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Health and Medical Services of Japanese Agricultural Cooperatives

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Introduction

Farmers are exposed to the risk of injury from the misuse of agricultural machinery and occupational diseases such as poisoning from agricultural chemicals. In addition, the percentage of the aged, who require more intensive health and medical care than youth, is larger in rural than in urban areas; however, the accessibility to health and medical facilities in rural areas is usually not as easy as in urban areas, which is one of the major problems in Japanese rural society. Japanese agricultural cooperatives approach this problem by providing health and medical services on their own account. Thus, this paper aims to outline the history and current situation of agricultural cooperatives' health and medical services.

The history of health and medical services of agricultural cooperatives

The prototypes of today's Japanese agricultural cooperatives were industrial associations. The Industrial Association Act (IAA), which was enacted in 1900, presented the first legal framework in Japan whereby the economically weak, such as consumers and farmers, secured themselves by forming cooperatives, called industrial associations, in the development phase of capitalism. Industrial associations (not only individual industrial associations, but also federations of industrial associations) were allowed to do four types of business: credit business, purchasing business, marketing business, and utilization business.

At first, there were no industrial associations that provided health and medical services; however, recognizing the increasing demands from farmers, an individual industrial association in Aohara, a village in Shimane Prefecture, opened a hospital in 1918 on its own account as part of its utilization business, and many industrial associations (both individual industrial associations and federations of industrial associations) followed this example. As of 1942, 86 individual industrial associations and 56 federations of industrial associations carried out health and medical services¹.

In 1943, on a war footing, industrial associations were reformed into agricultural associations, which took over the provision of health and medical services throughout the duration of the Pacific War. While farmers had had the freedom of not participating in any

industrial associations under the previous system, all farmers were legally required to participate in agricultural associations in their dwelling villages.

In 1948, the General Headquarters of the Allied Powers dissolved agricultural associations and launched a new cooperative system by enacting the Agricultural Cooperative Act (ACA). As was the case with the IAA, the ACA allowed agricultural cooperatives to provide not only agricultural services, but also various types of non-agricultural services including health and medical services.

The Koseiren Group: Federations of agricultural cooperatives for health and medical services

Postwar technologies in the health and medical industries have become much more advanced than those from the prewar period, and as a result, individual agricultural cooperatives are often too small to prepare sufficient personal and financial resources for providing a stable supply of health and medical services. Thus, postwar agricultural cooperatives' health and medical services are mainly provided not by individual agricultural cooperatives, but by special federations of agricultural cooperatives². Currently, there are 34 such federations in Japan, which maintain close contact with one another and are commonly called the Koseiren Group.

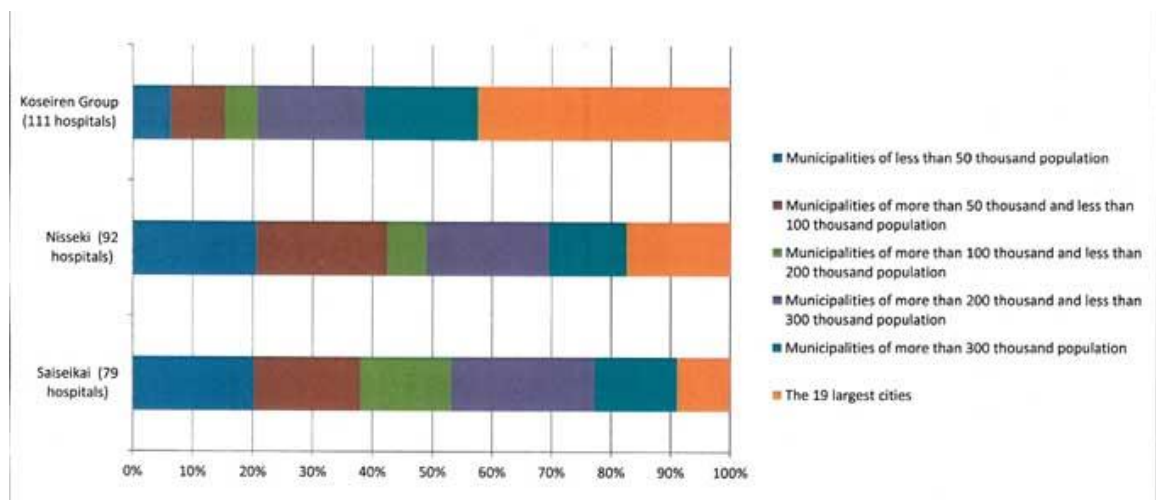
The Koseiren Group is involved in three fields of health and medical services: (1) medical treatment, (2) health maintenance services, and (3) nursing care for the elderly. Recognizing the indispensability of health and medical services in daily life, the government grants special flexibility to the Koseiren Group in providing their services to those who hold no membership to agricultural cooperatives. Precisely, while the ACA holds the principle that non-members use of agricultural cooperatives' services (including those of federations of agricultural cooperatives) must be less than one-sixth of the total amount of services, the ACA treats health and medical services as exceptional to this principle and allows use by nonmembers of half of the total amount.

Medical treatment from the Koseiren Group

At the end of the 2013 fiscal year (the Japanese fiscal year starts on April 1 and ends on March 31 of the next calendar year), the Koseiren Group had 111 hospitals and 47 clinics, which treated 17,989 outpatients and 9,975 inpatients during the 2013 fiscal year.

The government provides financial support to hospitals operated by the Koseiren Group by giving them the title of "public medical institutes;" this title is given to hospitals that are actively engaged in socially valuable but scarcely profitable medical activities such as medical treatment in remote areas and for intractable diseases. Besides the Koseiren Group, the Japanese Red Cross Society, commonly known as Nisseki, and the Social Welfare Organization Saiseikai Imperial Gift Foundation, Inc., commonly known as Saiseikai, are also designated as public medical institutes, although the Koseiren Group is more popular than Nisseki and Saiseikai in sparsely populated areas (Fig. 1)³.

Fig. 1. Distribution of hospitals designated as 'public medical institutes' by the population size of municipality



Note: As of March 31, 2014.

Source: JA Zenchu, *JA Fact Book*, 2015.

Health maintenance services of the Koseiren Group

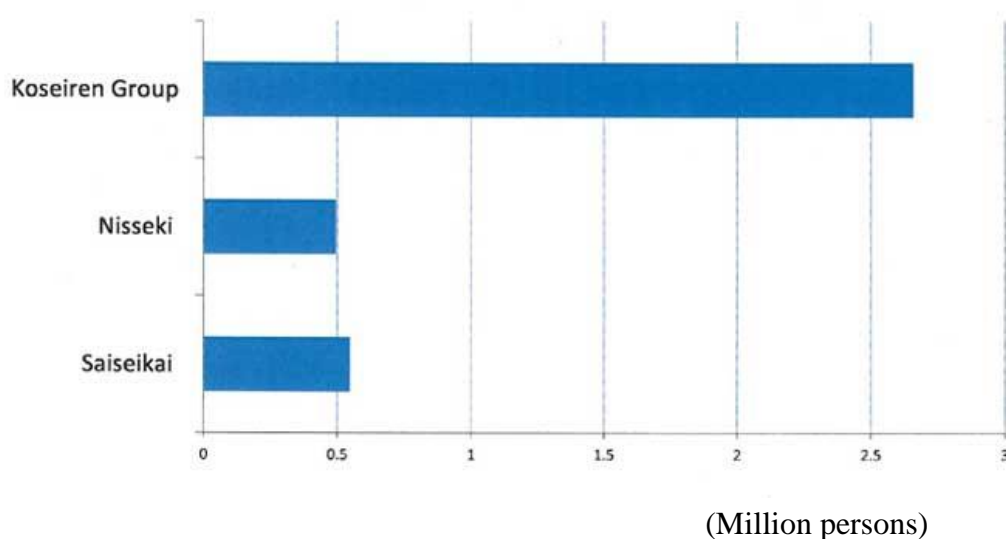
Medical check-ups are the most effective means of maintaining good health. Besides hospitals, the Koseiren Group has 22 special stations and 221 special vans for medical check-ups (as of the end of the 2013 fiscal year). In the 2013 fiscal year, the Koseiren Group provided check-ups for lifestyle-related diseases to more than three million people (including more than 500 thousand people who received complete physical examinations) (Table 1), and while Nisseki and Saiseikai also provide medical check-ups, their number of examinees is much smaller (Fig. 2).

Table 1. The number of medical examinees for lifestyle-related diseases and multiphasic health screening at the Koseiren Group's facilities

Fiscal year	Medical examinees for lifestyle related diseases (excluding multiphasic health screening)	Medical examinees for multiphasic health screening
1970	548,482	12,390
1975	733,941	20,058
1980	1,364,692	68,541
1985	1,934,534	104,343
1990	2,330,760	221,220
1995	2,876,133	357,604
2000	2,727,099	369,366
2005	3,035,569	432,754
2010	2,876,942	489,562
2013	2,650,662	509,118

Source: JA Zenchu, *JA Fact Book*, 2015.

Fig. 2. The number of medical examinees for lifestyle related diseases (excluding multiphasic health screening)



Note: As of 2013 fiscal year (from April 1, 2013 to March 31, 2014).
Source: JA Zenchu, *JA Fact Book*, 2015.

Nursing care for the aged from the Koseiren Group

Japan is known as one of the most rapidly aging societies in the world, and the elderly ratio is particularly high in rural areas; for example, according to the 2010 Agricultural Census, the average age of the agricultural workforce exceeded 65. As such, agricultural cooperatives face strong demands for nursing care for the elderly.

Special public programs for elderly nursing care referred to as “long-term care insurance” started in 2000, and the following Koseiren Group facilities are engaged in the program: 50 hospitals and clinics, 106 stations for home nursing, 32 geriatric health service facilities, five intensive-care old people's homes, 99 stations for in-home long-term care support providers, six stations for caregiver public nursing care, one facility for home-visit bathing for long-term care, eight day care centers, four short-stay service facilities, and two facilities for communal daily long-term care of dementia patients.

Notes

1. Details of industrial associations' health and medical services are discussed in Takashima, Yuko, “The Historical Characteristics of the Medical-Care Utilization Co-operatives Movements: Its Relation to the Formation Process of the National Health Insurance System in Japan,” *Socio-environmental Studies* (Kanazawa University) Vol.11, No.3, 2006.
2. There are cases of individual agricultural cooperatives providing health and medical services by themselves. Currently, one hospital, nine clinics, and 302 elderly care facilities for the aged are operated by individual agricultural cooperatives (data source: <http://www.e-stat.go.jp/SG1/estat/List.do?lid=000001119700>).
3. The government designates hospitals that permanently send doctors to clinics (including traveling clinics) in villages without hospitals as “base medical centers in remote rural areas.” Among the 111 hospitals operated by the Koseiren Group, 22 are designated as “base medical centers in remote rural areas,” as compared to 15 of the 92 hospitals operated by Nisseki, and eight of the 79 hospitals operated by Saiseikai. As such, the Koseiren Group provides more medical services in rural areas than Nisseki and Saiseikai.

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