6. Health Care System in a Transitional Society: A Taiwan Experience

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Editor's note: This paper is an exception of the lecture addressed at the IRFD-sponsored East Asia Regional Caucus, Geneva 2000 Conference. This is the first time that a minister is invited to deliver a lecture in the parallel event of UNGASS since 1971.

On 21st September 1999, the strongest earthquake the island had seen in a century struck Taiwan. Temblor cut power to most areas of the island and crippled much of the nation’s water and telecommunication system. Yet within an hour, the government had formed a crisis management team. The nation’s emergency and health care network also responded immediately to the injured. Thus the situation was under control within three days. Taiwan’s quick response proved in a very dramatic way the value of the nation’s well-organized and well-orchestrated medical and crisis management system.

This paper will first introduce the development and achievements of healthcare in Taiwan’s transitional society and will also address current concerns and future directions.

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I. History of Public Health in Taiwan

For the first stage of the development of public health in Taiwan, we have to look back to the period of the Japanese occupation from 1895 to 1945. The Japanese addressed many local public health problems: they built hospitals, established the first medical school in Taiwan, and began efforts to halt the spread of communicable diseases on the island. Their efforts not only reduced the death rate Japanese soldiers stationed in Taiwan, but also improved the health of the island’s general public.

Right after World War II, Taiwanese life expectancy was only 54.8 years with the infant mortality rate of 44.7 per 1,000 live births. Of a total population of 7.8 million then, 1.2 million were infected with malaria. Fortunately, with the generous help of many international organizations such as the World Health Organization (WHO), the UNICEF, and the US AID from 1950 to 1972, we were able to build a healthcare network that served as the foundation for the current healthcare system. Even though Taiwan left the United Nations (UN) in 1971 and the WHO in 1972, Taiwan has miraculously progressed far in both economic development and healthcare programs.

II. The Development and Achievements of Healthcare in Taiwan

There were four major achievements in healthcare during this transitional period worth mentioning.

1. Prevention and Control of Major Communicable Diseases

   During the 1960s, communicable disease control was Taiwan’s highest public health priority. The government eradicated, or put in check, several communicable diseases, such as malaria, plague, smallpox and rabies. In 1965, the WHO officially declared Taiwan was free of malaria. An intensive program for the control of hepatitis B began in 1982 and immunization against hepatitis B was implemented in 1984. A study shows that the island’s hepatitis B carrier rate stood at 10.5 percent before
the immunization program. Afterwards the rate fell to only 1.7 percent, a decline of 84 percent. Our experience in these areas could be of great help to other countries facing similar medical challenges in fulfilling the Copenhagen Commitments.

2. Success of Family Planning

A family planning program was initiated in 1964 to improve the nation’s quality of life. The program has been successful in slowing population growth and has also enhanced the social participation of women and promoted equal rights between the sexes. Surveys show around 82 percent of all married women, aged 22 to 39, using contraception. With fewer children, people are enjoying a higher quality of life, better education and fairer distribution of social resources.

3. Enhancement of Medical Care Resources

The nation’s death rate fell during the 1960s with non-infectious diseases outnumbering deaths from communicable diseases. Meanwhile, the Taiwanese people prospered. As a result of the Taiwanese prosperity, the demand for healthcare in Taiwan has increased rapidly since the 1970s.

Health policies in the 1970s in Taiwan aimed at exploring healthcare resources to meet the challenge of rising demand. First, the government decided to increase medical school enrollments to develop high-quality medical care manpower. Now we have 1,200 medical graduates per year. In 1983, the government initiated a group practice center program, in which the government would assign medical scholarship physicians to serve in rural areas. Secondly, the government continued to build and expand public hospitals to provide healthcare. The government also established a medical care development fund to encourage the private sector, through subsidized loans, to open medical care institutions in underserved areas. In 1985, a national medical care network program was begun to oversee the fair distribution of healthcare resources in both the public and private sectors. Currently, we have approximately one physician per 700 people, though the distribution is still far less than ideal.
4. Implementation of National Health Insurance Program

In March 1995, the National Health Insurance (NHI) Program was implemented to make health and medical care available to all citizens. By the end of 1999, 96 percent of the population had enrolled in the NHI program under which the previously uninsured elderly and young children were also covered. With about 94 percent of all private and public medical care institutions contracted with the Bureau of NHI, our people now have easy universal and equitable access to quality health services without financial discrimination. Surveys the public satisfaction with the NHI Program has risen from 33 percent at the beginning to 75 percent at present. With universal enrollment, better access to medical care and higher public satisfaction, the NHI has accomplished its objectives, a similar goal to those of the Copenhagen Commitments.

III. Current Health Status

As of 1999, Taiwan’s 23 million people had a life expectancy of 72.28 years for men and of 77.97 years for women, an increase of 20 some years over the last 40 years. The crude birth rate was 12.89 and the crude death rate 5.73. The infant mortality rate was 6.07 per 1,000 live births and the maternal mortality rate was 8.46 per 100,000 live births. Our health status was comparable to that of the industrialized countries. The British journal *The Economist* ranked Taiwan’s health status as 13th worldwide. However, with great social changes sweeping across Taiwan, we are also facing similar challenges and tasks as other countries, including the problems of a rapidly aging society. At present, about 8.5 percent of the total population in Taiwan is aged over 65.

Among these elderly Taiwanese, 90,000 (about 5.5 percent) are not healthy enough to live independently; and 840,000 (50.2 percent) though not healthy, can attend to their daily lives. It is expected that by 2020 14 percent of the total population will be over 65. Therefore, Taiwan’s aging population is a major concern not only in our health planning and policy, but also in our social and economic policymaking. The aging of society is a potential great burden for all the developing countries.
IV. Future Directions

With the coming of the 21st century, our healthcare system is facing new tests and challenges. In addition to continuing the current healthcare programs, we will gauge and fine-tune our healthcare policies by the actual needs of society. During the past month, I kept asking myself, what could I do to help patients and society avail themselves to the full benefits of our healthcare services? How do these services, and the way they are delivered, improve the quality of healthcare and how will they improve the quality of life of the people who receive them? I think, the following areas will need immediate attention.

1. Reforming the NHI Program.

Since the implementation of the NHI, we have made great progress in providing nearly the entire population with equal access to healthcare. Although there is high public satisfaction with this program, the rapid growth of health expenditure has forced us to encounter greater financial difficulties. Therefore, reforming the current system is our immediate task. To guarantee the rights of the public to appropriate healthcare and ensure the lasting management of the program, we have established a task force to evaluate the program and to propose, within six months, solutions for both the short-term and long-term. The plans being considered now are a global budget system, DRGs and a medical expense account system.

2. Seeking Efficiency and Quality of Health Services

Although Taiwan has already had a high quality of healthcare compared with other countries, we still need to review the quality and effectiveness of services provided, a need stemmed from a range of pressures. Most importantly, the rapid development of new diagnostic techniques and increase of treatment options, together with a finite allocation of resources for health spending compel us to rethink how health services should be provided.
3. Improving Care of the Elderly

In the last decade, the problem of how to deal with a larger and larger older population has been nearly universal. Taiwan, of course, is no exception. Since July 1998, the government has initiated a three-year plan for the long-term care of the elderly. First, we will set up a consolidated service network and establish institutional care facilities to satisfy the increasing needs of long-term care. Secondly, for those who can care for themselves, we have integrated and strengthened the community-based care facilities and trained more workers for long-term care. Thirdly, we will set up a system of accreditation to ensure the quality of long-term care establishments. Fourthly, to ensure better quality of life for the elderly, we plan to implement a universal immunization program of influenza and pneumococcus vaccination. Meanwhile, we will also focus on issues such as public education on long-term care and seek support from other related organizations. We hope to maintain a comprehensive and continual long-term care system through these plans.

4. Promoting International Cooperation

In the coming millennium, it will become increasingly important to promote international cooperation, to exchange information, to share medical care technologies, and to research and train for the global promotion of humans’ well being. But what is more important is for those who have the proper resources to help those in need, to work hand-in-hand with each other to promote the health and welfare of all people of the world. There is a good lesson to be learned in the September 21 earthquake. A total of 728 rescue workers from 21 countries came to help us. The love and dedication of those people transcended national boundaries and political beliefs. It once again demonstrates that caring has nothing to do with politics, race or gender. People of Taiwan will never forget those volunteers and will always remember the compassion and courage they displayed in helping us endure through our darkest hours. Therefore, we are grateful and sincerely hope to reciprocate these acts of kindness to the international community.
V. In Conclusion

While seeking better health for people in Taiwan’s changing society in the past decades, we believe we are capable and willing to share with other countries our successful experience in such areas such as malaria eradication, hepatitis control, family planning, primary healthcare, national health insurance, healthcare information and others. We are also prepared to share with other countries our resources and experiences in funding, technology, manpower, vaccines, and medical resources.