



Health Policy Institute, Japan

Annual Report FY 2006



Our Mission and Guiding Principles

Mission

To help citizens shape health policies by generating policy options and bringing stakeholders together as an independent think-tank.

Guiding Principles

1. Maintain independence. Be non-partisan.
2. Bring stakeholders together. Provide an open forum for debate.
3. Identify critical issues for citizens. Promote active exchange of ideas.
4. Cultivate global perspective. Collaborate with world-class leaders in health policy.
5. Pursue excellence in all that the Institute does. Lead in policy arena.



Table of Contents

1. Greetings
2. Our Vision
3. Report of Our Work in FY2006
4. Our Organization
5. Financial Report / Membership
6. Our Supporters
7. How to Become Involved
8. Location of Secretariat and Contact



1. Greetings

Chairman, Kiyoshi Kurokawa



The various paradigms surrounding Japan and the world in the 21st century are undergoing significant change. This is reflected in the growing number of NPOs and their increasing role and importance in society, both in the public and private sectors. Japan has yet to witness diversified public policy proposed not only by government, but also by independent think-tanks.

With this in mind, we established the Health Policy Institute, Japan in April 2004 and we have now entered our fourth year of operation. We have endeavored to have many of our policy recommendations incorporated in national policy through the broad dissemination and cultivation of public debate. We aim to meet public demand and high expectations by effectively utilizing our organization and global network of policy researchers and institutions.

Last year, in addition to our “Health Policy Summit,” we made policy recommendations, conducted policy research, organized forums and breakfast meetings. We will elaborate on the details of our work in this annual report.

This year, we seek to increase our efforts by exploring three new approaches. Firstly, we will support civic health organization activities through the development of a web platform in order to provide leadership education for patient group leaders. Secondly, we will encourage medical professionals to establish a policy community for serious high-quality debate. Thirdly, to enhance the nature and depth of our global partnerships, we will collaborate with the WHO, the World Bank and the Pacific Health Summit.

We will continue to actively make policy recommendations, keeping in mind that we exist to enhance people’s health within the perspective of fundamental changes that are affecting the healthcare landscape. We are also determined to further “Healthy Debate” with stakeholders and with the wider public.



1. Greetings

Vice Chairman, James Kondo



2006 was a successful year of expansion for the Health Policy Institute, Japan. I would like to introduce five elements from our year.

First of all, this year, again, we conducted a nationwide survey on male and female voters to objectively determine public opinion towards health policy. We found that the majority of people were dissatisfied with Japan's decision-making process for health policy. The survey also confirmed that there are large discrepancies in the notion of "desirable" health system depending on people's asset and income, signaling that serious public debate is required.

Secondly, we organized our annual "Health Policy Summit," enjoying the participation of 100 top health policy decision-makers. Leaders of various stakeholder groups, including political parties, government ministries, business organizations, academic institutions, medical and patient circles, gathered to engage in frank and active debate on the direction of Japanese health policy. We seek to turn the "Health Policy Summit" into the preeminent forum future direction of Japan's health policy.

Thirdly, we undertook a variety of policy research. We made policy recommendations, published reports, and organized stakeholder forums — e.g. on dissatisfaction and anxiety of cancer patients, and the development of a system to promote regenerative medicine. Our survey on cancer, in particular, appeared frequently in the media and we are proud that we were able to assume a role in provoking debate. We were also responsible for editing the *White Paper on Healthcare*, a compilation of various policy recommendations.

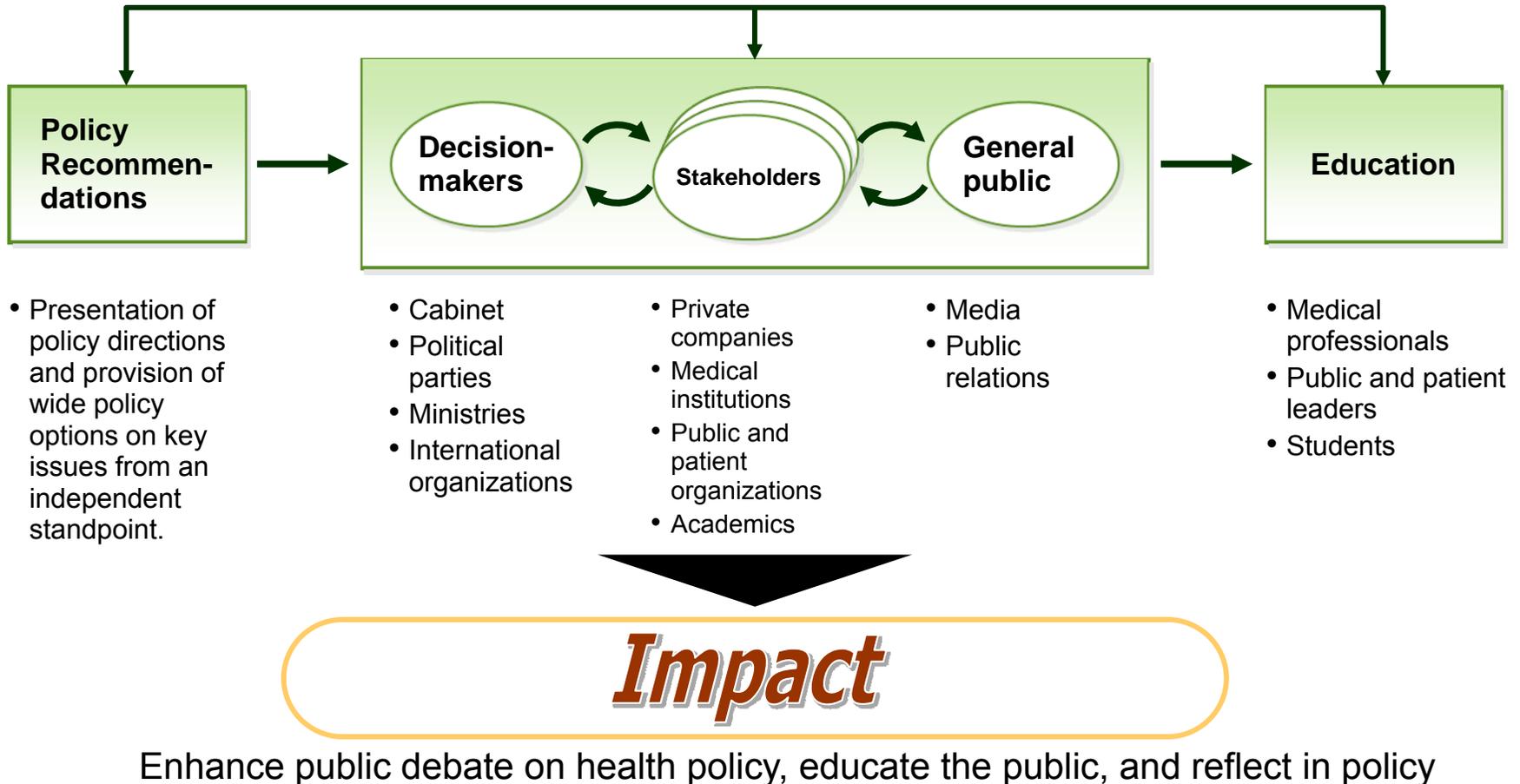
Fourthly, we held breakfast meetings every other month with the purpose of knowledge sharing. We welcome broad participation at this informal forum where health policy leaders can be engaged in an open discussion. Also, "Health Policy Clerkship," a short-term course for medical students, initially limited to those studying at the University of Tokyo, and later to students in the Kanto area, opened its doors to medical students all over Japan. Students from Hokkaido University in the north to Kyushu University in the south gathered for hands-on training in health policy.

Thanks to wide support, we have successfully increased our membership from 382 individual members to 815, our corporate membership and supporters from 12 companies to 21 companies and our project expenses from 49 million Japanese Yen to 61 million Yen. We ask for your unchanged support in our continued efforts to accomplish the mission of the Health Policy Institute, Japan.



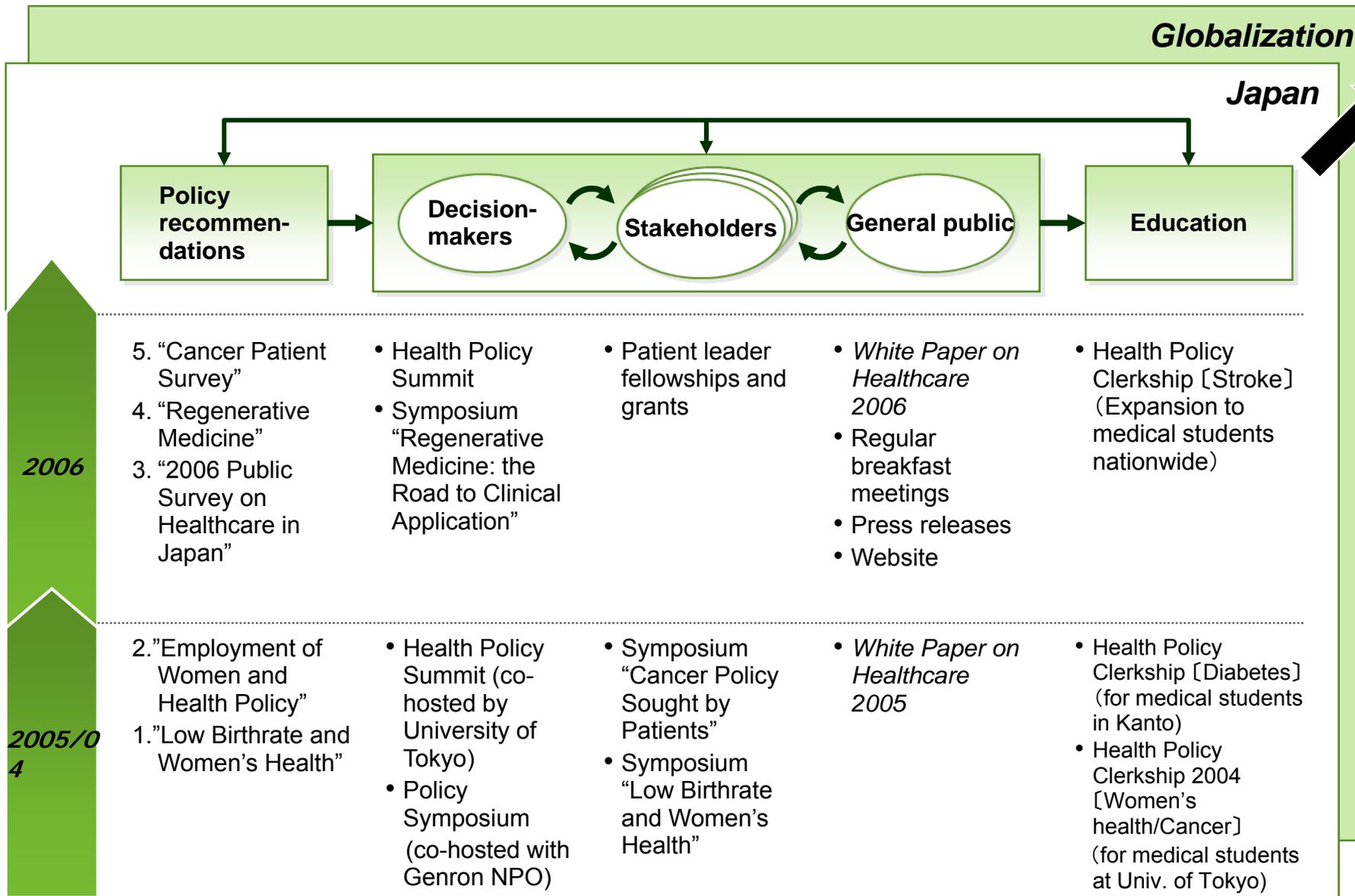
2. Our Vision

Healthy Debate





3. Report of Our Work in FY2006





3. Report of Our Work in FY2006

3-1. Healthy Policy Summit

Outline

- Gathering of 100 most influential health policy decision-makers in Japan
- Setting policy agenda for FY2006



※Clockwise from left; Minister Hakuo Yanagisawa (Minister of Health, Labour and Welfare) / Mr. Tetsuo Tsuji (Vice-Minister, Ministry of Health, Labour and Welfare) / Dr. Yoshihito Karasawa (President, Japan Medical Association) / Mr. Taizo Nishimuro (Chairman, the Board of Councilors, Keidanren) / Prof. Hiroshi Yoshikawa (Professor, Faculty of Economics, University of Tokyo) / Councilor Shinya Adachi (Member, House of Councilors, Democratic Party of Japan) / Dr. Hatsuo Aoki (Chairman, Japan Pharmaceutical Manufacturers Association) / Mr. Ira Wolf (Representative, PhRMA) / Prof. Haruo Shimada (Professor, Faculty of Economics, Keio University) / Dr. Stig Pramming (Executive Director, Oxford Health Alliance) / Rep. Ichiro Kamoshita (Member, House of Representatives, Liberal Democratic Party of Japan) / Prof. Shuzo Nishimura (Vice President, Kyoto University) / Dr. Michael Birt (Executive Director, Pacific Health Summit)

Our first “Summit” in Japan to debate healthcare issues was held at the United Nations University with the participation of health leaders representing variety of fields. Not only medical professionals but also opinion leaders in politics, government, academic circles, industry, patients and media gathered to debate issues from an integrated perspective.

The summit opened with greetings from then Minister of Health, Labour and Welfare, Mr. Hakuo Yanagisawa, followed by a presentation of 2007 public survey results given by James Kondo. Then, discussions developed in four separate sessions. Part 1 “Health Finance,” involved the exchange of views on the appropriate scale of Japan’s healthcare expenditures. Dr. Kurokawa acted as facilitator in Part 2 “Innovations in Healthcare,” where participants debated the role of private companies, medical institutions and government. In Part 3 “Lifestyle-related Diseases,” then Vice-Minister, Tetsuo Tsuji gave a presentation followed by several case studies provided by guest speakers. Part 4 “Multi-Party Debate” was a forum for debate among ruling and opposition parties on the role of politics in healthcare reform.

The Summit was a groundbreaking forum for inter-disciplinary debate on health policy.

3. Report of Our Work in FY2006

3-2. Symposium “Legislation for Regenerative Medicine”

Based on policy recommendations made by the Health Policy Institute, Japan, the challenges facing legislation for regenerative medicine were debated. The focus was on: ① evaluation/approval systems and ② cell bank issues.

The symposium began with a presentation of the key issues by Prof. Koji Kawakami (Kyoto University), who had directed our policy recommendation. Then, participants engaged in debate after an explanation by Dr. Satoshi Toyoshima (Pharmaceuticals and Medical Devices Agency) on the status of evaluation and approval systems for regenerative medicine technology and a presentation by lawmaker Rep. Yutaka Fukushima (New Komeito), representing “Diet Members for the Promotion of the Use of Autologous Cells in Regenerative Medicine”. Researchers, companies, journalists and other opinion leaders from a variety of fields, as well as lawmakers and bureaucrats were invited to the debate. Our policy recommendations and images from the symposium were introduced and covered by many newspapers and magazines.



Clockwise from top left; Dr. Masanori Nishiyama (Assistant Minister for Technical Affairs Minister's Secretariat, Ministry of Health, Labour and Welfare) / Rep. Ichiro Kamoshita (Member, House of Representatives, Liberal Democratic Party of Japan) / Rep. Yutaka Fukushima (Member, House of Representatives, New Komeito) / Mr. Osamu Nagayama (President and CEO, Chugai Pharmaceutical. Co., Ltd) / Dr. Satoshi Toyoshima (Executive Director, Pharmaceuticals and Medical Devices Agency) / Dr. Hatsuo Aoki (Chairman, Japan Pharmaceutical Manufacturers Association) / Mr. Mitsuru Miyata (Director, Bio Center, Nikkei BP Inc.)





3. Report of Our Work in FY2006

3-3. Policy Recommendations

Policy recommendations are formulated by independent committees based on discussion with policy leaders. They are announced to the media to foster broad public debate.

Policy Recommendation vol.3

“2006 Public Opinion Survey Results: Health policy issues and choices as defined by the Japanese public”

A nationwide public survey was conducted on citizens with voting rights, and a research report was compiled with the aim of collecting objective data on health policy choices desired by the Japanese public. The public survey offered valuable insights revealing that 60% of the public are dissatisfied with the current healthcare system, that more people are unhappy with the lack of public participation in decision-making, rather than healthcare itself and that many people believe that less funds should be spent on public works and that more should be allocated for the social security budget. The report also undertook statistical analysis on the relationship between satisfaction levels for various factors that define a healthcare system and the satisfaction level for the healthcare system overall, thereby clarifying the importance of each factor. It also presented seven critical themes for debate in future health policy.





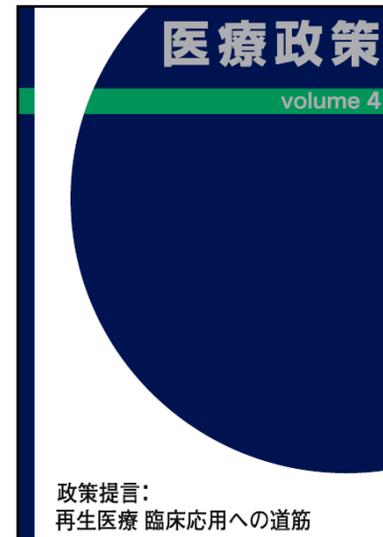
3. Report of Our Work in FY2006

3-3. Policy Recommendation

Policy Recommendation vol.4

“Policy Recommendation: Regenerative Medicine, The Road to Clinical Application”

A policy recommendation was made on regenerative medicine, a popular issue in recent years. The recommendation has two characteristics: The first characteristic is that research be limited to “regenerative medicine using adult tissues and somatic stem cells.” The employment of embryonic stem cells (ES cells) and fetuses entails many technological and ethical issues that require careful public debate. By suggesting that innovation should be initiated with the use of adult tissues and somatic stem cells, is a more practical direction. The second characteristic is that it should reflect voices from companies actually involved with regenerative medicine. A survey of companies, research institutions and investment firms engaged in regenerative medicine was conducted to understand their needs. The establishment of two policy measures, namely, a “Japanese FDA” and an “Open Cell Bank” were proposed.



Policy Recommendation vol.5



“Cancer Patients Opinion Survey: Report For the Resolution of Cancer Refugees”

“Cancer refugees” or cancer patients who do not have access to satisfactory treatment options, have become a significant social issue. This survey, based on a questionnaire survey covering 1186 cancer patients, revealed more details about the status of “cancer refugees.”

This survey has new two dimensions. Firstly, it was the first study to estimate the number of “cancer refugees,” their satisfaction level towards the current state of cancer treatment in Japan and their impact on national medical care expenditures. Secondly, it analyzed the policies required to resolve “cancer refugees” issues.

As a result of the survey, it became clear that ①53% of total cancer patients were “cancer refugees”; ② 90% of “cancer refugees” were dissatisfied with the current state of cancer treatment in Japan; ③ “cancer refugees” paid 50% more than “non-cancer refugee cancer patients” for healthcare services provided by health insurance (co-payments) and 70% more in total medical expenses, meaning that if the “cancer refugees” issue were to be fully resolved, national medical care expenditures could be reduced by a total of 520 billion Yen; and ④some effective breakthroughs for the resolution of the “cancer refugees” issue would include the “provision of information on the availability of specialists and outcome data for doctors and hospitals,” “repeated and unhurried explanation by the attending doctor to the patient”, “system of consultation with a familiar medical institution,” and “support for information gathering on the Internet.”



3. Report of Our Work in FY2006

3-4. Reporting on Research

Press Release “Public Survey on Healthcare in Japan 2007”

This year, again, a nationwide public survey on healthcare in Japan was conducted on 4000 citizens with voting rights chosen randomly; 1318 people responded. The 2007 survey focused on analyzing inequities in healthcare. For example, the ratio of citizens who fear that they will not be able to pay their medical fees in the future and the ratio of people who have the experience of refraining from visiting a medical institution for cost reasons, proved to be more than double among the “low-income, small assets” class compared to the “high-income, large assets” class. Regarding healthcare system ideals, it became clear that the lower the income and the smaller the assets, the more supportive people were of a “low-burden low-benefits / equity-oriented” healthcare system; those with large income and assets tend to have an inclination towards “high-burden high-benefits / equity-oriented” systems and “low-burden + self-choice” -type systems. The survey for this fiscal year also revealed the reality that 90% of Japanese public seek mandatory public and patient representation in government councils.

The analysis and recommendations compiled by our institution were presented in the *White Paper on Healthcare* and the *Weekly Toyo Keizai*. Furthermore, the published data was introduced in newspapers and magazines across Japan and was subsequently cited in many articles and research papers.





3. Report of Our Work in FY2006

3—5. Educational Activities

Breakfast Meetings

A forum for informal exchange with opinion leaders.

- Fourth meeting: Kenichi Hanioka (Senior Editor, *Nikkei Medical*) “How to Improve the Quality of Healthcare” May 2006
- Fifth meeting: Masako Ii (Professor, Hitotsubashi University & School of International and Public Policy) “Data-based Health Policy: Learning from Korea and Taiwan’s Experiences” July 2006
- Sixth meeting: Mayumi Honda (Staff writer, Social Security News Department, *The Yomiuri Shimbun*) “Healthcare from a Patient’s Viewpoint –Differences with Doctor’s Understanding, Surprises in the US” September 2006
- Seventh meeting: Kouji Kawakami (Professor, Kyoto University) “Development of Pharmaceutical Products and Bio-drugs and Approval Administration” November 2006
- Eighth meeting: ByungKwang Yoo (Assistant Professor, Department of Community and Preventive Medicine, School of Medicine and Dentistry, University of Rochester) “Medical Economics for “Reform”” January, 2007
- Ninth meeting: Hiroaki Yoshida (Director & Executive Vice President, e-solutions, inc.) “Preventing Lifestyle-related Diseases” March 2007

Proceedings can be accessed on our website. On-line registration is available for members.

Health Policy Clerkships

Young leaders who understand health policy agenda, including health finance, health security, health education and healthcare costs, and with leadership potential to create breakthroughs are needed in today’s medical community. Based on the understanding that good health policy is essential for better healthcare to be implemented in society, our Institute hosts the “Health Policy Clerkship” for medical students in March every year. Every year, about 20 students from medical school all around Japan participate in the program to broaden their perspectives, acquire problem-solving techniques, interact with decision-makers and review health policy. Enthusiastic participants sometimes continue to be involved in health policy as interns at our Institute.



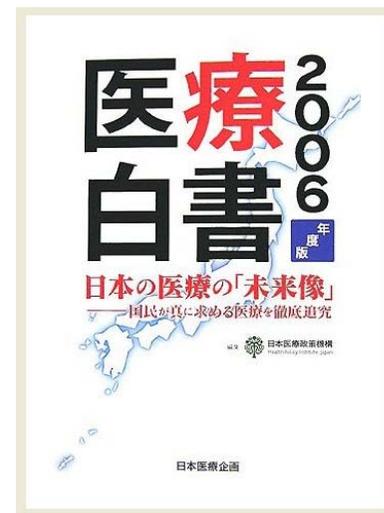


3. Report of Our Work in FY2006

3-5. Educational Activities

White Paper on Healthcare 2006

The *White Paper on Healthcare* is the only “White Paper” covering healthcare in Japan and enjoys a wide range of readers with high interest in healthcare issues. The 2006 edition was edited by the Institute and published by Japan Medical Planning Co., Ltd. It addresses a variety of health policy issues from a multifaceted perspective. Part 1 was based on the symposium, “Japan’s Decision: Health policy issues and choices as defined by the Japanese public” (hosted by Health Policy Institute, Japan, and the University of Tokyo Healthcare and Social Policy Leadership Program) and also introduced the analysis of the “Public Opinion Survey on Healthcare 2006.” Part 2 analyzed health planning in each region. Part 3 discussed key policy issues and Part 4, focused on important indicators of health policy.



Transmission of Information on Website



Our website is updated with information on our work and events, including symposiums and breakfast meetings. Online application for membership is also available. We seek to give society-wide access to information through regular updates on our work. URL: <http://www.healthpolicy-institute.org>



4. Our Organization

Organization



Board of Directors

Chairman

Kiyoshi Kurokawa

Special Advisor to the Cabinet Science, Technology and Innovation
Professor, National Graduate Institute for Policy Studies

Vice Chairman

James Kondo

Associate Professor, Research Center for Advanced Science and Technology, The University of Tokyo

Director

Ken Shibusawa

CEO, Shibusawa and Company, Inc.

Director

Michael Devlin

Principal, McKinsey & Company, Inc, Japan

Director

Kenichi Hanioka

Senior Editor, *Nikkei Medical*, Nikkei Business Publications, Inc.

Director

Yoshinori Hiroi

Professor, Department of Policy Studies, Faculty of Law and Economics, Chiba University

Director

Hiroaki Yoshida

Executive Vice President, e-solutions, inc.

Auditor

Tsuyoshi Dai

Attorney-at-law

(listed in Japanese alphabetical order,
as of March 31, 2007)



Board of Advisors 1

(listed in Japanese alphabetical order; courtesy titles omitted)

Hatsuo Aoki

President, Japan Pharmaceutical Manufacturers Association

Keiko Amano

Director, Chiba Prefectural Institute of Public Health

Yuichiro Anzai

President, Keio University

Matthew Anderson

Group Director for Communications, Brand Marketing, BskyB

Masaharu Ito

President, All Japan Federation of Social Insurance Associations

Hisao Endo

Professor, Gakushuin University
Member, Central Social Insurance Medical Council (MHLW)
Member, Social Security Council, Executive Committee on Very Elderly Health Policy

Keiko Okaya

Dean, Professor, Kindai Himeji University

Hisashi Katsumura

Member, Central Social Insurance Medical Council (MHLW)
Member, Patient Advocacy Group
Member, Japan Council for Quality Health Care



Board of Advisors 2

(listed in Japanese alphabetical order; courtesy titles omitted)

Hiroshi Kato

President Emeritus, Chiba University of Commerce
Professor Emeritus, Keio University

Kakutaro Kitashiro

Senior Advisor, IBM Japan, Ltd.

Hiroshi Komiyama

President, The University of Tokyo

Takeshi Sasaki

Professor, Department of Politics, Gakushuin University

Haruo Shimada

President, Chiba University of Commerce
Chairman, Economic Research Center, Fujitsu Research Institute

Ryozo Nagai

Professor and Chairman, Department of Cardiovascular Medicine, Graduate School of Medicine, The University of Tokyo

Osamu Nagayama

President and CEO, Chugai Pharmaceutical. Co., Ltd

Shuzo Nishimura

Executive Vice President, Kyoto University

Taizo Nishimuro

Advisor to the Board, Toshiba Corporation
President & CEO, Tokyo Stock Exchange, Inc.

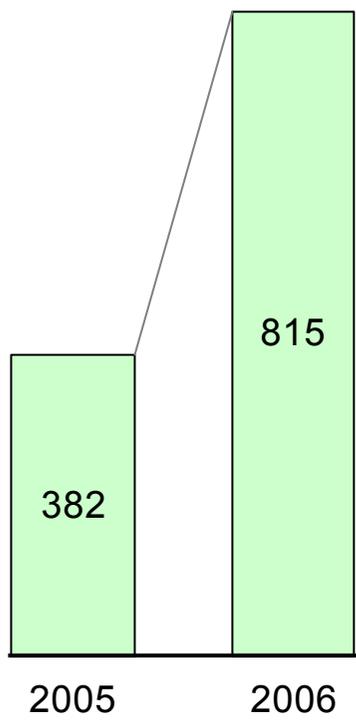
Hiroshi Yoshikawa

Professor, Graduate School of Economics, The University of Tokyo

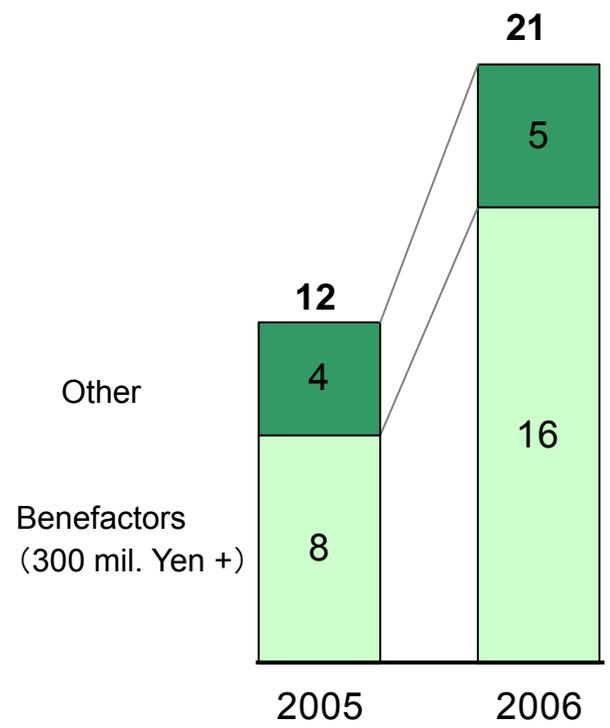


5. Financial Report/ Membership

Individual Members

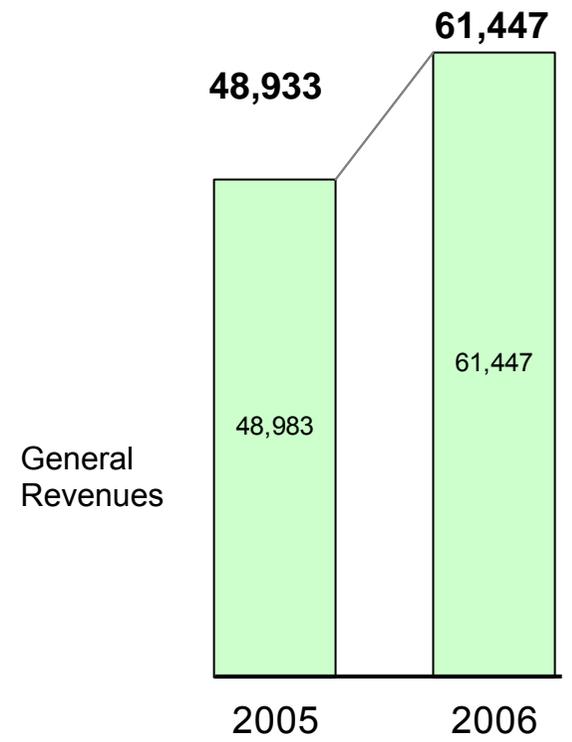


Corporate Members, etc



Revenues

(¥1,000)





6. Our Supporters

We would like to express our heartfelt thanks to our corporate members and those companies which have supported our activities with generous donations. We appreciate your continued support. Our corporate supporters during FY 2005-2006 are acknowledged below:

Benefactors

- Booz Allen Hamilton Ltd.
- Central Japan Railways Company
- GE Yokokawa Medical Systems CO.
- Glaxo Smith Kline K.K.
- Intel Corporation
- Janssen Pharmaceutical K.K
- Kirin Brewery Co., Ltd.
- Medtronic Japan Co., Limited
- Novo Nordisk Pharma
- Shinsei Bank, Limited
- Terumo Corporation
- Others (6)

(Corporate names listed in alphabetical order)

Patrons

- Edwards Lifesciences LLC
- Guidant Corporation
- Others (2)

Partners

- Kyowa Hakko Kogyo Co., Ltd.

Supporters

- Other (1)



7.How to Become Involved

We are happy to welcome new individual and corporate members who are willing to support our work

Individual Members

- Registered membership :free
- Supporting membership dues:10,000 Yen (annual)

An individual supporting member is a member who understands and supports the aims of the Health Policy Institute, Japan and enjoys:

- Access to member-only pages on website
- Invitations to forums, symposiums and lectures

Corporate Members

- Corporate membership dues: 100,000 Yen / unit (annual)
- A corporate supporting member is a corporate member that understands and supports the aims of the Health Policy Institute, Japan and enjoys the following privileges:
- Access to member-only pages on website
 - Invitations to special programs designated for corporate supporting members

The membership level of corporate supporters shall be determined by the total amount of dues and donations (100,000Yen / unit) extended:

- “Supporter” level: 1 unit
- “Partner” level: 2 to 9 units
- “Patron” level: 10 to 29 units
- “Benefactor” level: 30 units or more

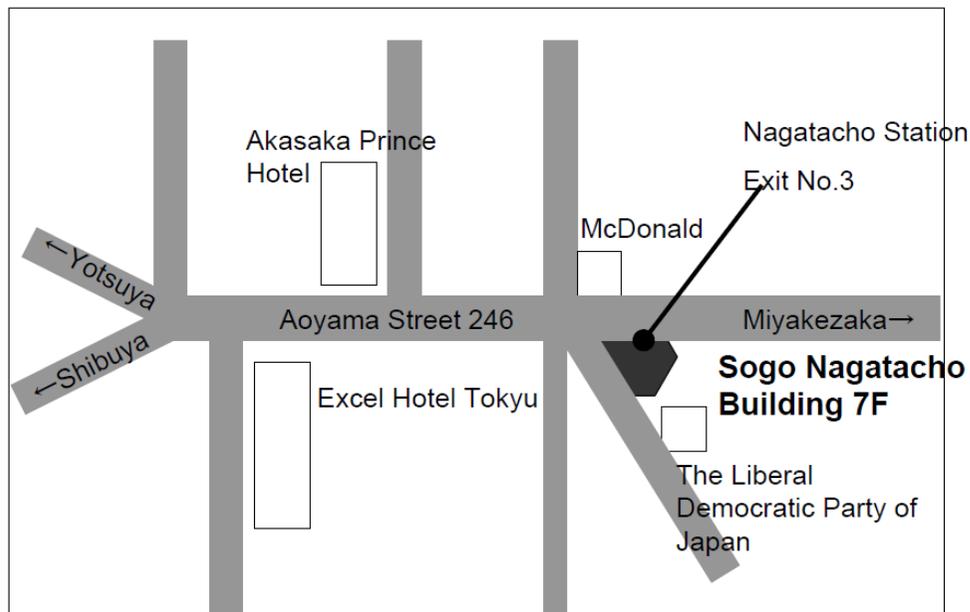
How to become a member

An application form is available online for supporting member and registered member candidates:

<http://www.healthpolicy-institute.org>



8.Location of Secretariat / Contact



Health Policy Institute, Japan

Sogo Nagatocho Building 7F,
1-11-28 Nagatocho, Chiyoda-ku, Tokyo 100-0014

Tel: 03-5511-8521

Fax:03-5511-8523

URL: <http://www.healthpolicy-institute.org>

E-Mail: info@healthpolicy-institute.org

Published by: Health Policy Institute, Japan

Chief Editor: James Kondo

Editors: Ayako Endo*, Hiraku Kumamaru, Masahisa Kogure, Hanako Shimada, Hiroko Shimada, Keiji Tomie, Ryoji Noritake, Seigo Hara, Satoshi Haraguchi, Yoshiro Banno, Takanori Fujita, Seiko Miyazawa, Etsuko Yamakoshi