Speech by Yasuhisa Shiozaki Member of House of Representatives, Japan Third U.S.-Japan Global Health Dialogue in the Session "Building an Effective Health System" National Academy of Sciences Building, Washington, D.C. September 28, 2018

First of all, I would like to thank the organizers, National Academy of Medicine, Center for Strategic and International Studies, and Japan Center for International Exchange, for inviting me to this special occasion.

Today, I would like to use this occasion to share my views on the key challenges and opportunities for both the United States and Japan to work together: namely, innovative solutions to sustain health systems in aging populations.

In my humble opinion, "sustainability" does not simply imply that we will maintain systems of health care as they currently exist. But rather, it is essential to break away from the patchwork style of health policy making of years gone by, and transform health care into a social system that engages all sectors through a shared vision and values.

It was in 2015, that I presented the report entitled "Japan Vision: Health Care 2035", which described a vision of the future health system in Japan. In essence, this vision comprised of three components: value-based care, social perspectives for health, and Japan's contribution to global health.

To achieve the principle of value-based care, all stakeholders, including patients, providers, government, payers and manufacturers, must realign their individual functions to attune to current and future patients' needs.

Providing evidence-based care, that is consistent and seamless, will add a new aspect of quality of care to our conventional health system in a way that is measurable. Accountability is a corner stone of health reform, but accountability requires good data and good monitoring systems. To facilitate improvements in accountability, I have led major efforts to identify ways to utilize innovative ICT systems.

In fact, Japan possesses sizable and comprehensive databases from our national insurance scheme, including high quality clinical records, claim records, and long-term care data. Despite the potential for big data utilization, the health ICT infrastructure in Japan has not

been well developed. In order to tackle this, I launched the "data-driven health reform."

First, we need to establish a unified data platform that enables nationwide linkage and analyses of data from preventive services to inpatient and long-term care. The health system must support people to actively participate in their own health, and empower health care choices by ensuring easy access to reliable sources of information.

Second, it is critical to reconsider the role of payers under our national insurance scheme. We have already introduced financial incentives and penalties to encourage payers to take more responsibility to improve both individual and population health outcomes. The unified data platform will allow payers to use medical check-up data to identify those who are at risk and help them take early action towards prevention and an early diagnosis.

Finally, the health system needs to introduce and utilize innovative technologies. These may include genomic medicine, AI, telemedicine and robotics. AI in health care is already in place, for example, in medical imaging. We further aim to develop and utilize AI to improve diverse health care and long-term care services. For example, it could be possible for patients to obtain a second-opinion through an AI. And, AI devices could provide more precise diagnostic support for physicians which enable them to cover not only specific areas but a variety of diseases.

Such reform could substantially change the way the health system works. For example, each of the 47 prefectures in Japan apply two different sets of rules for auditing claims, 94 standards all together. I proposed that by 2020, these rules should be standardized nationwide and that automated review process will be implemented to over 90% of claims. This will substantially reduce the work load of local physicians.

We should remember, however, that health systems cannot be run only by machines. It is the human being which is the core of any health system. Health workers are always the most important asset.

In response to rapid population ageing, the emerging reform agenda is centered around how to best provide integrated and coordinated services more efficiently and effectively to meet the diverse and complex needs of the elderly in the community. This should be done not only by accelerating the development and introducing innovative technologies, but through transforming the way we provide services.

There is much for Japan to learn from the experiences in the United States, for example, in the area of "task shifting" and "task sharing" between health care professions. The

prospect of providing medical care to a growing number of the elderly in the community, especially in rural areas may not be sustainable. Particularly, without introducing a similar system as the "nurse practitioner" as well as "physician assistant" in the U.S to share the increasing burden of giving sufficient care to this growing sector of the community.

Japan, as one of the fastest aging countries with a low birth rate, must take leadership in overcoming health care challenges in ageing societies. It must develop a system that promotes healthy life expectancy and the effective use of system innovations, and show other countries that this system can be sustainable and equitable.

I strongly believe that the United States and Japan have much to learn from each other and are well placed to contribute to the future of global health system innovations. I am fully committed to driving these reforms, so that Japan may aspire to be a model of success for facing future health systems challenges for Japan, the United States and the globe.

Thank you.