2025 제22차 국제연수과정

NHIS UHC GLOBAL ACADEMY

NHIS National Health Insurance Scheme of Korea

Song Ji-won, Deputy Director
Department of Global Cooperation & Development, NHIS

Contents

2025 제22차 국제연수과정

NHIS UHC GLOBAL ACADEMY

h·well NHIS National Health Insurance Service

01 Overview

1-1

Overview of NHI Scheme

Major Characteristics of NHI

97.1% population coverage(2024)

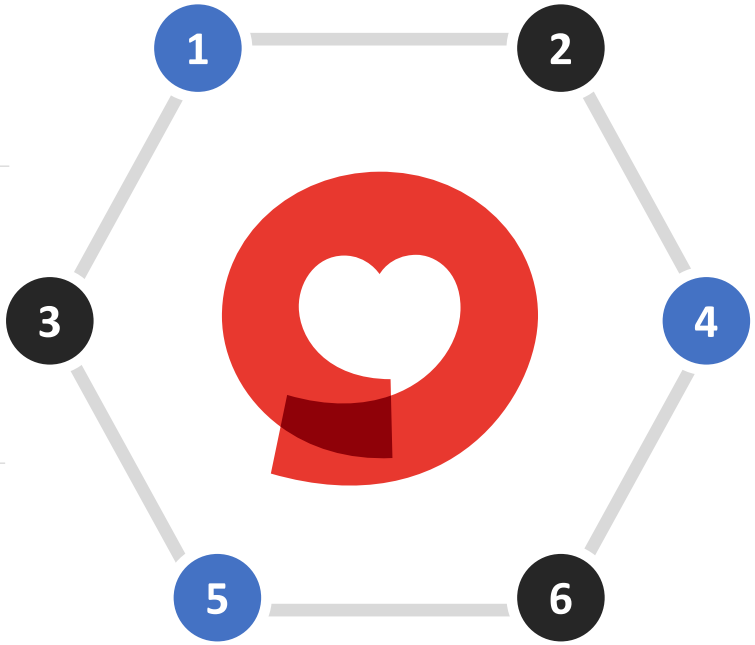
Healthcare coverage for all
by National Health Insurance (NHI) scheme

Private Provider Domination

94.8% of Healthcare Facilities
(No. of providers: 101,762 as of 2023)

Comprehensive NHI Benefits

64.9% of coverage (2023)



Single Insurer

- National Health Insurance Service(NHIS)
- Receiving mandatory contribution from the insured
- Purchasing : Monopsony power

High Accessibility to Healthcare

Mandatory Participation by NHI law

Low Healthcare Expenditure

8.5% of GDP as of 2023
The OECD average : 9.1%

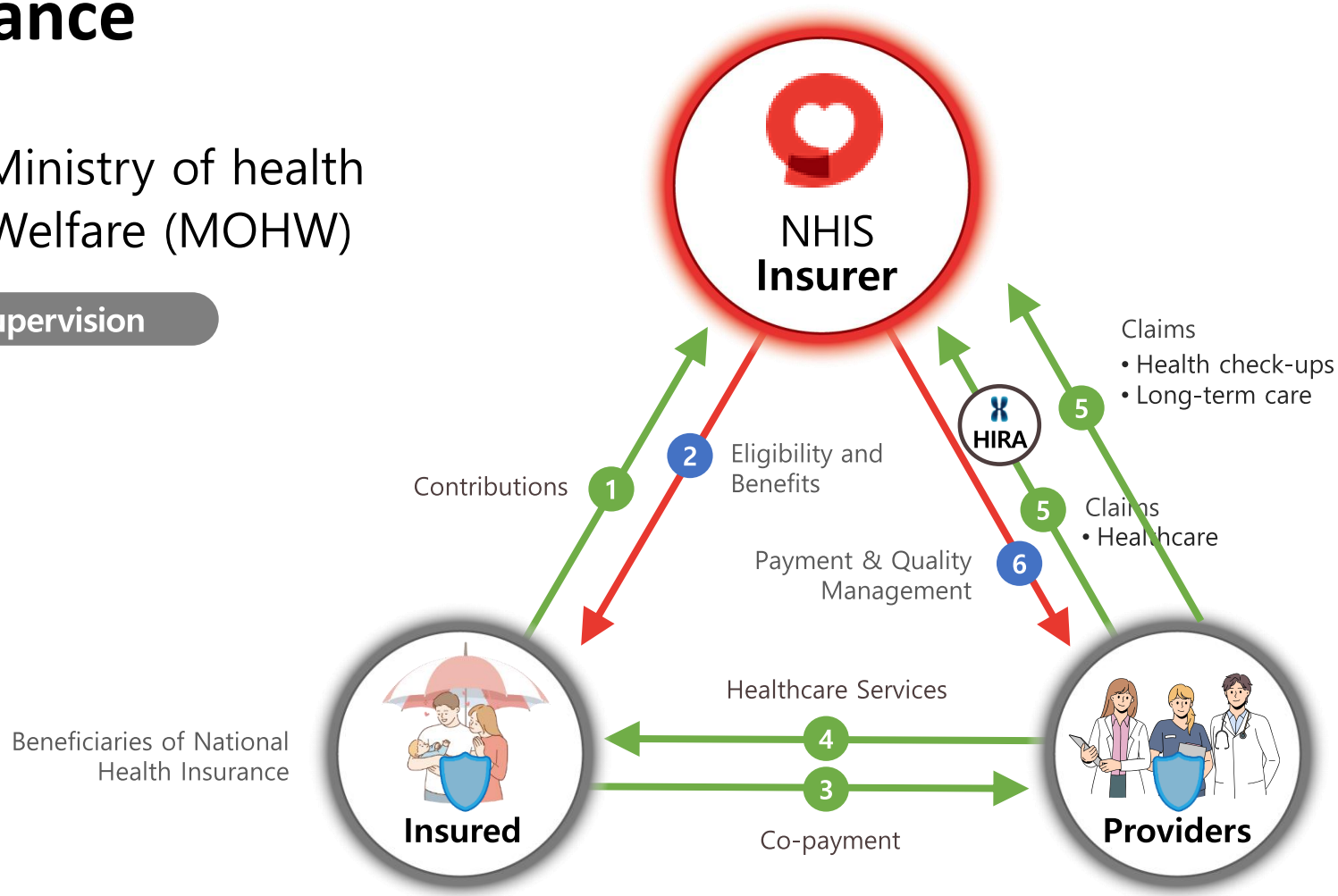
1-2

Overview of NHI Scheme

Governance

The Ministry of health and Welfare (MOHW)

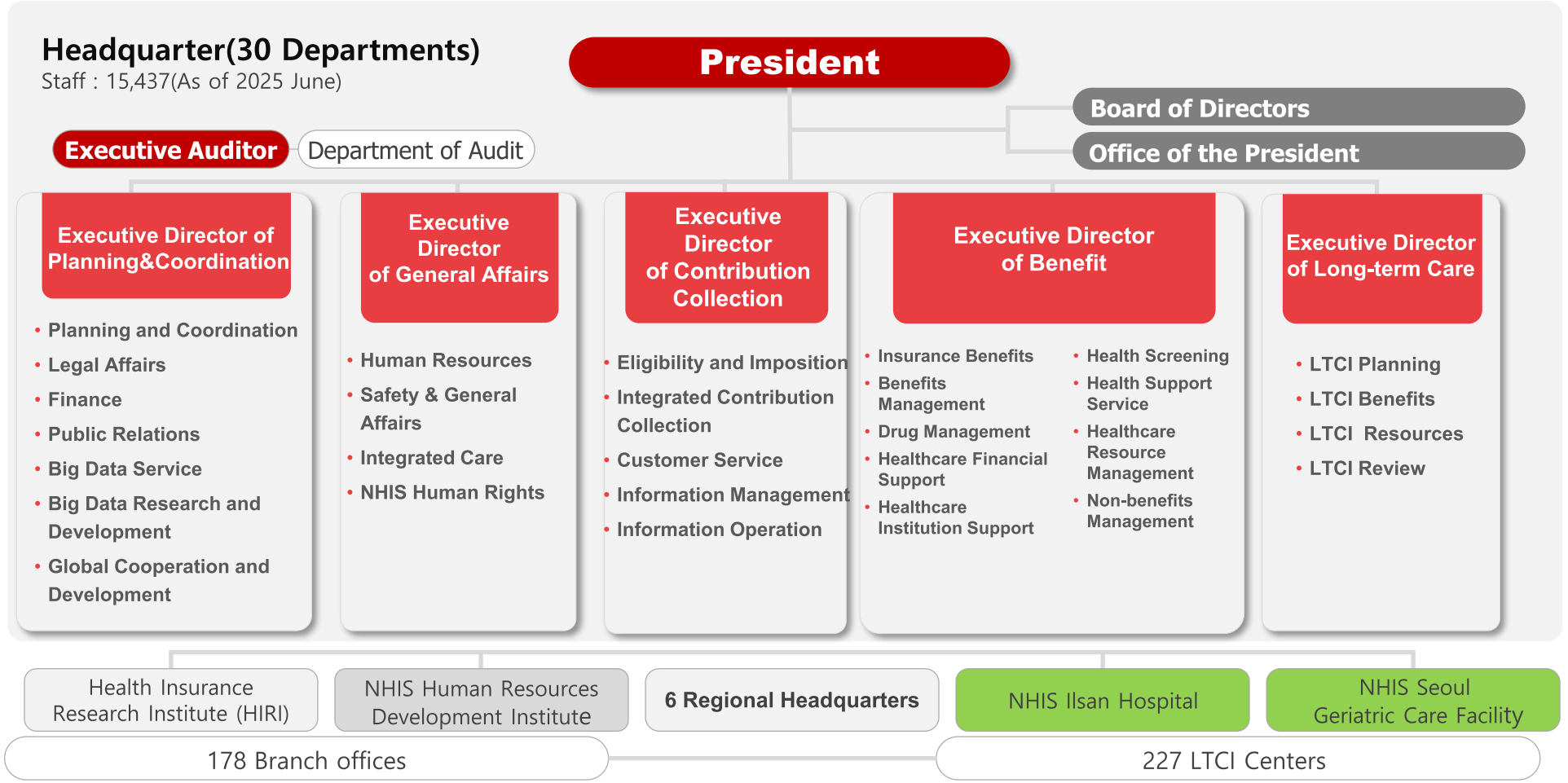
Policy, Supervision



1-3

Overview of the NHI System

Organizational Chart of NHIS



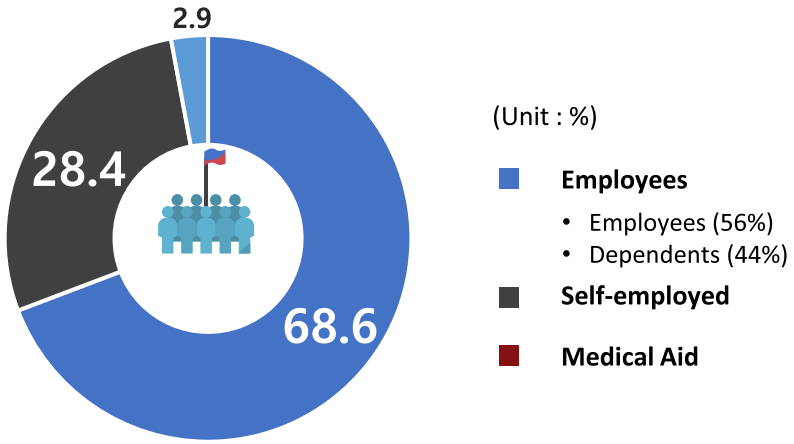
1-4

Overview of the NHI System

Population Coverage & Sources of Finance

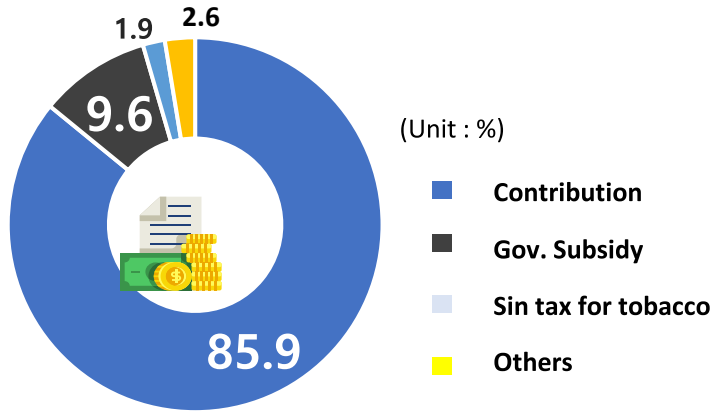
Population Coverage (**2024**)

- **The Insured of NHI : 97.1% (51.4 million)**
  ※ Foreigners : approx. 1.6 million persons included
- **The Medical Aid : 2.9% (1.5 million)**



Sources of Finance (2024)

- **Total Income: 99 trillion KRW (72.3 billion) USD)**
  - Contribution : 83.9 trillion KRW
  - Dependents are exempt from paying contribution
- **Subsidy : 12.1 trillion KRW (8.8 billion USD)**



<Source: 2025, NHIS>

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NHIS UHC GLOBAL ACADEMY

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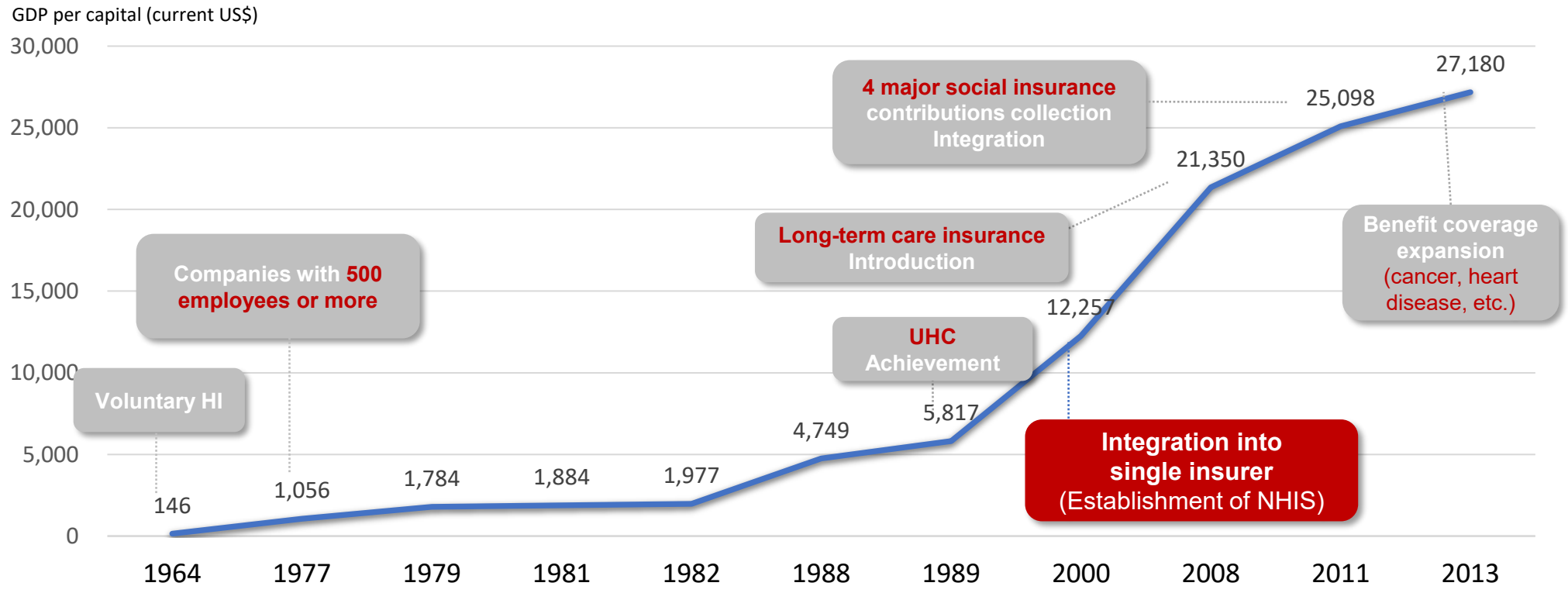
02

Pathway way to Single Insurer

Pathway to Single Insurer

2-1

Pathway to Single Insurer
Major Milestones



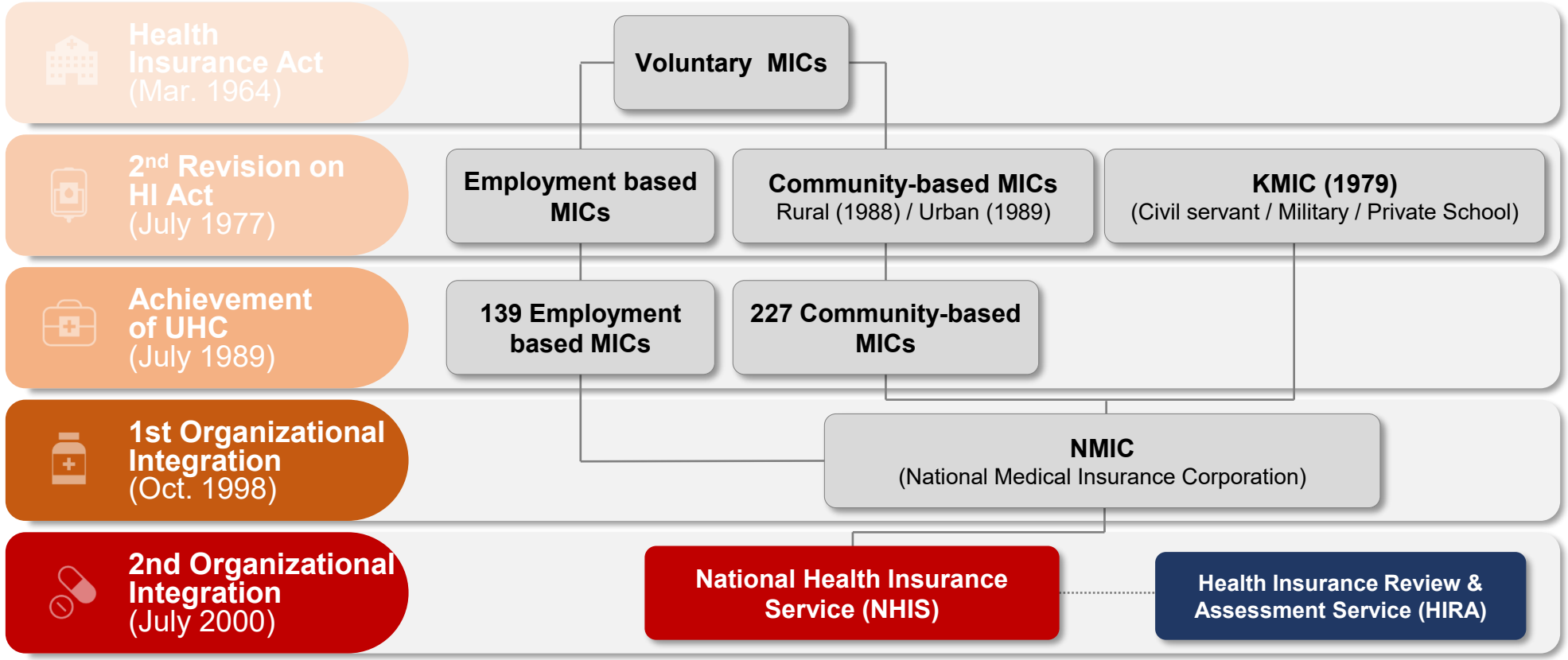
Source: World Bank Open Data

Pathway to Single Insurer

2-1

Pathway to Single Insurer

5 Phases of Transition from Multiple-insurers to Single-insurer



· **MIC**: Medical Insurance Cooperative · **KMIC**: Korea Medical Insurance Corporation

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03

Operations Management

Operations Management

3-1

National Health Insurance Scheme of Korea

Eligibility and Data Linkage

3-2

Operations Management
Eligibility

Main Category	Subcategory	Members
Insured Employees	Workers	Employees at business establishments, employers, public servants, teachers
	Dependents	Persons who primarily rely on insured employees for their livelihood and whose wages or income fall below the legally defined threshold
Self-Employed Insured persons	-	All other NHI subscribers excluding the above

Examples of NHI subscribers

- I work at the NHIS and receive a monthly salary. My daughter is a minor without any income.
- My parents are retired, but they still have income and assets.

Eligibility Management

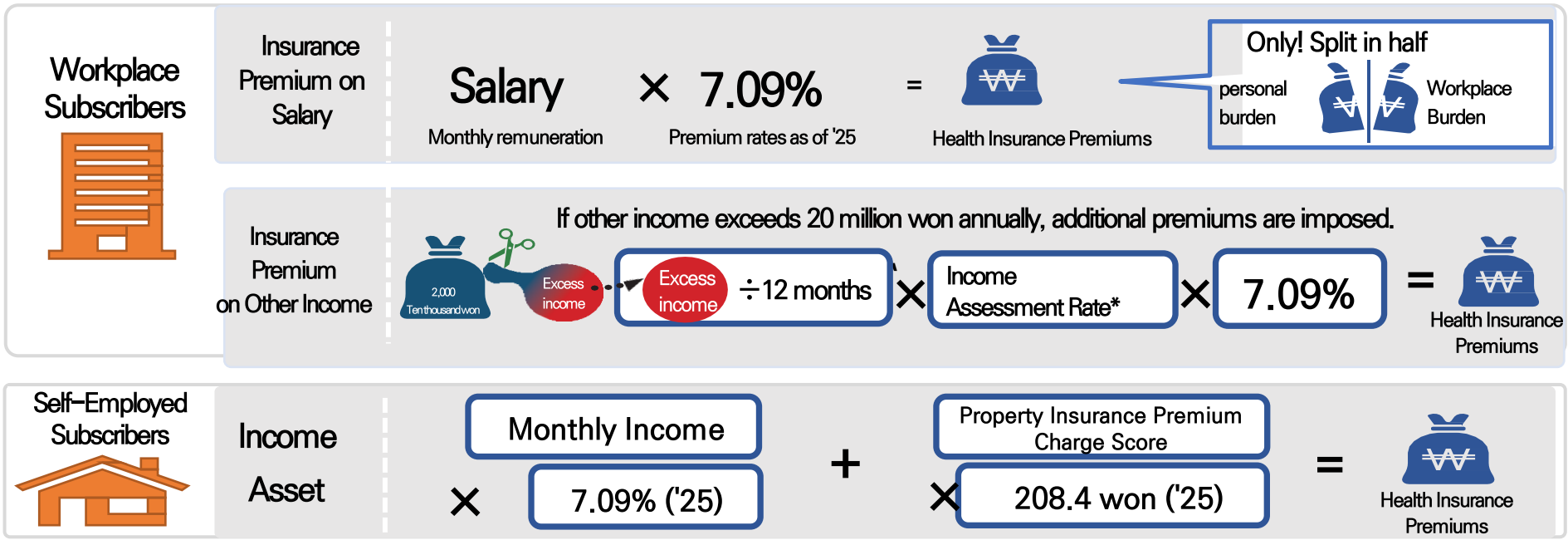
- NHI card numbers and resident registration numbers

3-3

National Health Insurance Scheme of Korea

Contribution Imposition

- Current Health Insurance Premium System:

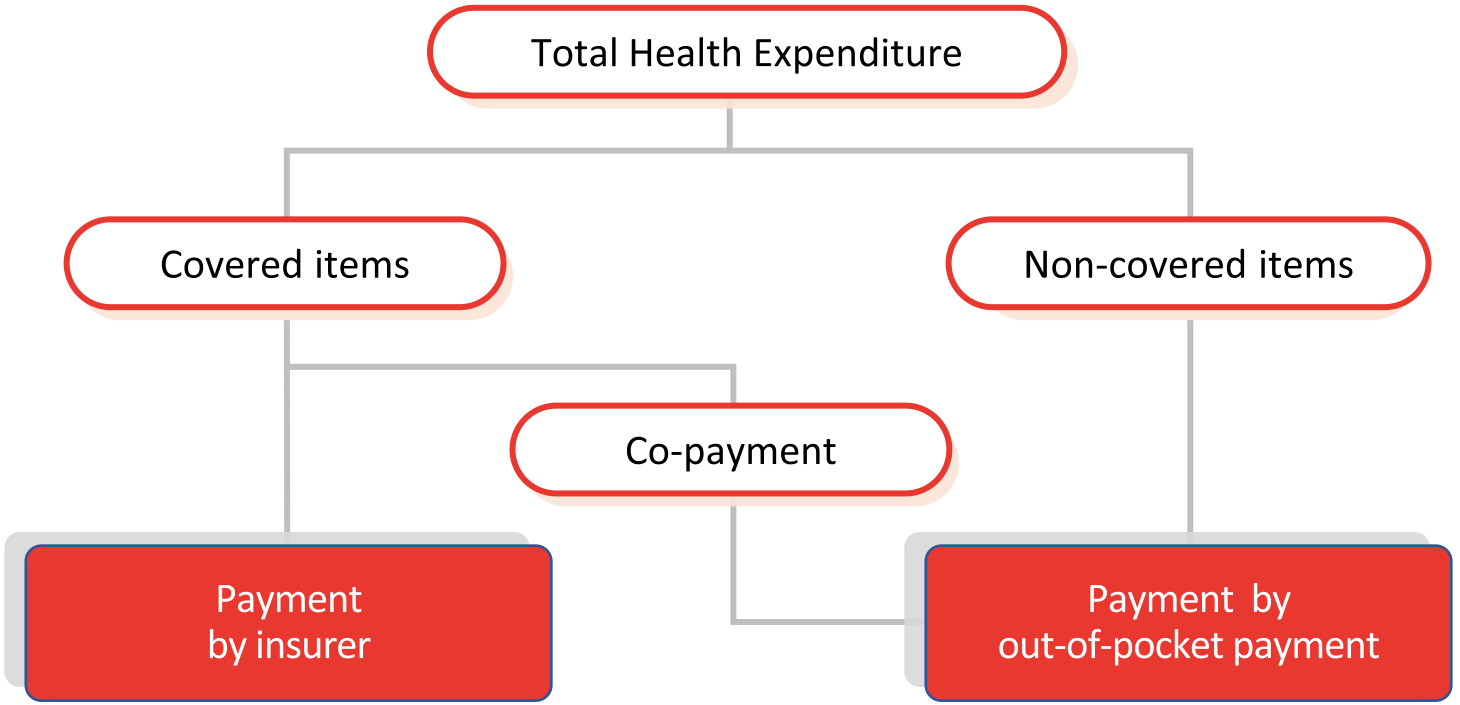


* Income Assessment Rate: 50% for work and pension income, and 100% for other income from financial services (the same applies to income subject to local taxation)

3-4

National Health Insurance Scheme of Korea

Composition of Healthcare Expenditure



3-5

National Health Insurance Scheme of Korea

Co-payment Rate

Service	Healthcare Institution	Diseases	Co-payment rate of total healthcare cost
Inpatient	-	General Diseases	20%
Outpatient	Tertiary hospital	-	60%
	Secondary hospital	-	50%
	Hospital	-	40%
	Clinic	-	30%
	Pharmacy	-	30%
Inpatient & Outpatient	-	Rare or Intractable Diseases[1]	10%
	-	Serious Diseases[2]	5%

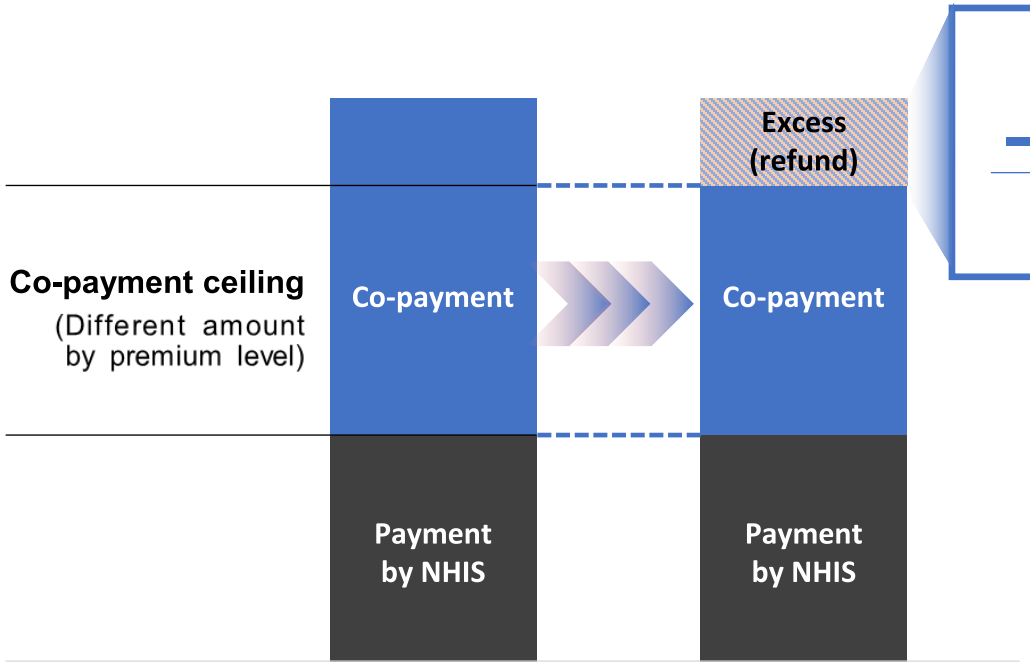
1) Rare diseases : hemophilia, chronic renal failure, etc.
2) Serious diseases : cancer, cardiovascular disease, cerebrovascular disease, tuberculosis, and severe burn injuries

3-6

National Health Insurance Scheme of Korea

Co-Payment Ceiling System

| Overview |



Co-payment amount
− Co-payment ceiling amount
Excess amount

* Any excess co-payment amount of annual health insurance is covered by NHIS **(excluding co-payment of non-covered items)**

What is the co-payment ceiling system?

The system to lower excessively high healthcare costs for the people by setting the **co-payment ceiling amount.** Any co-payment exceeding the ceiling amount is **returned (supported)** by NHIS.

3-7

The National Health Insurance System

Opportunities to Improve Cost Coverage:

2. Co-payment Ceiling

- **Relatively high co-payment rate**
  - **35.1% as of 2023**
  - Substantial burden on the vulnerable population
- **Needs to protect them from catastrophic health expenditure**
- **Ceilings on cumulative OOP payment for 1 fiscal year**

(As of 2025)

Levels of Contribution (Percentile)	Out-of-Pocket Ceilings (in Million KRW)	
10th	0.89 (USD 614)	1.41* (USD 972)
20th – 30th	1.10 (USD 759)	1.78* (USD 1,228)
40th – 50th	1.70 (USD 1,172)	2.40* (USD 1,655)
60th –70th	3.20 (USD 2,207)	3.96* (USD 2,731)
80th	4.37 (USD 3,014)	5.69* (USD 3,924)
90th	5.25 (USD 3,621)	6.84* (USD 4,717)
100th	8.26 (USD 5,697)	10.74 (USD 7,407)

3-8

The National Health Insurance System

Payment Systems

Fee-For-Service (FFS)

- Payment system calculating reimbursement per act of every medical treatment
- Proportion of expenditure by payment system
  : FFS (93%), DRGs (3%, including New DRGs), Per diem (4%) → depends largely on Fee-For-Service

Korean DRGs for 7 Disease Groups

- Clinics & hospitals ('12.7) → All facilities ('13.7)
- 7 disease groups: cesarean section delivery, appendectomy, lens procedures, tonsillectomy and adenoidectomy, inguinal and femoral hernia procedures, anal and perianal procedures, uterine and adnexal procedures
  for non-malignancy

Per diem

- Hospice palliative care, Long-term care facilities for the elderly, Mental hospitals

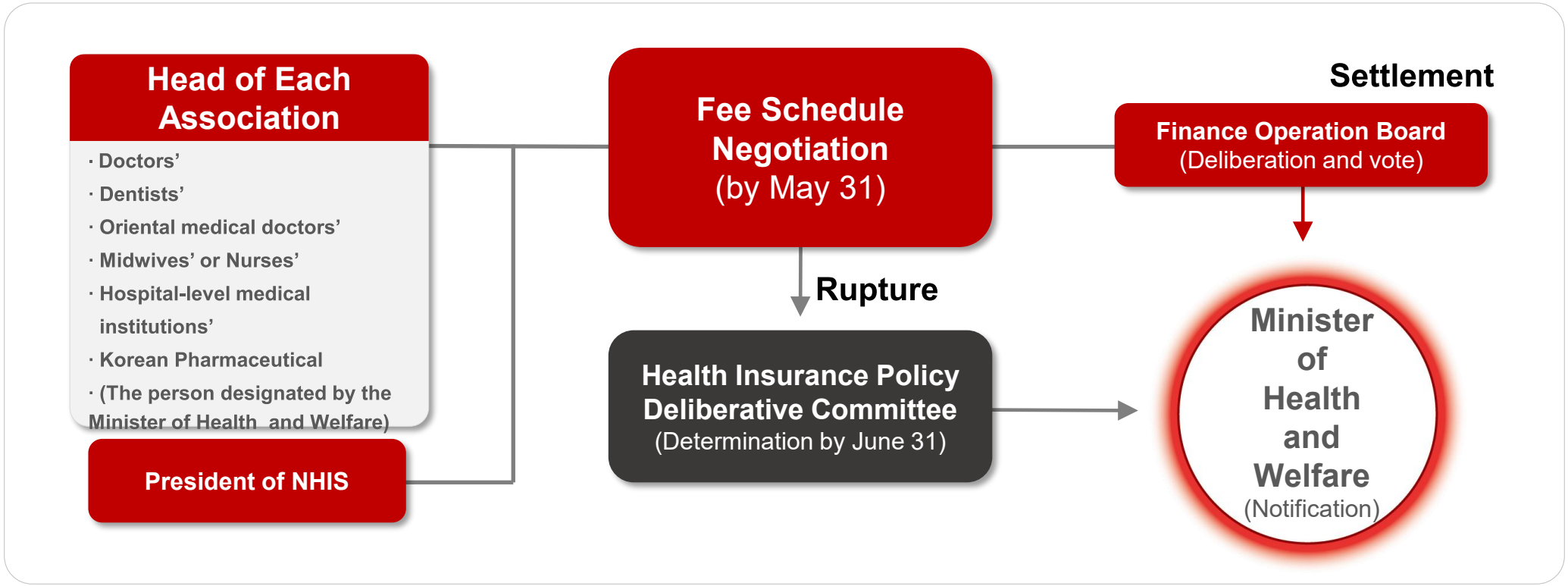
Operations Management

3-9

The National Health Insurance System

Payment Systems

Decision Making for Fee Schedules



3-10

Operations Management

Health Promotion and Disease Prevention

| Lifetime Periodic Health Screening for the Entire Population |

Child (under 6)

Screening for Children

- Medical history taking/Examination, Growth/development tracking, Developmental assessment and counseling, Dental examination, and other screenings
- Health education for parents
- The test periods are based on the growth cycle of infant and child.
- 8 times form 14 days to 71 months after birth

Youth (6~18)

Screening for Students (Pilot program)

- Medical history taking/Examination, Blood pressure measurement, Blood tests, Chest X-ray, Urine tests, Dental examination, and other screenings
- Health education and counseling on alcohol consumption, smoking, obesity preventions, etc.

Screening for Non-Students

- Consultation and examination, Blood tests, Urine test, Video inspections, and other screenings
- **Out-of-school youth**(9-18 years old)

Adult (over 19)

General Screening

- Conducted once every 2 years(Non-office workers, annually)
- Basic medical examination, interview and diagnosis

Cancer Screening

- Stomach, colorectal, liver, breast, cervical, and lung cancer

Category	Checkup age	cycle
Gastric cancer	Aged 40 or older	2 years
Liver cancer	High-risk group, aged 40 or older	6 months
Colorectal cancer	Aged 50 or older	1 year
Breast Cancer	Women aged 40 or older	2 years
Cervical cancer	Women aged 20 or older	2 years
Lung cancer	High-risk group, aged 54-74	2 years

3-11

National Health Insurance Scheme of Korea

National Health Check-ups and Follow up

Health Check-ups Follow-up

- Follow-up health service using NHID
  - Identifying risk factors of metabolic syndrome
  - Providing health service by tele-care, mailing, medical device rental service

My Health Bank

- Online customized health information service using NHID
  - Personal health record, health risk appraisal, metabolic diseases, stroke prediction, obesity programs

National Health Alarm Service

- Monitoring and Alarming infectious diseases using NHID and SNS data
  - To warn the risk of diseases occurrence (Influenza, eye diseases, food poisoning, dermatitis, asthma)

3-12

National Health Insurance Scheme of Korea

Long-Term Care Insurance

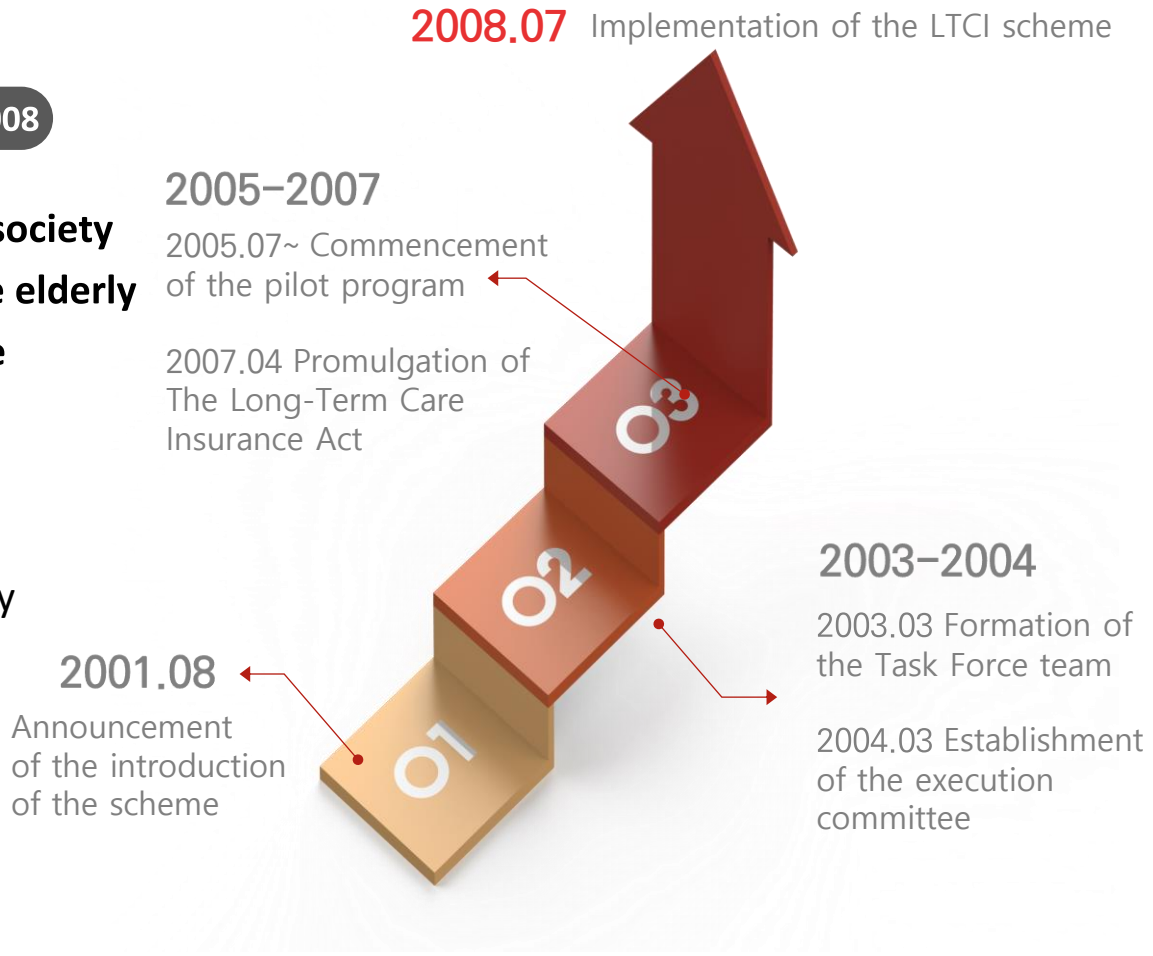
Introduction of the LTCI Scheme in July 2008

To preemptively respond to ageing society

To improve the quality of life for the elderly

To reduce the burden of elderly care

by providing housework assistance services and cognitive and physical activity services at home or a facility

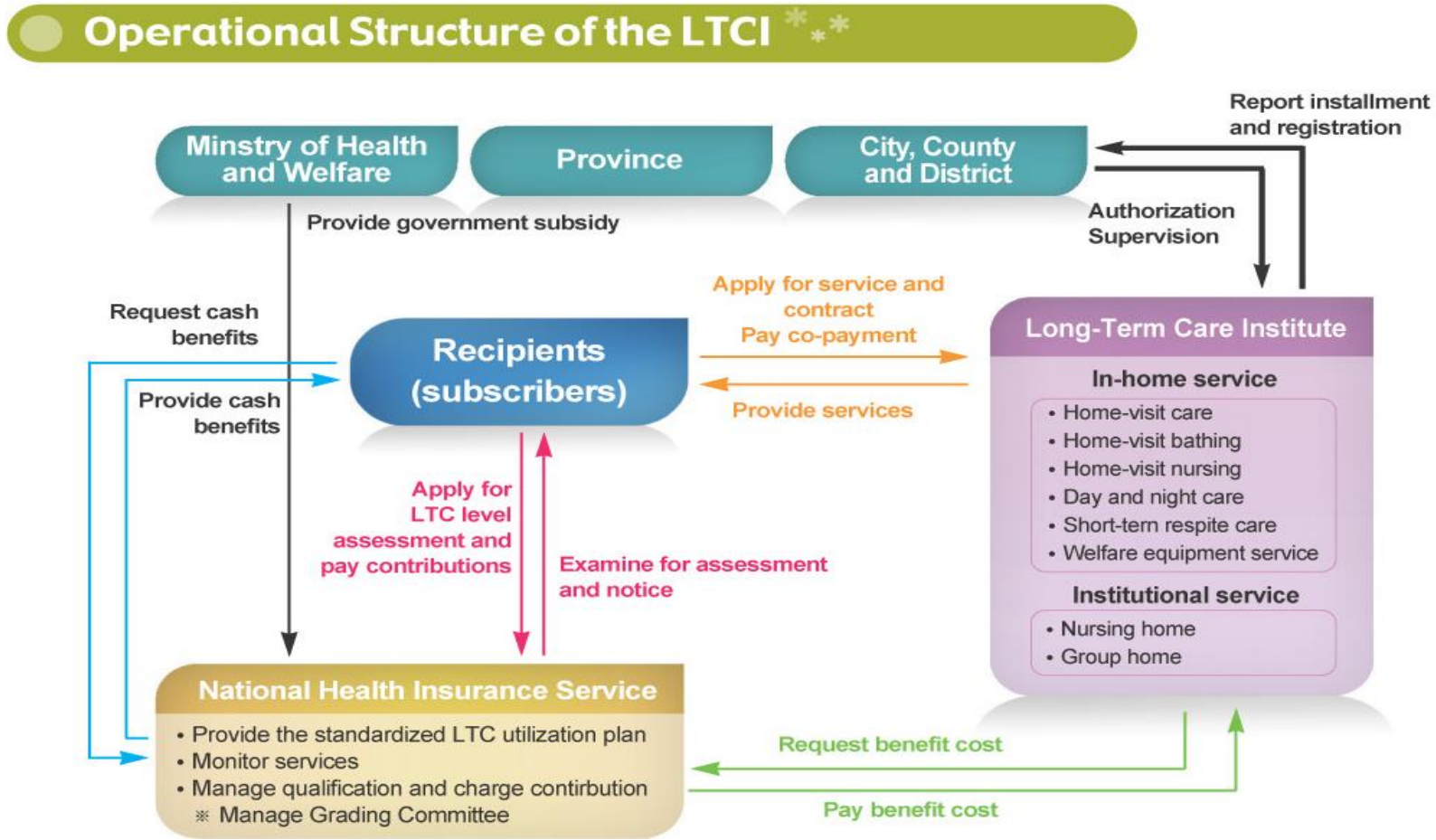


Long-Term Care Insurance System

3-13

National Health Insurance Scheme of Korea

Operational Structure of LTCI

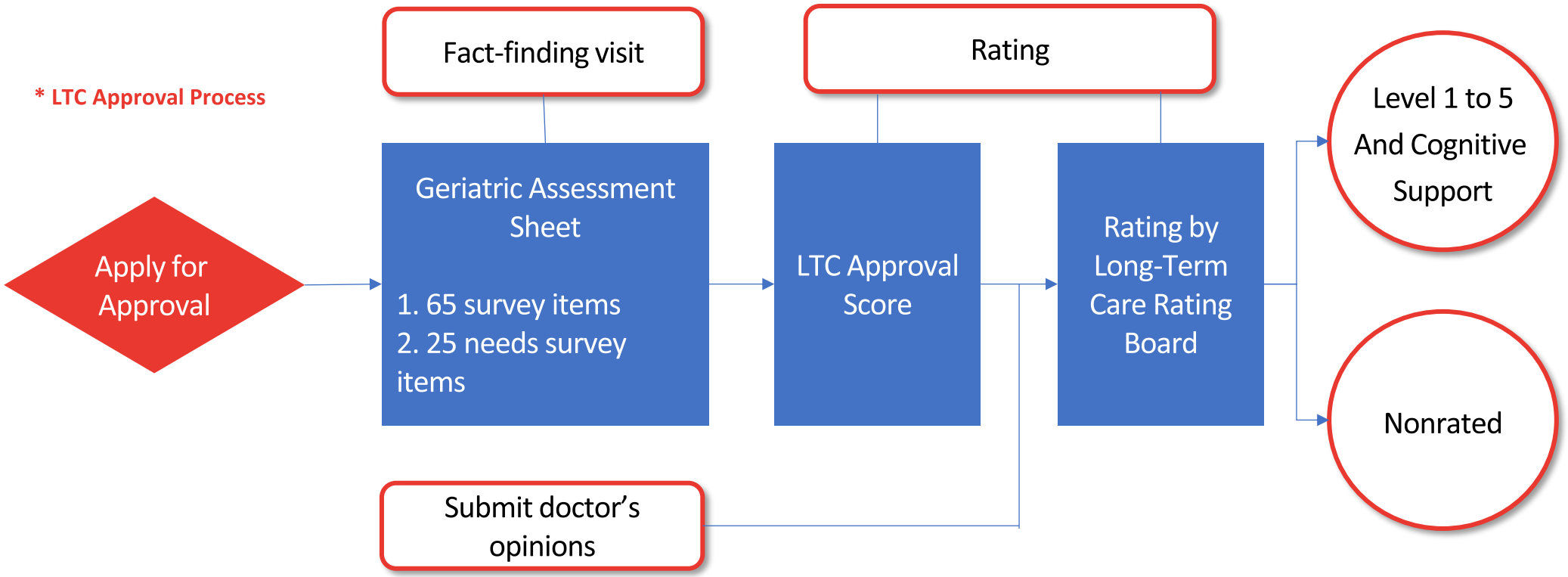


Long-Term Care Insurance System

3-14

National Health Insurance Scheme of Korea

Long-Term Care Approval process



Long-Term Care Insurance System

3-15

Long-term Care Insurance

LTCI Ratings

					
Rating– Ⅰ	Rating–Ⅱ	Rating–Ⅲ	Rating–Ⅳ	Rating–Ⅴ	Cognitive assistant Rating
LTC score 95 or higher	LTC score from 75 to less than 95	LTC score from 60 to less than 75	LTC score from 51 to less than 60	LTC score from 45 to less than 51	LTC score less than 45 points
Need full assistance in daily life due to physical/mental disorder	Need significant assistance in daily life due to physical/mental disorder	Need partial assistance in daily life due to physical/mental disorder	Need assistance in certain areas of daily life due to physical/mental disorder	A dementia patient (limited to dementia falling under the category of geriatric disease under Article 2)	A dementia patient (limited to dementia falling under the category of geriatric disease under Article 2)

New ratings were added to include the elderly with dementia as beneficiaries of the LTCI in 2015 and 2018.

Rating-Ⅴ added in 2015

Cognitive Assistant in 2018

Effective period of the grade assigned | 2 years from when the grade is assigned
2~4 years for beneficiaries whose renewal rating is the same as the previous one

3-16

National Health Insurance Scheme of Korea

LTCI Benefits

In-Home Service Benefits

• Home-visit care
Supports the physical activities and household chores of beneficiaries by visiting their home

• Home-visit bathing
Provides bathing service using a vehicle equipped with a portable bath

• Home-visit nursing
Nursing and assisting in treatment based on the prescription of physician, oriental doctor and dentist

• Day and night care
Provides beneficiaries with care in a LTC facility for a number of hours a day

• Short-term respite care
Provides beneficiaries with care in a LTC facility for a specified period (less than 9 days/month)

• Equipment service
Provides beneficiaries with assistive equipment for rent (8 types of equipment available)

3-17

Long-term Care Insurance

LTCI Benefits

Institutional Service Benefits

- Provides education and training to help beneficiaries maintain and improve their physical and mental health in the LTCI facility for a long time

• **LTCI Facility** ▪ Number of people to be accommodated : 10 or more	• **LTCI community life household** ▪ Number of people to be accommodated : 5 to 9

Special care allowance

• **Family care benefit in cash** ▪ Pays 150$ is paid per month in exceptional situations, regardless of their LTCI grades	• **Exceptional care benefit in cash** ▪ Pays part of expenses to the beneficiaries when he or she receives care in a non-LTCI facility

Non-covered Services

- Cost for meals, additional charge for private bed
- Care service costs other than that specified in the LTCI certification (ex. Costs for haircut)

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04 Achievements

Achievements

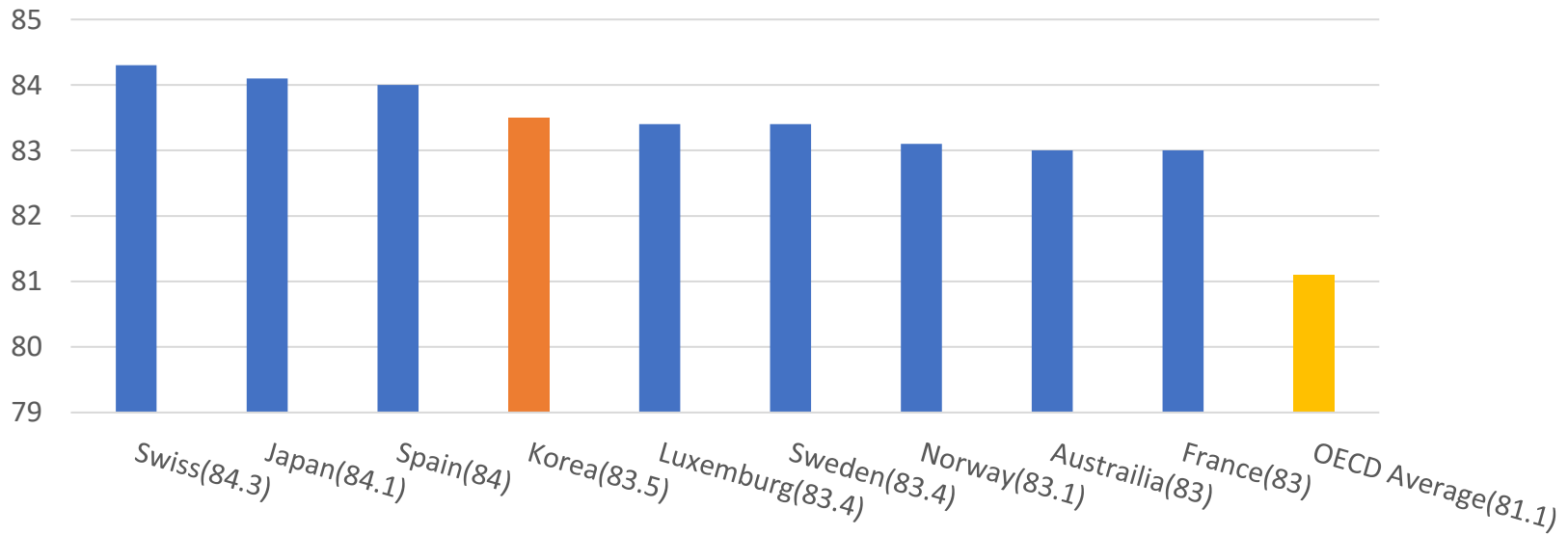
4-1

The National Health Insurance System

Longer Average Life Expectancy

Comparison of Average Life Spans in Major OECD Countries (2023)

- The average life span of Koreans in 1970 was as short as 63.2.
- In 2006, the life span was 79.1, longer than the OECD average (78.9).
- That in 2023 was 83.5, 3.0 years longer than the OECD average (81.1).



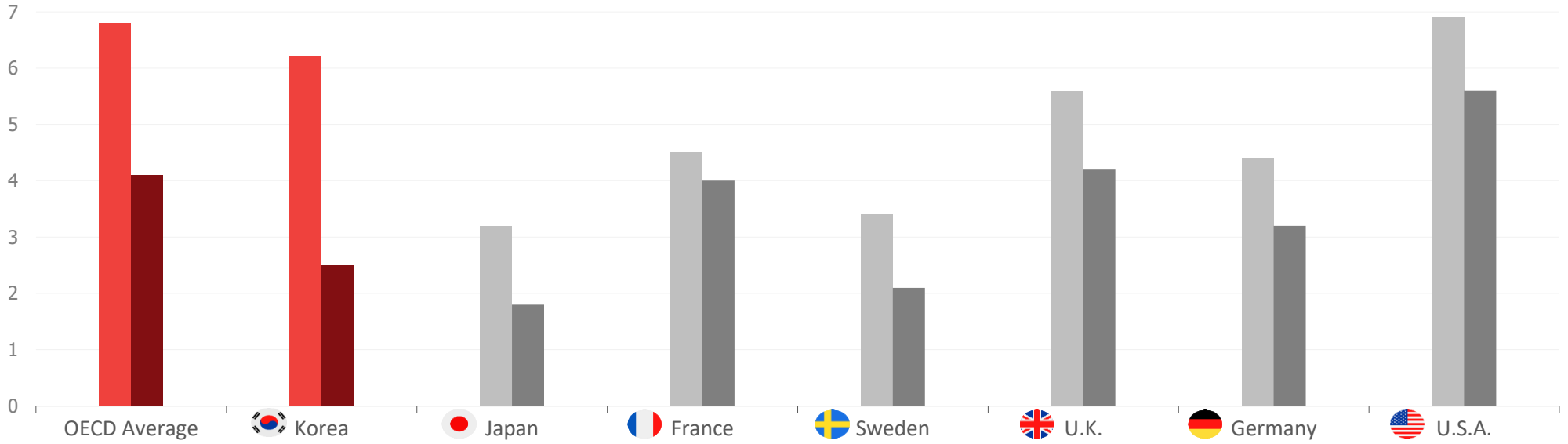
* Source: OECD Health Data 2025

Achievements

4-2

The National Health Insurance System

Low Infant Mortality Rate of Major OECD Countries



[Unit: individuals, per 1,000 infants]

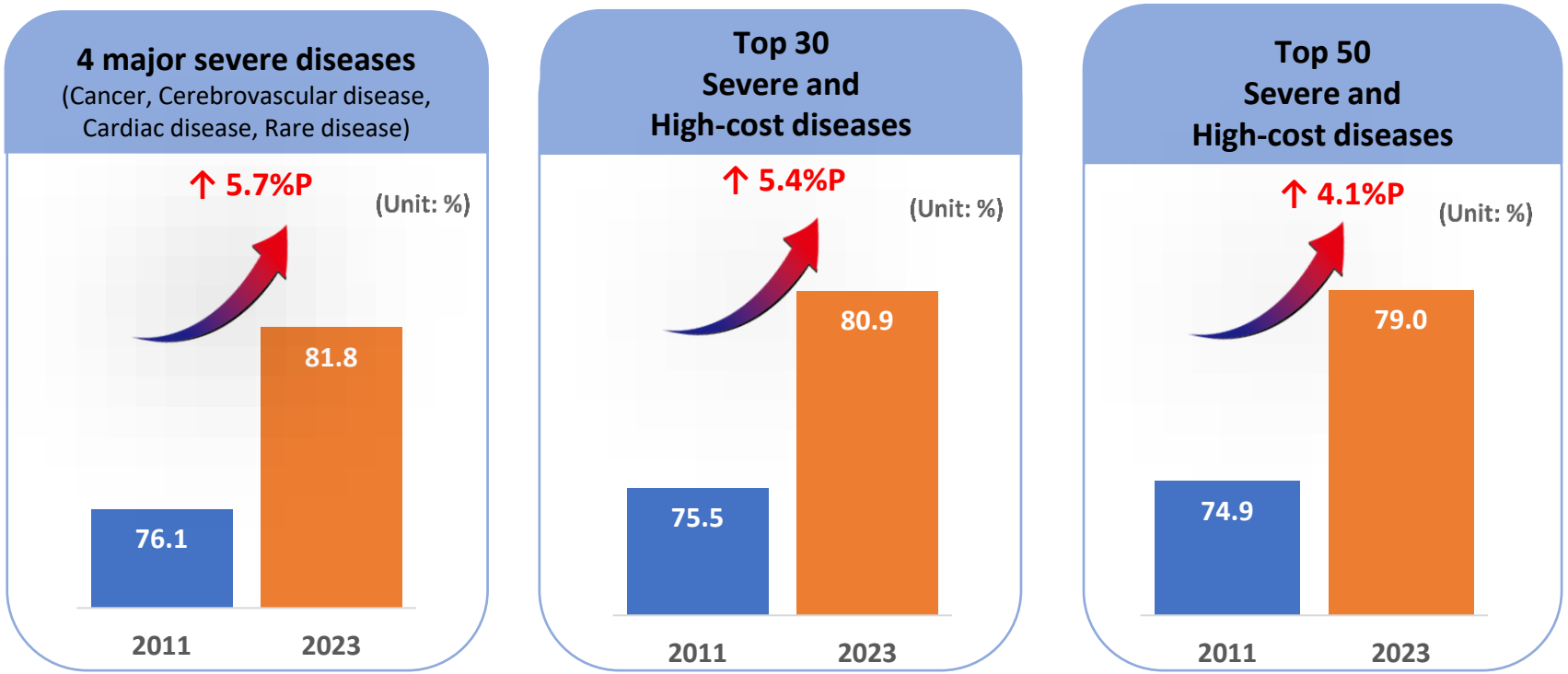
Classification	Year	OECD Average	Korea	Japan	France	Sweden	U.K.	Germany	U.S.
Infant mortality rate	2016	6.8	6.2	3.2	4.5	3.4	5.6	4.4	6.9
	2023	4.1	2.5	1.8	4.0	2.1	4.2	3.2	5.6

4-3

The National Health Insurance System

Enhanced Coverage for Severe, High-Cost Diseases

Increasing the coverage for severe diseases requiring high costs



* Source 1) NHIS, 2011 Survey on Health Insurance Patient Medical Expenses, 2012
2) NHIS, 2023 Survey on Health Insurance Patient Medical Expenses, 2025

Achievements

4-4

The National Health Insurance System

Improved Accessibility to Medical Services

Average number of hospitalization days per person

1980
4.9 Days

X 3.6 times

2023
17.5 Days

No. of Healthcare Facilities

13,316
1980

X 5.8 times

2023
77,055

* Source 1) NHIS, 2023 National Health Insurance Statistical Yearbook, 2024

2) OECD, Health Statistics, 2025

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05

Challenges and Future Directions

5-1

The National Health Insurance System

Plans to handle challenges

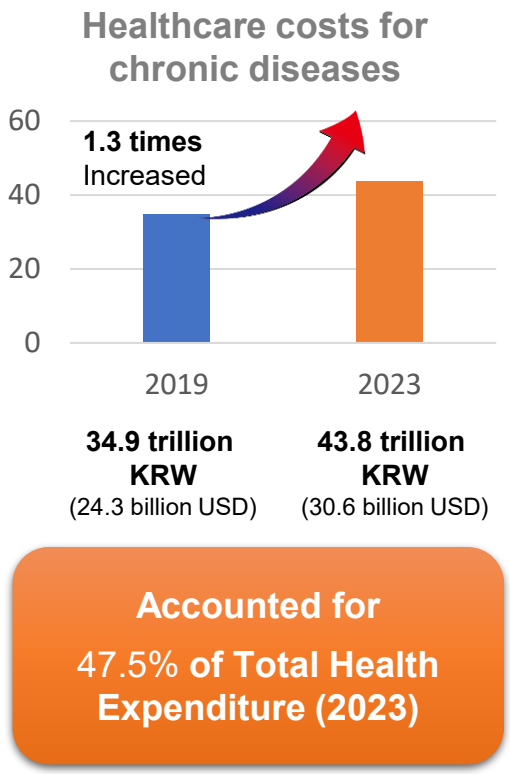
- Recently, essential medical services are in a state of collapse and medical resources are excessively conce ntrated on the metropolitan area, local areas face a crisis of medical service.
- The payment system makes cost control difficult.
- While the medial service accessibility is high, there are problems of excessive use of medical service or ina ppropriate examination.
- Despite the continued coverage increase policy, there remain many non-covered services due to privat e indemnity insurance policies.

Challenges and Future Directions

5-2

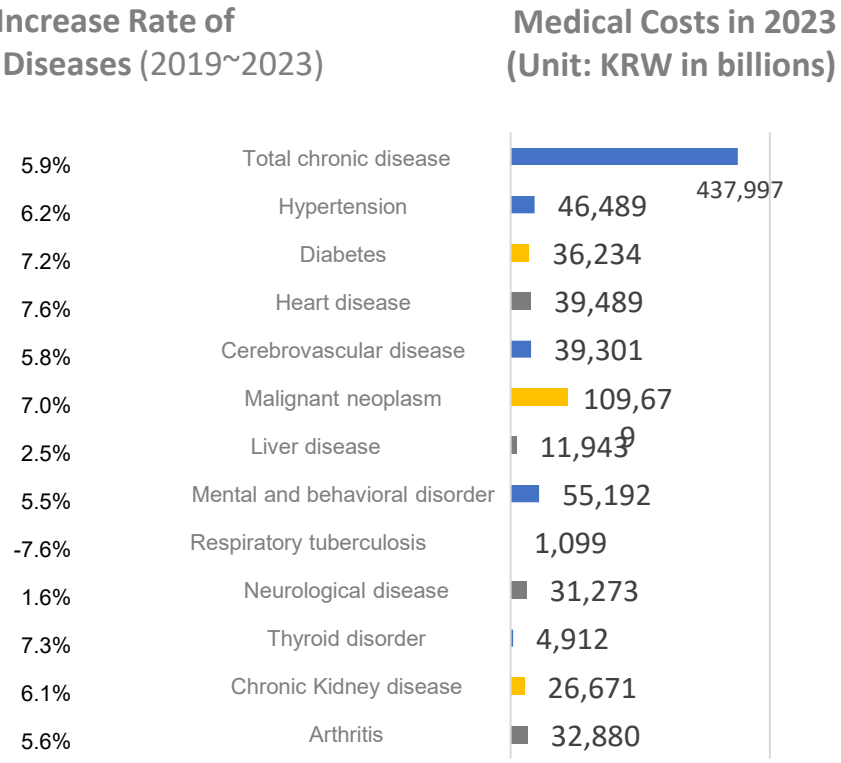
The National Health Insurance System

Plans to handle challenges



Accounted for

47.5% **of Total Health Expenditure (2023)**



* Source NHIS, 2023 National Health Insurance Statistical Yearbook, 2024

5-3

The National Health Insurance System

Plans to handle challenges

❖ **The National Health Service has shown good achievements at low expenses for more than 4 decades, but there are crisis indicators including economic indicators as well as various phenomena that threaten the sustainability of this system. Now the system requires a fundamental reformation.**

- As Korea became a super-aged society (2024.12.) and the economic growth rate is sluggish (2023 – 2027: 2.0%), many are concerned about its sustainability
- As medical expenses are getting closer to the OECD average (2023 OECD average: 9.1%; Korean average:8.5%), the system is expected to be of a high-cost structure.

5-4

The National Health Insurance System

Plans to handle challenges

By imposing contributions based on ability to pay

(Income)

By strengthening health promotion and disease prevention with customized health services using NHI Big Data

By containing healthcare expenditure

(Reasonable Level)

Better Protection by Enhancing Financial Sustainability

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Thank you

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