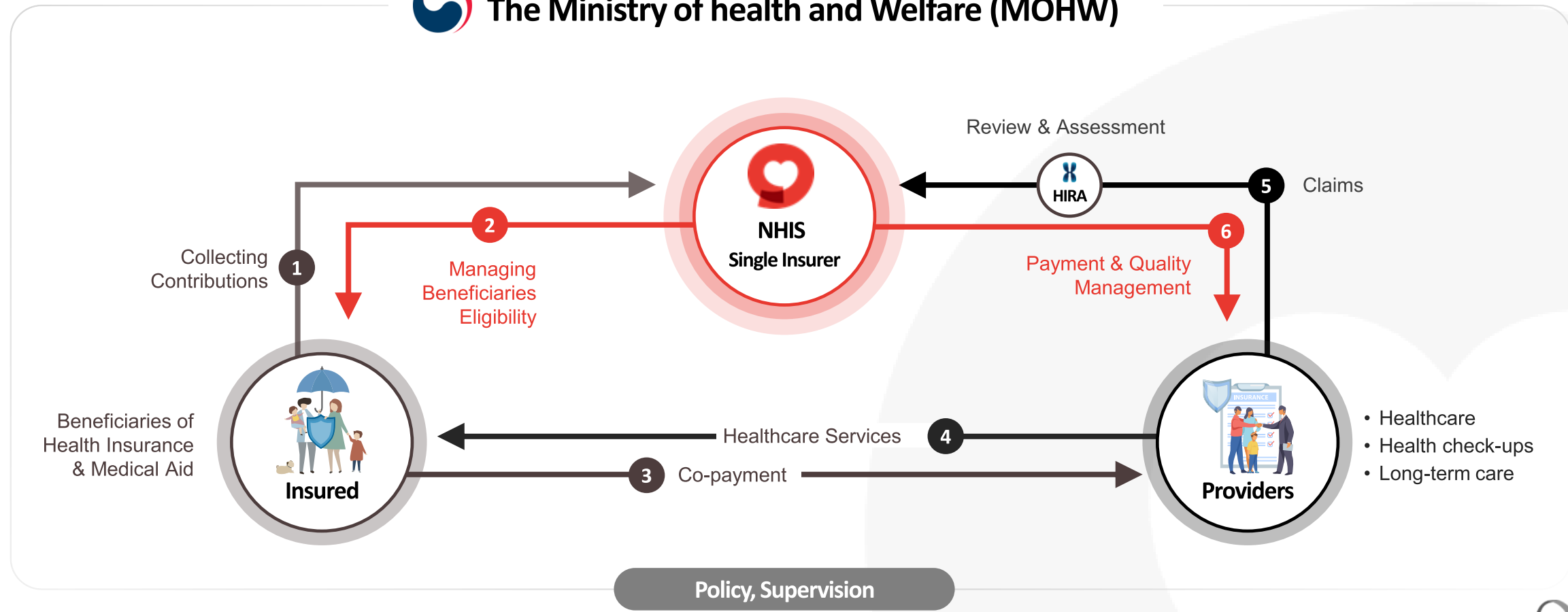
# 1

## Overview of Korean the NHI Scheme

# Governance of the NHI in Korea



## The Ministry of health and Welfare (MOHW)



# Major Characteristics of NHI in Korea



## UHC

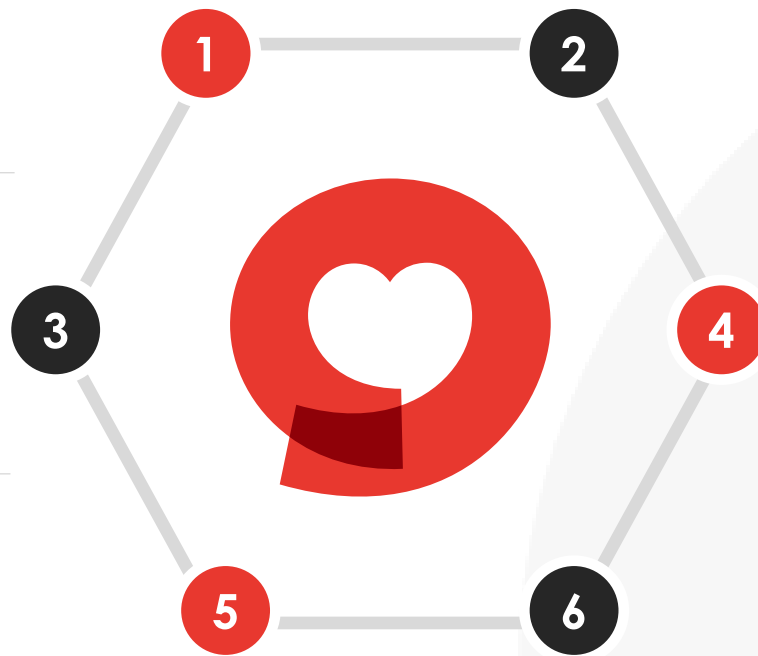
Healthcare coverage for all by National Health Insurance (NHI) system

## Private Provider Domination

94.5% of Healthcare Facilities (No. of providers: 94,955 as of 2019)

## Comprehensive NHI Benefits

64.2% of coverage (2019)



## Single Insurer

- National Health Insurance Service(NHIS)
  - Receiving mandatory contribution from the insured
  - Purchasing : Monopsony power

## High Accessibility to Healthcare

Mandatory Participation by NHI law

## Low Healthcare Expenditure

7.6% of GDP(2018)  
\* The OECD average : 8.8%

# Anthropocene and Healthcare

- **Infectious diseases** that existed before the advent of mankind will continue to accompany the fate of mankind, and as they have been, they will continue to act as parameters and determinants that have a fundamental impact on human history (William H. McNeill, 1976).
- Historically, outbreaks of pandemics have occurred in the **period of civilizational transition**, when new diseases occurred when people settled from **hunting and gathering to agriculture**, when they transitioned from **agriculture to industrial society**, and when **civilizations and civilizations** collide – three examples Plague, Smallpox, and Spanish Flu.

## [1] Plague

- Plague killed about **a third of the entire population of Europe** and brought about **major changes in medieval European society**, such as the collapse of the feudal system - giving Europe an opportunity to move forward into **a new society**
- Florence, Italy's population has shrunk from **110,000 to 45,000**, and the life expectancy of the British has **dropped to 17** as a result.

## [2] Smallpox

- The Age of Discovery, which began in the 15th century, was a great transition in which the disconnected earth was united into one, and not only people, livestock, and crops but also smallpox, measles, and typhus spread together.
- The number of indigenous peoples in central LAC has fallen from 25 million to 1 million, a 1/16th level in 70 years.

## [3] Spanish Flu

- After the 1919 Spanish flu hit the world, up to 50 million people died, Britain collapsed, and the world economic reorganization began, with the United States emerging as an emerging power.
- Britain and France requested a war reparations to Germany and Germany's domestic price rose 7.5 billion times in 1923, which brings Hitler and the fascism.

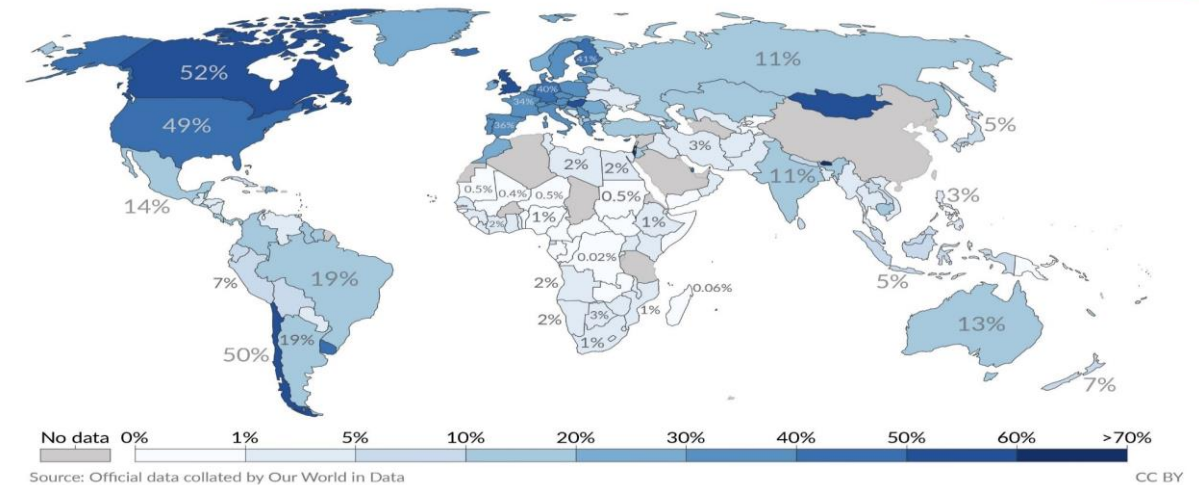
# COVID-19 Pandemic and Healthcare (1)



- Millions of people around the world have had no choice but to work from **home rather than offices** during the pandemic, but the COVID-19 pandemic has proven that video conferencing with multiple people is possible, and **is expected to change the way we work.**
- Flexible working hours may be limited for low-income workers in precarious occupations, which may further **exacerbate inequality in society.**

Share of people who received at least one dose of COVID vaccine – May 24, 2021  
For vaccines that require two doses the share that received one dose does not equal the share that is fully vaccinated

Our World  
in Data



- COVID-19 vaccination rate is one of the **biggest differences and divide** in health capacity by countries.
- About 70% of high- and middle-income countries have been vaccinated, compared to **only 4% of low- and low-income countries**, and even in low- and middle-income countries, only 32% are vaccinated (2021).
- Unlike other pandemic's, COVID-19 increased **the inequality of pandemic impacts** by social status.



## COVID-19 Pandemic and Healthcare (2)



- Due to the COVID-19 crisis, the importance of **quarantine measures and public health delivery system** has been further emphasized.
- Korea witnessed that it needs improvement for the private health care dominant health care delivery system (**94.5% of hospitals are private hospitals in Korea**) after COVID-19 crisis.



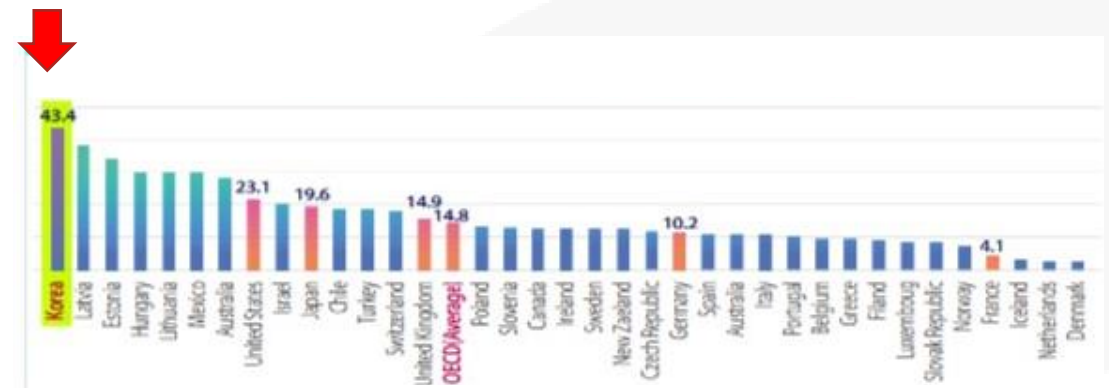
- Korea has resolved the issue of citizens avoiding corona tests or not receiving treatment by **providing the full cost of corona diagnosis and testing by NHIS and government.**
- In the case of the United States, if you are not insured, you need an average of **\$40,000 for tests and treatment compared to \$0 in Korea**

## Elderly Population Problems in Korea (1)

Average annual growth rate of the OECD aged population



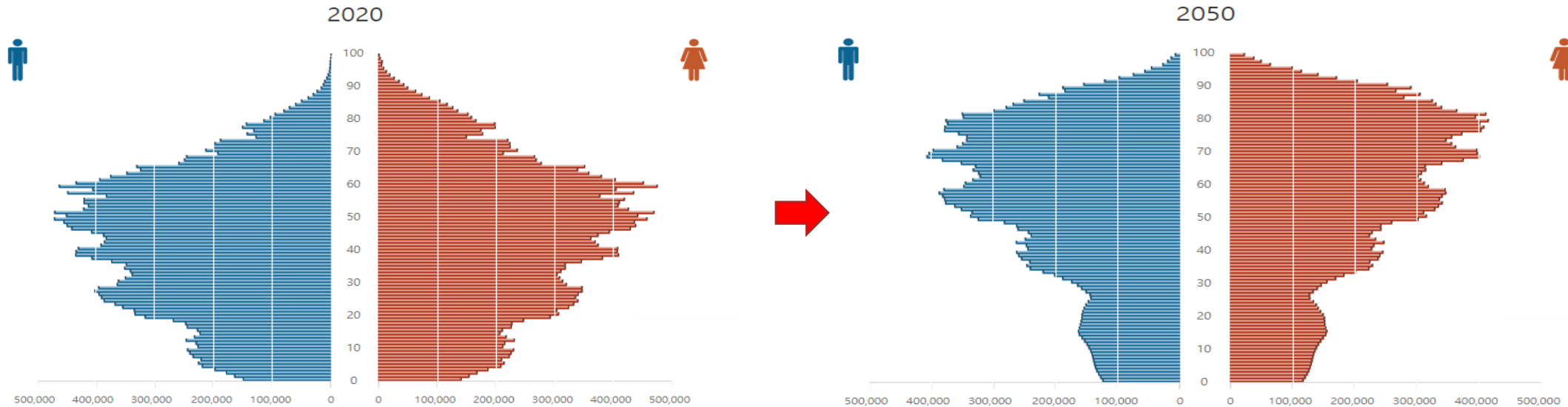
OECD Poverty ratio of aged population



- Over the past 10 years (2011-2020), Korea's population aged 65 and over has increased at **an average annual rate of 4.4% (290,000 people per year), 1.7 times the OECD average (2.6%)**, the fastest rate among OECD countries.
- Due to rapid aging, the proportion of the aged population (15.7%), which ranks 29th in the OECD in 2020, is 33.4% in 2041, 20 years later, one in three will become an elderly person, and 27 years later, **37.4% in 2048, making Korea the world's most expected to be an old country**

- Although Korea's aging rate is the fastest, **the poverty rate** for the elderly already ranks **the first in the OECD**.
- Social safety net (pension) + Insufficient private job environment ⇒ **The poverty rate for the elderly in Korea is three times the OECD average**
- Poverty rate for the elderly in 2018 Korea is 43.4%, OECD average 14.8%** (Germany 10.2%, France 4.1%) – needs reform urgently to strengthen **pension function and increase demand for private jobs**.

## Elderly Population Problems in Korea (2)



- Korea is facing **great difficulties due to rapid demographic changes**. Due to the low fertility rate, **the total fertility rate in 2020 recorded 0.84, making it the only OECD country to record less than one**.
- As the low fertility rate and the aging population deepen, **the natural population decline and the working-age population decrease become a big issue**.
- A decrease in the working-age population and an aging population are expected to slow economic growth, fix the low-growth structure, affect **the overall macro economy, including inflation, reduce the potential growth rate, and lead to a decline in economic growth – huge potential disasters in Korea**.



# Endeavor for Health Insurance Security for Citizens

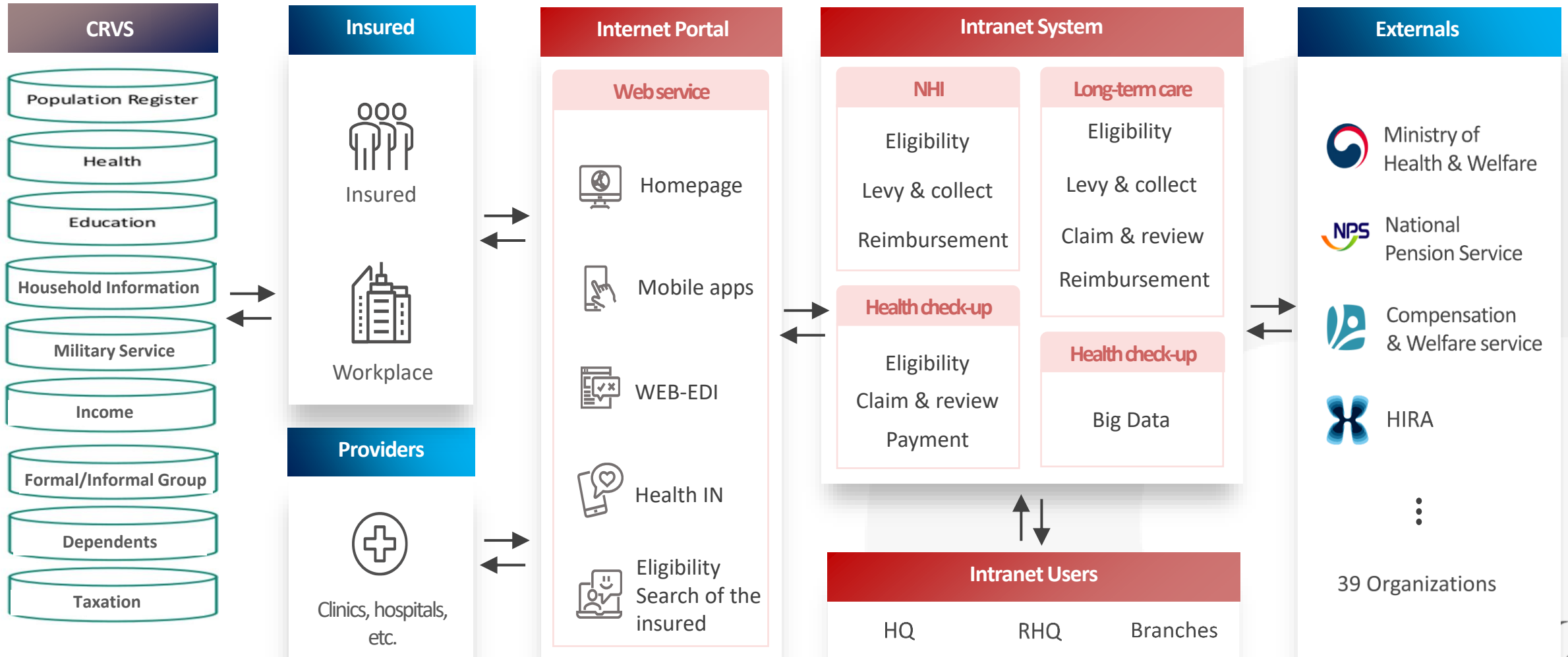


- The average life expectancy of Koreans increased from **62.3 years in 1970** to **71.3 years in 1990**, 76 years in 2000, and **83.3 years in 2021**.
- The infant mortality rate decreased by half from 5.1 per 1,000 in 2003 to 2.9 in 2012, about 10 years after the achievement of UHC, and recently **continued to decrease to 2.7 in 2021**.

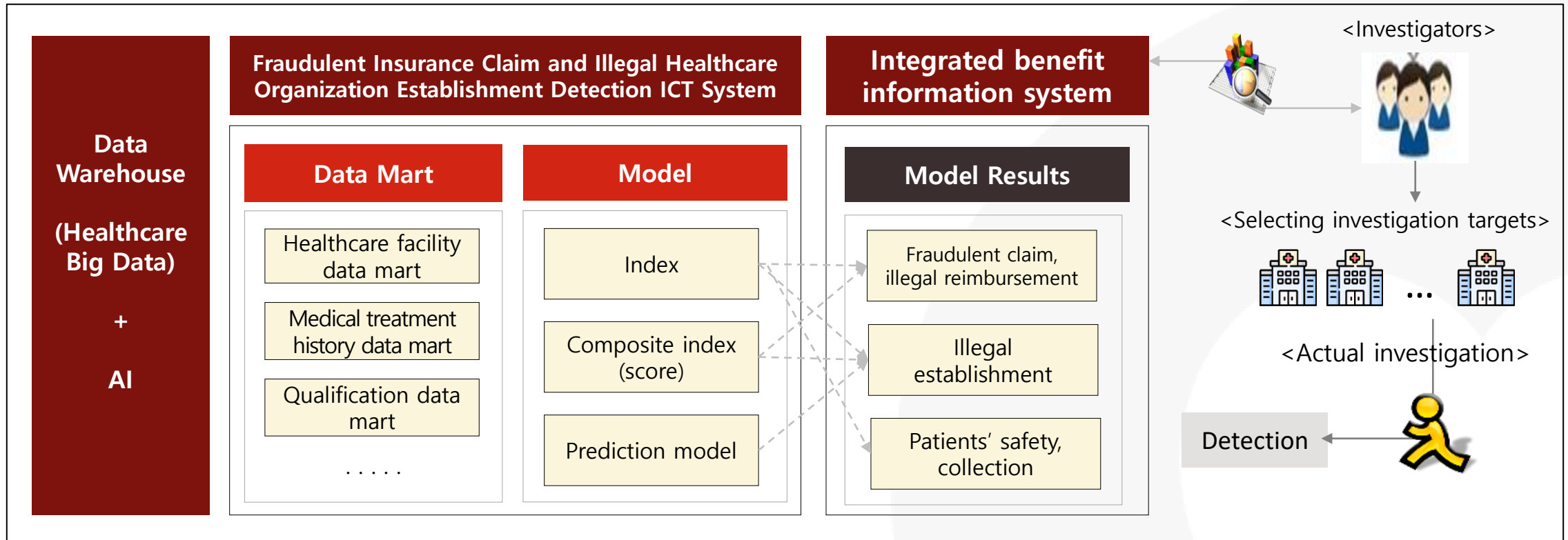
## The first National Health Insurance Plan (2019-2023)

Strategic Direction	Strategy Tasks
Reinforcement of supporting lifelong health	Reduce the burden of national medical expenses
	Provide patient-centered integrated service
	Strengthening prevention-oriented health management functions
Enhanced quality of care and patient-centered compensation	Medical Quality enhancement
	Appropriate medical service and payment level
Enhancing the sustainability of health insurance	Enhancement of financial sustainability
	Appropriate medical service usage
	Rational payment and purchasing
	Integrated elderly care
Securing trust in health insurance and strengthening future preparation	Imposing insurance fee in equity
	Eligibility and collection system innovation
	Big Data analysis and usage
	Insurance operation innovation

# Public Healthcare Data Integration in Korea



## Fraudulent Insurance Claim and Illegal Healthcare Organization Establishment Detection AI model



- Mental health as defined by the World Health Organization in terms of health is **'a state of mental maturity that can be handled independently and independently in daily life, is resistant to disease, and can lead a smooth family and social life.'**
- In the case of Korea, a survey on the perception of 'modern people's mental health' conducted on 1,000 adult men and women between the ages of 19 and 59 in 2019 shows **that people do not feel happy in their current lives and suffer from various psychological pain and symptoms.**
- **76.4% of the total respondents answered that they had ever thought that their life was unhappy, and the 'mental health index' averaged only 68.1 points,** indicating that the level of mental health is generally in a weak state.
- The number of patients who received treatment for 'mental and behavioral disorders (F code)' during the last 5 years ('10 to 2019) **averaged 6.2% per year** (5.9% for men, 6.5% for women), and **the increase was particularly marked among the youth, women, and the elderly.**
- In contrast to the recent decrease in medical usage in other medical fields during the COVID-19 outbreak, the number of people treated for **mental illness has been increased.**
- Reduced human interactions can **lead to feelings of isolation and loneliness and** considering the social cost of mental illness and the risk of complex diseases, prevention, early detection, and **early treatment are of paramount importance,** and in particular, the use of health care services in the private sector and solutions can be considered.

- **Korea has successfully responded to COVID-19 by strong social distancing and using ICT** without physical lockdown of society.
- **Strong insurance system and public healthcare delivery system importance over big data for pandemics** were identified as the most important factors for the future pandemic in humankind – as the title “Uncertain Times, Unsettled Lives: Shaping our future in a transforming world” goes.
- **Big data and strong ICT integration** of healthcare platforms is the prerequisite for health sectors, and advanced ICT (robotics) and AI will be strongly applied in healthcare soon.
- **Mental illness** will be increased when non-face-to-face communication prevails. The government and related ministries should focus **more on mental health issues and policy solutions** for citizens.
- **Elderly care** is the key for increasing social security in superaging society. **NHIS is the insurer of long-term care insurance and is increasing the capacity of community care for the elderly.**
- **Telemedicine is temporarily allowed in COVID-19** but not allowed fully in Korea - Still, the debate on telemedicine is ongoing; there is an opinion on the scope of telemedicine treatment subjects: **only specified for as those living in remote areas, inmates in correctional facilities, military personnel on active duty, chronic diseases such as hypertension and diabetes, mentally ill patients, and returning patients** who need continuous management and observation after surgery and treatment – **needs social agreement among stakeholders.**



# THANK YOU

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