Reforming Korea's Primary Healthcare Towards an Integrated and Sustainable Model

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Contents of the presentation

1. Background: Why PHC Reform in Korea?
2. Current PHC System: Key Features
3. Current PHC Challenges
4. Key Causes of Weak PHC
5. Reform Models and Pilot Programs in PHC
6. Expected Impacts
7. Conclusion

Major Healthcare Reforms Through the Decades

1989: NHI Launch

National Health Insurance was launched to unify multiple insurance societies, enhancing healthcare access.

2000: Integration of Programs

Medical aid programs for low-income groups were integrated with NHI, allowing for equitable access to healthcare.

2007: Long-term Care Insurance

Long-term care insurance was introduced for the elderly, addressing significant demographic shifts in society.

2012: Expanded Coverage

NHI benefits were expanded to include more diagnostic procedures and treatments, improving healthcare quality.

2020-2024: Recent Reforms

Recent reforms include digital health adoption, telemedicine programs during COVID-19, and reimbursement system changes.

Impact of Reforms

Insurance coverage reached 97% by 2024; out-of-pocket expenses dropped from 36.7% in 2000 to 28.1% in 2022.

Why PHC Reform in Korea?

Quality and Accessibility of Care

Key indicators, accessibility factors, challenges, and a successful telemedicine initiative



Quality Indicators of Korean Healthcare

Life expectancy is 83.5 years (2023), infant mortality rate is 2.7 per 1,000 live births (2023), and preventable hospitalizations are among the lowest in OECD.



Accessibility in Urban and Rural Areas

Average travel time to nearest health facility is under 20 minutes in urban areas; rural areas face moderate access challenges with ongoing government infrastructure projects.



Primary Care Utilization Rate

Approximately 70% of outpatient visits are in primary care, reflecting good access to community health services across the country.



Challenges in Specialist Distribution

Unequal distribution of specialists concentrated mainly in Seoul and metropolitan regions limits access in other areas.



Rising Demand for Elderly Care

Growing need for elderly and chronic disease management services poses challenges for the healthcare system.



Telemedicine Expansion Case Study

Government's 2022 telemedicine initiative in rural areas increased outpatient attendance by 15% in pilot regions, improving access.

Why PHC Reform in Korea?

Why PHC Reform in Korea?

- **Rising chronic disease burden**
  - Increasing rates of diabetes, hypertension, and multimorbidity
- **Aging population**
  - Growing demand for long-term, continuous care
- **Fragmented care delivery**
  - Free provider choice → weak coordination, redundant services
- **Hospital-centric system**
  - Overuse of hospital care, underuse of primary clinics
- **Inefficiencies and rising costs**
  - Volume-based payment incentives → prioritize quantity over quality
- **Health inequities**
  - Regional gaps in access, quality, and outcomes

Korea’s Healthcare System: Past and Present

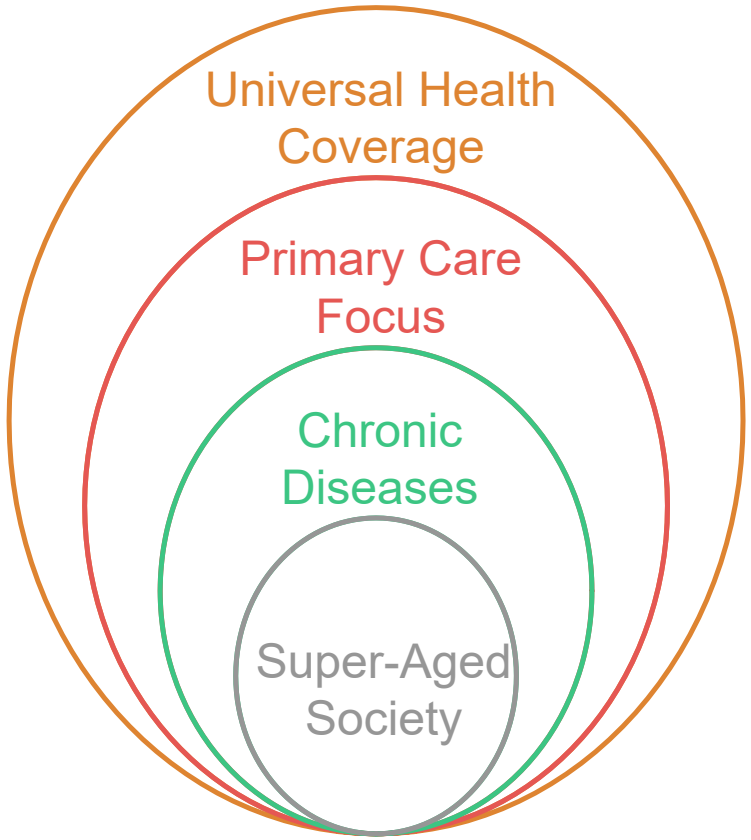
Korea's healthcare journey began with expanding access through National Health Insurance (NHI) established in 1977, characterized by rapid growth of private facilities and high coverage despite fragmented service delivery.

Achieved but needs adaptation

Need for prevention and management

Increased prevalence of chronic conditions

Aging population presents unique healthcare needs



No gatekeeping



Free provider choice.

Patients can directly access any healthcare provider without referrals, creating an open healthcare environment.



No referral requirements.

Specialists can be consulted directly without primary care physician approval, increasing accessibility but potentially fragmenting care.



Direct specialist access.

Patients bypass primary care gatekeepers, allowing immediate specialist consultation regardless of condition severity.



Unrestricted healthcare navigation.

Freedom to choose any provider creates patient autonomy but challenges care coordination and continuity.

Healthcare Access : Open provider choice

Free provider selection.

Patients can choose any healthcare provider without referral requirements, enabling direct specialist access.

No gatekeeping mechanism.

Absence of primary care filters allows unrestricted movement between healthcare facilities regardless of condition severity.

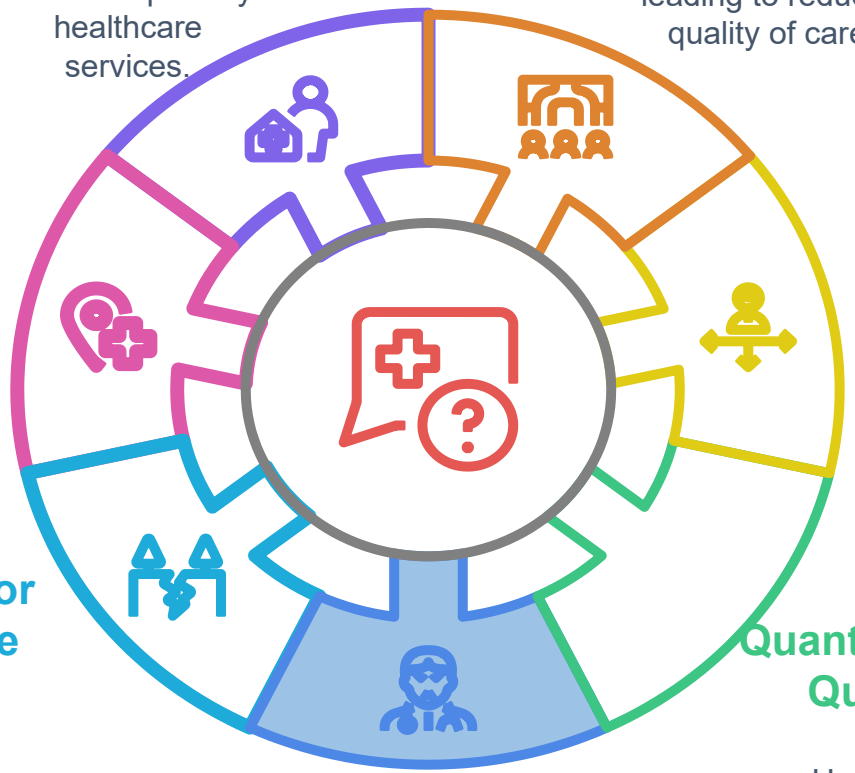
Hospital-centric care model.

System emphasizes hospital services over primary care, with specialists dominating the healthcare delivery landscape.

High utilization patterns.

Koreans make frequent outpatient visits and hospital consultations compared to other healthcare systems.

Healthcare System Challenges



Reduced Access to Primary Care

Underserved areas have limited access to primary healthcare services.

Hospital Overcrowding

Hospitals are overwhelmed, leading to reduced quality of care.

Regional Resource Gaps

Healthcare resources are unevenly distributed across regions.

Ineffective Referrals

Systems for patient referrals and back-referrals are not working well.

Disincentives for Integrated Care

Healthcare providers lack motivation to provide integrated and continuous care.

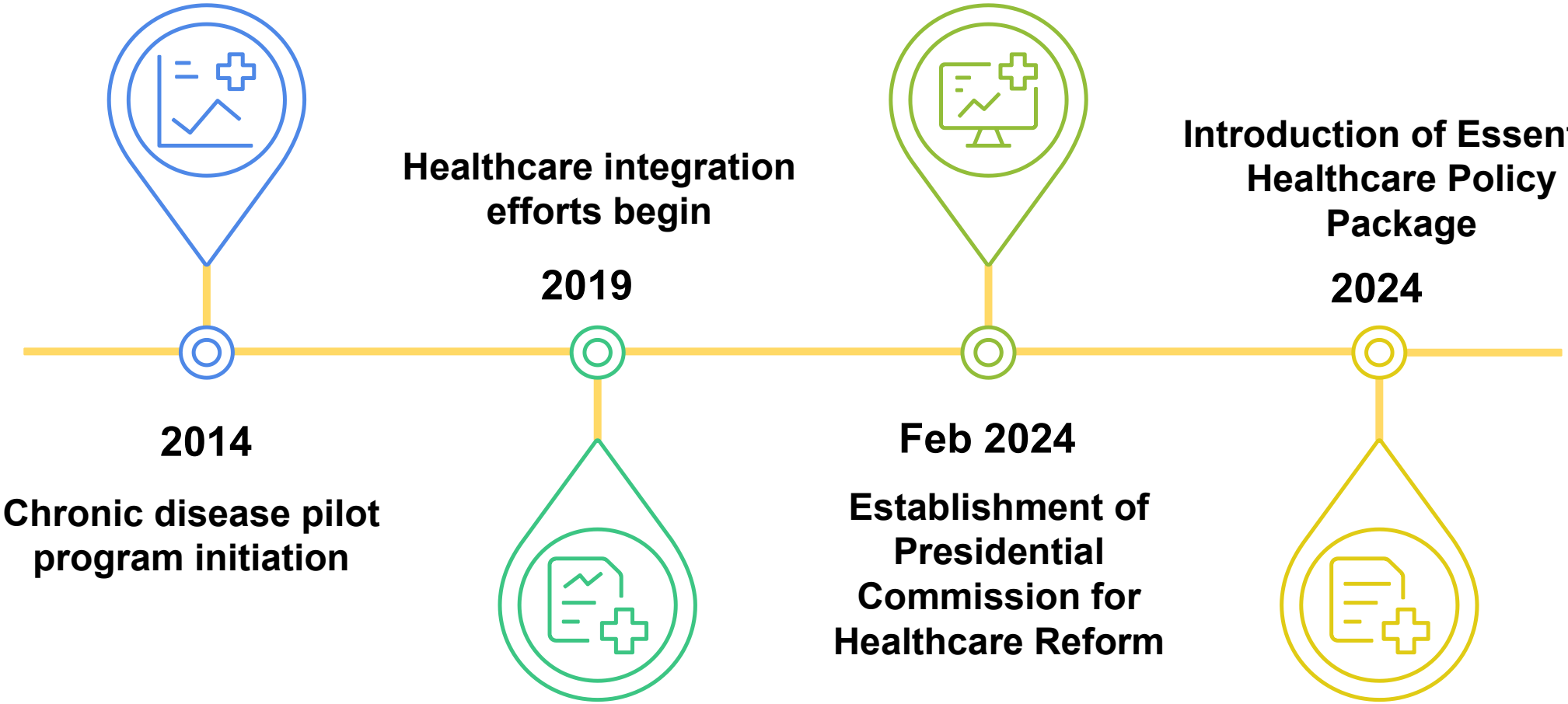
Quantity Over Quality

Healthcare providers prioritize the number of services over their quality.

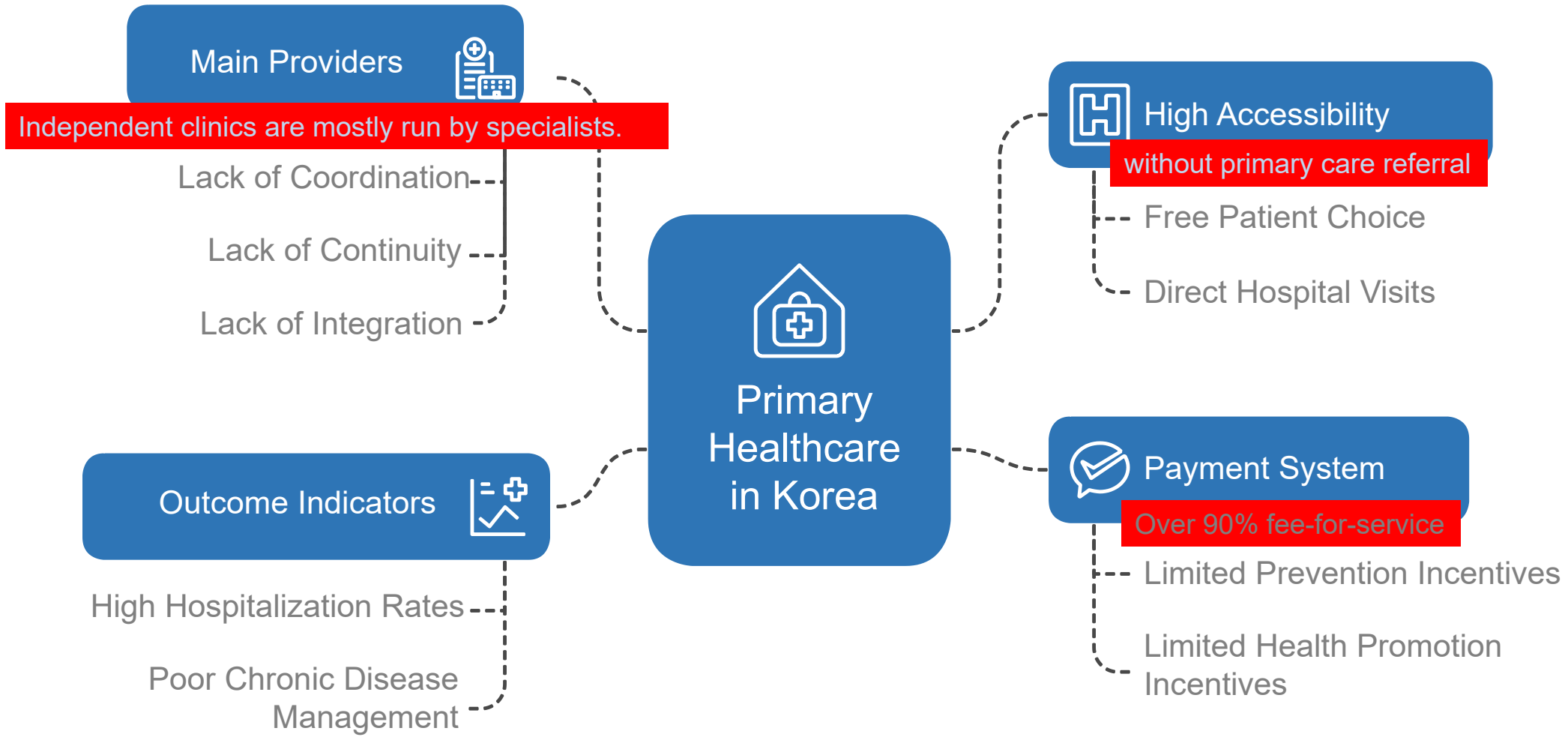
Undervalued Preventive Care

Preventive healthcare and health management are not given enough importance.

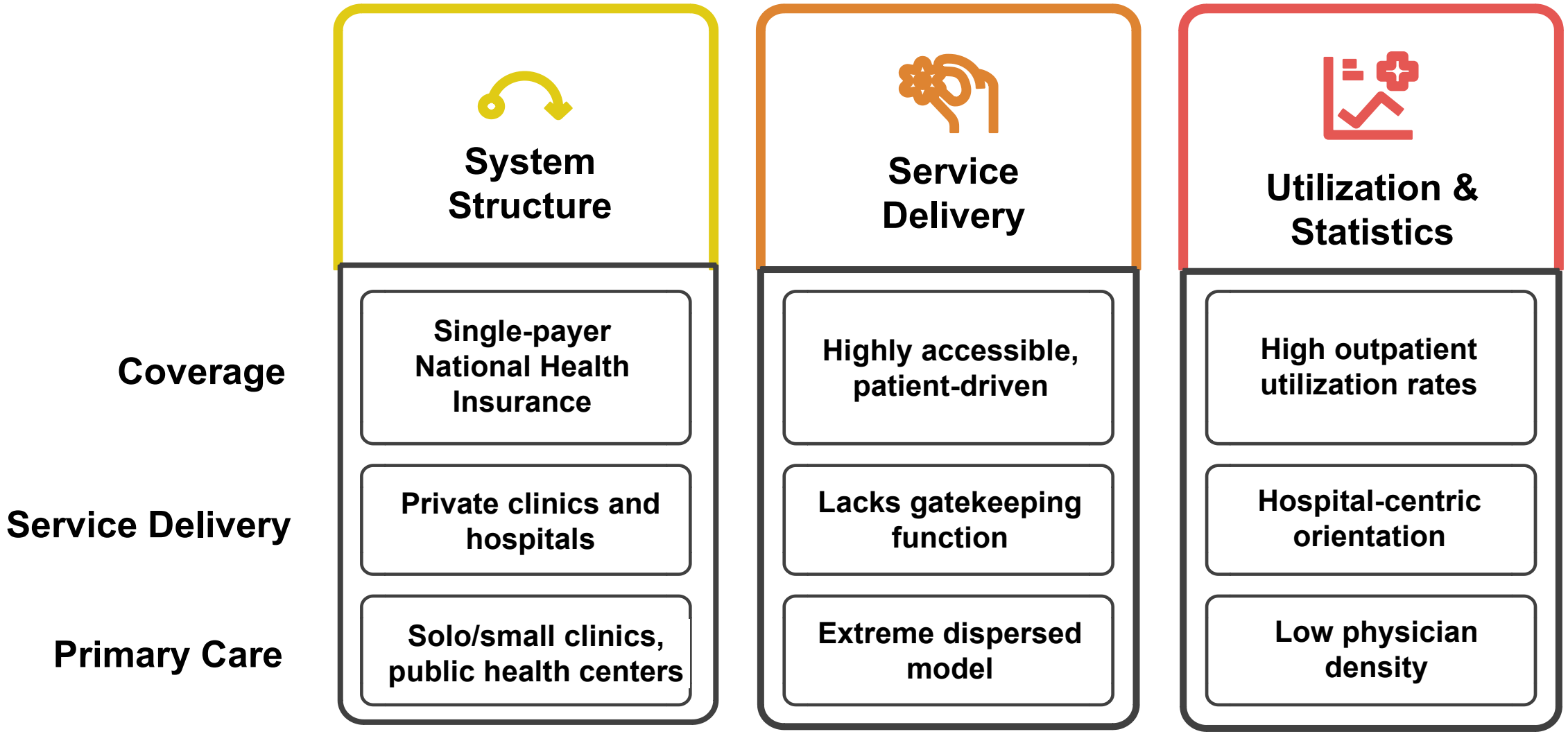
Korea's Healthcare Reform Journey



Current Status of Primary Healthcare in Korea

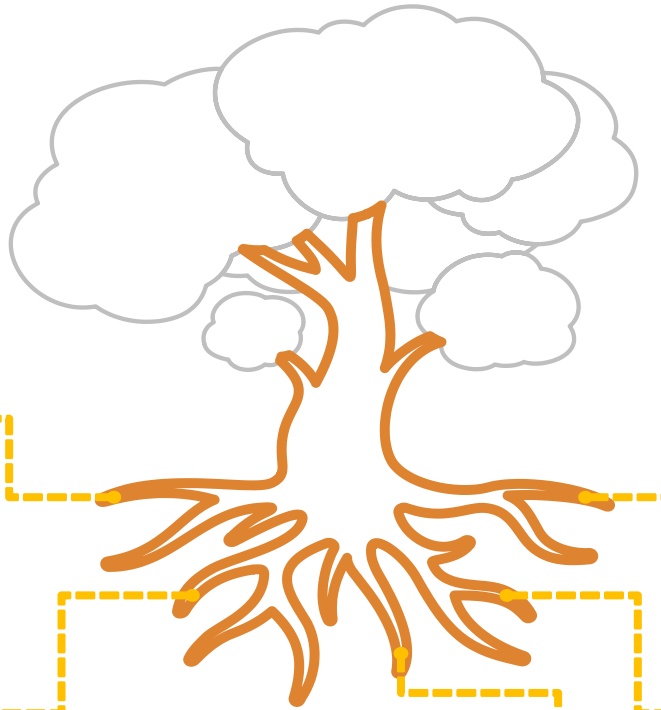


Primary Health Care in Korea



Key Issues in Korea's PHC System

Inefficient Primary Care System in Korea



Fragmented Care

Redundant care delivery and underutilized clinics

Misaligned Incentives

Volume prioritized over quality of care

Limited Comprehensiveness

Suboptimal chronic disease management and coordination

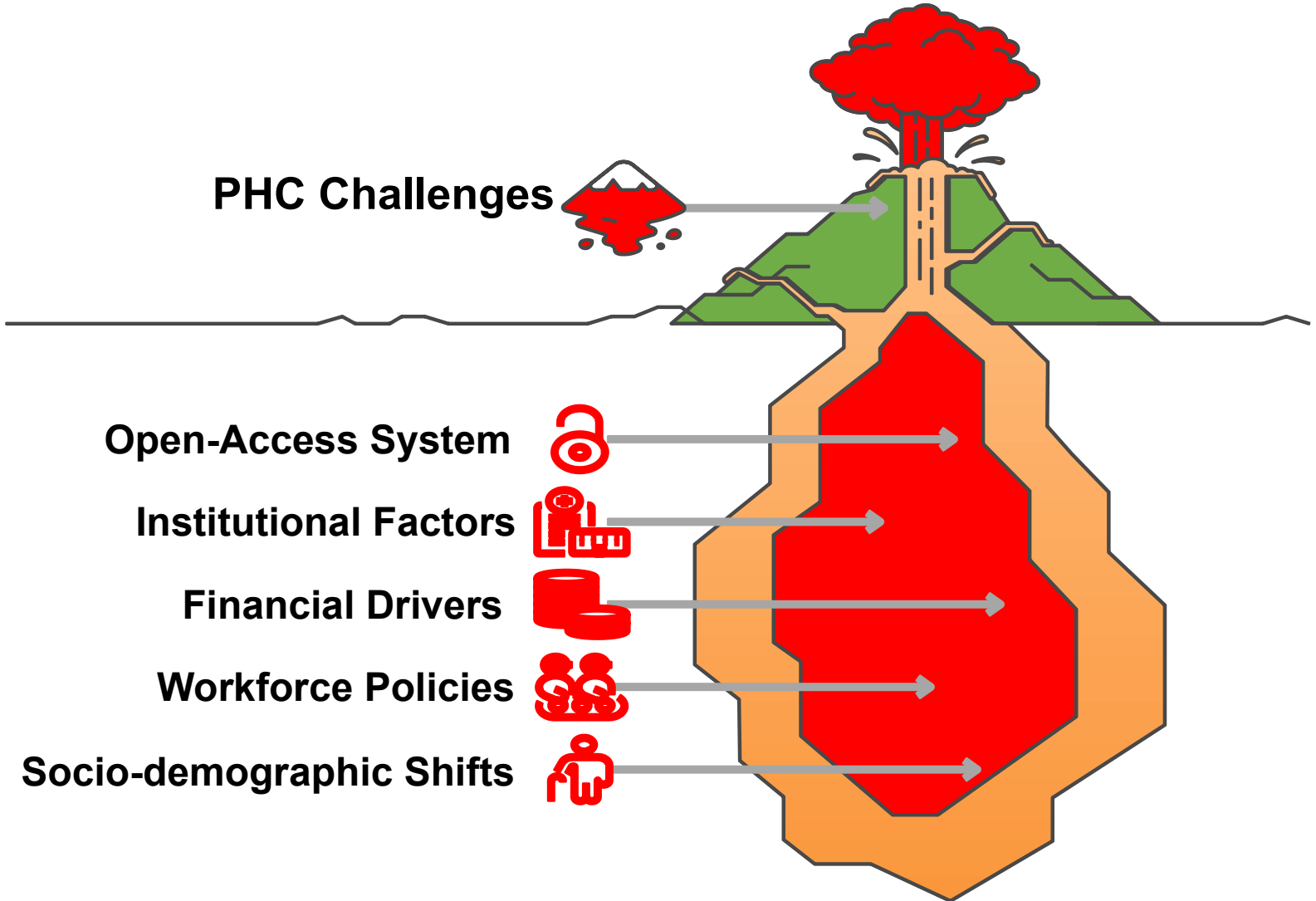
Workforce Gaps

Shortage of primary care doctors

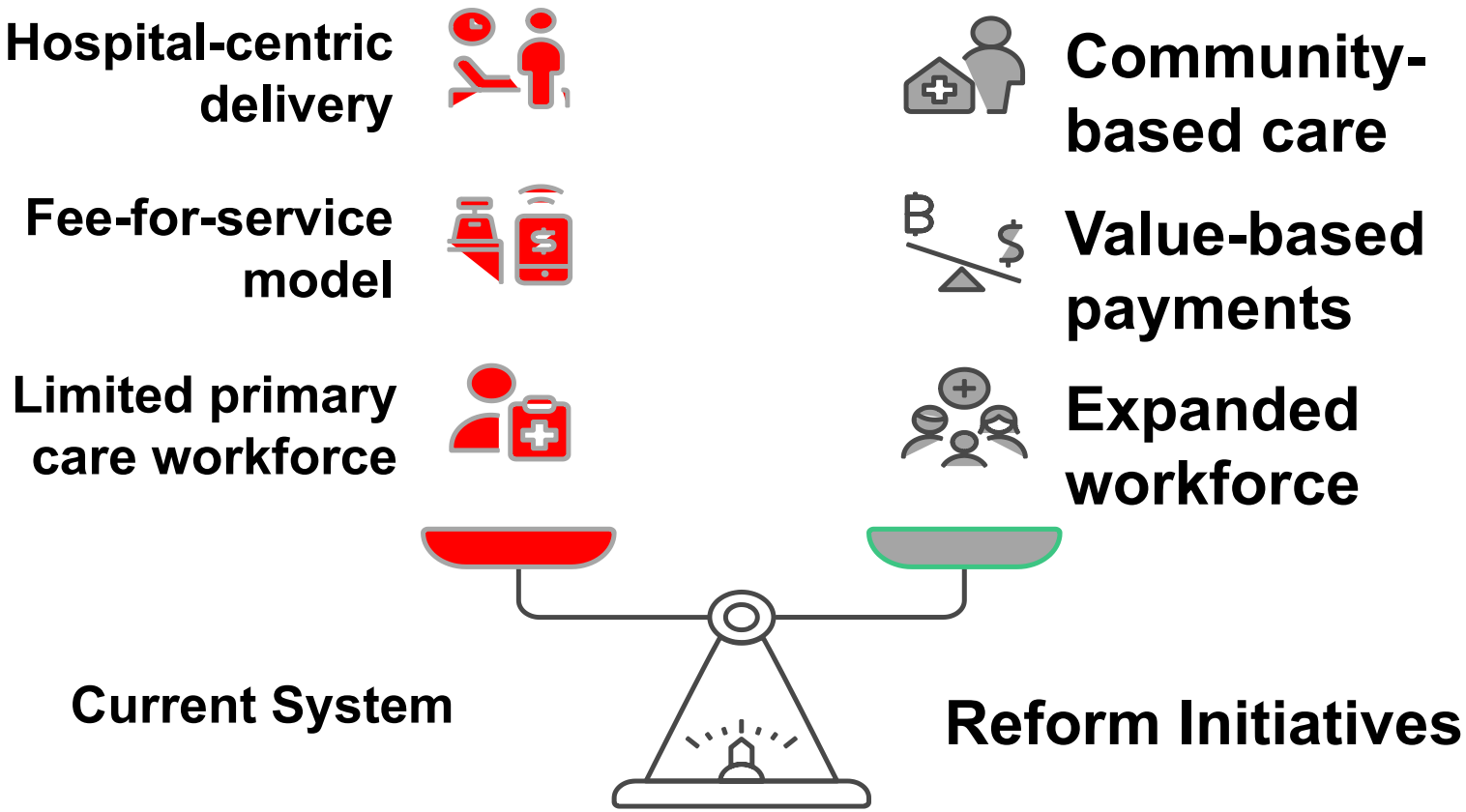
Demographic Pressure

System strained by aging population

Unveiling the Root Causes of Primary Health Care Challenges in Korea



Balancing Current Challenges with Reform Initiatives



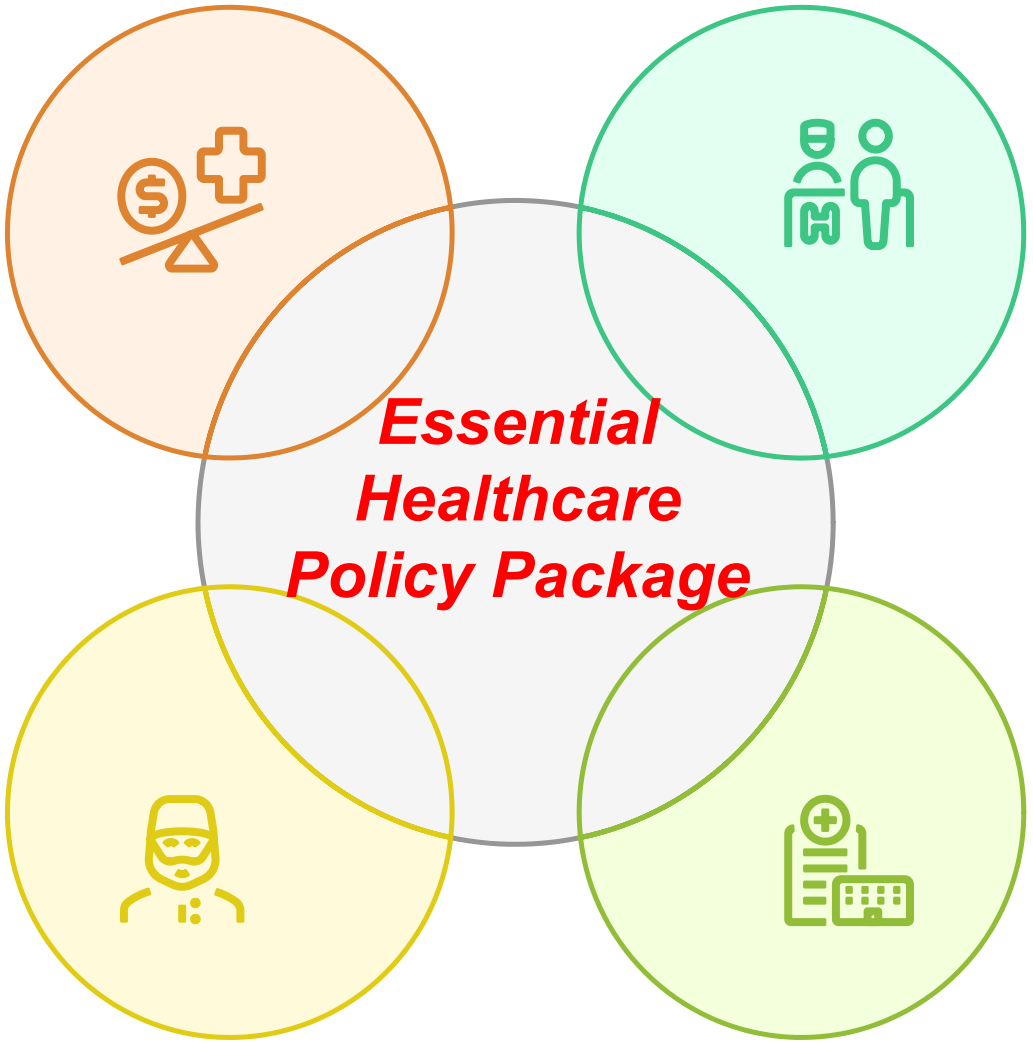
Essential Healthcare Package

Fair Compensation

Adjusting payment systems to better reward essential and primary care services

Malpractice Safety Net

Protecting providers in high-risk specialties To encourage practice



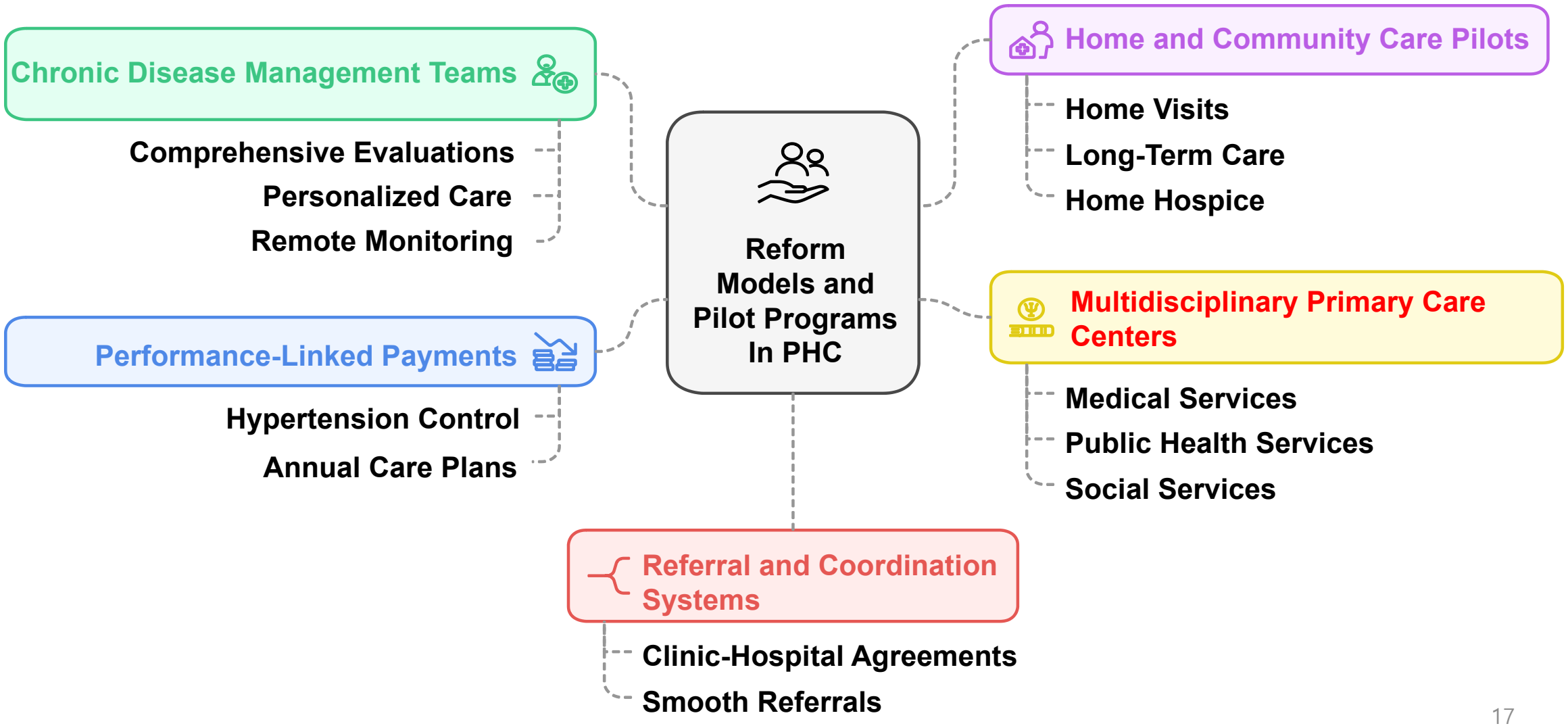
Expanding the Health Workforce

Increasing medical school admissions to train more doctors

Strengthening Local Healthcare

Bolstering services in regions and primary caresettings

Reform Models and Pilot Programs in PHC



Cycle of Sustainable Healthcare



1

Prioritize PHC

Emphasize PHC as the cornerstone of healthcare.

2

Implement PHC

Put PHC strategies into action.

3

Evaluate Outcomes

Assess the effectiveness of PHC initiatives.

4

Collaborate Regionally

Work with regional partners to enhance PHC.

5

Improve Continuously

Refine PHC strategies based on evaluations.

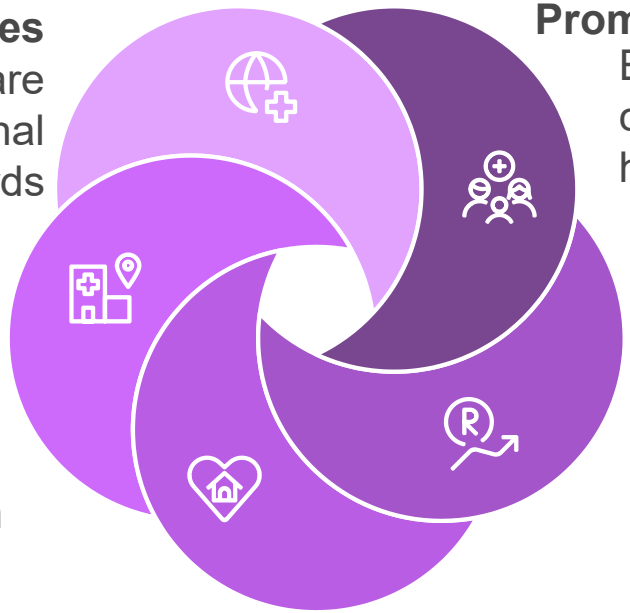
Reforming Korea's Primary Healthcare Towards an Integrated and Sustainable Model

Fragmented Healthcare

Hospital-centric, unsustainable health care

Global PHC Principles
Aligns healthcare with international standards

Promote team-based, multidisciplinary care
Encourages collaborative healthcare teams



Strengthen referral systems and care coordination

Introduce value-based payment models
Links payments to healthcare outcomes

Expand community care pilots
(e.g., home visits, chronic disease management)

Integrated Primary Care

community-based, integrated primary care

Thank You!