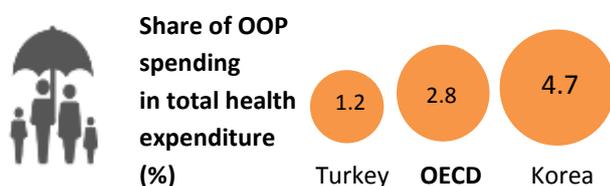


In the past 30 years, Korea has gone from having a limited medical infrastructure, fragmented financing and limited population coverage, to a health care system characterised by universal coverage and one of the highest life expectancies in the world, while still having one of the lowest levels of health expenditure among OECD countries. Based on available OECD analyses, further progress is called for to address underlying causes of poverty and inequality, develop a stronger and scaled-up primary care system and foster effective prevention strategies.

Improve access to care and comprehensiveness of coverage

► **Korea reports the highest share of out-of-pocket (OOP) consumption allocated to medical care across OECD countries.** In 2013, the share of OOP spending allocated to medical care is 1.7 times higher in Korea than the OECD average.



The burden of out-of-pocket spending may create a barrier to health care access and use. Households that face difficulties paying medical bills may delay or forgo needed health care.

Overall, 37% of health spending in Korea is financed directly by households. In part, this explains why one out of twenty-five households were exposed to catastrophic health expenditure, the highest share across OECD countries.

What can be done?

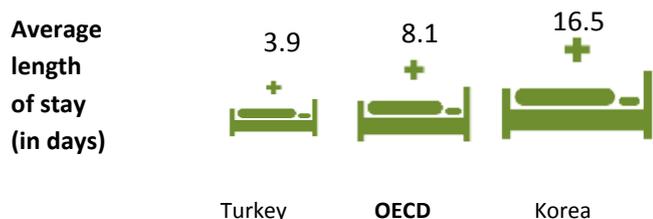
- Carefully review the nature of the benefit package funded by the health insurance and the cost-sharing requirements to strike a balance between costs and risk protection
- Enhance policies to protect individuals, in particular vulnerable population groups, against financial risks of ill health and improve access to needed services
- Focus on depth of coverage for cost-effective care

To read more about our work:

[Health at a Glance 2015](#)

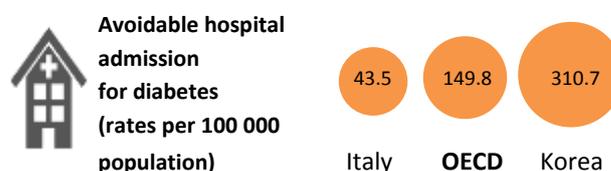
Promote appropriateness of hospital care

► **Over-provision of hospital treatment is a major quality issue in Korea.** Korea has some of the highest levels of supply of hospital services amongst OECD countries. While other OECD countries have been bolstering community based-services and reduced the number of hospital beds, Korea has seen a major expansion of the hospital sector. In 2013, the country had the highest number of hospital beds and the longest average length of stay across the OECD. A patient admitted to a hospital in Korea is likely to stay twice the time a patient stay – on average – across OECD countries.



The significant acute care capability in the Korean health system may not be appropriate at a time when the burden of disease is shifting towards chronic diseases. A major challenge for the Korean financing system would be to build better incentives for appropriate care.

► **Potentially avoidable hospital admissions in Korea are too important.** Avoidable admissions for chronic conditions (such as asthma and diabetes) are significantly above the OECD average, suggesting unnecessary use of expensive hospital care.



What can be done?

- Improve appropriate care in primary care settings to reduce preventable hospital admissions
- Expand DRG-based payments across the entire hospital sector and across as many categories as clinically feasible
- Along with global budgeting, introduce selective contracting with providers based on performance
- Pilot the use of “bundled payments” that prospectively combine payment for a hospital admission as well as a reasonable number of pre and post-admission services

To read more about our work:

[Cardiovascular Disease and Diabetes: Policies for Better Health and Quality of Care](#)

Address gaps in mental health

► **The suicide rate is the highest in the OECD area and has more than doubled since 2000.** It is particularly high for men in older age categories, but it is also the number one cause of death among teenagers in Korea.



Early detection of psycho-social problems by families and health professionals is an important part of suicide prevention campaigns, together with the provision of effective support and treatment. Mental health services in Korea lag behind those of other countries, with fragmented support focused largely around institution, and insufficient support services provided to those who remain in the community.

Excess mortality from mental health disorder (which is an indicator of the quality of care in the community) is also a source of great concern. Korea reports the third highest excess mortality rates from schizophrenia and bipolar disorder across OECD countries.

What can be done?

- Make psychological therapies more widely available, for example in the outpatient clinic or community facilities
- Establish community-based programmes of cognitive behavioural therapy delivered by primary care practitioners
- Focus on improving integration of care, including between mental health and physical health care

To read more about our work:

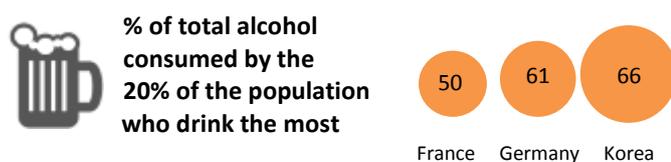
[Making Mental Health Count \(2014\)](#); [Health at a Glance 2015](#)

Address harmful use of alcohol, in particular in individuals with low education

► **Both men and women with low education are more likely to be hazardous drinkers than more educated ones.**

The probability of an average man aged 40, with low educational level, to engage in hazardous drinking is six times higher than in Canada for example.

The distribution of alcohol drinking is also heavily concentrated. In Korea, the heaviest-drinking 20% of the population drink 66% of all alcohol.



What can be done?

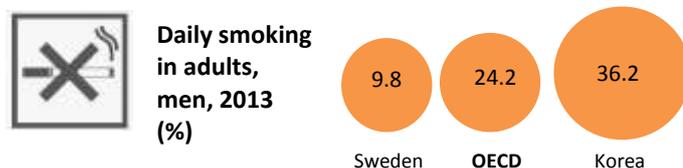
- Alcohol policies should target heavy and hazardous drinkers first, but broader policy approaches are also required to tackle harmful drinking
- Make the blood alcohol concentration levels for young drivers and professional drivers more restrictive
- Apply legally binding policies concerning – in particular - regulation of sales promotion of alcohol beverages and restrictions for sales in petrol stations

To read more about our work:

[Tackling Harmful Alcohol Use: Economics and Public Health Policy \(2015\)](#)

Reduce smoking rates

► **Although the male smoking rate has fallen over the last ten years in Korea, it is still amongst the highest in the OECD.** Tobacco is a major risk factor for at least two of the leading causes of premature mortality: cardiovascular diseases and cancer.



One in five deaths among adults aged 30 years and over are attributable to tobacco in Korea, almost twice the proportion reported in the Western Pacific region.

What can be done?

- Develop comprehensive tobacco control policies, with an emphasis on increasing tobacco taxes, enacting smoke-free policies and banning tobacco advertisements, promotions and sponsorship
- Target anti-smoking campaigns and smoking cessation programmes to low socio-economic people

To read more about our work:

[Health at a Glance 2015](#)

[Cardiovascular Disease and Diabetes: Policies for Better Health and Quality of Care](#)