Improvement of the National Health Insurance Coverage through Efficient Medical Expenditure

The accessibility to medicines has been expanded dramatically within a relatively short period in Korea since the National Health Insurance was established in 1989. Furthermore, the national health care system has been found to be efficient due to the higher life expectancy and lower infant mortality rates than those of OECD even with low medical expenditure.

The national health care system is, however, facing a plethora of problems and no longer seem efficient. The public health insurance in Korea which is the most essential social security net for the citizens' right of health has the lowest coverage level among OECD countries. Of course, the government has been injecting the astronomical funds to ameliorate the situation over the last decade. Unfortunately, however, the situation remains unchanged because the medical expenditure has been growing much faster than the invested finances.

The past health care policies have focused only on the input side such as continuous injection of funds to enhance the public health insurance coverage without considering the expenditure side. It is urgent to discover the causes of the dramatically increasing medical expenditure and induce the efficient medical expenditure, especially under the fast aging population. Hopefully this study suggests direction of improvement of the National Health Insurance Coverage through Efficient Medical Expenditure.