



# Japan

**Potential business figures in 5 years:** Because of aging society in Japan, national cost for medical service is 8% of GDP. In addition, 2% of GDP is spent on elderly care services. To avoid too high healthcare costs, Japanese government aims to realize more effective healthcare services and technologies, e.g. personalized medicine, digital healthcare and innovation of medical technology by using BioBank and healthcare data network.

**Typical buyer of health services:** “National Healthcare Insurance system” controls the medical service price including the price of medicines. There is also “Long term care Insurance system (national insurance)” that controls the care service fee. The market is regulated by national policy strictly. But most of the healthcare (medical and care) service providers are private medical/care organizations or associations. One of the challenges in Japan is that the buyers come from the private sector, but they need to think about national level regulation very much.

**Governmental or legislative climate to support new services/innovations on health:** Reducing of the healthcare costs should be the first priority of the government, but on the other hand there is a need for more healthcare services because of the aging society. Japanese ministries (Health ministry and Industry ministry both) have set up their main goal to be the effective healthcare innovations. Huge national budget is spent in the R&D activities. This trend creates the market concentrate on healthcare innovation.

**Typical buying and/or acceptance process in the country for new solutions:** Because of a highly government-regulated market, a new solution needs the long verification process of 6-18 months done in Japan. However, because of the strong pressure for innovation in Japan, epoch-making technologies like IP cell can get exceptional position based on the national strategy.

**Opportunities for Finland:** Personalized medicine, Digital healthcare platform, Health data network, BioBank, Elderly care solutions

**Regulation & Reimbursement environment:** See a detailed structure of the Health System [here](#).

**Trends & Strategy:** Rapid growth of aging society has been the national problem in Japan as well as other countries in Asia. Therefore, the solutions for effective healthcare service are much needed in Japan. It is highly recommended for Finnish parties to approach not only exporting but also with innovation proposals to Japanese market.

## Quick Facts about Japan

**Population:** 126.2 million

**Life Expectancy:** 78.45 years

**GDP (PPP):** \$5.443 trillion, per capita \$42,900

**Official Languages:** Japanese

**Physician density:** 2.4 / 1000 pop.

**Digitalization Maturity:** 15th

**DEI Index:** 3.52/ Stall out

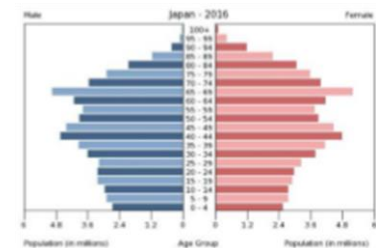
**Urbanization rate:** 91.6%

**Hospital Bed density:** 13.4

**Median age:** 45.9

**Health expenditure:** 10.2% of GDP

**Population Growth rate:** -0.24%



Source: World Fact Book

### National challenges:

Alzheimer's disease, Ischemic heart diseases, Stroke

### Link to opportunities:

<https://bit.ly/2z0yutE>

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