

# KOREAN MEDICAL ASSOCIATION



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### Controversies Over Korean DRG System

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The Korean government has implemented a compulsory DRG system over 7 diagnosis groups in July 1st 2012 primarily for clinics and hospitals and the application will be expanded to general hospitals effective from July 1st 2013.

Under the system, the total expenses are fixed according to categorization of diagnosis (diseases) in advance. The 7 diagnosis groups are: Surgeries related with Cataract, Tonsil/Adenoids, Appendix, Hernia, Anus/Perianal area, Cesarean section and Uterus/Adnexa.

Based on the experiences from pilot programs of DRG system in Korea, KMA expressed concerns over the issues such as possibility of deterioration in quality of medical services, small choices for patients, and uncertainty of effects of a cap on medical spending, etc. KMA had also requested measures like separation of hospital fee and physician fee, improvement in patient categorization system, and enhancement of fee level and establishment of fee adjustment mechanism before DRG system implementation.

KMA regrets the government's implementation of such an important issue on the change in payment system against the KMA's opposition. As a long-term measure to minimize the negative effects of the rushed implementation of DRG, KMA will closely monitor the operation of the system and lead research on DRG impact on the quality of medical services. KMA will also request the government to adjust the structure of the National Health Insurance Policy Review Committee, the main body of health policy-making in the direction that the opinions of medical professionals will be respected.

### Good-Hands Campaign

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In an effort to fulfill its social responsibilities, KMA launched the "Good-hands Campaign" in October. This is a nationwide campaign initiated by KMA to extend helping hands to underprivileged groups, to lead by example in doing away with undesirable social customs and behaviors and to build good patient-physician relationships. Detailed programs include:

#### Caring for vulnerable groups by KMA's good-hands

- Medical aids for the elderly
- Support for multicultural families (families formed by international marriages)
- Making a provision of professional counseling to primary school children and juveniles on bullying and violence in a way to prevent suicide

#### Breaking undesirable social customs and behaviors by KMA's good-hands

- Campaign on anti-smoking and anti-alcoholism
- Prevention against school violence and domestic violence
- Dispensing with undesirable social formalities

#### Making a good patient-physician relationship

- Smile, kindness, ample explanation in consultation, etc.


KMA believes this initiative will bring hope to those in need of helping hands and contribute to a better society free from negative customs and behaviors by setting examples.

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The 48<sup>th</sup> CMAAO Council Meeting  
November 8~10, MACAU

KOREAN MEDICAL ASSOCIATION **KMA**



# Country Report

## Activities of Korean Medical Association 2011~2012

KOREAN MEDICAL ASSOCIATION **KMA**

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KOREAN MEDICAL ASSOCIATION **KMA**

## 1. Controversies over Korean DRG System

**Compulsory implementation of DRG system over 7 diagnosis groups by the Korean government**

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Clinics and hospitals → From July 1<sup>st</sup> 2012  
General hospitals → From July 1<sup>st</sup> 2013

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## 1. Controversies over Korean DRG System

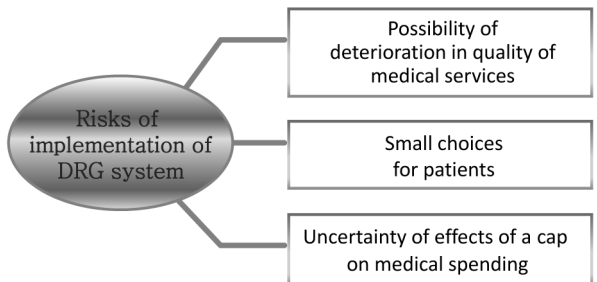
**The 7 diagnosis groups are**

Surgeries related with

1. Cataract
2. Tonsil / Adenoids
3. Appendix
4. Hernia
5. Anus / Perianal area
6. Cesarean section
7. Uterus / Adnexa

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## 1. Controversies over Korean DRG System



**Risks of implementation of DRG system**

- Possibility of deterioration in quality of medical services
- Small choices for patients
- Uncertainty of effects of a cap on medical spending

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## 1. Controversies over Korean DRG System

**KMA has requested the following measures before DRG system implementation:**

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**Sufficient Discussion & Research**

1. Separation of hospital fee and physician fee
2. Improvement in patient categorization system
3. Enhancement of fee level and establishment of fee adjustment mechanism

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## 1. Controversies over Korean DRG System



*International symposium on the DRG system  
- 28<sup>th</sup> June 2012, National Assembly, Rep. of Korea*

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## 1. Controversies over Korean DRG System



*A doctor is protesting against the government's coercive approaches in health policy*

*KMA distributed stickers on problems of DRG system to people*

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## 1. Controversies over Korean DRG System

KMA's Long-term measure to minimize negative effects of DRG system

- Close monitoring on the operation of the system  
research on DRG impact on quality of medical services
- Request for the National Health Insurance Policy Review Committee,  
medical professional's opinion can be fairly respected

**Leading the improvement of  
Health care system of Korea**

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## 2. Good-hands Campaign

“Good-hands” Campaign

Social  
Contribution

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Nationwide campaign initiated by KMA  
to extend helping hands to underprivileged groups,  
to build good patient-physician relationships

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## 2. Good-hands Campaign




*Ceremony for KMA's “Good-hands” campaign  
- 7<sup>th</sup> Oct. 2012*

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## 2. Good-hands Campaign

- 1) Caring for vulnerable groups of society**
  - Medical aids for the elderly
  - Support for multicultural families
  - Provision of professional counseling to primary school children and juveniles on bullying and violence in a way to prevent suicide
- 2) Breaking the bad social customs**
  - Campaign on anti-smoking and anti-alcoholism
  - Prevention against school violence and domestic violence
  - Dispensing with undesirable social formalities
- 3) Making a good patient-physician relationship**
  - Smile, kindness, ample explanation in consultation

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## 2. Good-hands Campaign



**Initiative for Better Society**

- **Bringing hopes to those in need of helping hands**
- **Contributing to a better society free from negative customs and behaviors by setting examples.**

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# Thank you!