Verifying Comparisons: A Look at Cancer Insurance

What you should know about *cancer, medical care, and cancer insurance*

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『比較検証、がん保険　知っておくべき「癌」と「医療」と「がん保険」』英語版出版に寄せて

今般、公益財団法人アシア生命保険振興センター様よりこのような機会を頂戴するという僥倖に、驚いている次第です。

がん保険をはじめ、第三分野商品の資料がなかったため 2015 年に法律家の方々や大学の研究者の方々から要望を受け、「がんとがん保険」（保険毎日新聞社出版）という、第三分野商品に関する業界初めての教科書的解説書を上梓いたしました。その後、一般の消費者の方や保険募集人の方々に向けた解説書も欲しいとの声を頂戴し、理解しやすい内容にアレンジして、「比較検証、がん保険」をまとめた次第です。

保険販売における情報提供義務が強化されたことや、複数社商品を扱う乗合代理店が多くなってきたため、複数社の商品を比較した情報提供を行う機会が多くなったことを意識し、タイトルに「比較検証」と入れました。したがって、保険会社の営業教育の面でも参照していただける内容にしたつもりです。

さて、本書で取り上げたがん保険は、販売件数から見ても日本の保険業界を代表する商品に育っています。さらに、公的医療保険に対する民間保険の補完機能を着実に担ってきた商品と言えます。また、国内の多くの会社からサービスが提供され、これらの商品は第三分野商品と呼ばれている数多くの商品の中でも、その中心的な商品の一つになっています。

一方、がん保険は、がんという疾病だけを保障する商品で究極の特定疾病保障保険とされています。いまや国民の「二人に一人ががんになる時代」であるとされ、がんだけに保障を限定した商品は、安価でサービスを提供することが可能になり、多くの日本国民が抱いているがんへの不安を軽減することに寄与しています。しかし、がんだけを保障するために、商品構成の面で、他の商品と異なり多数の特徴がみられます。また、販売するためには、がん保険の内容のみならず、がんの医療や、患者の療養に関する情報を、正しく消費者へ提供しなければなりません。保険を購入する側も、これらの多くの情報から自分に適合した商品の選択が求められています。すなわち、販売する側、購入する側がともに、がんという疾病のリスクの理解が必要だということでしょう。

現在、保険業界を取り巻く環境の変化を見ても、インシュアテックや、オンライン事務の導入、健康支援的付加的サービスの提供など大きく変わろうとして

います。しかし、目先の環境が変化しても、保険のリスク移転機能という本質的使命は変わりません。どうやって、保障を提供するのかということより、忘れてはならないのは消費者のリスクの変化を見極め、的確に保障することです。

日本の医療費は、毎年対前年 2-3%水準で進展し、今後も拡大すると予想されています。これは、同時に民間保険の補完市場が着実に拡大することを意味しています。したがって、第三分野商品は保険会社の成長を牽引する商品であり、国民のがんリスクが無くならない限り、がん保険の重要性はゆるぎなく続くと考えます。さらに、大きく発展したアジアの多くの国々でも、日本と同様な商品へのニーズや市場が拡大し、がんへの保障も現実の課題になるはずです。

その際に、本書の英訳が各国における取り組みの一助になることを心より祈っております。

最後に、本書英訳に携わっていただいた公益財団法人アジア生命保険振興センターの皆様に感謝申し上げます。

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佐々木光信

On preparing an English-language version of *Verifying Comparisons: A Look at Cancer Insurance What you should know about cancer, medical care, and cancer insurance*

I am surprised by the fortuitous circumstances that have seen me obtain this opportunity from the Oriental Life Insurance Cultural Development Center.

Due to a lack of materials on cancer insurance and other examples of third-sector products, I received requests from lawyers and university researchers in 2015 and consequently published the first textbook-type practical guide to third-sector products in the industry entitled Cancer and Cancer Insurance (published by The Hoken Mainichi Shinbun). Thereafter, I was asked to also produce a practical guide for general consumers and insurance solicitors. In response, I adapted the contents in a way that allowed them to be more easily understood by the target audience and managed to put together Verifying Comparisons: A Look at Cancer Insurance.

Aware that the obligation to provide information in the course of selling insurance has become reinforced and that opportunities to provide information based on a comparison of multiple products have increased due to an increase in the number of independent agencies handling products offered by multiple companies, we included “Verifying Comparisons” in the title of this book. Accordingly, I also sought to make the contents of this book informative in the context of the provision of sales education by insurance companies.

Cancer insurance as taken up in this book has grown into a range of products that can be said to embody the Japanese insurance industry, even as measured from the standpoint of the number of policies sold. Indeed, cancer insurance can be described as a type of product that has steadily incorporated features that serve to supplement public healthcare insurance with private-sector insurance coverage. As well, cancer insurance is a core product among the many products known as third-sector products through which numerous domestic companies provide services.

On the other hand, cancer insurance is regarded as the ultimate example of a type of insurance that covers specific diseases, given that it is a product that covers only cancer. With the present being an era in which one in two persons has or will eventually get cancer, products that are limited to providing coverage for only cancer can enable the provision of services at a reasonable price and

help alleviate the anxiety felt by many Japanese citizens over the prospect of dealing with cancer. However, cancer insurance has many characteristics that differ from other products in terms of the way products are structured, since coverage applies only to cancer. In selling cancer insurance, information pertaining to not just the contents of cancer insurance itself, but also cancer treatment and medical care for patients, must be accurately provided to consumers. Each purchaser of cancer insurance is then asked to assess this information, of which there is a substantial amount, and choose the right product for himself or herself. In other words, both the sellers and buyers of cancer insurance are required to understand the risks associated with the disease known as cancer.

Currently, even in looking at the environment surrounding the insurance industry, it is apparent that significant changes are afoot, such as in terms of the introduction of insurtech (insurance technology) and online businesses, and the provision of additional health-supporting services. Even if the immediate environment changes, however, the fundamental mission of insurance – namely, the transference of insurable risks – remains unchanged. The question of how we ascertain changes in consumer risks and precisely cover such risks accordingly is something that we cannot afford to forget, even more than the question of how coverage is to be provided.

Healthcare costs in Japan are growing at around two to three percent a year and are expected to continue increasing. The implication of this situation is that the market for complementary private-sector insurance will steadily grow at the same time. Thus, third-sector products constitute growth engines for insurance companies, such that the importance of cancer insurance will likely persist unyieldingly as long as the risk of cancer in the population does not disappear. In many Asian countries that have developed significantly over the years, the demand and market for products similar to the ones offered in Japan will also grow, and the issue of cancer coverage will no doubt become a very real one to be addressed.

It is my sincere hope that when that time comes, the English translation of this book will be of assistance to the implementation of measures and initiatives in each country.

Finally, I would like to express my heartfelt gratitude to everyone at the Oriental Life Insurance Cultural Development Center who were involved in translating this book into English.

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Introduction

More than forty years have passed since cancer insurance was first sold in Japan. During this period of time, cancer has been the leading cause of death and has accounted for more than 350,000 deaths a year. One in two people will get cancer at some point in his or her life, such that cancer has truly become a disease affecting the entire nation. While there used to be a time when cancer sufferers and their families would have been treated poorly at the hands of society unless they lived in a way that prevented others from knowing that they had cancer, the modern environment surrounding cancer and cancer patients has changed dramatically. People do not seek to hide their cancer diagnosis as much, and scenes of people unfortunately dying of cancer, people struggling with cancer, and people beating cancer and returning to the workplace have become par for the course these days.

The government is also undertaking full-scale efforts to combat cancer, and the effects of these efforts are emerging, albeit gradually. Nevertheless, the unsurprising reality is that struggling with cancer after one is stricken by the disease weighs heavily upon the patient and his or her family. There are various problems with medical care for cancer treatment, such that these problems are indeed emblematic of the problems with medical care in Japan. Given this state of affairs, many life insurance companies in Japan have come to offer cancer insurance coverage in Japan. On one side of the coin, you have various types of guarantees provided by cancer insurance plans; on the other side are some rather intractable problems concerning efforts to fight cancer and the cancer-fighting medical care being given to support the fight against cancer. We hereby present an outline to explain the concepts of cancer, medical care for cancer, and cancer insurance in order to have them understood by insurance solicitors and especially by those who sell cancer insurance plans in a time when medical care for cancer is undergoing huge changes.

The Insurance Business Act was revised in 2014, at which time the supervisory guidelines were also overhauled. In the future, it is hoped that there will be a clarification of standards for comparing and recommending insurance products, and activities undertaken in the world of insurance sales will also undergo significant changes. In the second half of this document (Chapter 4), the author has described the characteristics of different products from his own perspective in order to get readers to understand these characteristics as

measures for making comparisons and recommendations with a focus on cancer insurance products that are currently being sold. Since the advantages and disadvantages of each product have been explained in a manner that is as easy to understand as possible, you should try to harness the information presented herein as a source of reference materials for future sales. In the first half of this document, cancer knowledge and explanations of environmental changes surrounding medical care for cancer are presented as prerequisites for getting to know products offered by different companies. Cancer insurance is a special type of product that provides coverage solely of cancer and is now a part of the societal infrastructure supporting medical care for cancer. It is hoped that this book can, in however small a way, help solicitors who play a part in fulfilling a societal mission to sell security to consumers and lighten the burden placed on cancer patients and their families.

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Abbreviations of company names are as follows:

- Sony Life Insurance Co., Ltd. → Sony Life Insurance
- Sompo Himawari Life Insurance Inc. → Himawari Life Insurance
- The Prudential Life Insurance Co., Ltd. → Prudential Life Insurance
- ORIX Life Insurance Corporation → ORIX Life Insurance
- AXA Life Insurance Co., Ltd. → AXA Life Insurance
- Zurich Insurance Company Ltd., Japan Branch → Zurich Life Insurance
- Tokio Marine & Nichido Anshin Life Insurance Co., Ltd. → Anshin Life Insurance
- AIG Fuji Life Insurance Company, Limited → Fuji Life Insurance
- Mitsui Sumitomo Aioi Life Insurance Co., Ltd. → Aioi Life Insurance
- Manulife Life Insurance Company → Manulife Life Insurance
- AXA Direct Life Insurance Co., Ltd. → AXA Direct Life Insurance
- MetLife Insurance K.K. → MetLife Insurance
- Aflac Life Insurance Japan, Ltd. → Aflac

*The order in which companies are herein listed is based on the order in which they appear in Insurance – Life Insurance Statistics Issue (Hoken Kenkyujo, Inc.).
*Company names may be further abbreviated in figures and tables throughout this document.
*Insurance policy conditions that have been compared in this document are current as of the end of March 2016. Policy conditions mentioned in this document are included at the end of this document.
*Figures for which no source has been specifically identified have all been created by the author. Copyright therefore belongs to the Insurance Medicine Research Institute, Inc.
*Cancer is written in different ways in the Japanese-language version of this document. The name of a specific illness, such as “stomach cancer” or “breast cancer,” is written with the Chinese character for “cancer.” General expressions, such as “anticancer drug” and “cancer treatment,” are written with the Japanese hiragana characters for “cancer.” Product names and other terms for which cancer is written with the Japanese katakana characters for “cancer” are written accordingly with the Japanese katakana characters for “cancer.”

□ Points to note concerning the handling of this book: Comparative points

I presented comparative points for products in the second half of this document in my own way in order to allow them to be used for reference purposes by solicitors who may be uncertain as to what points should be the focus of their attention. While you must provide an explanation of the clear standards for introducing products if similar products offered by multiple companies are to be introduced to customers, you should keep in mind that a consumer perspective that is not biased towards the incurrence of commissions will be needed.

Please note that this book does not purport to provide any explanation whatsoever on the quality of the rate of return with respect to insurance premiums, commissions, and surrender values.

In essence, it all comes down to having the client purchase products with peace of mind.

1. How to approach product comparisons
   - Has the necessary coverage been essentially added?
   - Has the aforementioned coverage been presented to consumers in an easy-to-understand manner?
   - Has the product in question been created at a level that can be understood by both solicitors and consumers regardless of whether it deals with medically-appropriate procedures?
   - Is the product one for which there are few problems encountered at the time of payment and one whose policy conditions are clear?
   - Is the product one that expands the scope of business with policyholders?
   - Does the product help protect consumers?

2. Products that will not be recommended
   - Any product that contravenes the preceding paragraph
   - Any product that is too unconventional (subject to careful consideration if the product is a first for the country or an industry)
   - When coverage is excessive despite the fact that the product in question is new
   - Expansion of total coverage for which neither medical appropriateness nor the appropriateness of premiums can be confirmed

- Any product that limits the scope of business with policyholders

3. Examples of non-recommendation

In looking at a given benefit, there is generally no significance behind slight variations in the total amount received. However, there are benefits that would be problematic if certain coverage were lacking.

Let us say for some particular illnesses or injuries, 999 out of 1,000 patients paid out-of-pocket expenses of five million yen or less and that the remaining one out of 1,000 patients paid out-of-pocket expenses of ten million yen. You would likely say that there is no need to develop a product that pays out 10 million yen in such a scenario. There is no point in developing such a product and promoting it by making it known that total coverage has been accordingly increased. It is important to note that you have a responsibility to explain appropriateness and validity on an aggregate basis.

This topic is also connected to an approach to selling riders that cover scratches*.

There may be some criticism on the part of readers as to whether such thinking is good or bad. Thus, I would like to continue receiving such feedback and upgrade the standards for making comparative proposals.

*We have prepared a rider for scratches. Since a simple scratch can sometimes lead to a serious illness, you should enroll yourself in a policy for serious injuries. While the insurance payout is one million yen, the premiums are very low. I urge you to take a look at signing up for this option. There are actual examples in which similar approaches to selling policies are taken. You might think that consumers would not take the bait since they know the risks associated with scratches. However, it can be a different story when it comes to unknown risks...

Qualifications concerning comparisons

Since standards for making comparative proposals are summarized in this book, there are likely people who are naturally skeptical or concerned as to whether the author is up to the task of making such proposals and as to whether this book can be trusted. Thus, I will explain the relationship between the author, who is a medical doctor, and medical care for cancer, cancer insurance, and insurance sales.

The author has been involved in the treatment of many acute-stage cancer patients as a clinical physician and has seen patients suffering from the side effects of anticancer drugs and enduring pain after undergoing laparotomy operations. Each person's course of medical treatment also varies, such that some are transferred to a different hospital after receiving acute-stage treatment, while others return home to lead different lives. These days, home services have been enhanced thanks to long-term care insurance. However, not all cancer patients can take advantage of these services. In order to better understand settings where nursing care is provided as well as home care and other examples of nursing care services, the author also obtained qualifications as a long-term care support specialist and has obtained feedback concerning the actual state of at-home care and medical treatment received in facilities from long-term care workers active in the field. In addition, people are tormented by anxiety just by feeling subjective symptoms or by receiving indications of abnormality during a cancer screening before they receive a diagnosis of cancer. Anxiety about cancer takes the form of anxiety over the prospect of not being able to engage in daily life as before due to the need to struggle with illness or adapt to changes in the working environment, anxiety over a loss of income and the incurrence of treatment costs, and the biggest source of anxiety of all – unexpected death. The author also involved himself in a consultation business for cancer patients in order to help eliminate such anxieties as much as possible. I learned about all sorts of topics through direct experience with medical care for cancer. Interacting with patients as a doctor and helping advise patients are ways in which support can be provided to individuals. What can be accomplished by one person on his or her own is limited.

However, the provision of services through cancer insurance is different. While the provision of services is limited in form to cash benefits, these services can alleviate the anxiety felt by so many people and help with treatment. The extent of this help is orders of magnitude greater than what can be accomplished

by a single medical practitioner. Cancer insurance will play an important role in shaping the infrastructure of medical care for cancer in the years to come. Indeed, this role is set to grow in the future. Whether you are a solicitor or a customer, you should be able to understand the benefits of enrolling in a cancer insurance plan to the extent that you know what the medical treatment of cancer entails. However, cancer insurance cannot be taken out once a diagnosis of cancer has been received. The utility of insurance obtainable by enrolling in a cancer insurance plan can be likened to vaccination for disease control purposes. This type of insurance should be obtained while you are young and healthy enough that you are not yet truly mindful of what cancer represents as a disease that could actually affect you someday. Accordingly, the quality of cancer insurance as a high-quality form of inoculation is called into question. For this reason, benchmarks for making comparative recommendations of insurance products will become necessary.

Just as I was involved in the medical treatment of cancer patients, I was also involved for many years in the development of products after I joined an insurance company, where I was also placed in charge of arranging insurance payments, underwriting policies, and dealing with complaints concerning payments (by visiting complainants' homes and medical institutions). I have also sought to be intimately aware of the difficulties faced by solicitors by obtaining many opportunities to receive feedback directly from solicitors through sales education programs and lectures delivered at agencies and fully understanding the competitive situation faced by insurance companies in the field of sales. In recent years, I have also been fielding numerous questions from financial planners and their assessments of insurance products.

Irrespective of whatever criticisms might arise, I thereby compiled this book in accordance with my aforementioned experiences.

Chapter 1: Cancer and the medical treatment environment for cancer

❖ Selling cancer insurance

1. Products that were available when cancer insurance first began to be sold

In 1974, Aflac sold cancer insurance for the first time in Japan. Since you were only eligible back then to receive benefits under these plans if you became hospitalized due to cancer, they were considered a type of medical insurance specifically tailored for cancer (Table 1).

Table 1. Comparing the specifications of products initially sold by Aflac and products sold by Aflac today

Name of benefit	Cancer insurance (1974)	Days (2016)
Hospitalization benefit	○	○
Outpatient benefit		○
Diagnosis benefit		○
Multiple diagnosis benefit payments		○
Surgical treatment benefit		○
Radiation therapy benefit		○
Anticancer drug therapy benefit		○
Advanced cancer treatment benefit		○
Lump-sum payment for advanced cancer treatment		○

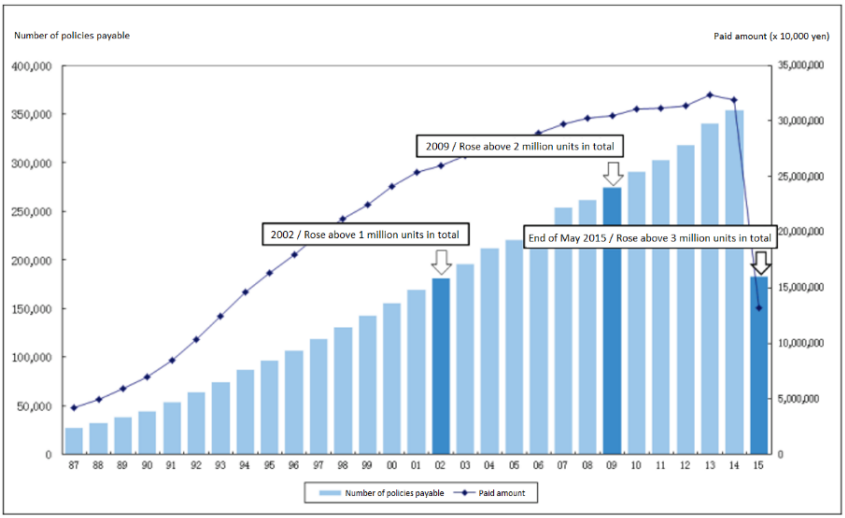
Japan at the time was a society in which doctors tended to avoid telling cancer patients the name of whatever disease was afflicting them (rate of notification was about ten percent). Indeed, it was a time when people were much more inclined to refrain from sharing the fact that a family member had cancer with anyone else. Thus, it is very easy to imagine how much energy was expended in trying to sell cancer insurance. Cancer insurance, however, eventually came to accommodate the needs of Japanese users, and sales of cancer insurance rose rapidly (Table 2). These days, more than 300 billion yen in benefits is paid out per year by just one company – Aflac – and the amount that has been cumulatively paid out to date has exceeded 6 trillion yen (Figure 1).

Table 2. Number of cancer insurance policies sold by Aflac

Fiscal year	Number of policies
1975	30,000
End of 1989	More than 10 million
End of 2014	More than 15 million

First sold in 1974
Source: Annual report ([Table 1], [Table 2])

Fig. 1. Changes in the number of policies payable by fiscal year for Aflac



*Where payments of benefits were made over multiple fiscal years under the same policy, amounts have been posted to the corresponding fiscal year.

Source: News release dated August 27, 2015

2. Subsequent expansion of sales

Aflac was soon joined by other companies in the field of cancer insurance, but the exercise of discretionary administrative powers by the Ministry of Finance at the time limited the sale of medical insurance and cancer insurance to small- to medium-sized and foreign-affiliated life insurance companies. Since major life insurance companies operated under a sales agent channel, sales were demarcated by having such insurance sold as a rider in an insurance policy payable at death or by selling insurance covering three major diseases with a death benefit. Subsequently, the Japanese version of the Financial Big Bang paved the way to allow medical insurance and cancer insurance to be sold by

both major life insurance companies and nonlife insurance companies. In 2007, it became possible for such insurance policies to be sold by banks as well. Sales channels have definitely grown, such that we see that cancer insurance is even sold these days by online-only insurance companies.

There are now sixteen companies that sell over 3,000 new cancer insurance policies a year in this country (Statistics of Insurance, 2014).

❖ What is cancer insurance?

Products that provide coverage of diseases limited in scope to cancer and other specific conditions are referred to as specified disease insurance. While various types of products are currently being sold, there are two broad categories of such products: cancer insurance and insurance covering three major diseases. Cancer insurance began to be sold in 1974 by Aflac, while the latter is sold as a product common throughout the life insurance sector as a product that provides coverage against cancer, acute myocardial infarctions (medical name for heart attacks), and cerebral hemorrhages (strokes). While different companies now provide services to consumers by arranging features in various ways within each of the above categories, coverage against cancer is always included (Table 3).

Table 3. Various insurance products providing coverage against specified diseases

Cancer insurance
Insurance covering three major diseases
Rider covering lifestyle-related diseases
Waiver premium benefit
Group credit life debt relief coverage

While these two categories of products vary in numerous ways, the basic conceptual differences are the parts that are indicated in Table 4. In contrast to other products and insurance covering three major diseases, cancer insurance is capable of providing many people with coverage at moderate cost by providing coverage against only cancer. Cancer insurance is a product that is hugely

advantageous to consumers in that it provides coverage against cancer, a disease that affects the entire nation and that imposes a substantial burden on patients and their families while the disease is being fought, for low premium amounts. Some people might argue that medical insurance is not necessary if you have enough savings, but the necessity of insurance should be apparent if you knew the actual state of medical care involved. At the same time, there are various product attributes and points to keep in mind as concerns contract management and solicitation given that coverage against cancer alone is to be provided (Table 5).

Details are outlined in other chapters of this book, but it should also be noted that the term cancer differs from company to company in terms of the scope of diseases that are covered. Base cancer insurance policies are broadly divided into products for which lump-sum cancer diagnosis payments or hospital admission benefits are offered in the base policy and products for which coverage against other forms of cancer treatment (such as those involving anticancer drugs and radiation) are offered in the base policy.

Table 4. Conceptual differences

	Cancer insurance	Insurance covering three major diseases
What is covered	Cost of treatment	Coverage against major diseases
Benefit type	Rider system	Lump-sum payment system

Table 5. Characteristics and special attributes of products providing coverage against cancer only

Can provide coverage to many people at low prices
Can provide coverage in line with the actual state of medicine by adding policy riders
Characteristics are found in contract management and solicitation practices, since coverage is provided against a single disease
Specialized knowledge about cancer needs to be possessed by the insurance company and sales agents

❖ Cancer insurance and insurance sales

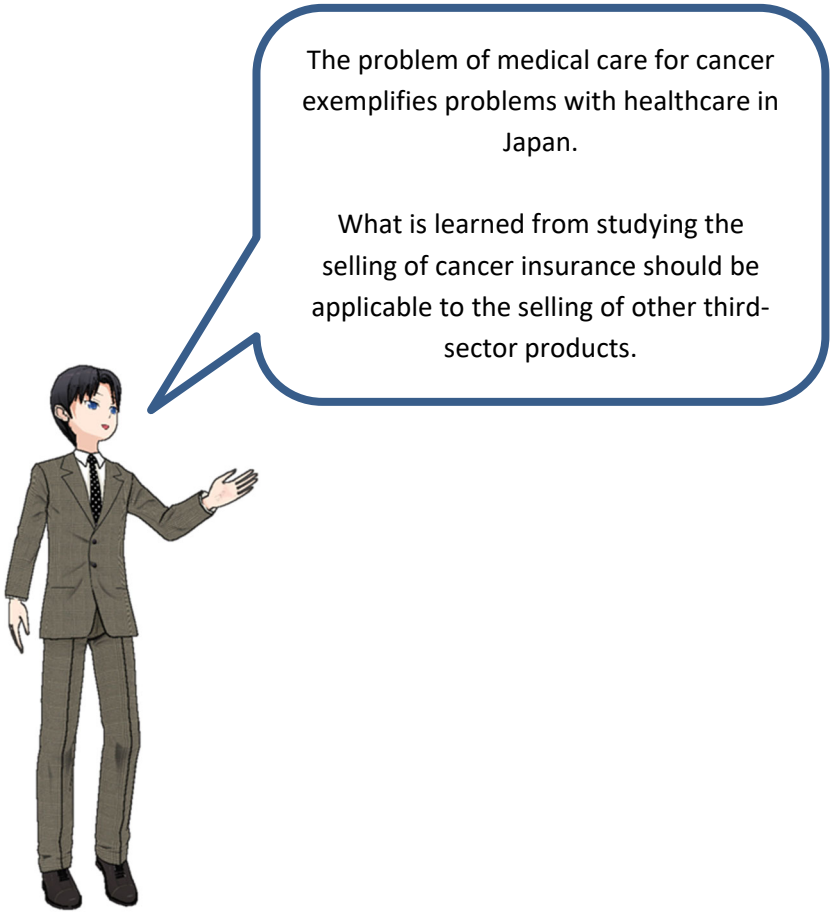
Cancer insurance is a special kind of product. In other words, it is the ultimate insurance product providing coverage against a specified disease in that it provides coverage against only cancer for the product of third-sector products.

Cancer insurance is a special type of insurance for which substantial study is required. Even someone who has been involved for many years in the selling of insurance will have to continue to study cancer. There are probably many people who might be wondering what they need to study and the extent to which such topics need to be studied. When it comes to solicitors in direct charge of selling cancer insurance, there are serious questions as to the extent to which insurance company employees who explain products understand and study cancer.

However, the medical care for cancer that is covered by cancer insurance is tied to virtually all issues of a medical nature in Japan. Thus, the selling of cancer insurance is linked to the selling of medical insurance. This is because everything concerning this topic pertains to the selling of cancer insurance in a practical sense.

By studying the following points through the lens of cancer insurance, you should be able to realize the importance of the selling of not just cancer insurance but also third-sector products:

- General medical treatment matters;
- Primary treatment matters;
- The burden assumed by patients;
- Various systems of medical care;
- Impediments suffered by persons attempting to lead lives in society as patients.



❖ What is cancer?

1. Biological characteristics

While the definition of the word cancer in the term cancer insurance is explained in a separate chapter due to its importance, it should be noted here that the term when used in a medical context simply means malignant neoplasm (malignant growth). Consumers also regard the term cancer as meaning malignant growth. In Japan, it is well-known that 350,000 people die because of

malignant growths every year. Why do so many people die of cancer? To answer this question, we need to understand the biological characteristics of this disease.

The disease known as cancer is manifested in tumors. The human body comprises about 60 trillion cells. A tumor is generated when the mechanism controlling the proliferation and division of cells begins to operate abnormally, and the state of equilibrium with the mechanism that suppresses and prevents the arbitrary proliferation of cells is corrupted. When this abnormality crosses over into the DNA sequence in cells, you have either the cells of the tumor invading surrounding cells or metastasis occurring in organs other than that of the affected site (Fig. 2). A single abnormal cell measuring a few micrometers to several tens of micrometers across can affect the life of a person who is 60 trillion times as large. These biological characteristics characterize malignant growths capable of causing the deaths of many people, as important organs that normally work to sustain life become dysfunctional (Table 6) (Table 7).

Fig. 2. Proliferation of cells

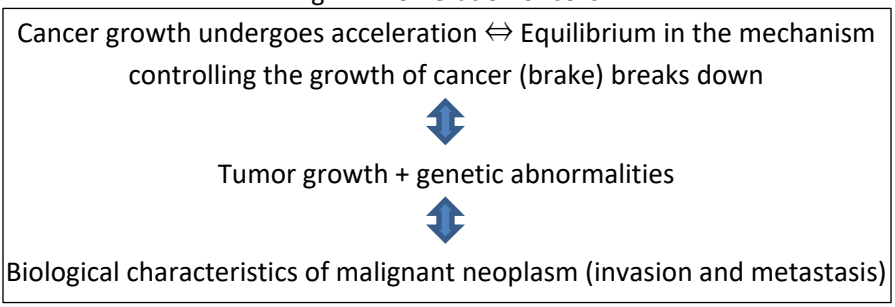


Table 6. Biological characteristics

Invasion	1. Proliferates as if seeping into surrounding tissue 2. Boundary between the tumor and surrounding tissue is unclear 3. Displaces surrounding organs 4. Leads to metastasis once the cancer spreads to sites with blood or lymphatic vessels
Metastasis	1. Proliferates upon spreading from primary organs to remotely-situated organs 2. Grows through blood and lymphatic vessels 3. Sometimes metastasizes to a different site on the same organ as the primary organ

Table 7. Impact of metastasis and invasion

1. Even after treatment, relapse can occur due to the presence of residual cancerous tissue
2. Subsequent complications can affect normal (healthy) surrounding tissue (aphasia, paralysis, radiation damage)
3. Physical symptoms caused by important organs no longer functioning properly
4. Progression leads to dysfunction and ultimately death

In 2004, fossilized dinosaur bones housed at the Smithsonian Institution in the United States were x-rayed. Scans revealed signs that bones had been eaten away by the invasion and metastasis of cancer cells. The abnormal state of cells measuring just a few micrometers across was shown to have had a life-and-death impact on giant dinosaurs. We came to understand that cancer was already affecting organisms on earth in prehistoric times.

2. Cause-of-death statistics

Cancer (a term meaning malignant neoplasm in this book unless otherwise noted) was the leading cause of death among Japanese people in 1981. The so-called 'three major diseases' – consisting of cancer as well as heart disease and cerebrovascular disease – were consistently ranked as the three most fatal causes of death for many years until 2011, when cerebrovascular disease, displaced by third-ranked pneumonia, dropped one rank to become the fourth leading cause of death in the country (Table 8).

Despite this change, cancer accounts more than 350,000 deaths a year, and all three major diseases combine to account for more than fifty percent (of all deaths). While accurate records of deaths had been maintained with death certificates, statistics concerning the occurrence of cancer remained inadequate. In January 2016, a national registry of cancer was finally begun by law. We should now see a more complete picture of cancer patients formed with the development of accurate data. Since statutory cancer registries are not limited to cases of malignant neoplasm, and since cancer is not always written the same way in the conditions stipulated in insurance policies, care needs to be taken

whenever explanations are given during the solicitation process[1].

Table 8. Ranking the causes of death and changes in this ranking from one year to the next

Cause of death	2011	2010
Cancer	357,305 (first)	353,499 (first)
Heart disease	194,926 (second)	189,360 (second)
Cerebrovascular disease	123,867 (fourth)	123,461 (third)
Pneumonia	124,749 (third)	118,888 (fourth)
Accident	59,416 (fifth)	40,732 (fifth)
Suicide	28,896 (sixth)	29,554 (sixth)
Other causes	363,907	341,518
Total	1,253,066	1,197,012

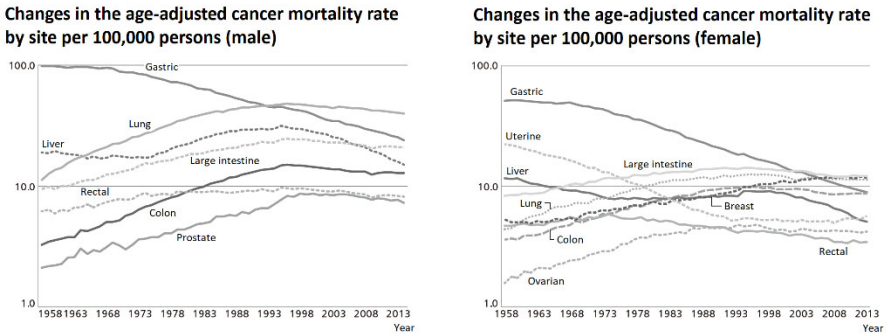
Source: National Vital Statistics

Just as we saw in the way the ranking of the leading causes of death in Japan changed, the numbers of deaths and incidence rates (estimates) for cancers by site have also gone up and down (Fig. 3). Rates of stomach cancer and cervical cancer, which ranked high in 1981 decreased while deaths from lung cancer went up. These trends in the occurrence of cancers by site are believed to have been substantially affected by lifestyle factors (Table 9). While the impact of cigarette smoking in particular is well-known, we are also well aware these days of the risk of getting occupational cancers, of which concentrated occurrences in certain places of business have been reported by mass media outlets (Table 10).

Cancer measures that take such lifestyle factors into account are known as primary cancer prevention measures, and cancer screenings are known as secondary cancer prevention measures (Table 11). Cancer measures that are carried out as public health measures focus on cancers that occur at high-mortality sites and cancers with high incidence rates (Table 12).

[1] The names of diseases other than malignant neoplasm that are required to be reported as cancers under the law governing the National Cancer Registry consist of certain examples of intraepithelial neoplasm, brain tumors, gastrointestinal stromal tumors, and ovarian tumors pursuant to Article 1 of the Enforcement Order for the Act on Promoting Cancer Registries; it has been determined that standards shall comply with the International Classification of Diseases for Oncology (revised in 2012).

Fig. 3. Changes in the number of deaths by site



Source: Reproduced from the official website for National Vital Statistics as compiled by the Ministry of Health, Labour and Welfare

Table 9. Lifestyles and carcinogenesis

Gastric cancer	Reduction of salt intake through decreased consumption of salted products attributed to the spread of refrigerators and improved logistics
Cervical cancer	Spread of home bathing facilities

Table 10. Occupational cancers that have drawn attention through coverage by news media

2012: Outbreak of bile duct cancer among employees of a printing office
2014: Supreme Court decision in a lawsuit on asbestos damage and on recognizing industrial accidents
2016: Outbreak of bladder cancer among employees at a chemical plant in Fukui

Table 11. Primary, secondary, and tertiary cancer-prevention measures

Primary prevention	Lifestyle to prevent cancer
Secondary prevention	Cancer screening
Tertiary prevention	Aggressive treatment

Table 12. Cancer screenings at five different sites as recommended by the government

Lung cancer	Chest x-ray once a year for persons 40 years of age and older; smokers also undergo sputum cytology
Gastric cancer	Gastric x-ray examination once a year for persons 40 years of age and older
Large intestine	Fecal occult blood test once a year for persons 40 years of age and older
Breast cancer	Examination by touch and mammography once every two years for persons 40 years of age and older (x-ray examination)
Cervical cancer	Cytological examination of the cervix once every two years for persons 20 years of age and older

Insurance companies selling insurance policies payable at death are naturally interested in the numbers of deaths that affect rates of mortality and must predict which site-specific cancers will see an increase or decrease in the numbers of deaths in the future. On the other hand, since cancer insurance is a type of insurance that essentially allows benefits to be received while the insured is still alive, insurance companies are more interested in cancer case numbers than in the numbers of deaths. While it goes without saying that there is a high level of interest in the impact that smoking and other lifestyle factors have on incidence and on trends in this regard, the sex of each individual is regarded as being especially important. Since sex greatly affects rates of cancer incidence, some companies have adopted cancer insurance premiums that differ between men and women.

❖ The three major burdens associated with the medical treatment of cancer

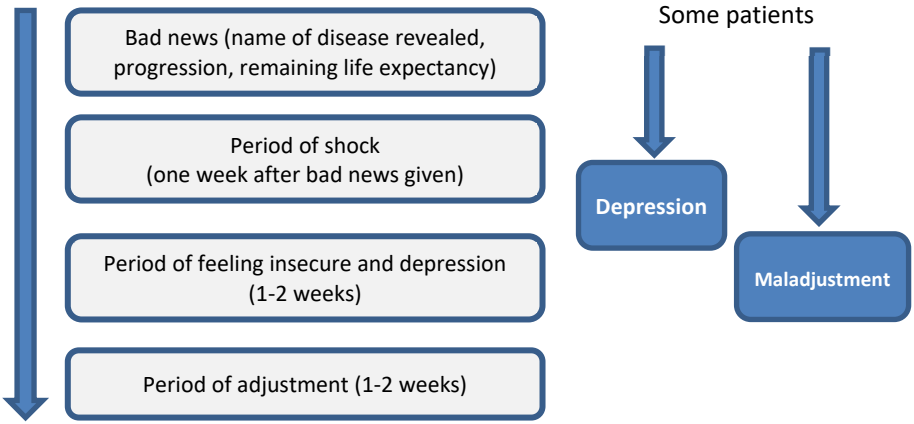
When a person gets cancer, he or she and his or her family will suddenly find themselves assuming substantial burdens due to various environmental changes. There are three broad categories of burdens (Table 13). The extent to which these burdens are felt largely depends not just on the difference in treatment approach that arises based on the cancer site and extent to which the cancer has developed, but also on circumstances prevailing to that point in time inside and outside the home in which the patient lives. Physical burdens are alleviated by receiving

treatment at a medical institution, but many patients typically suffer from psychological burdens for a while after being told that they have cancer, such that the pattern shown in Fig. 4 is known to occur. Severe psychological symptoms are sometimes seen such that some patients are diagnosed with depression. In recent years, support activities have gradually taken root, such as through the efforts of liaison[2] teams and the support provided by hospital consultation offices and various patient associations.

Table 13. Burdens assumed by patients

Physical (bodily) burdens
Psychological burdens
Financial burdens (treatment costs, costs of living, and employment issues)

Fig. 4. Psychological burdens: What happens after bad news is delivered



While private insurance plans cannot directly deal with these burdens, private insurance is effective for addressing financial burdens. Table 14 shows that nearly 70 percent of respondents in a survey administered to cancer patients perceive the weight of financial burdens. Cancer insurance focuses on this area and on covering the cost of treatment during the acute stage of one's illness. These days, the rising costs of medical care for cancer threaten the finances of patients' families, such that some patients choose to forgo optimal treatment

[2] Liaison refers to medical care provided by a team of doctors, nurses, and psychological counselors in response to psychological problems suffered by patients.

procedures due to an inability to pay costs even with the application of public insurance options.

Some families in which both spouses are young and working suffer from significant disruptions to life plans that are caused when one spouse is forced to fight cancer.

Table 14. 2011 survey: Financial and other types of burden rates

Financial difficulties (69%)	Burden of paying medical care expenses
	Depletion of savings
	Decrease in income
Social burdens (60%)	Loss of employment
	Loss of hobbies and purpose in life
	Hassle of regular visits to see a doctor

Source: Health and Labor Sciences Research Grant research report by research representative Nobuo Koinuma, March 2012

❖ Financial burdens assumed by cancer patients

Professor Nobuo Koinuma of the Department of Health Administration and Policy of the Graduate School of Medicine at Tohoku University was engaged in a research project (investigation) at the Ministry of Health, Labour and Welfare on the "out-of-pocket expenses paid by cancer patients." In contrast to surveys carried out independently by insurance companies, this research project was officially conducted with costs paid for by the national government. (While some data results have also been obtained by private-sector companies, these cannot be evaluated in terms of reliability due to the existence of author bias in these cases.) Results obtained from a report for 2010 are summarized and presented in Tables 15 and 16.

This investigation was continuously conducted over a period of several years. While the data for each year as presented in the tables do not capture the full picture of the financial burden suffered by patients, we see that patients pay, on average, 1.01 million yen on an out-of-pocket basis when dealing with cancer.

The amount paid by the patient can be divided into direct costs relating to the medical treatment he or she receives and indirect costs. In addition, the actual amount paid by a patient will vary due to costs reimbursed through the use of

the high-cost medical treatment benefit system and to benefits received from private-sector sources. Indirect costs include insurance premiums paid to private insurance companies. We see that 44.8 percent of patients who were actually able to receive private insurance benefits were able to have most of their out-of-pocket expenses covered by these benefits.

According to the report, medical treatment costs an average of 1.36 million yen for patients who have been hospitalized. Out-of-pocket expenses, exclusive of private insurance premiums, are broken down as follows: inpatient medical care accounts for 47.5 percent of costs, outpatient medical treatments account for 16.4 percent of costs, and transportation expenses and other costs account for 36.1 percent of costs. The extent to which benefits paid out by private insurance plans (averaging 100,000 yen) are helpful is clear. It might also be a good idea to have a certain amount of benefits for visiting the doctor or hospital guaranteed.

Table 15. 2009 survey: Out-of-pocket payment breakdown (units x 10,000 yen; excluding patients undergoing particle beam treatment)

	After diagnosis	7 years after survivor diagnosis
Average out-of-pocket payment amount (applicable average)	101.1	29.9
Direct costs		
Hospitalization expenses	52.5 (74.4 percent of eligible persons)	27.5 (44.2 percent of eligible persons)
Outpatient expenses	18.1	
Transportation expenses	4.5	
Indirect costs		
Health foods and folk remedies	21.8 (56.8 percent of eligible persons)	11.6 (6.6 percent of eligible persons)
Private insurance premiums	25.5 (85.0 percent of eligible persons)	15.6 (54.5 percent of eligible persons)
Other	13.6	
Reimbursements and benefits	62.4	13.5
Private insurance benefits	101.1 (44.8 percent of eligible persons)	73.4 (14.9 percent of eligible persons)
High-cost medical treatment spending	28.5 (52.7 percent of eligible persons)	15.2 (13.1 percent of eligible persons)
Refund of medical care expenses	8.8	

Source: Health and Labor Sciences Research Grant research report by research representative Nobuo Koinuma, 2010

Table 16 outlines amounts paid by site and clearly reveals that the assumption

of costs differs from site to site.

Table 16. 2009 survey: Out-of-pocket amounts per year by site (excluding patients undergoing particle beam treatment)

	Gastric cancer	Colorectal cancer	Lung cancer	Breast cancer	Uterine cancer	Prostate cancer
Annual out-of-pocket amount	766 thousand yen	974 thousand yen	1.02 million yen	770 thousand yen	900 thousand yen	753 thousand yen
Reimbursed amount	501 thousand yen	706 thousand yen	672 thousand yen	482 thousand yen	733 thousand yen	261 thousand yen

Source: Health and Labor Sciences Research Grant research report by research representative Nobuo Koinuma, 2010

❖ Trends in national healthcare spending

1. Total healthcare spending

Total healthcare spending in 2014 exceeded 40 trillion yen (Table 17). The table reveals that this figure continues to rise each year. While the rate of growth in total healthcare spending fluctuates slightly due to revisions in medical service fees and changes in the medical care system, spending has been generally increasing by two to three percent on a year-on-year basis.

Table 17. Changes in healthcare spending (unit: trillions of yen)

FY2010	FY2011	FY2012	FY2013	FY2014
36.6	37.8	38.4	39.3	40.0

Source: FY2014 Trends in National Healthcare Spending
(http://www.mhlw.go.jp/topics/medias/year/14/dl/iryouhi_data.pdf)

2. Breakdown of healthcare spending and healthcare spending on cancer

Healthcare spending per citizen per year increases with age and tends to be higher for women than for men (Table 18). The data show that there is a serious problem in that healthcare spending rises even as income goes down. Healthcare spending on cancer and other forms of neoplasm is second in magnitude to cardiovascular diseases (Table 19).

Table 18. Annual healthcare spending per capita (unit: thousands of yen)

Age bracket	Male	Female
0 ～14	160.8	137.7
15 ～44	101.3	127.9
45 ～64	297.4	257.3
65 and older	772.0	688.8
All age brackets	310.6	318.6

Table 19. FY2013 Top 5 medical examination and medical treatment costs by injury and disease classification

	Estimated amount (x 100 million yen)	Percentage of total (%)
Total	287,447	100.0
Diseases of the circulatory system	58,817	20.5
Neoplasms	38,850	13.5
Musculoskeletal and connective tissue	22,422	7.8
Diseases of the respiratory system	21,211	7.4
External causes	20,466	7.1
Others	125,682	43.7

Source: http://www.mhlw.go.jp/toukei/saikin/hw/k-iryohi/13/index.htm (Tables 18, 19)

3. Breakdown of the natural increase in national healthcare spending

Regardless of economic conditions, national healthcare spending continues to rise every year. This is referred to as a *natural increase* and is equal to about a 2-3 percent annual growth rate, the breakdown of which is shown in Table 20. In looking at this table, we see that the *impact of aging* is at odds with *other factors* in some fiscal years, while *other factors* is greater in other fiscal years. The other factor believed to have the biggest impact in terms of causing healthcare spending to go up is the development of medical technologies. The spread of advanced medical technologies is driving sharp increases in healthcare spending.

Where patients receive treatment on an inpatient basis or where advanced medical technologies are used for cancer patients and other sufferers of severe illnesses, unit costs of healthcare spending will rise and the impact will be greater.

Table 20. Breakdown of the natural increase in healthcare spending

	FY2005	FY2007	FY2009	FY2011	FY2013
(i) Growth rate of healthcare spending	3.20%	3.00%	3.40%	3.10%	2.20%
(ii) Impact of aging	1.80%	1.50%	1.40%	1.20%	1.30%
(iii) Other factors	1.30%	1.50%	2.20%	2.10%	1.10%

(Due to population increase and revisions to medical service fees, the sum of (ii) and (iii) does not equal (i).)

Source: Produced based on Fiscal Administration Subcommittee materials dated April 27, 2015. *Other factors* is net of the impact of population changes and aging and primarily reflects the impact of medical advancements.

❖ Spiraling healthcare costs and the high-cost medical treatment benefit system

As noted in the explanation of national healthcare spending, unit healthcare costs are becoming high due to the spread of advanced medical technologies (Table 21). Fortunately, there is a medical care environment in place that allows people in Japan to avoid bankruptcy due to medical care expenses, thanks to the existence of a safety net known as the high-cost medical treatment benefit system, which is applicable to costs covered by insurance. In other words, a system that enables medical care to be obtained on an equitable basis functions in a way that prevents economic disparities from growing in the area of healthcare. However, total high-cost medical treatment spending is rapidly rising these days in response to spiraling healthcare costs. The Ministry of Health, Labour and Welfare has also described the current state of the increase in the unit cost of hospitalization based on data as provided for in Fig. 5.

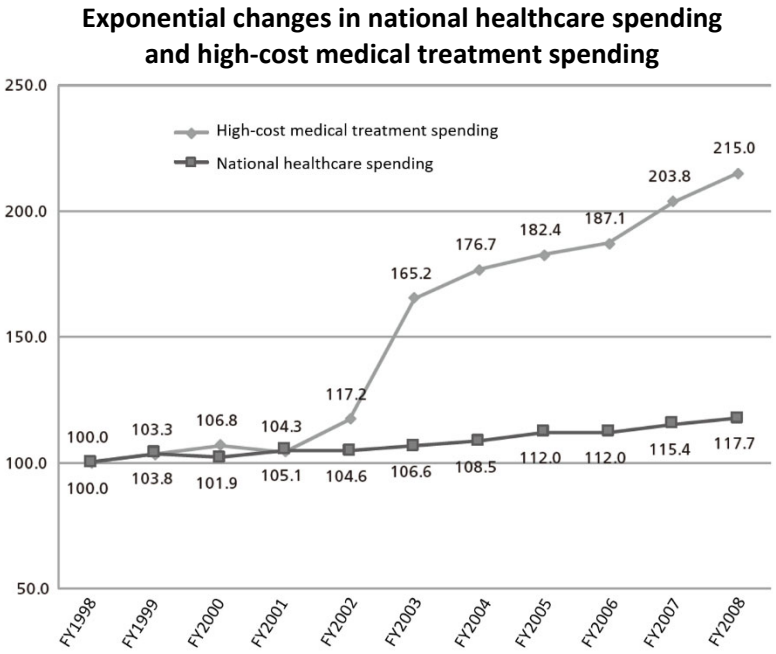
On the other hand, the capping of income standards applicable to high-cost medical treatment spending has always been discussed in connection with the reformation of the healthcare system. This cap was raised during the Koizumi administration and later revised by the Abe administration. In other words, the safety net is vulnerable in a functional sense.

Moreover, it is expected that uninsured costs to which the high-cost medical treatment benefit system does not apply (such as medical expenses combined with treatment outside the insurance coverage and statutory burdens) will increase in the future.

Table 21. Current situation with respect to spiraling healthcare costs

- Economic disparities in healthcare have become a reality.
- The amount paid on an out-of-pocket basis by patients will rise due to reforms affecting high-cost medical treatment spending.
- The burden of paying for care not covered by insurance will increase.
- Healthcare spending is spiraling for reasons relating to anticancer drugs.

Fig. 5. Growth in high-cost medical treatment spending



Source: Materials provided by the Medical Insurance Committee, Social Security Council (October 12, 2011)

The biggest cause of the increase in the financial burden on cancer patients is the development of medical technologies for cancer. Medical care is becoming personalized (customized for each patient), thereby resulting in sharply rising prices of anticancer drugs. While we will be looking more closely at changes in the environment surrounding anticancer drugs in a separate chapter, it should be noted that a questionnaire survey administered to doctors revealed that 1.5 hospitalized patients and 1.6 outpatient patients per month either change or

discontinue treatment due to financial reasons and that this is caused by new anticancer drugs that are in use these days (Health and Labor Sciences Research Grant research report by research representative Nobuo Koinuma, 2012).

❖ Aspects of the public healthcare system that should be known

In 1961, universal health insurance coverage became institutionalized in Japan. The contents of the program were enhanced to bring to a completion of the development of a public healthcare insurance system in 1973. In other words, a framework for healthcare financing and the equitable provision of medical services to the people was completed to mark the attainment of UHC[3] goals in a manner recognized by the global community.

While private insurance has been functioning to support public insurance on the outer fringes of the public healthcare insurance system, the role of private insurance may very well change amid the various initiatives to reform the healthcare system that are currently underway. Accordingly, an outline of Japan's healthcare system needs to be properly understood.

The framework of Japan's healthcare system is as described below:[4]

1. Healthcare is primarily funded by the social insurance system (funded entirely by taxation in some countries).
   - In addition, a portion of costs is assumed by patients and the rest is covered by the public.
   - Public healthcare insurance can be broadly divided into two systems: insurance for employees and national health insurance.
2. Many healthcare institutions are privately run (but on a non-profit basis); medical services have been provided through such institutions.
   - Can be freely established and are accessible to the public without limitations.
3. In principle, services under the public healthcare insurance system consist of in-kind medical benefits (Table 22).
4. Patients pay a fixed rate and a high-cost medical treatment benefit system

[3] Universal health coverage (UHC) refers to the ability of all persons to receive basic health services corresponding to a guaranteed level of quality whenever needed, from birth until death, at a level of cost that can be borne.

[4] Re-Questioning Medical Policy, Kenji Shimazaki (Chikuma Shobo, November 2015)

is in place to cover high-cost services.

5. An administrative system functions to control service fees charged by healthcare institutions.
   - Medical service fees schedule, drug price standards, and specific medical materials standards
   - System of receipt billing and receipt screening in exchange for in-kind benefits
6. The use of both insured and uninsured types of medical treatment when using the public healthcare insurance system is not allowed, except where the uninsured concomitant medical treatment benefit system applies.

Table 22. Key in-kind public medical insurance benefits

Breakdown of in-kind benefits	Contents
Examinations	
Drug benefits	
Provision of insured medical materials	Surgical sutures, catheters, and more
Inpatient medical treatment	Nursing care
Meals while hospitalized	Meals and medical treatment expenses while hospitalized
	Living and medical treatment expenses while hospitalized
Required medical care	Screenings, surgical operations, rehabilitation, and more

Note: It goes without saying that there are some cash benefits as well (such as a lump-sum payment for childbirth).

You will need to always think about the positioning of private insurance while grasping these basic matters. This is especially important in dealing with third-sector products.

However, points that are important when engaging in dialogue with clients are the characteristics set forth in Table 23.

Table 23. Characteristics of a public healthcare insurance system that are important to consumers

- Free access (degree of freedom)
- Certain level of in-kind benefits (equitable)
- Medical treatment fees at official prices (equality)

Note: Changes to this system, such as those that would increase the statutory burden of paying for selected medical treatment expenses and those that would put limits on free access, are being contemplated.

❖ Changes in the medical care environment and healthcare system for cancer

Various healthcare system reviews are currently underway. These reviews will not be examined in detail herein since that is not the purpose of this book, but if you are interested in pursuing this topic further, you should seek out the many written works that have been published to date and study them on your own.

Since medical care environments corresponding to *cancer* are highly varied, items are presented in Table 24 according to the timing of medical treatment provided to patients. Although Table 24 is presently applicable, it is expected that the contents of this table will rapidly change over time.

The presented items continue to be discussed through various policy discussions and by councils of experts. The public healthcare insurance system through which UHC as mentioned in the previous section was attained (page 38) was set up during the period of high economic growth. An urgent and broad-ranging review is currently underway ahead of the 2025 Problem[5]. The population structure and longevity risk are also having a huge impact on reviews of the healthcare system.

Regardless of the pros and cons of these policy discussions, private insurance companies need to determine what the impact will be on actual downstream settings where medical treatment is provided and what specific burdens are placed on patients and their families. Policy discussions are complicated, and you need to be constantly exposed to pertinent information in order to assess trends concerning different discussions with a broad view of the whole. Of course, better insurance cannot be developed with just policy discussions. It is also important to obtain feedback from people working in places where healthcare is provided and from patients themselves.

[5] The 2025 Problem refers to the problem caused by baby boomers in Japan, consisting of those who were born between 1947 and 1949, turning 75 years old or older in 2025. A significant increase in social security costs for healthcare and long-term care and a shortage of care facilities and care workers are expected to occur.

Table 24. Discussions relating to the medical treatment of cancer patients

<Assumed by patients on an out-of-pocket basis>

1. Discussion on reviewing the high-cost medical treatment benefit system
2. Discussion on expanding the use of insured and uninsured types of medical treatment
3. Payment of fixed amounts when undergoing check-ups (partial increase of the statutory burden of paying for selected medical treatment procedures)
4. Discussion on revising deductions for medical care expenses in connection with efforts to promote self-medication
5. Review of drug costs (including the promotion of generic drugs and restrictions on pharmacies right outside a doctor's office or hospital)

<personal medical treatment>

1. Discussion on efforts to curtail visits to doctors and insurance exemptions
2. Development of an environment for the use of unapproved drugs and the expansion of the use of insured and uninsured types of medical treatment
   - Patient-requested medical treatment
   - Adoption of a Japanese version of the CU system (expanded clinical trials)
3. Revising the system of specialist doctors and establishing a new system of specialist doctors
4. Development of cutting-edge medical care and the promotion of clinical applications

<Provision of medical care>

1. Acute phase
   - Development of and progress with respect to cancer treatment organizations in secondary medical zones
2. After the acute phase
   - Lack of medical treatment facilities for patients for whom cancer patient rehabilitation costs are calculated and a lack of a system for reporting hospital bed functions and hospital beds for use during the recovery phase
3. At-home care
   - Promotion of a comprehensive community care system and disparities in effectiveness by region
   - Promotion of the concept of "5 diseases and 5 projects"
   - Enhancement of disease linkages and coordination with local clinics and hospitals
   - Establishment and effect of family doctors, family pharmacies, and health information-providing pharmacies
   - The use of nursing-care services by patients under the age of forty-five years is to be paid on an out-of-pocket basis.
   - Reviewing the long-term care insurance system and discussion on reviewing the provision of services corresponding to nursing care level 2 or below
   - Reviewing the shift from a fixed rate for out-of-pocket payments of nursing care expenses to out-of-pocket payments based on income

*Individual themes that cannot be included in this table have been discussed by many administrative agencies.

❖ The medical treatment of cancer and the main points concerning medical service fees

Various medical service fees are calculated in connection with the medical treatment of cancer. Typical examples are presented here.

Table 25. Items relating to the basic hospitalization rate

A226-2 Addition of palliative care (per day) 400 points
A226-3 Addition of palliative care at a medical clinic with beds (per day) 150 points
A232 Addition of core center for cancers (first day of hospitalization)
1. Addition of linked core center for the medical treatment of cancer
a. Linked core center for the medical treatment of cancer 500 points
b. Local center for the medical treatment of cancer 300 points
2. Addition of core center for pediatric cancers 750 points
A310 Palliative care ward admission fee (per day)
1. Period of up to 30 days 4,926 points
2. Period of between 31 days and up to 60 days 4,400 points
3. Period of 61 days or more 3,300 points

Table 26. Items relating to medical management

B001 Specific disease treatment management fee
22. Cancer pain relief guidance management fee
1. Provided by insurance doctor trained in connection with palliative care
2. Any case not coming under 1 100 points
23. Cancer patient guidance management fee
1. A doctor discusses medical treatment policy and other matters in collaboration with nurses and the contents thereof are provided in writing 500 points
2. A doctor or nurse conducts an interview to alleviate psychological anxiety 200 points
3. A doctor or pharmacist provides a written explanation of the necessity of administering or injecting an anti-malignant tumor agent 200 points
4.24 Outpatient palliative care management fee 300 points
B001-2-8 Outpatient radiation therapy fee 292 points
B001-7 Lymphedema guidance management fee 100 points
B005-6 Cancer treatment coordination plan formulation fee
1. Cancer treatment coordination plan formulation fee 1 750 points
2. Cancer treatment coordination plan formulation fee 2 300 points
B005-6-2 Cancer treatment coordination guidance fee 300 points
B005-6-3 Cancer treatment coordination management fee
1. Linked core center for the medical treatment of cancer 500 points
2. Local center for the medical treatment of cancer 300 points
3. Core center for pediatric cancers 750 points
B005-6-4 Fee for provision of at-home coordination guidance to a cancer patient on an outpatient basis 500 points
B010 Medical treatment information provision fee (II) 500 points

Table 27. Items relating to at-home care

C000 Fee for house call 720 points; Addition for a nighttime house call, emergency house call, or other type of house call 2,700 points-325 points
C001 Home patient visiting care fee (per day)
1. Case not involving a resident of the same building 833 points
2. Case involving a resident of the same building 203 points
6. Addition of home terminal care for a patient who died at home 5,000 points-3,000 points
C002 Fee for comprehensive medical management provided during the administration of at-home care (once a month)
At-home care support clinic or at-home care support center 5,400 points-660 points
Other 3,450 points-510 points
C003 General at-home cancer medical treatment fee (per day)
At-home care support clinic or at-home care support center 2,000 points-1,495 points
C005 Fee for the provision of home-visit nursing and guidance services to an at-home patient (per day)
1. Provided by a public health nurse, midwife, or nurse (except in the case of 3)
a. Up to third day in the same week 580 points
b. Fourth and subsequent days in the same week 680 points
2. Provided by an assistant nurse
a. Up to third day in the same week 530 points
b. Fourth and subsequent days in the same week 630 points
3. Provided by a nurse who has received specialized training in palliative care or bedsore care for patients with malignant tumors 1,285 points
C008 Fee for the provision of drug management guidance to an at-home patient on a visiting basis
1. Case not involving a resident of the same building 650 points
2. Case involving a resident of the same building 300 points
C108 At-home malignant tumor patient guidance and management fee 1,500 points
C108-2 At-home malignant tumor patient co-guidance and management fee 1,500 points

Source: Extracted from Notification no. 52 as issued by the Ministry of Health, Labour and Welfare on March 4, 2016

In the future, at-home care will be centered on *home-care support clinics.* Hospitals where acute phase care is received will continue to provide treatment in the community in accordance with cancer treatment coordination plans as *community-based critical path institutions.*

Note: Points for medical service fees, such as surgical operation fees, treatment fees, and examination fees, have been omitted.
Note: See Chapter 3 (At-home care cases and costs) (page 88) for more information on specific at-home care costs.

Chapter 2: Cancer insurance and policy conditions

❖ Defining cancer

In contrast to statutory benefits like those provided through public insurance schemes, private insurance is characterized by the conclusion of individual agreements in accordance with insurance policies and their conditions and by the provision of services in accordance with the contents of these agreements.

Leaving aside individual coverage amounts and whatever daily coverage amount is provided, the details of incidents to which coverage applies under a *cancer insurance policy* are fully stated in the policy conditions. Unlike clients, solicitors must understand, in their role as insurance professionals, the policy conditions of products they compare and recommend. Aspects relating to contractual paperwork are largely uniform from insurance company to insurance company, such that no significant differences can be found across the industry. Since checks are also strictly conducted through examinations performed by the Financial Services Agency, there should not be many points of comparison that reveal a disparity among companies. If we were required to indicate some examples of differences along these lines, we might mention the policy inception date, the possibility of reviving a policy, and the period during which a suicide exemption would apply.

However, insured events relating to benefits and the conditions applicable to different benefits cannot be properly understood for any given product unless you fully read the main text of the policy conditions, appendices, comments, and supplementary provisions. Even more troublesome is the fact that the provision of *third-sector insurance* is closely tied to medicine, such that many medical terms and descriptions are included in the conditions set forth in such insurance policies. The conditions of cancer insurance policies in particular contain the most medical terms and descriptions; some policies of this type are very difficult to understand.

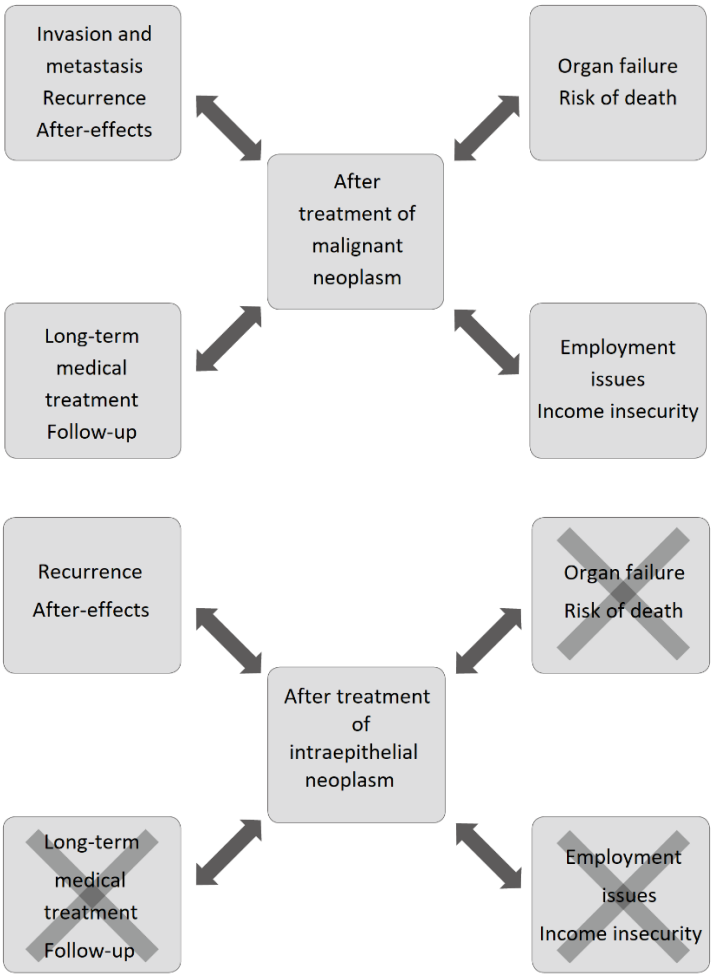
As more products are produced for the market and as medical accuracy is honed in writing the policy conditions for these products, the policy conditions for these products become more complicated, such that consumers as well as insurance solicitors will become increasingly incapable of understanding what they mean. However, medicine can be unclear and ambiguous at times. The inclusion of medical terms and descriptions is unavoidable to an extent, if you

wish to provide trouble-free benefits through an insurance product. Ultimately, the striking of a balance is important.

In order to understand cancer insurance, the first step is to define the term *cancer*. In particular, this entails defining malignancy and intraepithelial neoplasm (Fig. 6). Let us take a closer look at this matter on the following page.

Fig. 6. Definitions are important

The need for coverage differs depending on whether a neoplasm is malignant or not



❖ Two types of cancer

The term cancer is used not just by doctors but also by regular people. In the world of medicine, the term cancer means a malignant neoplasm in every country around the world. It is important to note that the term does not encompass precancerous lesions or intraepithelial neoplasms.

If you were to refer to an intraepithelial neoplasm as a cancer, the following problems would arise:

- You would cause patients to become overly anxious;
- You would induce an excessive course of treatment to be undertaken.

The World Health Organization (WHO) has also explicitly alluded to such concerns in textbooks on the large intestine.

Japan is also a member of the WHO. Accordingly, the term *cancer* should be used as carefully as possible.

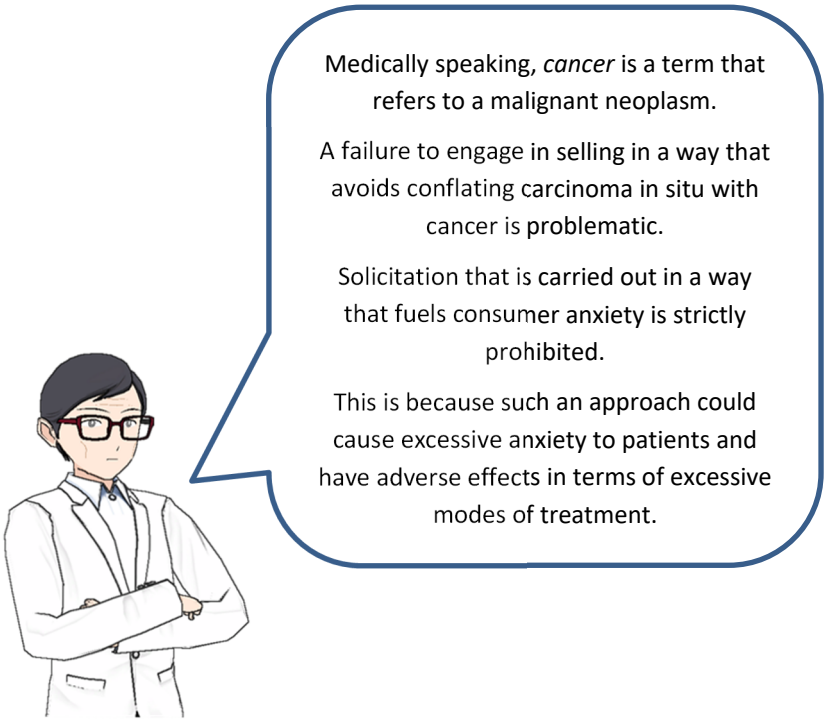
Likewise, while a doctor might, in fulfilling his or her responsibility as a doctor in explaining medical treatment to a patient, describe an *intraepithelial neoplasm* as being an "early-stage cancer," it would not be appropriate to take this approach in materials and explanations utilized for the solicitation of insurance. Taking this approach would be problematic in that it could cause consumers to mistakenly believe that products offered by other companies do not cover early-onset stage-one malignant neoplasms. In this way, the proper use of terms is an element in determining whether a product should be recommended based on comparisons with other products.

If you take a look at *cancer insurance* upon understanding the above premises, you will see that product names and policy conditions are naturally replete with the term *cancer.* The problem, however, becomes apparent when you carefully examine the policy conditions and see that there are two types of definitions of *cancer* in the provision that sets forth a definition of cancer:

- *Cancer* means a malignant neoplasm.
- *Cancer* means a malignant neoplasm or intraepithelial neoplasm.

The former is the definition that aligns with conventional medical thinking around the world, but the latter utilizes a version of the term *cancer* that has been coined for the conditions set forth in certain policies. Of course, the latter is a term that, despite having been approved by the Financial Services Agency, contradicts the WHO's position. The technical issue with those who draft policy conditions in a way that conflates malignant neoplasm with intraepithelial

neoplasm through the use of a coined term is not an essential matter. The fact is that this coined term causes solicitors to mistakenly believe that intraepithelial neoplasm is a serious disease that needs to be treated in a serious manner, which in turn causes consumers to regard intraepithelial neoplasm in the same way. This could be criticized as an approach to sales based on the presentation of a scenario involving scratches. (See the section on points to keep in mind concerning the handling of this book.)



❖ Classification by the WHO

A *neoplasm* is also known as a *tumor*, of which there is a great variety. A uterine myoma (fibroid) is an example of a tumor. Thus, there are certain criteria that need to be satisfied for a tumor to be considered a *cancer* for which benefits can be provided through cancer insurance. Provisions defining cancer can be seen in the conditions set forth in a cancer insurance policy, and the criteria in question would be specifically outlined in a separate table. Take a look at what is set forth in a separate table of criteria.

Take a look at Table 28. While there are several difficult terms presented here in this table, the following is included: "'compliant with the International Statistical Classification of Diseases and Related Health Problems 10th Revision (ICD-10) (2003 version),' as compiled by the Statistics and Information Department under the authority of the Minister's Secretariat at the Ministry of Health, Labour and Welfare." In other words, the WHO's ICD-10 classification is being used to constitute the criteria in question[6].

Table 28. Section 1 of the Appendix in connection with the definition of cancer (ICD-10)

Cancers for which coverage is provided shall consist of "malignant neoplasms," which shall be as defined below. A malignant neoplasm shall consist of the following in the categories specified in Notification no. 176 as issued by the Ministry of Internal Affairs and Communications on March 23, 2009; the contents of these categories shall be compliant with "the International Statistical Classification of Diseases and Related Health Problems 10th Revision (ICD-10) (2003 version)," as compiled by the Statistics and Information Department under the authority of the Minister's Secretariat at the Ministry of Health, Labour and Welfare.

Source: Rearranged and reprinted by the author based on contents typically found in the conditions set forth in insurance policies offered by different companies.

Take a look at Table 29. The following is included: "'International Classification of Diseases for Oncology, third edition,' as compiled by the Statistics and Information Department under the authority of the Minister's Secretariat at the Ministry of Health, Labour and Welfare." In this case as well,

[6] ICO-10 will be amended to ICO-11 in 2022.

the WHO's ICD-O-3 classification is being used to constitute the criteria in question.

Table 29. Section 2 of the Appendix in connection with the definition of cancer (ICD-O)

In Section 1 hereof, malignant neoplasms are neoplasms whose morphology codes are expressly set to malignant and neoplasms for which a fifth-digit code indicating the morphology thereof has been assigned as part of a morphology code included in "the International Classification of Diseases for Oncology, third edition,' as compiled by the Statistics and Information Department under the authority of the Minister's Secretariat at the Ministry of Health, Labour and Welfare.

Source: Rearranged and reprinted by the author based on contents typically found in the conditions set forth in insurance policies offered by different companies.

In this way, two sets of WHO classification are being used at a fundamental level. By using these two sets of classification, tumors for which benefits will be provided can be determined by identifying either a malignant neoplasm or intraepithelial neoplasm, and payments can be properly clarified accordingly. While tumors can be broadly divided into four types, including benign tumors, the types of tumors that are relevant as far as cancer insurance is concerned are malignant neoplasms and intraepithelial neoplasms (Table 30).

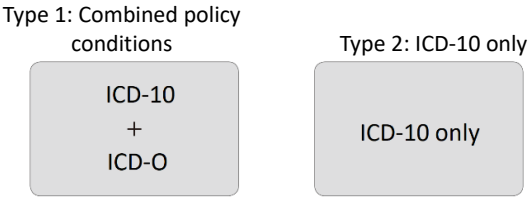
Table 30. Four types of neoplasms (tumors) and morphology codes (/0, /1, /2, /3, /6, /9)

・Benign neoplasm	/0
・Neoplasm of unknown properties	/1
・Intraepithelial neoplasm	/2
・Malignant neoplasm	/3, /6, /9

Source: International Classification of Diseases for Oncology

In the policy conditions put forth these days by different companies, both ICD-10 and ICD-O are explicitly referred to as shown in Tables 28 and 29. Previously, however, many products featured policy conditions for which only the medically ambiguous definition corresponding to ICD-10 was used. Thanks to this state of ambiguity, there were concerns that problems might arise at the time of payment (Fig. 7).

Fig. 7. Two types of policy conditions



❖ Intraepithelial neoplasm, carcinoma in situ, and dysplasia

The definitions of *malignant neoplasm* and *intraepithelial neoplasm* are stated in policy conditions. (See Classification by the WHO and Tables 28 and 29 on page 48-49.)

While there are products for which cancer includes *tumors in the epithelium*, there are even some solicitors selling cancer insurance who are under the impression that the medical risks associated with malignant neoplasms are equivalent to those associated with intraepithelial neoplasms. If insurance is sold based on such an understanding, many consumers with utterly no interest in intraepithelial neoplasms will believe the mistaken explanations given by solicitors with a poor grasp of the proper definitions to be used. (This is an approach to sales based on the presentation of a scenario involving scratches. See the section on points to keep in mind concerning the handling of this book.)

A solicitor will, at a minimum, need to understand the following points:

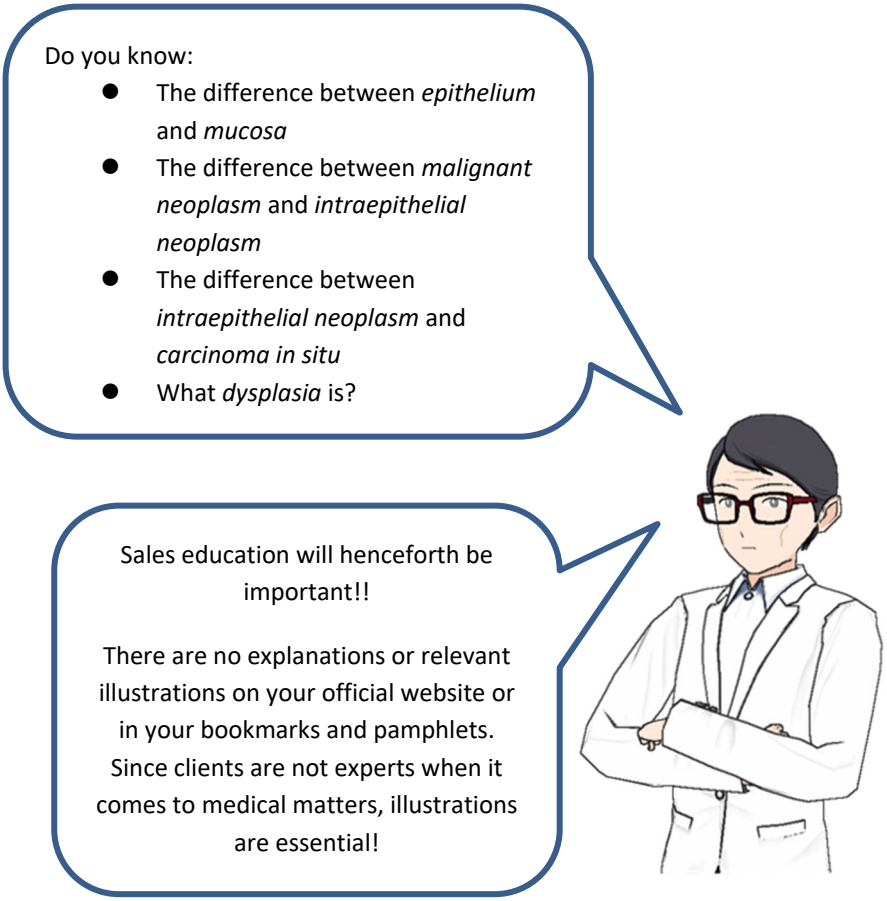
- The difference between *epithelium* and *mucosa*
- The difference between *malignant neoplasm* and *intraepithelial neoplasm*
- The difference between *intraepithelial neoplasm* and *carcinoma in situ*
- What *dysplasia* is

Without a medical understanding of the above points, there is no way to provide an accurate explanation of coverage matters. These points do not constitute knowledge that needs to be understood only by employees belonging to the claims department of an insurance company. Unless this situation improves, products will be sold by solicitors who fail to understand what they are selling.

It is safe to assume that no solicitor with an insurance firm selling automobile insurance by saying something like “This policy is great since it includes

roadside service" is unaware of the meaning of *roadside service.*

Thus, the provision to solicitors of sales education that includes medical matters is essential. Unfortunately, however, an examination of each company's official website, pamphlets, and bookmarks reveals that most companies fail to explain or provide illustrations of *intraepithelial neoplasms*.



I will now devote some space in this book to an explanation of *malignant neoplasms* and *intraepithelial neoplasms.*

The point I wish to emphasize here is that an intraepithelial neoplasm is completely different from a malignant neoplasm, as has been explained in the classification system set forth by the WHO. This difference turns on the presence or absence of penetration beyond the basal membrane (a different standard applies only to the large intestine). If there is no penetration beyond the basal membrane, there is no risk to life, treatment is simple, and whatever burdens are imposed by and for medical treatment on the patient are minimal.

1. How do intraepithelial neoplasms differ from malignant neoplasms?

- They differ in terms of how they are classified by the WHO.
- Their biological characteristics differ such that there is no invasion when it comes to intraepithelial neoplasms. Once there is invasion, the tumor is classified as a malignant neoplasm.
- After the lesion is detected, the risk of death is very low, as the lesion would be removed and not left untreated.
- With respect to the burden of medical treatment, an intraepithelial neoplasm can normally be treated relatively easily, with no long-term need to receive medical attention afterwards.

These are examples of how intraepithelial neoplasms differ significantly from malignant neoplasms (Table 31).

Table 31. Differences between malignant neoplasms and intraepithelial neoplasms

	Malignant neoplasms	Intraepithelial neoplasms
WHO classification	ICD-O morphology code /3	ICD-O morphology code /2
Biological characteristics	With invasion and metastasis	No invasion and no metastasis
Risk to life	Yes	No
Treatment burden	Significant	Typically low but depends on site affected

2. At what sites do they commonly develop?

Examples of sites where they commonly develop are the large intestine, cervix, bladder, and mammary gland (Table 32).

Table 32. Number of affected persons nationwide by major site (estimates)
2010 Center for Cancer Control and Information Services

Total for male and female patients	Excluding intraepithelial neoplasms	Including intraepithelial neoplasms	Intraepithelial neoplasms
All sites	805,236	869,687	64,451
Esophagus	21,427	23,112	1,685
Large intestine	118,997	143,708	24,711
Lung	107,241	107,355	114
Skin	14,863	18,319	3,456
Breast	68,071	76,041	7,970
Cervix	23,367	40,480	17,113
Bladder	19,219	28,621	9,402

Source: Produced by the author based on sections 4 and 27 of Table 2, Monitoring of Cancer Incidence in Japan 2010 Report
Note: All intraepithelial neoplasms in the uterus were registered as affecting the cervix; there were 10,737 patients with malignant neoplasm of the cervix.

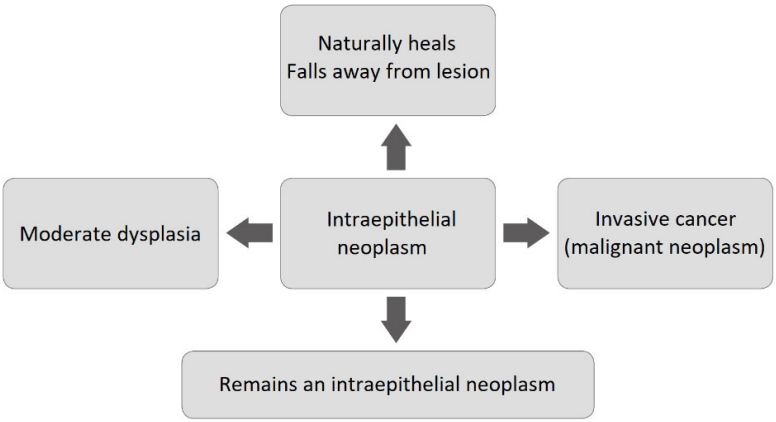
3. What happens if you withhold treatment?

An intraepithelial neoplasm is typically removed upon detection. Thus, the natural course of the disease in cases where treatment is not provided is not accurately known. It is believed that some cases will result in invasion, some cases will see the tumor naturally heal, and some cases will see no change occur (Fig. 8). While they may be based on old data, there are reports that suggest that approximately 12 percent of cases result in invasion.

4. Will a relapse occur?

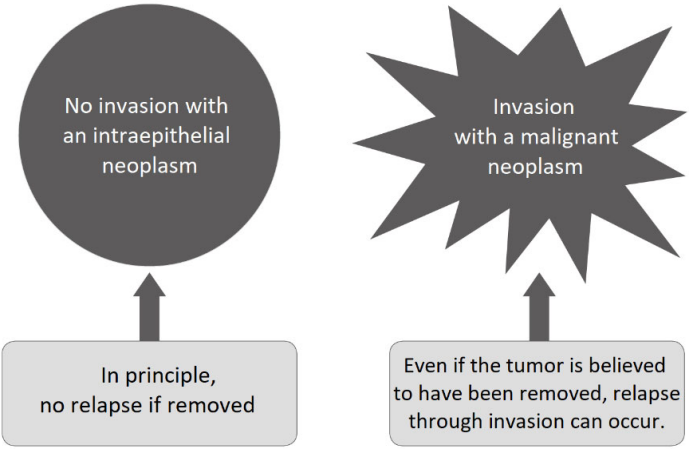
If the tumor is fully removed, there will be no relapse (recurrence). Since the mammary ducts of the mammary tissue are complex and thus susceptible to recurrence, the mammary glands are sometimes fully resected (Fig. 9).

Fig. 8. The natural course of the disease in cases where treatment for an intraepithelial neoplasm is not provided (not many cases of progression to invasive cancer)



Source: Produced by the author based on OstorAG, Int. J. Gynecology Pathol. 1993:12:186-192
Note: Since intraepithelial neoplasms are treated, it is not possible to observe the natural course of their development.

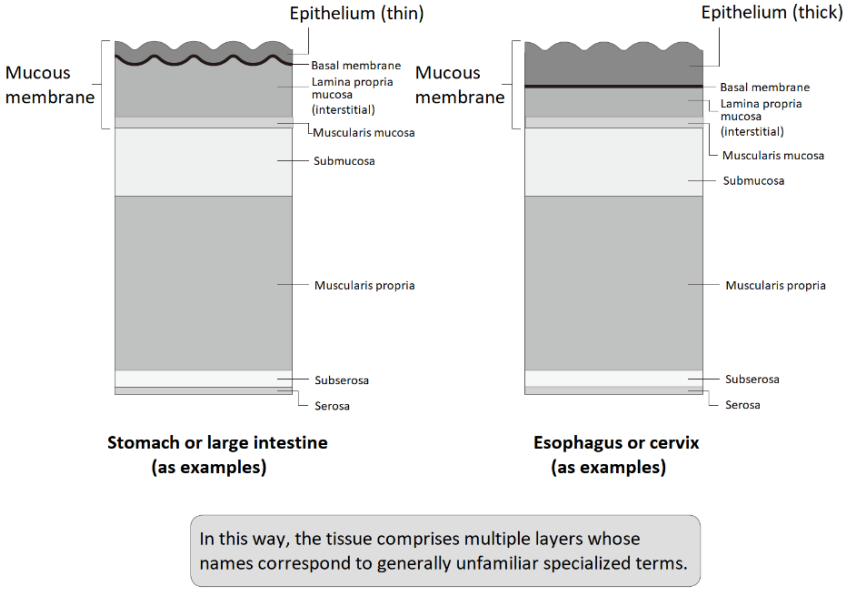
Fig. 9 Differences in terms of relapse



5. Difference between *mucosa* and *epithelium*

Take a look at Fig. 10. A part of the mucosa (mucous membrane) is the epithelium. These terms were often presented in a conflated manner in pamphlets and other materials used to sell products to potential clients.

Fig. 10. Digestive tract tissue (There are multiple types of epithelia; the structure of the mucous membrane also differs from organ to organ.)



Note: Cancer can be divided into *carcinoma* if it first occurs in the epithelium and *sarcoma* if it first occurs outside of the epithelium as shown in the figure. Both *carcinoma* and *sarcoma* are malignant neoplasms.

6. What is *dysplasia*?

Dysplasia is a term used to establish a professional finding as to the presence of pathological tissue when a lesion is observed with a microscope.

You might see cellular atypicality (features that look different from what they normally look like) or a structural atypicality (atypicality in the structure of the tissue where the cells in question have aggregated) in the cells, but there will be no invasion crossing the basal membrane.

Depending on the degree of the atypicality in question, the dysplasia would

be classified as anything from mild to advanced; regardless of the classification, the finding thereof would apply within the epithelium.

A moderate or severe form of dysplasia could conceivably be a precancerous lesion. A mild form of dysplasia may be seen in some cases as a type of change not constituting a tumor.

An explanation regarding *dysplasia* is hereby reprinted in Table 33 from a glossary published by a specialized society.

Table 33. Explanation of the term *dysplasia*
(Japan Society of Clinical Oncology, Glossary 2011)

Confined to the epithelium, *dysplasia* is a proliferative lesion that exhibits cellular atypicality and structural atypicality but does not destroy the basal membrane. In general, the nucleus is enlarged and deeply stained, the nucleolus is distinctive, the nucleus-cytoplasm ratio is large, and a dedifferentiation tendency is exhibited. While *dysplasia* is literally equivalent to a finding of *carcinoma in situ*, its atypicality is mild, such that a determination of cancer is assumed to be impossible to make. Cellular and structural atypicality can also be seen in degenerative, reactive, and regenerative lesions, and care needs to be taken in properly identifying these lesions. *Dysplasia* exhibiting moderate or advanced atypicality is deemed to be a precancerous lesion. The term *dysplastic state* is often used to describe squamous cell lesions and has also come to be used more recently to describe adenomatous lesions and the preleukemic state. Neoplastic lesions are referred to as *intraepithelial neoplasia.* In particular, *high-grade intraepithelial neoplasia* is an alternative term describing the precancerous state of the mucosal epithelium applicable to the squamous epithelium, while *low-grade intraepithelial neoplasia* is a term describing a non-precancerous state of the mucosal epithelium applicable to the squamous epithelium. Whereas *adenomas* are single-cloned neoplastic lesions, a *dysplasia* is not necessarily neoplastic, which means that they should not be confused with one another. The definition of dysplasia may differ from organ to organ and in accordance with the pathology. For example, in Europe, *dysplasia* encompasses adenomas of the colon and adenoma cancer, and degenerative atypical cells in the liver are known as *dysplastic cells.*

7. Relationship among intraepithelial neoplasms, carcinoma in situ (intraepithelial cancer), and severe dysplasia

According to ICD-10, intraepithelial neoplasm = carcinoma in situ + severe dysplasia (Fig. 11).

The same rules apply to organs other than the cervix.

Since the level of precision when it came to distinguishing between carcinoma in situ and severe dysplasia was not originally very high, severe dysplasia and carcinoma in situ are collectively referred to as intraepithelial

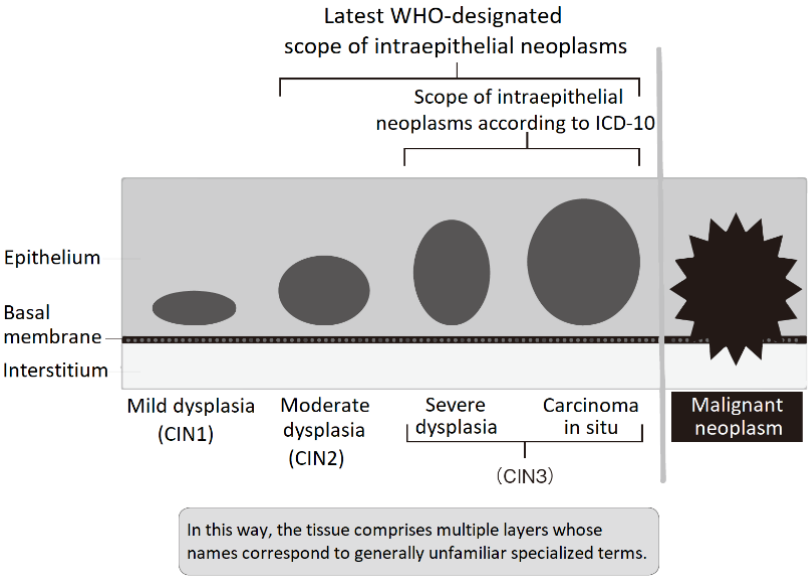
neoplasm.

*This is a notion that primarily applies to organs in which the cellular layers of the epithelium overlap one another.

On the other hand, there are some organs, like the stomach and the large intestine, in which the epithelial cells do not overlap. Illustrative errors concerning this point have been seen on the websites of insurance companies in the past.

*There are apparently companies that refer the classification of carcinoma in situ or severe dysplasia to a medical institution for the purpose of paying benefits even though the pathological finding as indicated in writing on a medical certificate corresponds to an intraepithelial neoplasm. This may be considered a problematic approach that ignores the medical background noted above.

Fig. 11. Schematic diagram of a cervical lesion



*Note (important): While this sort of schematic diagram might appear on bookmarks and in materials used for the purpose of solicitation, you should keep in mind that types of epithelium differ for the stomach and large intestine. Erroneous illustrations abound!

8. What is an intramucosal carcinoma?

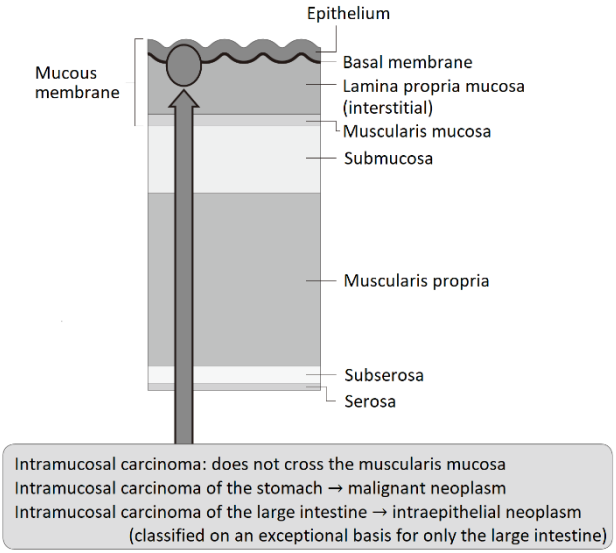
Take a look at Fig. 12. Intraepithelial neoplasm and intramucosal carcinoma are different.

- Intraepithelial neoplasm = has not invaded beyond the basal membrane
- Intramucosal carcinoma = has not invaded beyond the muscularis

propria; neoplastic cells remain in the mucosal layer

**Intramucosal carcinoma* of the stomach is a malignant neoplasm.
Intramucosal carcinoma of the large intestine is classified on an exceptional basis as an *intraepithelial neoplasm*!!
Intramucosal carcinoma of the large intestine comes under *early-stage colorectal cancer* under Japan's own arrangement. For this reason, payment problems can be seen from time to time.
*"*Intramucosal carcinoma* is an *intraepithelial neoplasm*. Therefore, the payment of benefits for malignant neoplasms does not apply to *intramucosal carcinomas*." This erroneous explanation can be seen printed on bookmarks and in materials used for insurance solicitation purposes!!

Fig. 12. Intramucosal carcinoma



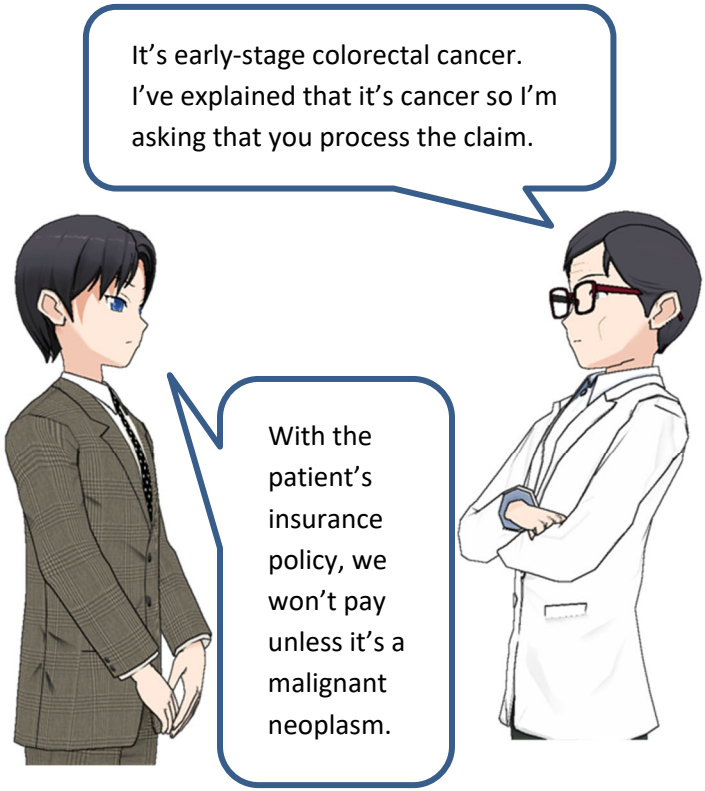
9. Problems arising at the time of payment: Why are there some doctors who describe a tumor that is not a malignant neoplasm as a cancer?

There are cases in which a policyholder submits a claim for payment of money equivalent to the benefit for a malignant neoplasm after being told by his or her doctor that he or she has cancer but in which further examination reveals that the policyholder actually has an intraepithelial neoplasm.

- Doctor describes a precancerous lesion as an example of cancer
- Doctor regards an intraepithelial neoplasm as a pre-invasive cancer

- Because intraepithelial neoplasms are included in the scope of early-stage colorectal cancers under Japanese rules
- Because intraepithelial neoplastic noninvasive mammary ductal carcinomas are included in the scope of malignant neoplasms under Japan's unique protocols for treating breast cancer

Cases in which a tumor not constituting a malignant neoplasm is nevertheless described by a doctor as a malignant neoplasm for these sorts of reasons can be found.



*Intraepithelial neoplasm of the large intestine, which is classified in this example as early-stage colorectal cancer, is treated with a relatively simple procedure known as a polypectomy, which involves the use of a colorectal camera. There is little physical or financial burden imposed on the patient. The problem comes from describing the condition in this scenario as a cancer. (See the protocol on treating colorectal cancer.)

10. Mammary glands and intraepithelial neoplasms

A typical example of an intraepithelial neoplasm of the mammary gland is noninvasive mammary ductal carcinoma, which is detected at rates of about 10 to 20 percent of all tumors of the mammary gland. Previously, the breast would have been totally removed out of a belief that such tumors frequently emerged at several places in the mammary glands. More recently, however, breast-conserving surgical operations have come to be performed instead (Table 34). These days, such tumors are discovered while they are still small, thanks to the use of mammography. Noninvasive mammary ductal carcinoma carries no risk of death, since there is no invasion beyond the basal membrane. On the other hand, recurrence will happen when mammary ducts of a complex morphology have not been resected.

Table 34. Treatment of an intraepithelial neoplasm of the mammary gland

Total mastectomy + hormonal drugs
Breast-conserving surgical operation + radiation therapy + hormonal drugs

This has ended up being a rather long explanation to get you to understand the concept of intraepithelial neoplasms. While this still cannot be described as being a sufficient explanation, I hope that you will endeavor to deepen your own level of understanding.

Solicitors should understand the following two points.

1. Since the burden placed on patients will differ from that associated with malignant neoplasms, you must explain to each client that the need for insurance varies. (Any explanation purporting to say the opposite is strictly prohibited!)
2. After considering the above, you should think about the necessity of providing coverage of intraepithelial neoplasms in your role as a solicitor.

11. Is coverage of intraepithelial neoplasms necessary?

If you believed that malignant neoplasms and intraepithelial neoplasms carried the same level of risk, the extent to which intraepithelial neoplasms are covered would constitute a standard for making comparative recommendations.

In the unlikely event that you believed that intraepithelial neoplasms could be sufficiently covered by a women's disease rider or medical insurance policy, the extent to which intraepithelial neoplasms are covered would not constitute a standard for making comparative recommendations.

The capabilities of insurance solicitors are being tested.

It is problematic if you are convinced by whatever unilateral explanations are given to you by insurance companies.

Think for yourself.

What kind of coverage do you, as the client, need?

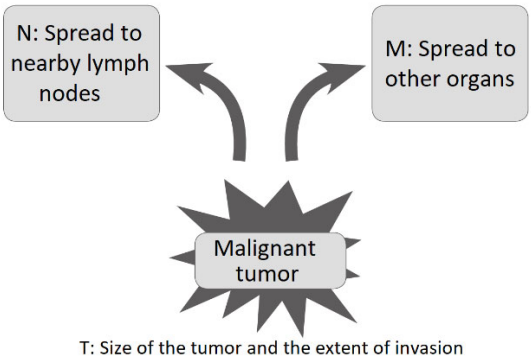
❖ Cancer progression and staging

The Union for International Cancer Control (UICC) produced and published the TNM classification (staging) system as a system for indicating the progression of a solid tumor (Table 35) (Fig. 13). Having previously undergone six revisions, the seventh edition is the edition that is currently in effect. With the conventional approach to treatment, standard treatment methods determined according to organ and according to progression are recommended. These methods have been disseminated to clinicians as a set of medical treatment guidelines.

Table 35. The three factors that are considered in the TNM classification system

T factor:	Classification determined by tumor size and depth of invasion by site
N factor:	Classification determined by metastasis to lymph nodes and the spread and extent thereof
M factor:	Diagnosis of metastasis to distant parts of the body and the spread and extent thereof

Fig. 13. Illustration of the TNM classification system



Generally speaking, solid tumors are ranked into four stages according to progression. Stage IV means that the cancer has metastasized to distant parts of the body beyond local sites, while stage I describes the localized existence of a malignant neoplasm at the site where it first emerged.

Stage I → Stage II → Stage III → Stage IV
(early <……..……> advanced)

There are also differences among the various editions of the classification system. Strictly speaking, the same edition of the TNM classification system can be modified with the use of one of three prefixes: c, p, and s.

The TNM classification system can conceivably be used as an alternative way to describe the severity (progression) of cancer for serious cancers for which insurance coverage is needed. However, you must understand that the progression of cancer differs from the severity of cancer in terms of the need for coverage (Table 36). As the severity of a cancer suffered by a patient is ongoing, stage-linked benefits based simply on progression in accordance with the TNM classification system should be carefully considered. (It is self-evident that a patient with a heavy burden will need to receive coverage that is generous.)

In addition, progression, which relates to the rate of survival, can be tied to a notification of life expectancy. A notification that you have cancer is different from a notification of life expectancy. Even if the cancer notification rate is almost 100 percent, notifications of life expectancy will not always correspond

to the same rate. In other words, even if you have been notified that you have cancer, you might not have been told the extent to which your condition has progressed.

Table 36. Points to keep in mind when using the TNM classification system to design an insurance product

- There is some discrepancy between the TNM classification system and the cancer treatment protocols.
- There are three types of TNM classification systems.
- The TNM assessment made at the time of the initial diagnostic testing is subject to change.
- There are no standards for diagnosis applicable to any of the factors comprising the TNM classification system: T, N, M.
- The TNM classification system relates to the necessity of treatment and the method by which treatment is to be provided and differs from the system by which severity is assessed in determining that there is a condition of need for long-term care exclusive of end-of-life care.
- Progression according to the TNM classification system is linked to the survival rate and notifications of life expectancy.
- There is a discrepancy between the cancer notification rate and the cancer progression notification rate.

Note: Various issues have been pointed out with respect to the use of the TNM classification system. The TNM classification system is an artificial standard for classifying tumors in accordance with differences in survival rate and was created by the American Cancer Society, a substantial operating member of the UICC.

❖ Confirming a cancer diagnosis

As explained earlier, the definitions of *malignant neoplasm* and *intraepithelial neoplasm* and the WHO's classification standards are exceedingly important elements affecting the conditions set forth in a cancer insurance policy.

In order to medically examine a patient and confirm a diagnosis of cancer, numerous types of tests are conducted (Table 37). It goes without saying that the question of which test results are to be given the most weight in making a diagnosis of cancer is a topic of importance in the area of clinical medicine.

A look at policy conditions reveals that many cancer insurance policies stipulate that benefits are to be provided subject to the condition that a cancer

diagnosis made after a policy comes into effect is confirmed. What is important here is to figure out what is meant by "confirmation of diagnosis." Just as the notion that "cancer is a term referring to a malignant neoplasm" is one for which a universal medical consensus has been reached, a universal medical consensus has been reached for the idea that "confirmation of a diagnosis of cancer is a finding as to the presence of pathological tissue (histopathological finding)." This is because there are no tests at the moment that are capable of scientifically offering a level of diagnostic accuracy capable of outperforming methods of reaching diagnoses that indicate the presence of pathological tissue. If other tests are utilized to confirm a diagnosis, differences will arise between healthcare institutions and doctors in terms of the quality of diagnoses that are reached.

Table 37. Various types of tests and findings

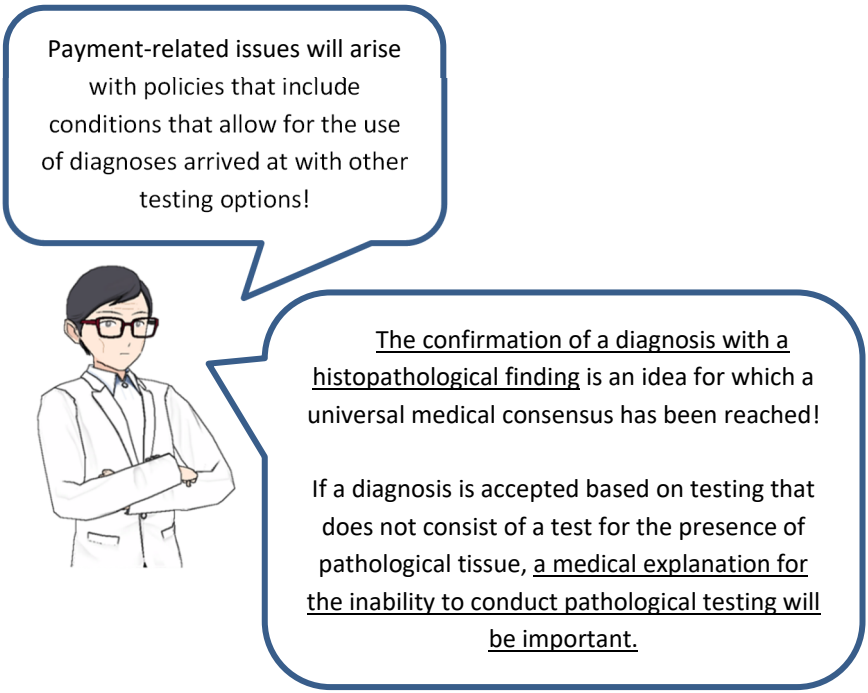
● Findings from a medical examination by interview (history taking)
● Findings from a physical medical examination
● Blood test
● Simple x-ray
● Ultrasound
● Highly accurate imaging (CT, MRI)
● PET scan
● Cytological testing
● Histopathological testing ⇔ confirmed diagnosis

Thus, the conditions set forth in insurance policies should also be made consistent with standard medical views on this matter.

If you fail to give greater weight to histopathological findings and simply accept the results of other tests, there will be an inconsistency with respect to the payment of benefits, and the problem of a lack of fairness among policyholders will emerge.

Of course, there are also cases in which a histopathological finding cannot be obtained. This might happen for persons who already have terminal cancer at the time of their first visit to a doctor or for persons for whom a tissue examination cannot be performed, such as where a tumor is situated in the brain or pancreas. Thus, while you should give weight to a pathological examination finding when confirming a diagnosis, a medical reason for an inability to obtain such a finding is important in such cases. It would be problematic if you were to make an insurance claim based on a diagnosis of colorectal cancer arrived at because the patient happened to produce some bloody stool.

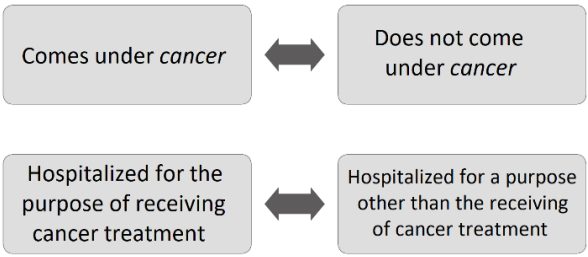
We expect to see the arrival of an age in which you can conduct molecular biological testing in addition to testing for the presence of pathological tissue. Such testing would include testing for the presence of various types of tumor markers and genetic testing. No doubt the conditions set forth in cancer insurance policies will eventually need to be revised in line with medical advancements of this sort.



❖ Difficult benefit decision

Unlike what might be seen with other insurance products, only an insured person with *cancer* will be eligible to receive a benefit payable under a cancer insurance policy. For this reason, a difficult benefit decision is required to be made. This decision turns on the ability to distinguish between cancer and diseases that are not cancer (Fig. 14).

Fig. 14. Difficult benefits determination 1: *cancer or not, cancer treatment or not*



1. Whether or not *cancer* is applicable

When it comes to determining whether or not an illness constitutes *cancer*, it should be noted that *cancer* is defined in the conditions set forth in a cancer insurance policy. Thus, a determination must be made as to whether the name of a disease for which a claim is made constitutes *cancer* as stipulated in the policy conditions.

Example (i): *I haven't undergone pathological testing, but my doctor has told me that I have cancer, so please pay me.*

Example (ii): *I have what is known as a malignant meningioma**, *so please pay me.*

In either of the above examples, no benefit is payable without the satisfaction of other conditions.

*Some types of *malignant meningioma* consist of tumors that are not malignant neoplasms.

2. Hospitalizations and surgical operations to be undertaken for the direct purpose of treating *cancer*

Let us say that you are treated for *cancer* and find yourself getting better and that you then suffer a stroke the day before your scheduled release from hospital. You will consequently be required to remain hospitalized to get treated for your setback. In such a case, you will not receive any benefit money for the portion of your stay in the hospital that is attributed to the stroke. The conditions for receiving a hospitalization benefit will be stated in the policy conditions in terms of "hospitalization for the (direct) purpose of receiving treatment for cancer." In such an example in which a stroke is suffered (example (iii)), it is relatively easy

to make a determination on this point. In the real world, however, examples in which it is difficult to distinguish between hospitalization for cancer and hospitalization for any other reason abound.

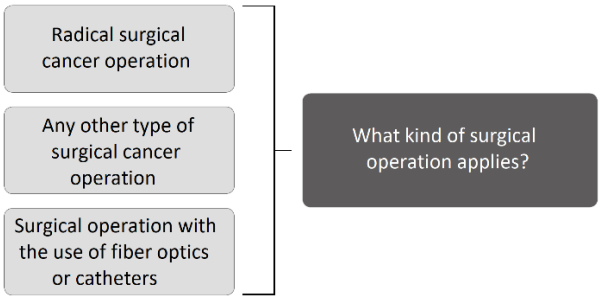
Example (iii): After the patient underwent a surgical operation for liver cancer, his hepatic cirrhosis, which was linked to his liver cancer, worsened to prolong his stay in the hospital.

3. Other

In addition to the issue of determining whether a given condition can be treated as a cancer or not in the context of cancer insurance, problems are also encountered in making a determination with respect to the applicability of surgical operations for cancer and the benefit multiplier. A determination is required as to whether *radical surgical cancer operation*, *other surgical cancer operation*, or *surgical operation with the use of fiber-optics or catheters* should apply (Fig. 15).

For example, some insurance policies offer different amounts of benefit payments depending on which surgical operation is applicable in such cases as when gastric cancer is removed with a stomach camera. If a supplementary explanation of the benchmarks for making a determination were included in the footnotes of the policy conditions, there would be no problems down the road. The quality of a given product is a function of the attention paid to such details.

Fig. 15. Difficult benefits determination 2: Surgical operations for gastric cancer based on the use of a stomach camera



*An insurance policy with conditions setting forth definitions of such terms as *radical surgical operation* is a high-quality product.

❖ Specific provisions to prevent adverse selections

Cancer insurance is fundamentally based on the idea that the payment of benefits is premised on the confirmation of a *cancer* diagnosis for the first time at some point after the policy takes effect. Thus, someone who has been diagnosed with cancer even once in his or her life will not be entitled to take out cancer insurance. Some persons who are at risk of getting *cancer* have been seen making an adverse selection by attempting to take out cancer insurance. There are three types of provisions found in the policy conditions that are designed to prevent this from happening.

(i) Obligation to disclose
(ii) Waiting period (commencement of coverage is delayed by ninety days or three months)
(iii) Invalidation provision (contract is invalidated if a diagnosis of cancer is confirmed before the policy takes effect)

Each of these provisions is effective at preventing a different type of adverse selection as specifically outlined in Table 38.

Table 38. Provisions for the prevention of adverse selections

	General provision	Provision specific to cancer insurance policies(*)	
Provision	Obligation to disclose	Waiting period	Invalidation provision
Type of adverse selection	Person who takes out a policy while concealing the fact that there has been an indication of abnormality revealed in a checkup and the fact that he or she is undergoing examinations at a healthcare institution.	Person who takes out a cancer insurance policy without undergoing an examination at a healthcare institution despite having subjective symptoms.	Person who takes out a policy while concealing a medical history of cancer.

Source: Produced by the author; *Even some insurance policies covering the three major diseases contain provisions that provide for a waiting period applicable to certain malignant neoplasms.

(i) Obligation to disclose

If you receive an indication of abnormality in the wake of a checkup and undergo an examination, it is possible that the insurance agreement will be canceled at the time you submit a claim for benefit payments on the grounds that you violated your obligation to disclose.

(ii) Waiting period

If you have subjective symptoms, you might decide to apply for cancer insurance before seeing a doctor. In such a case, you would not be subject to the obligation to disclose, since you would not have received a diagnosis at this time. A waiting period would be instituted to prevent this kind of an adverse selection risk.

(iii) Invalidation provision

If you receive a definitive diagnosis of *cancer* before your insurance policy takes effect irrespective of whether you knew or not, your contract will be invalidated. The way you will be reimbursed for the insurance premiums that have been paid to date depends on whether or not you knew about your diagnosis as outlined in Table 39.

Table 39. Operation of the invalidation provision

If the insured knew	If the insured did not know
In general, the provisions of the policy conditions call for the application of the invalidation provision over the provision that applies in the event of noncompliance with the obligation to disclose. Insurance premiums are not reimbursed. (These days, some companies reimburse an amount equivalent to the cancellation refund.)	An amount equivalent to the amount of insurance premiums already paid is reimbursed.

❖ Disclosure at the time a *cancer insurance* policy is taken out

1. Disclosure specific to *cancer insurance*

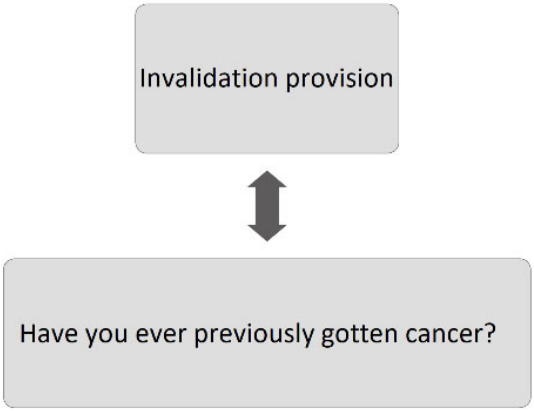
Cancer insurance is a product that is invalidated if a diagnosis of cancer is confirmed before the policy takes effect, irrespective of whether the insured person knows that he or she has cancer. Thus, a disclosure form to be submitted when taking out a policy requires the inclusion of questions unique to cancer insurance.

Have you ever previously gotten cancer?

While someone who does not know the answer to this question cannot be prevented from taking out a policy, this question can prevent a meaningless contract from being concluded and the invalidation of the contract after a policy takes effect for anyone who knows that he or she has previously gotten cancer.

Since a disclosure form outlining a history of injuries and illnesses over the previous five years or so will be requested with normal insurance products, the nature of the disclosure that is required for cancer insurance can, by comparison, be described as being highly unique indeed (Fig. 16).

Fig. 16. Disclosure question paired with the invalidation provision



2. Points to keep in mind

It is also important to be aware of the names of diseases to know whether your own medical history includes any conditions that might come under the term *cancer*. To prevent applicants from providing incorrect answers, supplementary explanations are necessary. For example, you should remind applicants of the fact that cancer includes leukemia and sarcoma (Tables 40 and 41).

Special attention needs to be paid for products that have an invalidation provision for intraepithelial neoplasms. It is expected that there are many people who are not aware of the names of diseases.

Table 40. Some names of diseases that applicants might not be aware are names of cancers

GIST
Carcinoid
Myelodysplastic syndrome
Thymoma
Multiple myeloma

Table 41. Names of diseases corresponding to intraepithelial neoplasms of the cervix

Severe dysplasia CIN III, SIN III, HSIN, HSIL

Note: Although the handling of moderate dysplasia, CIN II, and SIN II differs from company to company, it is the current opinion of the WHO that these conditions are included in the scope of intraepithelial neoplasms.

It is my belief as the author of this book that the downside behind the provision of excessive coverage of intraepithelial neoplasms is the existence of an invalidation provision for intraepithelial neoplasms.

❖ Examples of inappropriate explanations featured in materials used for the purpose of solicitation

While *intraepithelial neoplasms* need to be explained to clients since *intraepithelial neoplasms* are covered by cancer insurance policies, telling a client that an explanation is provided in appendices attached to the policy conditions can be described as a flagrant failure to carry out this requirement to explain. Accurate, easy-to-understand explanations and illustrations ought to be included in materials used for the purpose of solicitation and on bookmarks. Although this matter may be low priority given that it is hardly touched upon in magazines and other media that evaluate insurance products, the provision of information relating to *malignant neoplasms* and *intraepithelial neoplasms* through materials used for the purpose of solicitation (such as bookmarks) is important.

- Information is not being provided
- Provided information is incorrect
- Provided information is not medically reliable

These scenarios may be evidence of the fact that medical oversight is insufficient on the part of some companies, even though they may be selling third-sector products that are deeply tied to medical care. Such circumstances could be used to assess not just product evaluations and proposals to be described later but also evaluations and proposals of the companies that sell these products.

I hereby present several examples of inappropriateness included in materials used for the purpose of solicitation and posted to official websites in the industry (both those that have been corrected and those that continue to be used in this

state).

(1) Misunderstanding of intraepithelial neoplasms

Intramucosal carcinoma is *carcinoma in situ*.

Intramucosal *carcinoma* of the stomach is, in principle, a *malignant neoplasm*, thus making this statement incorrect.

(2) Incorrect explanation of mucous membrane

Carcinoma in situ refers to the state in which the cancer in question has not gone beyond the uppermost epithelial layer of the mucous membrane, which means that the basal membrane constituting the lowest layer of the mucous membrane has not yet been destroyed.

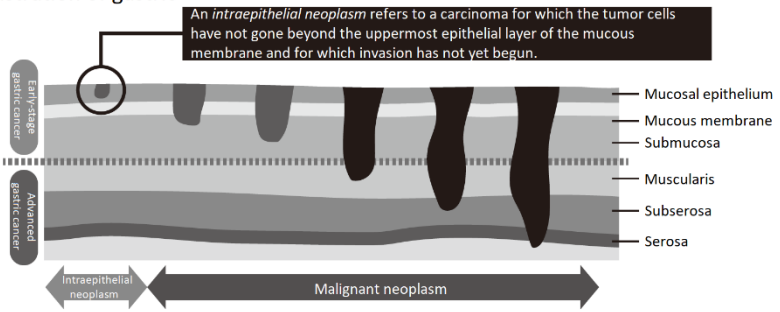
Since the lowest layer of the mucous membrane is not the basal membrane, this statement is incorrect.

The mucous membrane refers to the tissue that extends from the epithelium to the muscularis mucosa.

(3) Incorrect illustrations and conflations of tissue structure corresponding to the mucous membrane found in the stomach and large intestine and the mucous membrane found in the cervix

An *intraepithelial neoplasm* differs significantly from a *malignant neoplasm* in that the tumor cells remain in the epithelium and have not become invasive.

■Illustration of gastric



This is an inappropriate illustration of the mucous membrane of the stomach (since the gastric epithelium is a single-layer columnar epithelium). It might have been better to explain with a focus on the cervix instead.

(4) Inappropriate use of medical terms in the policy conditions

The appendix attached to the policy conditions states that "*malignant neoplasm* refers to any (medical) malignant neoplasm or (medical) intraepithelial neoplasm".

Malignant neoplasm as a coined term is conflated with *malignant neoplasm* as a medical term.

Malignant neoplasm as a coined term should not be used.

(5) Inappropriate catchphrases that induce a misrepresentation of products provided by other companies

Materials used for the purpose of solicitation indicate that "Early-stage cancers are covered."

While this is a catchphrase that emphasizes the provision of additional coverage of intraepithelial neoplasms by the company, it could potentially lead consumers to mistakenly believe that cancer insurance policies that do not cover stage I malignant neoplasms are sold by other companies instead. Perhaps an appropriate expression in this case is to say, "We also cover certain precancerous lesions."

If this sort of expression were to be used, however, a medical explanation of *precancerous lesion* would be necessary. Ultimately, a company can only state "We also cover intraepithelial neoplasms."

Chapter 3: Treatment of cancer

❖ Surgical treatment

A specialist in surgical treatment spoke of the changes in surgical treatment at a cancer-related conference as follows:

1. From an era of improving treatment outcomes to an era of non-invasive treatment options

A representative type of surgical treatment is the surgical operation. When it comes to treating solid cancers, surgical operations were the main option at one time. As improvements in and the optimization of the scope of and skills used in operations were being researched in the pursuit of radical outcomes, the direction of surgical treatment underwent a massive shift towards the conducting of noninvasive (treatment options that are neither painful nor agonizing) or function-preserving surgical operations as a way to help safeguard quality of life subsequent to treatment by having patients go through a stage for improving treatment outcomes (Fig. 17). *Endoscopic surgical operations* as well as *surgical operations performed under an endoscope*, which include procedures based on the use of laparoscopes and thoracoscopes, became popular. Robot-assisted surgical operations to which principles of medical engineering have been applied also came to be introduced (Table 43).

2. From noninvasive treatment options to multimodal personalized medicine

At the same time, we have seen a shift from an approach based on surgical operations alone to the incorporation of multimodal treatment options combining radiation therapy and anticancer-drug-based treatment (Table 43) into the roster of options made available for each site in the body thanks to recent advancements in radiation therapy and the advent of new anticancer drugs.

For relatively small tumors, surgical resection or excision is still the main course of treatment that is followed, but a combined approach to treatment involving the use of anticancer drugs in the event that the removed tumor undergoes genetic screening that reveals a high risk of potential metastasis or relapse has come to be used for breast cancer and other such conditions. In other words, we are seeing a shift in treatment approach from the provision of

treatment according to site and the progression of the malignant neoplasm (stage) to the provision of personalized treatment.

3. Various treatment methods

Treatment procedures and techniques are also diversifying, as we can see in the performance of hepatic embolization and other forms of intravascular surgical operations and application of radio-wave coagulation to treat liver cancer.

Fig. 17. Changes in surgical treatment methods

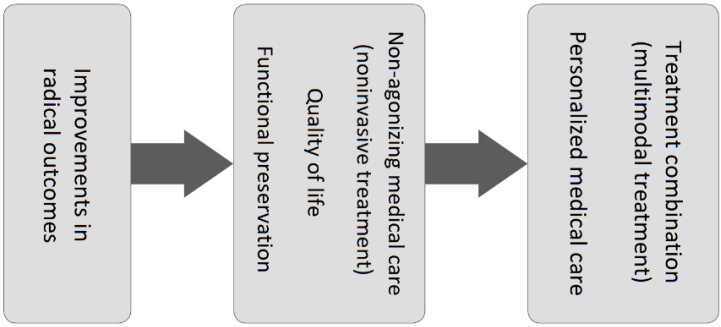


Table 42. Treatment diversification and noninvasive treatment

Surgical operations performed under an endoscope: EMR, ESD, surgical operations performed under a laparoscope, surgical operations performed under a thoracoscope, robot-assisted surgical operations Intravascular surgical operations: Embolization Others: Radio-wave coagulation, laser operations

Table 43. Multimodal treatment

In inoperable cases of colorectal cancer and gastric cancer, the tumor is shrunk through chemotherapy before a surgical operation is undertaken. A laparoscope is used to determine whether or not intra-abdominal metastasis has occurred; if metastasis has occurred, anticancer drugs are administered before a surgical operation. These and other examples of proactive treatment based on the use of surgical operations and other treatment methods are collectively known as *multimodal treatment.*

❖ Radiation therapy

In recent years, radiation technology for medical use has advanced significantly, and patients now expect considerably positive outcomes from the use of radiation therapy. The media has even highlighted cases in which prominent figures known to television audiences had chosen to receive radiation therapy on the grounds that functional preservation is possible when treating head and neck cancer and laryngeal cancer. Without the availability of radiation therapy technology, the daily lives of many patients would likely have deteriorated significantly and become highly stressful. In the past, patients would typically be transferred to the radiology department by the surgical department in inoperable cases and cases of recurrence, such that radiation therapy was not a primary course of action to take in the treatment of cancer. These days, however, twenty-five percent of patients receive radiation therapy as cancer treatment undergoes a far-reaching transformation.

With advancements in radiation therapy equipment, new types of therapy equipment are being constantly introduced (Table 44). With radiation therapy, aftereffects can be seen due to side effects (adverse phenomena) caused by the irradiation of normal non-tumor tissue, and it is known that the quality of life after treatment can deteriorate. Thus, advancements in radiation therapy trace a history of the development of irradiation equipment and improvements to irradiation technology carried out in an effort to treat tumors more efficiently and minimize aftereffects.

Table 44. Major examples of radiation therapy

External-beam radiation	Linear particle accelerator
	High-precision radiation therapy (IMRT, IGRT), motion-tracking radiation therapy
	Particle beam therapy
	Stereotactic radiation therapy (cyber knives, gamma knives)
Interstitial irradiation	Brachytherapy

In addition, equipment for treating cancers not with radiation but with particle beams, with which you might be familiar, is another example of a new type of treatment device. Particle beams have garnered attention as an expensive option for providing medical care, as recognized in the field of advanced medical care.

In the meantime, radiation-based treatment technology has advanced. In particular, huge strides have been made in *high-precision radiation therapy* in terms of targeting just the tumor and minimizing the amount of radiation directed at surrounding normal issue. A tumor is not a nicely-shaped sphere but rather a malformed lesion. The irradiation method that corresponds to the shape of such a tumor is what is known as high-precision radiation therapy and can be described as a three-dimensional type of irradiation method. It became eligible for insurance coverage ahead of the use of particle beams and can be used as a much cheaper treatment option than particle beams. In recent years, the technology has advanced even further. Motion-tracking radiation therapy equipment to facilitate four-dimensional irradiation has also been introduced to enable irradiation that is tailored to the movements of the body during the irradiation process (since respiratory movements during treatment are unavoidable).

In addition, such treatment devices as gamma knives and cyber knives have also come to be used as devices for carrying out stereotactic radiation therapy to target lesions with a high degree of precision.

Radiation technology, as explained in this section, consists of external-beam radiation therapy administered from outside the body. However, interstitial irradiation (brachytherapy), for which a radioactive material is implanted into the lesion or surrounding tissue to allow for irradiation from within the tissue, is also employed for prostate cancer, tongue cancer, and uterine cancer, and at other sites.

Moreover, the use of radiation is also being promoted for *carcinomatous pain* caused by bone metastasis. While radiation therapy used to be regarded as a treatment method employed in lieu of surgical operations undertaken with the aim of curing cancer, it also came to be used to alleviate symptoms, such that the scope of its use in therapy is expanding.

In the past, private life insurance products that provided for the payment of benefits as part of the surgical operations benefit in the event that the amount of radiation from external-beam radiation administered in a normal manner was at least fifty grays (Gy) were standard. These products, however, are no longer aligned with the current state of progress in terms of treatment methods. When benefits were paid as part of the surgical operations benefit, there was also a problem in that poicyholders found it difficult to know whether the product in question provided additional benefit payments for radiation or not.

❖ Chemotherapy

1. What is chemotherapy?

A specialist would define *chemotherapy* as "a form of therapy that uses chemicals to suppress the growth of or kill pathogenic microorganisms or malignant tumor cells residing in host cells and that is generally used often in the treatment of malignant tumors." Chemicals used include not just anticancer drugs but also antibiotic drugs for bacteria.

2. There are many types of anticancer drugs:

(i) Conventional cytotoxic anticancer drugs (cytocidal anticancer drugs)

・Conventional cytotoxic anticancer drugs impair the cell division cycle and are also toxic to healthy cells that divide and proliferate.

(ii) Molecule-targeting drugs

・Molecule-targeting drugs are at the forefront of new anticancer drugs, exhibit side effects that have never before been seen, and are extremely expensive.

・Molecule-targeting drugs are at the center of personalized medicine through their use in genetic testing and other forms of companion diagnostics (diagnostic testing to confirm in advance the therapeutic effects of an anticancer drug to be administered).

3. Current state of treatment with anticancer drugs

With the advent of molecule-targeting drugs, chemotherapy-based treatment is undergoing significant changes and is expected to take center stage in the evolution of cancer treatment in the years to come (see A paradigm shift in the treatment of cancer on page 85).

Currently, treatment with anticancer drugs is essential for patients with advanced forms of cancer, and progress is also being made with *supportive therapy* designed to suppress side effects (see page 87 for a section on palliative care and supportive therapy). Due in part to the impact of this progress, outpatient chemotherapy, which entails the administration of anticancer drugs on an outpatient basis, is also becoming widespread. Half of all patients receiving anticancer drug therapy are already receiving such treatment by regularly visiting hospitals or clinics.

The biggest problem is that anticancer drugs have become very expensive.

Indeed, even very expensive oral drugs have emerged. This problem is emblematic of the problems with economic disparities in healthcare (Fig. 18).

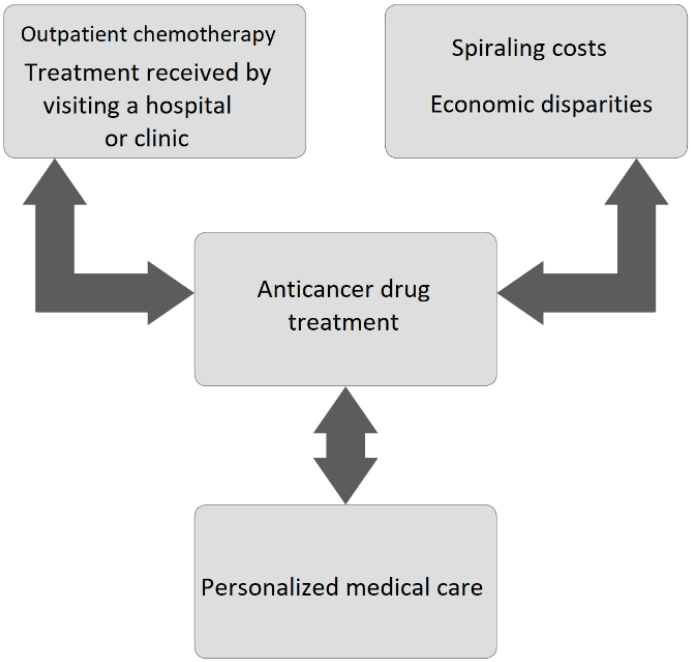
Table 45. Options when it comes to medical care for cancer

Early-stage cancer	Advanced cancer
Surgical operation Radiation Chemotherapy Palliative care and supportive therapy	Chemotherapy Palliative care and supportive therapy

Table 46. Comparing treatment options

Early-stage cancer	Advanced cancer
Surgical operation and radiation therapy	Chemotherapy
Topical treatment	Whole-body medical care in many cases
Local side effects	Systemic side effects
Treatment is generally short-term	Long-term treatment

Fig. 18. Environment in which anticancer drug treatment is provided



❖ Molecule-targeting drugs

With the emergence of molecule-targeting drugs, *cancer treatment* has undergone significant changes. Allow me to briefly describe molecule-targeting drugs.

1. What is a molecule-targeting drug?

In contrast to cytotoxic anticancer drugs (conventional anticancer drugs), molecule-targeting drugs are drugs used to treat cancer by targeting molecular-level abnormalities specifically tied to cancer cells. Drugs that inhibit the neogenesis of blood vessels by targeting molecules that determine cancer characteristics, such as in terms of cancer growth, invasion, and metastasis (Fig. 19), have also been created. Points of comparison with conventional anticancer drugs are summarized in Table 47.

Fig. 19. Target points for molecule-targeting drugs

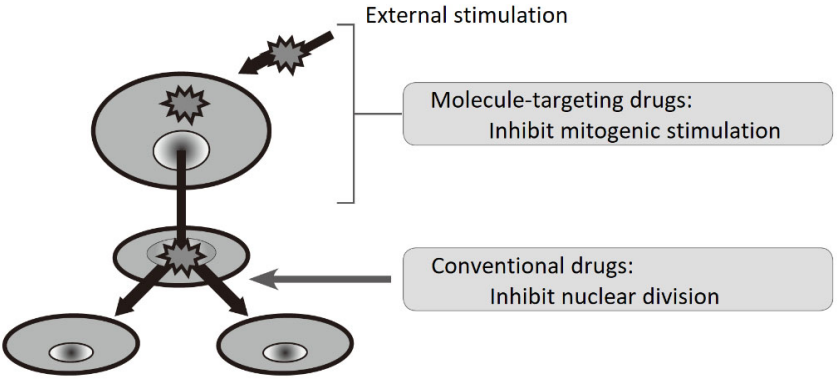


Table 47

Molecule-targeting drugs	Conventional anticancer drugs
Molecules that are characteristic of cancer are targeted	Act on DNA and RNA in the process of nuclear division
Special side effects	Typical side effects
Personalized administration (mainly by gene or biomarker)	Administration by tissue type by site
Expensive	

2. Why are molecule-targeting drugs expensive?

New drugs released in recent years are extremely expensive. While simple comparisons cannot be made due to the existence of various regimens*, a comparison with conventional anticancer drugs reveals that the price of one bottle of injectable solution or one tablet or pill of medicine for internal use is eight to nine times higher than that of conventional equivalents. Since these consist almost entirely of therapeutic drugs customized in line with the characteristics of each patient, they are not meant to be administered to all patients, which means that drug prices will inevitably rise.

*According to the Department of Pharmacy at the National Cancer Center Hospital, a *regimen* means "a chronological treatment plan for the administration of anticancer drugs, intravenous fluids, and supportive therapy drugs (such as antiemetic drugs)."

3. Financial side effects (toxicity) and cancer insurance

The duration of chemotherapy is sometimes extended. In addition to the physical side effects, there are also financial side effects that come from the imposition of a high cost burden, which can also in turn affect treatment options available to clinicians. Private insurance can be useful for dealing with such financial side effects (Table 48).

Table 48. Financial toxicity of anticancer drugs

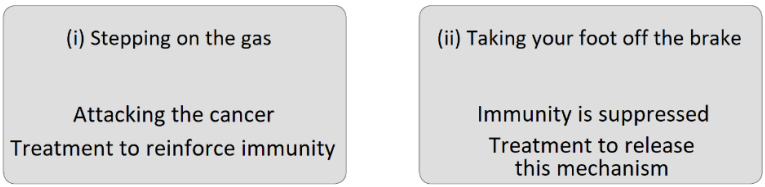
Contents of side effects	How to deal with side effects
Physical side effects	Supportive therapy
Financial side effects (financial toxicity)	Cancer insurance

❖ New cancer immunotherapy

Garnering significant interest these days is the notion of *cancer immunotherapy* (Fig. 20). In the past, much of what this entailed was *cellular immunotherapy*, which was offered by private practices in the community as a medical treatment option not covered by public healthcare insurance and may have been a bit specialized. The therapy primarily consisted of a type of treatment known as *activated lymphocyte injection therapy*, which belongs to the category of treatment referred to as *nonspecific immunotherapy.* Suffice it to

say, it is difficult to assess the effect of immunotherapy in the same way that normal anticancer drugs are evaluated. Suppression of the progression of malignant neoplasms has become the main goal of treatment, although when surgical treatment, medical treatment, and all other treatment options are no longer effective and the attending physician is ready to throw in the towel, some patients, as a last resort, visit a private practice where *cancer immunotherapy* is offered and receive medical treatment not covered by public healthcare insurance. At the clinic with the longest history in this field, a course of six treatments over a three-month period costs about 1.3 million yen.

Fig. 20. Immunotherapy for cancer



Recently, however, there have been medical breakthroughs in the world of *immunotherapy* that have yielded confirmed outcomes comparable to the use of normal anticancer drugs. Types of immunotherapy that have recently shown some promise include the following (Table 49):

- Cell therapy designed to reinforce the aggressiveness of immune cells that exhibit cytocidal effects;
- Treatment to release the mechanism by which cancer immunity is suppressed;
- Peptide vaccine therapy.

In recent years, Nivolumab, the world's first drug of its kind, was approved for post-drug development insurance coverage in Japan and has been used in clinical practice. The attainment of a therapeutic effect through the combination of the drug with monotherapy or other forms of immunotherapy, or with chemotherapy, has been confirmed. Indeed, the drug represents a great leap forward in the world of immunotherapy, and oncology specialists are also paying attention. At last, it can be said in a truly meaningful sense that a fourth type of therapy for cancer has emerged on the scene.

Table 49. Recent cancer immunotherapy

(i) Strengthening immunity
・Cancer vaccine therapy
Therapy that works by increasing immune cells that recognize cancer cell markers
・Adoptive immunotherapy with T lymphocytes
Immune cells that attack cancer are increased through genetic modification techniques
(ii) Releasing the mechanism by which immunity is suppressed
・Immune checkpoint inhibitors
Currently the hottest form of immunotherapy

However, both clinicians and pharmaceutical manufacturers are concerned about soaring drug prices. Nivolumab and a similar drug known as Ipilimumab are extremely expensive. It is expected that new drugs yet to be developed will also be expensive (Table 50).

Table 50. Drug prices

Opdivo (generic name: Nivolumab)	
20 mg 1 bottle drug price 150,200 yen	Intravenous dose of 3 mg/kg (body weight) for malignant melanoma that cannot be radically excised, to be administered at two-week intervals
100 mg 1 bottle drug price 729,849 yen	
Yervoy (generic name: Ipilimumab)	
50 mg 1 bottle drug price 485,342 yen	Dose of 3 mg/kg (body weight) for malignant melanoma that cannot be radically excised, to be administered four times at three-week intervals

Source: Drug price standards and attachments for each drug

*Drug prices have been lowered to a quarter of prices as listed as of June 2020.

In the future, we believe that the time will come when private insurance companies will consider developing products that cover treatment costs, including the costs of cellular immunotherapy, as overall progress in the area of immunotherapy continues apace. However, we must figure out whether coverage will apply to the framework of immunotherapy or whether coverage will come within the scope of treatment involving the use of anticancer drugs (Fig. 21).

Incidentally, a vaccine developed by Maruyama is a paid clinical trial drug

that patients must pay for on an out-of-pocket basis, despite the fact that its use is part of a trial (Table 51). Many companies define the drugs for which an anticancer drug treatment benefit can be received as approved drugs or drugs covered by insurance, which means that the Maruyama vaccine would not qualify for the receipt of this benefit (though the actual operations of individual companies were not investigated with respect to this point). Among products surveyed for this book, only Himawari Life Insurance's cancer insurance policy expressly indicates that cellular immunotherapy is included within the scope of coverage applicable to anticancer drugs. The definition set forth in the conditions of this policy is excerpted in Table 52.

Fig. 21. Division between anticancer drugs and immunotherapy

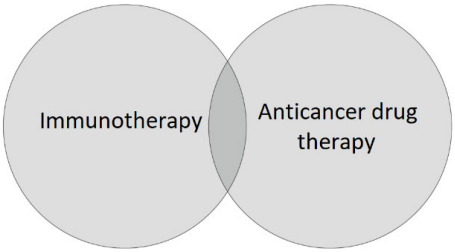


Table 51. Drug approval and drug costs paid by patients on an out-of-pocket basis

Unapproved drugs	Use of unapproved drugs for medical treatment not covered by public healthcare insurance	Paid for by patient
	Common clinical trial drugs	Paid for by pharmaceutical company (exception: Maruyama vaccine)
	Expanded clinical trial drugs and class B advanced medical care	Paid for by patient or pharmaceutical company(*1)
	Use in patient-requested medical treatment	Paid for by patient or pharmaceutical company
Approved drugs	After pharmaceutical approval and before being covered by insurance	Paid for by patient
	After being covered by insurance	Statutory burden

Note 1: [Important] *Costs pertaining to advanced medical care* is not necessarily equivalent in amount to the amount to be paid by the patient on an out-of-pocket basis!

Table 52. Cancer outpatient treatment benefit
- Comment 3 of Appendix Table 7

Chemotherapy means a therapy undertaken for the purpose of destroying cancer or suppressing the development and proliferation of cancer through the administration of a drug for which cancer is defined as the disease that is susceptible to treatment by the drug (includes cellular immunotherapy and vaccine therapy).

Source: Himawari Life Insurance, *Yuuki no Omamori* cancer insurance policy (2010), policy conditions dated April 2015

❖ A paradigm shift in the treatment of cancer

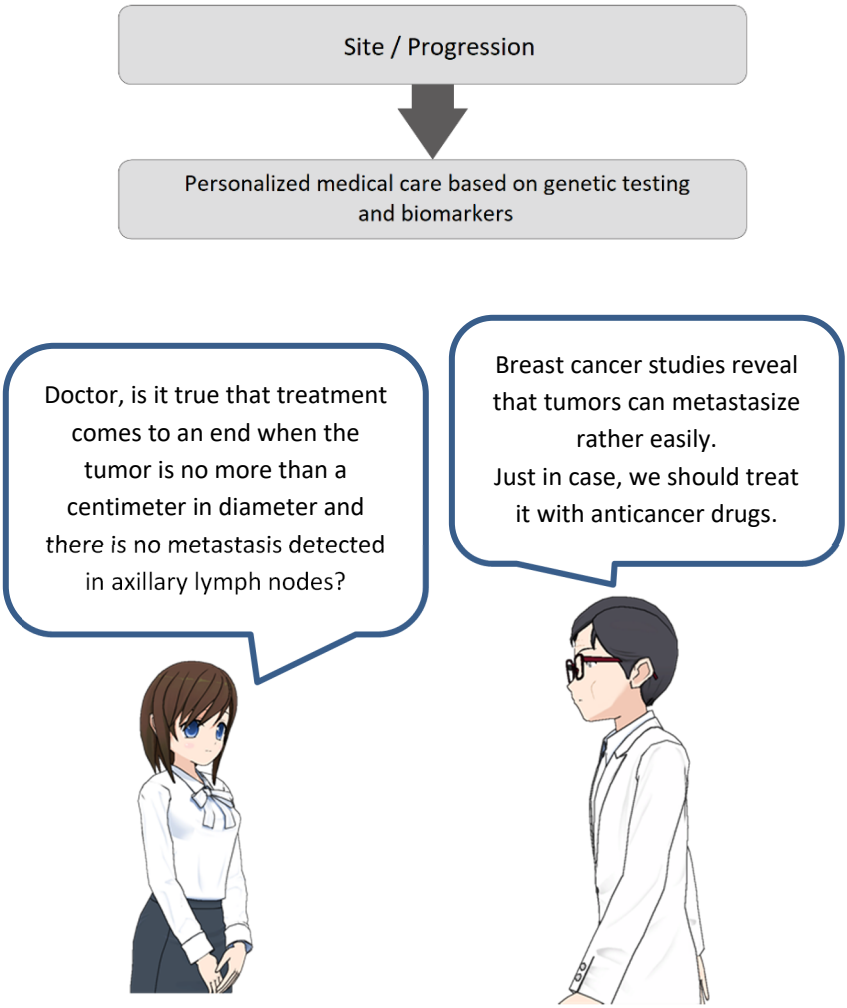
Recent cancer treatment-related academic societies have changed significantly over the course of just a few years. Audiences are filling up venues where announcements on drug therapies are being made as if there has been a changing of the guard in terms of what the primary focus is in the treatment of cancer. Whereas announcements concerning immunotherapy research projects used to be made to sparse crowds, they are now so popular with medical officials that the venues in which they are hosted can no longer accommodate everyone who shows up to attend.

Against this backdrop can be found the spread of anticancer drugs and the emergence of immunotherapy as drivers of personalized medical care as made possible by developments in genetic testing technology. While the importance of the treatment of localized tumors by way of the use of surgical treatment options and radiation therapy options remains unchanged even today, treatment-related thinking is likely to change from the ground up, including with respect to how anticancer drug therapy will henceforth be selected even for dealing with early-stage cancer.

For each site, guidelines for the medical treatment of malignant neoplasms have been released and are used as a bible for the provision of treatment by medical practitioners. Nevertheless, treatment methods are essentially put together in accordance with the cancer site and the progression of the cancer (stage). Even at present, however, we can see signs of change in this framework of treatment. It has gotten to the point where declarations have been made by key figures in the treatment of breast cancer to the effect that the era of treatment by stage has come to an end. A multimodal approach to treatment of even early-stage cancers is necessary, and treatment of even advanced cancers that had

previously been considered lost causes are proceeding. These points can be described as evidence of the fact that a paradigm shift in the treatment of cancer is indeed underway (Fig. 22).

Fig. 22. Paradigm shift in treatment



❖ Palliative care and supportive therapy

The Cancer Control Act (Basic Act) came into effect on April 1, 2007. Paragraph (1) of Article 9 of the Basic Act sets forth the formulation of a Basic Plan to Promote Cancer Control Programs (Basic Plan) and stipulates that this plan would be reviewed every five years.

While a Basic Plan was formulated in 2007 and later in 2012, the plan published in June 2007 identified "provision of palliative care from the outset of treatment" as being the second-most-important issue to be engaged in on a priority basis as follows: "development of a system for providing total palliative care, including not just care that addresses physical pain but also mental care that addresses psychological pain in accordance with each cancer patient's situation" and "development of a system for appropriately providing at-home medical care and long-term nursing care, in order to maintain and improve each cancer patient's course of medical treatment at home" (Table 53).

Table 53. Cancer control and palliative care

April 2007: Cancer Control Act
June 2007: Basic Plan to Promote Cancer Control Programs Important issue to be engaged in on a priority basis: Provision of palliative care from the outset of treatment

The term *palliative care* as used to date is synonymous in the minds of some with the term *terminal care*. For this reason, the alternative term *supportive therapy* has also come to be used. *Palliative care* or *supportive therapy* means therapy and care provided to improve a patient's quality of life and is a broad concept that encompasses not just physical care but psychological and spiritual aspects as well (Table 54). At the same time, *supportive therapy* as an actual expression is often used as a term that means treatment to suppress side effects that occur subsequent to the provision of anticancer drug therapy or treatment of cancer-related pain (Table 55).

Table 54. Palliative care and supportive therapy

Development of a system for providing total palliative care, including not just care that addresses physical pain but also mental care that addresses psychological pain in accordance with each cancer patient's situation

Table 55. General supportive therapy

Treatment for relief from cancer pain Treatment to deal with the side effects of anticancer drugs (antiemetic drugs, prevention of leukopenia)

If we were to consider providing palliative care from the outset of medical treatment, as it is called for in the Basic Plan, rather than only at the terminal stage of cancer, then it would appear that we need to carefully consider the use of the term *palliative care* in the names of products providing benefits tied to *terminal care.* In addition, we need to look into using the term *supportive care* in the names of private insurance products for only the provision of the treatment of pain and treatment of side effects arising from the use of drugs.

While these points are perhaps of trivial importance, we should think about the provision of private insurance services that are aligned with the Basic Plan while taking into consideration the proper usage of terms.

❖ At-home care cases and costs

While you can imagine that some cancer patients might leave the hospital while they are still suffering from symptoms and thereafter receive at-home care or terminal care at home, I have provided some illustrative examples in case you might be having a hard time imagining what such scenarios entail. Medical care expenses and out-of-pocket expenses will be incurred in these examples (Table 56).

Table 56. Costs of admission to a palliative care ward and at-home care in an at-home case involving a sixty-four-year-old individual from April 2016

<At-home care support center>	
Palliative care ward admission fee (up to 30 days)	4,926 × 7 days
Initial addition for an emergency admission	200 points x 7 days
Nursing care support coordination guidance fee	400 points
Home-visit medical treatment fee for at-home patients	833 points x 6 times a month
General management fee for at-home medical care	5,000 points x 1 time a month
Addition for comprehensive clinics and centers for the provision of at-home palliative care	400 points
At-home malignant tumor patient guidance and management fee	1,500 points x 1 time a month
Home-visit nursing instructions fee	300 points
Post-discharge home-visit guidance fee	580 points x 3 times
Addition for home-visit nursing care accompaniment	20 points
	Subtotal 50,240 points
<Home-visit nursing station>	
Basic medical treatment expenses for home-visit nursing care I	
(Amount up to third day in the same week)	5,550 yen x 9 times per month
(Amount for fourth and subsequent days in the same week)	6,550 yen x 3 times per month
Management and medical treatment expenses for functionally enhanced home-visit nursing care I	
	12,400 yen (first day) + 2,980 yen x 11 times
Addition for arranging twenty-four-hour handling	5,400 yen
Addition for special management	5,000 yen
	Subtotal 125,180 yen
	(Per month) Total 627,580 yen
	Amount paid on out-of-pocket basis 83,706 yen
(104,568 yen or paid by the high-cost medical treatment benefit system)	
	* In addition, medication, materials, and other items

Source: Case studies and tables have been reprinted from page 52 of Social Security Weekly No. 2863, February 22, 2016

[Home case] Sixty-four-year-old man receives at-home care for end-stage liver cancer

- Discharged after being temporarily hospitalized in the palliative care ward due to a sudden worsening of symptoms;
- Receives regular visits for medical treatment two days a week by at-home care support center workers experienced in making emergency house calls and providing nursing care;
- Receives home-visit nursing care provided by workers dispatched from

a home-visiting nursing station four days a week;

- Patient who pays thirty percent of fees on an out-of-pocket basis.

[Various additions to facilitate coordination between at-home care and inpatient care]

- Initial addition for emergency admission to a palliative care ward

  By having a medical fees examination agency evaluate the emergency admission of a patient receiving at-home care to a palliative care ward, the patient will be able to receive enhanced palliative care in a palliative care ward whenever his or her symptoms worsen.

- Post-discharge home-visit guidance fee and addition for home-visit nursing care accompaniment

  By evaluating home-visit guidance provided by a hospital immediately after a patient is discharged, the transitioning of the patient from inpatient care to at-home care can be facilitated.

- Nursing care support coordination guidance fee

  By evaluating coordination with nursing care support specialists during hospitalization, the use of nursing care services after the patient is discharged will be facilitated.

- General management fee for at-home medical care and general management fee for medical care when moving into a facility

  By evaluating critically ill patients, enhanced at-home care can be received.

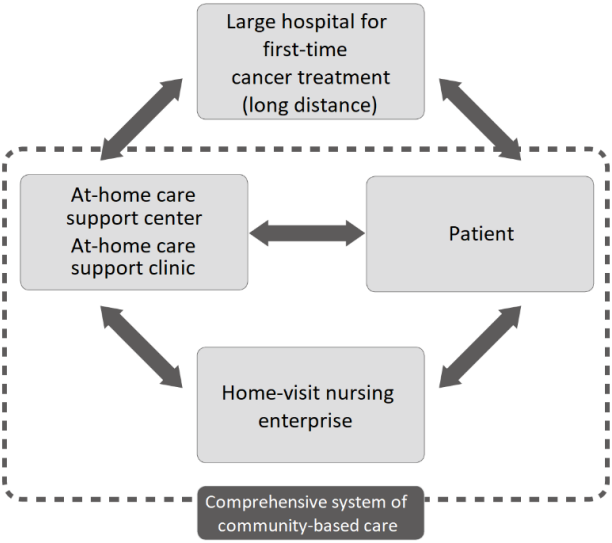
- Addition for comprehensive clinics and centers for the provision of at-home palliative care

  By evaluating medical institutions with sufficient experience in providing palliative care, at-home palliative care can be received with peace of mind from medical institutions with a proven track record.

Have you managed to paint a picture of how at-home care expenses are paid for in your mind? Various complicated additions are tallied. These include additions established as part of a set of revisions to medical service fees in fiscal year 2016 and medical treatment expenses for home-visit nursing care that were revised at the same time (Ins. Ann. 0304 No. 12). Fundamentally speaking, we will see terminal care for cancer provided to a greater extent in communities, as patients are repeatedly admitted to at-home care support centers and receive at-

home care at home as part of a comprehensive system of community-based care that differs from the care provided by large hospitals dedicated to the provision of acute-stage treatment (Fig. 23).

Fig. 23. Structural outline of at-home care



If you are sixty-five years of age or older, you can also use long-term nursing care services as a primary insured person covered by long-term care insurance, in addition to medical care services listed in the table.

Furthermore, if you have a physical disability due to cancer or as an aftereffect arising after treatment, you might also be entitled to receive various welfare services.

Long-term care insurance consists of the following:

40 years of age or older and under 64 years of age	Non-end-stage cancer	Not covered by long-term-care insurance
	Where you have been certified as needing long-term care and are suffering from end-stage cancer	Covered by long-term-care insurance
65 years of age or older	Where you have been certified as needing long-term care, even if the reason is unrelated to cancer	Covered by long-term-care insurance

Not all cancer patients can receive long-term nursing care services.

❖ Complementary alternatives, supplements, and non-standard medical care

1. Complementary and alternative medical care

After getting cancer, many patients and survivors receive complementary and alternative medical care, which includes folk remedies. Much of this type of care consists of supplements taken orally, but the actual situation with respect to this topic is not fully understood. While a study has been conducted by the National Hospital Organization Shikoku Cancer Center, it is outdated and contains no recent data.

The definition of *complementary and alternative medical care* is as set forth in Table 57. The Japanese Society for Complementary and Alternative Medicine has been established as an active academic society operating in this field.

In particular, there are concerns over the safety of supplements and other items ingested into the body and any possible adverse effects on cancer treatment being received by a patient. The reference source trusted most by the author is a website featuring information on the safety and efficacy of health foods as maintained by the National Institute of Health and Nutrition (Table 58). However, Japan lags behind other countries in terms of national initiatives in this field.

Table 57. Defining complementary and alternative medical care

A collective term for medical and healthcare systems that have not been scientifically validated or clinically applied in the field of modern Western medicine.

Table 58. Reference sites relating to complementary and alternative medical care

Japanese Society for Complementary and Alternative Medicine (http://www.jcam-net.jp/)
National Institute of Health and Nutrition (http://www0.nih.go.jp/eiken/) Information on the safety and efficacy of health foods (https://hfnet.nih.go.jp/)

2. Non-standard medical care

Cancer patients are beset by a host of concerns and often desperately seek out various therapies. While dubious forms of non-standard medical care provided by exploiting the insecurities of patients are rampant, the harm to health cannot be prevented, since we are unable to ascertain the actual situation, which

involves medical treatment that is not covered by public healthcare insurance, and are unable to monitor medical care that is not governed by the Medical Practitioners Act or the Pharmaceutical Affairs Act (Table 59). Because this situation exists, there is concern that the harm caused to health will expand further if we were to proceed with completely lifting the ban on the use of insured and uninsured types of medical treatment.

Table 59. Reported cases of non-standard medical treatment

Various types of medical care referred to as immunotherapy An immunotherapy clinic established by a former medical school professor ran into problems when it attracted clients by setting up a website suggesting that the clinic had been recognized as legitimate by the Japan Society of Clinical Oncology for its provision of non-standard treatment options.
Uproar over homeopathy The Science Council of Japan stated that it condemns the gratuitous provision of homeopathic care, for which it was claimed that a certain candy could cure diseases in a manner that disregarded science.
Particulars concerning the endorsement of Agaricus While many cancer patients used to take a health food known as Agaricus as a supplement, this product fell out of favor with the public when the publisher of a book suggesting that Agaricus was effective in fighting cancer and the honorary professor of Tokai University who had written this book were investigated for violating the Pharmaceutical Affairs Act.

❖ Unapproved drugs and medical treatment not covered by public healthcare insurance

The main fields in which medical treatment not covered by public healthcare insurance is provided are as listed in Table 60. These fields are not very large in Japan, a country with a highly-developed system of public healthcare insurance.

In 2015, the year known as the first year of preemptive medicine, the medical community and the government both declared that they would focus on personalized preventive medicine. Preventive medicine, however, lies in the realm of medical treatment that is paid for on an out-of-pocket basis, since it fundamentally is not covered by the public insurance scheme. Medical treatment not covered by public healthcare insurance is expected to grow in the future (Table 61).

Table 60. Three major fields in which medical treatment not covered by public healthcare insurance is currently provided

Cosmetic surgery (including breast reconstruction)
Unapproved drugs
Cancer cellular immunotherapy

On the other hand, it is also expected that the realm of medical treatment not covered by public healthcare insurance in connection with unapproved drugs will shrink in the short term. Unapproved anticancer drugs are used, because there has been an expansion of medical treatment options covered by the uninsured concomitant medical treatment benefit system (such as evaluated medical treatment, patient-requested medical treatment, and the expanded treatment system). In addition, since insurance came to cover implant-type breast reconstructive surgical operations performed after surgical operations for breast cancer, fewer cases involving breast reconstruction as a type of medical treatment not covered by insurance arose (Table 61).

While we cannot predict the extent to which medical treatment options not covered by public healthcare insurance will increase or decrease, the types of medical treatment not covered by public healthcare insurance that we expect will become more popular in the future include the preservation of reproductive cells in connection with cancer treatment and, as a representative example of preemptive medicine, preventive mastectomies performed in accordance with genetic cancer tests of the sort that Angelina Jolie underwent (Table 61).

Table 61. Cancer-related trends in medical treatment options not covered by public healthcare insurance

Shrinkage factors
・The environment in which unapproved drugs can be used has been enhanced.
・Implant-type breast reconstruction surgical operations are now covered by insurance.
Expansion factors
・Genetic testing-based cancer-related preventive medical care practiced as an example of preemptive medicine (e.g. mastectomy by Angelina Jolie)
・Preservation of reproductive cells in connection with cancer treatment

The coverage by private insurance companies of medical treatment options not covered by public healthcare insurance is criticized by some as “an act that flies in the face of treatment covered by health insurance,” “an effort to diminish the public insurance system and expand operations through privatization,” and

"an effort to establish an American-style healthcare system" (Table 62). Thus, care must be taken when introducing products that cover medical treatment options not covered by public healthcare insurance. This is because we can assume that the consensus of the general public is oriented towards the maintenance of the public healthcare insurance system.

Table 62. Criticism of the selling by private insurance companies of products covering medical treatment options not covered by public healthcare insurance

An act that flies in the face of treatment covered by health insurance
An effort to diminish the public insurance system and expand operations through privatization
An effort to establish an American-style healthcare system

In contrast to completely unregulated medical treatment options not covered by public healthcare insurance, we believe that the publicly-managed use of insured and uninsured types of medical treatment, such as advanced medical care and patient-requested medical care, and the attendant out-of-pocket payment of costs by patients, will surely expand. Thus, we will need to properly sort out the relationship between the use of insured and uninsured types of medical treatment and private insurance. Concerns regarding private insurance services in this regard are as outlined below.

- They impede the fostering of the awareness of medical costs on the part of patients;
- Healthcare costs will remain high;
- They hinder an insurance coverage mindset on the part of medical equipment and pharmaceutical manufacturers;
- Excessive and overlapping benefits.

Since particle beam therapy, which costs as much as three million yen per session, had been considered advanced medical care, insurance companies emphasized this point and touted the utility of advanced medical care riders as products that can cover high-cost medical treatment options not covered by public healthcare insurance. For this reason, companies have been paying attention to developments regarding the coverage of particle beam therapy by the public healthcare insurance system. I fretted that the limits and contradictions

associated with the provision of private insurance services would become exposed if the extension of coverage by the public healthcare insurance system were to lead to a loss of additional points and force policyholders who had been told that particle beam therapy could be received on a fully-covered basis if they took out insurance for this purpose to instead pay for thirty percent of the costs of particle beam therapy (approximately 900,000 yen). However, this would cause the private insurance sector to be criticized for seeking to keep medical costs high.

Chapter 4: Products

I. General statement on products

❖ Amendment to the Insurance Business Act: Obligation to provide information

In response to major changes in the business environment surrounding insurance companies, the Insurance Business Act came into effect as revised on May 29, 2016, in order to put into effect new solicitation rules. This act was amended due in part to the greater complexity of insurance products, a diversification of sales channels, and the emergence of independent agencies. The new Insurance Business Act includes measures to ensure the reliability of insurance, including by way of the establishment of basic rules governing insurance solicitation and the development of rules applicable to insurance solicitors.

Accordingly, insurance solicitation is also required to be carried out in a manner that complies with new laws and the Financial Services Agency's supervisory guidelines.

As you might already be aware, the amendments in question are important for mandating the ascertainment of intent (Article 294-2 of the Insurance Business Act) and mandating the provision of information (Article 294 of the Insurance Business Act). To verify the intent of a client, the provision of appropriate information is necessary. The text of the revised statute is as presented in Table 63, and a mandate to provide information was added to Article 294 of the Act.

An explanation of the specific contents of information to be provided has been publicly disclosed in an answer to question three of a set of questions and answers exchanged with the Life Insurance Association of Japan. This explanation is cited in Table 64. For cancer insurance, the provision of the following information as indicated in the answer is important:

(1) Conditions applicable to the payment of insurance claims, the insurance period, the amount of insurance coverage, and more;
(2) The contents of the obligation to disclose, the policy inception date, information concerning the lapsing of the policy, information concerning a safety net, and more.

Table 63. Adding an obligation to provide information to the amended Insurance Business Act

The title of Article 294 shall be changed to "(Provision of information)", the same article shall be read as paragraph (3) of the same article, and the following two paragraphs shall be added to the same article as paragraphs (1) and (2). Any insurance company, etc., foreign insurance company, etc., officer (excluding insurance solicitor) thereof, insurance solicitor or broker, or officer or employee thereof must disclose the contents of an insurance policy and any other information helpful to the policyholder etc., pursuant to provisions as set forth by a Cabinet Office Ordinance, in order to aid in protecting the policyholder etc. in connection with the conclusion of an insurance policy, insurance solicitation, any action to induce an individual to take out an insurance policy pertaining to group insurance […] for which a policy has been concluded or insurance solicitation has been undertaken thereby, or any other action undertaken to have the policyholder etc. take out the given insurance policy […]. Provided, however, that this provision shall not apply where a Cabinet Office Ordinance specifies that there is no risk of a lack of protection afforded to the policyholder etc.

Table 64. Q&A with the Life Insurance Association of Japan

<②Questions regarding the obligation to provide information> Q3. What kind of rule is the one that mandates the provision of information whenever insurance solicitation activities are being undertaken? A. The mandate to provide information requires the provision, by an insurance solicitor, etc., at the time he or she engages in insurance solicitation actions, of information required by a policyholder or insured person to assess the advisability of concluding or taking out an insurance policy. Specifically, the following matters are required to be provided. (1) Information required to enable the client to understand the contents of the insurance product (such as the conditions applicable to the payment of insurance claims, the insurance period, and the amount of insurance coverage); (2) Information to be brought to the attention of the client (such as the contents of the obligation to disclose, scheduled point in time at which the policy will begin to take effect, information concerning the lapsing of the policy, and information concerning a safety net); (3) Other information that should be helpful to the policyholder etc. (such as information concerning a roadside service or other key supplementary services and a direct payment service). Q4. What will change as a result of the introduction of a mandate to provide information? A. The requirement to provide certain information coming within the scope of a "policy outline" or "information to which attention should be drawn," which was previously set forth in the supervisory guidelines, is now stipulated as a statutory obligation. In addition, the scope of matters subject to a penalty for non-disclosure as provided for in item (i) of paragraph (1) of Article 300 of the Act used to be limited to "important matters affecting the judgment of the policyholder or insured person."

Products will be explained beginning in the section below. The points to be

covered will discuss standards relating to the payment of claims and the medical interpretation of the policy conditions in accordance with the conditions set forth by each company. These are aspects of the provision of information with respect to products that had not been examined in detail until now.

❖ Comparing and recommending products

The Financial Services Agency's supervisory guidelines have mandated, in connection with the provision of information whenever insurance products offered by multiple companies are handled, the provision of information relating to reasons for presenting and recommending a list of comparable products that are handled and specific products (Table 65). In short, an independent agency wishing to compare and sell products offered by different companies needs to provide and explain the grounds for making a recommendation. While it is easy to state this in writing, it is in fact difficult to specifically define the standards for comparing products.

In any case, supervision applies to the question of whether "you have explained the objective standards and reasons in question, including with respect to product characteristics and insurance premium levels" in accordance with what the client wants. While the extent to which the precise management of explanations of reasons will be necessary will likely become clear in the course of providing practical guidance in the future, comparisons, at least in terms of information set forth in (1) and (2) of the answer to Q3 in Table 64, which corresponds to "Amendment to the Insurance Business Act: Obligation to provide information" (page 99), which appears in the previous section on the need to provide information pursuant to the amended statute, will be examined. While the daily hospitalization amount, lump-sum payment amount, coverage period, number of times benefits are to be paid, and other such examples of objective information can be easily understood, the work that is performed to professionally peruse the policy conditions, refer to medical interpretations of ambiguous parts, and make comparisons accordingly appears to be quite difficult.

Table 65. Q&A with the Life Insurance Association of Japan

Q7. If an insurance solicitor with two or more affiliated insurance companies were to sell products by comparing and recommending them, what kind of information provision approach is required to be taken?

A. Supervisory Guidelines II-4-2-9(5) stipulate as follows. For an insurance solicitor with two (2) or more affiliated insurance companies (which means an insurance solicitor with two (2) or more affiliated insurance companies as prescribed in item (iv) of paragraph (3) of Article 227-2 of the Regulations and item (ii) of paragraph (1) of Article 234-21-2 of the Regulations; the same hereinafter in Q&A 7 below), explanations of the reasons for recommending enrollment in an insurance policy, as specified in item (iv) of paragraph (3) of Article 227-2 of the Regulations and item (ii) of paragraph (1) of Article 234-21-2 of the Regulations, and whether measures to ensure the sound and appropriate operations of business by an insurance solicitor with two (2) or more affiliated insurance companies have been taken shall be confirmed while taking the following points into account. (1) Has an outline of comparable products in line with the client's intention as selected from among products handled by an insurance solicitor with two (2) or more affiliated insurance companies (where applicable, products that have been narrowed down according to the type of insurance, contents of coverage (compensation), and other product attributes in accordance with the intention of the client as ascertained by the insurance solicitor) been expressly presented, and have the contents of these products been explained as requested by the client? (2) Have the reasons for making a presentation or recommendation been explained in an easy-to-understand manner to the client whenever a specific product has been presented or recommended? In particular, if products have been presented or recommended after they had been further narrowed down from among handled products that match the intentions of the client as determined by an insurance solicitor with two (2) or more affiliated insurance companies, have the objective standards and reasons with respect to product attributes, premium levels, and other considerations been properly explained? Note 1: Make sure you refrain from narrowing down, presenting, or recommending products in a way that, for example, effectively induces clients to go with products that earn the insurance agency high commissions, even as superficial efforts are made to seemingly explain the reasons for recommending certain products in an objective manner. Note 2: If, for example, you compare a product you are recommending with other products as a way to highlight the superiority of the product you are recommending, you should keep in mind that you need to not just accurately present a complete picture and the attributes of each of the other products but also comprehensively indicate matters required, to allow the client to accurately assess the contents of the insurance policies in question, such as by explaining the basis for the superiority of the product you are recommending (see item (vi) of paragraph (1) of Article 300 of the Act, II-4-2-2(9) ②). (3) Irrespective of (1) and (2) above, if a narrowed down or specific product is to be presented or recommended to a client in a manner not based on product characteristics, insurance premium levels, or other objective standards or reasons, have the applicable standards or reasons (such as a capital relationship with a specific insurance company or other reason tied to administrative procedures or management policies) been explained? (Note) Where *fairness and neutrality* among insurance companies is mentioned, endeavor to ensure that the capital relationship with a specific insurance company, commission level, or situation with respect to administrative procedures or management policies is not taken into account as a standard or reason applicable to the narrowing down, presentation, or recommendation of a product. (4) Have arrangements to check and verify the state of the implementation of measures to periodically and whenever necessary present and recommend products and present the standpoint of the insurance agency in an appropriate manner in accordance with (1) through (3) above, as set forth in internal regulations, been made?

Q8. If a specific product is recommended in a manner not in accordance with product attributes and other objective standards, what kinds of information will need to be provided?

A. If products are narrowed down, or a specific product is presented or recommended to a client, in a manner not in accordance with product attributes, insurance premium level, and other objective standards or reasons, the applicable standards or reasons (such as a capital relationship with a specific insurance company or other reason tied to administrative procedures or management policies) need to be explained. For example, if the products of a specific insurance company are to be presented by an agency affiliated with the specific insurance company, it would be sufficient for the given agency to explain that it is an agency affiliated with the specific insurance company.

Even if products are similar, their details may differ if they are offered by different companies, which makes it difficult to simply compare insurance premium amounts. At this time, most companies fail to disclose even a

breakdown of insurance premiums. If neither the calculation method used to set insurance premiums nor the underlying data are disclosed, the current situation is such that we can only make simple comparisons of insurance premiums. The supervisory guidelines indicate that products should not be recommended on the basis of the size of service fees. From the perspective of clients, however, the problem of service fees not being disclosed has not yet been resolved, which means that there appears to be unfinished work concerning efforts to amend the Insurance Business Act.

❖ The provision of product information and the online version of the policy conditions

I assume that readers who are insurance professionals would find it easy to compare the daily amount of benefits and the number of times benefits are paid out in accordance with objective standards, as alluded to in the preceding section (Comparing and recommending products, page 100). Yet, a product cannot be fully explained with the contents of materials used for the purpose of solicitation or a document containing a descriptive summary of the product as issued by the insurance company.

A product explanation is highly predicated on the conditions set forth in a policy being properly understood. A detailed understanding cannot be achieved with just the materials used for solicitation or a guidebook designed to encourage clients to take out a policy. You must carefully read the conditions set forth in the policies of products being compared, in order to compare and recommend insurance products.

Of course, there are probably very few customers who will fully read the policy conditions when they apply for insurance. No matter how much you try to improve materials describing material matters, any effort to create a perfect document will ultimately lead you to the policy conditions themselves.

Even if a client says something like “The policy conditions are not supposed to be read since we are talking about a contract of adhesion,” the policy conditions are required for any professional who wishes to assess the quality of a product and then explain the product to customers. In particular, how many policyholders carefully place their received copy of the policy conditions safely in storage for the rest of their lives? The policy conditions will be needed when a contractual question or problem arises (Table 66).

Leaving aside the question of whether a product is good or bad, the provision of the policy conditions in a way that allows them to be read at any time is the first step to fulfilling the obligation to provide information. The attitude of companies that have failed to post the policy conditions online to enable them to be printed by clients after the amended Insurance Business Act came into force is a problem. In writing this book, I found that there were still companies selling cancer insurance that had not yet released policy conditions online (Table 67). This is a situation I hope to see rectified.

Table 66. Necessity of carefully reading the policy conditions

Disadvantageous information could be hidden in the policy conditions.
The policy conditions constitute the insurance product itself (conditions applicable to and the scope of benefits).
A product is understood by first reading the policy conditions.
The provisions as provided for in the conditions set forth in different policies
Information on policy exclusions

Table 67. Companies that have not yet disclosed policy conditions online (as of February 20, 2016)

Guard X as offered by MetLife Insurance
Kodawari Cancer Insurance as offered by Manulife Life Insurance
Premium Whole-Life Cancer Treatment Insurance as offered by Zurich Life Insurance

Note: The number of cancer insurance policies was reported in a table of new policies on page 69 of the Statistics of Insurance for fiscal year 2014; these are companies that were confirmed through an online investigation to have sold stand-alone products offering cancer coverage.

Ensure that policy conditions are disclosed online and that products are evaluated.

❖ Benefits and the law

The scope of benefits that can be commercialized as third-sector insurance policies is determined by law. Table 68 indicates that only cash benefits are allowed with insurance. Article 2 of the Insurance Business Act in Table 69 recognizes human injuries and illnesses and allows for related benefits. What is important to note here is that third-sector insurance basically offers benefits premised on injuries and illnesses. Everything else is prescribed by Cabinet Office Ordinances. Articles 4 and 5 of the Regulations for the Enforcement of the Insurance Business Act indicate that procedures not clearly included in injuries and illnesses, such as childbirth, senility, nursing care, and the donation of bone marrow, are governed by Cabinet Office Ordinances (Table 70). In other words, Cabinet Office Ordinances apply to situations that cannot be clearly determined as constituting a human injury or illness or to conditions that clearly differ from injuries and illnesses.

An amendment to the law to extend coverage to the treatment of infertility not known to be attributable to an injury or illness is being debated (as of March 2016). At this time, the law also disallows benefits for preventive medical care administered before an illness arises.

Table 68. Insurance Act

Article 2 (i) Insurance policy: A contract, whether it is called an insurance contract or a mutual aid contract or referred to by any other name, under which one of the parties promises to provide property (limited to the payment of money in the case of life insurance policies and fixed amount accident and health insurance policies; hereinafter referred to as an "insurance proceeds payment") on the condition of the occurrence of a certain event, and the other party promises to pay insurance premiums (including mutual aid premiums; the same shall apply hereinafter) according to the likelihood of such event occurring; (iv) Insured: A person specified in (a) to (c) below according to the categories of insurance policies listed in (a) to (c) respectively: (a) and (b) [omitted] (c) Fixed amount accident and health insurance policy: A policy under which an insurer is to make an insurance proceeds payment to a person upon that person sustaining an injury or illness (hereinafter referred to as “injury or illness”)

Table 69. Items (i) and (ii) of paragraph (4) of Article 3 of the Insurance Business Act

(i) Insurance for which premiums are received under a contract to pay fixed insurance proceeds in connection with the survival or death of individuals (including the physical state of an individual whom a doctor has diagnosed as having no longer than a certain period of time left to live; hereinafter, the same shall apply in this paragraph and the following paragraph) (excluding that pertaining only to death, as under the following sub-item (c)). (ii) Insurance for which insurance premiums are received under a contract to pay fixed insurance proceeds in connection with the following events or to compensate for damage to the individual caused by such events: (a) That an individual has contracted a disease; (b) An individual's condition that was caused by an injury or disease; (c) An individual's death that was directly caused by an injury; (d) Cases specified by Cabinet Office Ordinance as those similar to what is listed in (a) or (b) (excluding the death of an individual); and (e) Treatment (including those specified by Cabinet Office Ordinance as procedures similar to treatment) concerning those listed in (a), (b), or (d).

Table 70. Regulations for the Enforcement of the Insurance Business Act

Article 4 The causes to be specified by Cabinet Office Ordinance: (i) Parturition and state of a human body caused by a parturition; (ii) State of a human body requiring fertility treatment; (iii) State of a human body requiring constant nursing care as a direct result of senility; and (iv) Donation of bone marrow and the state of a human body caused by a donation of bone barrow. Article 5 The activities to be specified by Cabinet Office Ordinance: (i) Midwifery performed by a midwife as provided for in Article 3 (Definitions) of the Act on Public Health Nurses, Midwives, and Nurses (Act No. 203 of 1948); (ii) Therapies performed by a judo therapist as provided for in Article 2 (Definitions) of the Judo Therapists Act (Act No. 19 of 1970); (iii) Therapies to be performed by a massage and finger pressure therapist, acupuncture therapist, or moxacauterization therapist as provided for in the Act on Practitioners of Massage, Finger Pressure, Acupuncture, Moxacauterization, Etc. (Act No. 217 of 1947) (limited to therapies performed in accordance with instructions issued by medical doctors).

❖ Product approval

When you sell a new insurance policy, you must obtain the approval of the Financial Services Agency. Primarily subject to an examination for approval is the contents of the product (policy conditions) and the calculation of insurance premiums. Even an insurance policy that has been sold for some time will need to be submitted for approval again if the insurance company revises the premium or policy conditions.

Insurance policies are products that policyholders are tied to for a long time. They are also highly specialized and complicated and characterized by a huge gap in terms of the volume of information held by customers on the one hand and insurance companies on the other hand. Since contents that are unfavorable to consumers or defects in a product can give rise to significant problems, examinations relating to the approval of insurance products as conducted by the competent supervisory authority are carefully and strictly performed (Table 71).

Table 71. Basis for a product examination: Policyholder protection and product defect check

Long-term nature of the product Information asymmetry as between the insurance company and consumers Special nature and complexity of the product

The system through which new products are examined by the Financial Services Agency is related to the licensing of a company that allows it to engage in an insurance business. In order to obtain a license, you must submit documents prescribed by law to an examination of the contents of these documents and have these documents approved. These documents are referred to as basic documents.

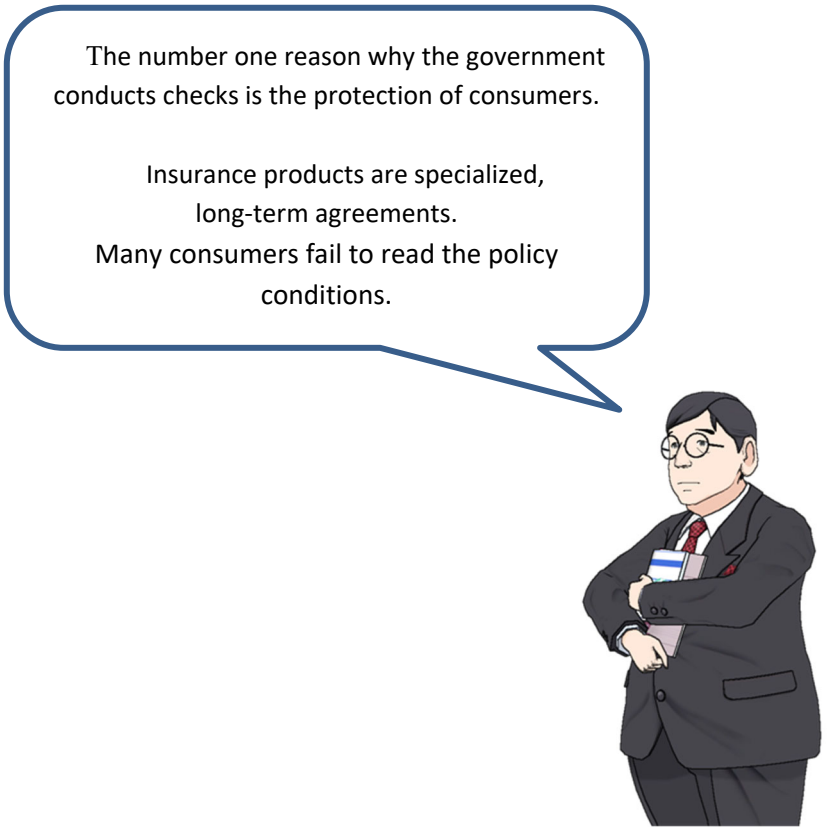
There are four types of basic documents, including the articles of incorporation. In examining a product, the basic documents outlined in Table 72 are to be examined. You might think that this table contains a number of difficult words. All of these documents must be newly approved if they need to be rewritten to sell a new product. While burdensome, this process cannot be avoided.

It is sufficient for general purposes for you to understand that an actual examination entails a face-to-face discussion between officials with the Financial Services Agency and representatives of the insurance company and a

review of documents pertaining to policy conditions and the insurance premiums for the product in question.

Table 72. Basic documents subject to examination

Statement of Business Procedures General Policy Conditions Statement of the Methods According to Which Insurance Premiums and Policy Reserves Are Calculated



❖ Product development concepts (focal points)

While it may seem that a huge variety of third-sector products are available, you will realize that product frameworks (focal points) are rather limited in number once you sort out these products. This is something that insurance companies themselves do not understand, such that some insurance companies do not maintain a consistent philosophy when it comes to the provision of products. In other words, an understanding of the underwriting risk structure constituting the bedrock of insurance sales is critical.

(1) If the focus is on illnesses and diseases

Handicap coverage, including with respect to the cause of an illness or disease, the treatment of an illness or disease, and the aftereffects of an illness or disease ⇒ Comprehensive coverage applicable to illnesses and diseases (cancer insurance has been primarily developed in this area)

(2) If the focus is on medical care (a more comprehensive focal point than (1))

Prevention (health), treatment (medical care), recovery from disability (welfare) ⇒ Comprehensive coverage applicable to the maintenance of health (health in the broad sense of the term)

(3) If the focus is on the social security (insurance) system

Pension, employment, nursing care, medical care ⇒ Comprehensive coverage applicable to a life of security

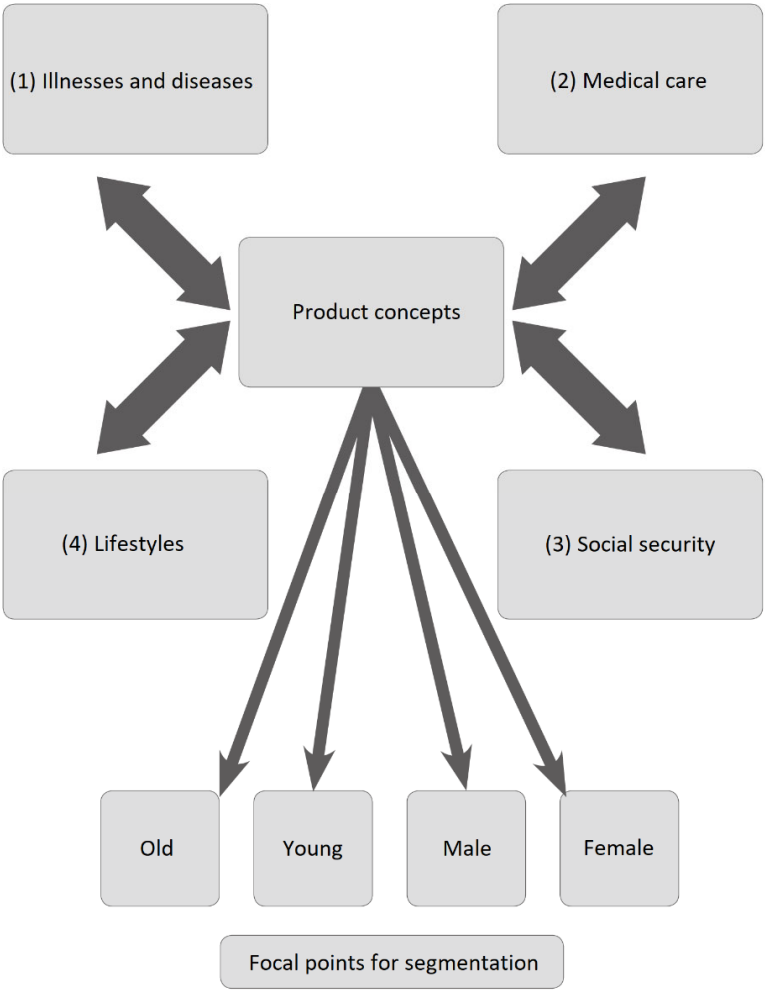
(4) If the focus is on personal lifestyles

Marriage, childcare education, employment, and old age ⇒ Rich lifestyle support

In addition, product focal points are determined by subjecting targets for the acquisition of insurance to segmentation by, among other variables, sex, age bracket, household composition, and job type (Fig. 24).

Distinguishing features of insurance companies and insurance products are defined by figuring out how concepts for third-sector products are to be refined through integration with first-sector products. The positioning of basic focal points for the development of products is also important in thinking about aspects of linkages with existing products and sales education.

Fig. 24. Product development focal points



❖ Base policy

An insurance product consists of a base policy and riders, but the base policy constitutes the framework of the product and can also be described as the face of the product.

If you look at the structures of base policies and riders, you can discern the concept according to which a given product is sold.

These days, there are three main types of base policies for cancer insurance products, as follows:

Type (1)	Both a lump-sum payment for a cancer diagnosis and a hospitalization benefit are offered in the base policy
Type (2)	Either a lump-sum payment for a cancer diagnosis or a hospitalization benefit is offered in the base policy
Type (3)	Neither a lump-sum payment for a cancer diagnosis nor a hospitalization benefit is offered in the base policy

Elements for which coverage is highly required by many consumers and for which the provision of coverage on an ongoing basis without modification over a long period of time is needed are normally included in the base policy. Accordingly, hospitalization coverage comes within the scope of the base policy in a healthcare insurance plan, such that hospitalization coverage has thus far never been provided in a rider. With cancer insurance, standard products can be described as being normally structured to correspond to either Type (1) or Type (2) above.

However, if you were to analyze the products offered by each company, you would see that there are many Type (3) products available on the market. Many of these insurance products are structured in such a way that the base policy provides for anticancer drug therapy benefits and radiation therapy benefits, while a rider provides for a lump-sum payment for a cancer diagnosis or a hospitalization benefit. Many insurance products of this type are provided by companies who have not previously sold cancer insurance as part of their main lineup of products or by companies that entered the cancer insurance market late (Fig. 25). These companies have apparently adopted a Type (3) structure for products for which the contents of the base policy and rider are inverted, in order to allow them to offer customers who have already taken out a medical insurance or cancer insurance policy or an insurance policy covering three major diseases a way to purchase an additional insurance product (Fig. 26). Since various

problems might arise if comprehensive coverage were to be provided across multiple policies, the provision of an explanation of the risks relating to this point at the time insurance is proposed to a customer is important.

Fig. 25. Base policy and riders

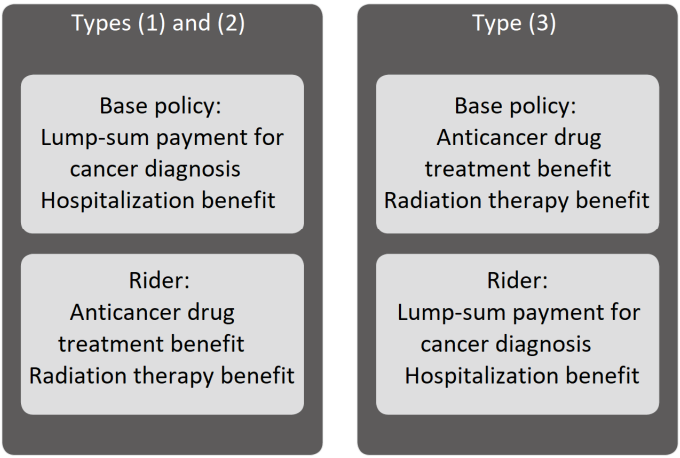
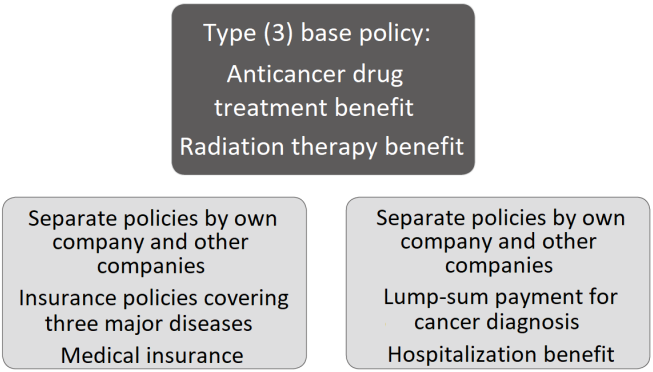


Fig. 26. Type (3) product strategy



❖ Coverage period for a product and premiums by sex

I am sometimes asked to explain why the insurance period for a base policy differs from the insurance period for a rider. In other words, what are the reasons for the existence of whole-life coverage and fixed-term coverage? There are also products that consist of a base policy that provides whole-life coverage and a rider that provides coverage for a fixed term. The reasons why coverage must be sold on a whole-life or fixed-term basis, the basis for designing products in different ways, and the advantages and disadvantages of these differences for consumers are presented in Table 73. Ultimately, the differences come down to the fact that whole-life products are products for which premiums are not revised, and fixed-term products are products for which premiums are revised each time the product is renewed. Since the incidence rate for diseases and illnesses rises with age, the component from which the component corresponding to this point is deducted is evaluated as shown in Table 73. In particular, some products provided through riders consist of fixed-term products. However, a prediction as to whether the probability of an insured event occurring in the future will decrease or increase will be important for a rider for which premiums determined according to sex and age have not been adopted. For example, if amounts to be paid for advanced medical care, a field that is expected to grow in the future, are projected to increase, you should choose to go with lifetime coverage in anticipation of higher future premiums. If there will be fewer facilities where patients can be hospitalized, you should expect that premiums for this component will decline, and you should then choose to go with a fixed-term rider in connection with hospitalization coverage. It will come to be necessary to make such determinations based on different considerations.

Some insurance companies charge insurance premiums according to sex and others do not. In fact, insurance premiums by sex are becoming increasingly banned in Europe on the grounds that such a practice is discriminatory. In Japan, however, this point is not especially problematic. While companies consider the effort to differentiate premiums on the basis of sex to be an administrative hassle, the fact that the incidence of cancer is lower for women than it is for men means that, as far as cancer insurance alone is concerned, there is an advantage in that enrollment at more affordable premium rates is possible for certain individuals. An evaluation of this point is summarized in Table 74.

Table 73. Comparing differences in coverage period

	Reason for insurance company	Advantages for consumer	Disadvantages for consumers
Whole-life type insurance products	If the incidence rate of an insured event is expected to decline in a stable manner, there is a profit-related advantage in that whole-life type insurance products will generate incidence gains.	Premiums will not change	If the incidence rate declines, the consumer will end up paying higher premiums
Fixed-term type insurance products	Difficult to predict the future incidence of insured events for which benefits are to be paid Possible that the incidence rate of an insured event will increase in the future Even if the incidence rate is projected to decline in the future, a policy can be extended by lowering the short-term premium rate.	Short-term premiums will be cheaper If the incidence rate of an insured event declines in the future, the premium at the time of renewal will be rendered favorable.	Possible that premiums will go up in the future

Table 74. Insurance premiums by sex

	Insurance company	Males	Females
By sex	Significant administrative burden Can acquire a substantial number of female clients	High premiums	Premiums are low, thereby giving clients a sense that a given policy is good value for money.
Same rates for men and women	Administrative burden is low. Sales to the market segment consisting of male clients can be expanded.	Premiums are low, thereby giving clients a sense that a given policy is good value for money.	With higher premiums, clients are dissatisfied with having to pay premium rates on par with premium rates paid by men.

❖ Rider system and lump-sum payment system

Cancer insurance corresponding to the lump-sum payment system has become popular, as a result of which focus was once again directed towards the significance of the lump-sum payment system and the rider system. Originally, cancer coverage was added to lump-sum payment-type insurance policies covering three major diseases. In referencing this background, the lump-sum payment system can be said to have been used for products with a focus on the coverage of serious illnesses and diseases (Table 75). On the other hand, given that acute-stage treatment costs are covered as an original concept behind the existence of cancer insurance, coverage will be provided through riders tailored to treatment required to medically treat cancer. At first glance, it may seem as if the lump-sum payment system is easy to recommend, but you will be asked to explain the amount needed for a lump-sum payment.

Cancer insurance corresponding to the rider system is designed to make it easy for even insurance solicitors with little medical knowledge to put together costs required for cancer treatment and explain to clients the coverage that is required. Whereas you will be presenting a certain fixed amount of benefits with the lump-sum payment type of policy, an amount of up to around two million to three million yen will be approximately equivalent to the lump-sum payment for a diagnosis of cancer made with a normal cancer insurance policy. You can thus explain to the effect that, if an insured person were to get cancer, Japanese research data suggests that an average of around one million yen over a course of a year will be needed as short-term funds. I believe that it would be difficult to provide an explanation to justify a lump-sum payment for a hefty amount of coverage exceeding this level. Providing an explanation that is tied to a reasonable amount is easier with the rider system, as it is closer to providing coverage matched to actual losses incurred. In fact, I remember hearing from others during my days working in insurance sales of solicitors who would recommend products that provided lump-sum payments since it meant that they would not have to provide explanations concerning multiple types of riders. Ideally, you should understand the product concepts associated with both the rider system and the lump-sum payment system and appropriately provide to clients explanations of product attributes corresponding to each type of system.

Table 75. Comparing lump-sum payment-type and rider-type cancer insurance policies

	Lump sum payment	Rider
Basic concept	Coverage of major diseases and illnesses	Coverage of treatment costs
Product explanation	Product explanation similar to that which is applicable to the coverage of three major diseases	If each rider is explained, the contents of treatment will be automatically explained.
Required amount of coverage	Amount required to cover major diseases and illnesses will be presented.	Standard amount of required coverage is set for riders; riders are put together to approximate coverage of actual loss

❖ The problem of preferred-risk policies

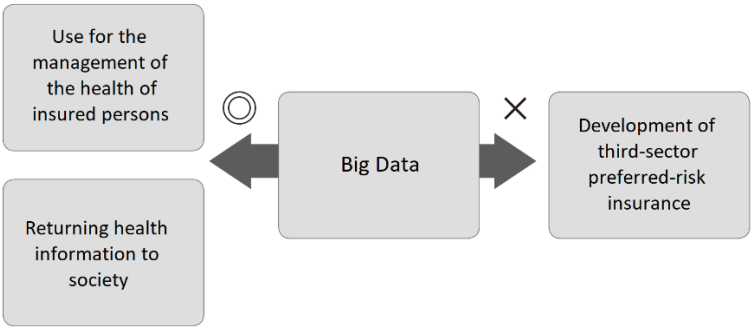
In recent years, the use of Big Data has exploded. Insurance companies are also inclined to analyze various policies and use the results of these studies to promote the management of the health of insured persons. Insurance companies underwrite huge numbers of policies and have mechanisms that allow them to track these policies, which means that it is possible that they have already developed an environment to facilitate the use of Big Data. Unfortunately, however, the quality of health-related information that is usable for analytical purposes is a problem, as it has been pointed out for a long time. In particular, the reliability of such information as scientific data has been a constant issue. The author also focused fully on this problem and proceeded to analyze the effects of medical check-ups administered to over a million insured persons in 2000 for the first time in Japan. The results of this analysis were even mentioned in four major newspapers. Insurance companies responded by changing their protocols by replacing doctor's examinations, which had been necessary whenever a client wished to take out an insurance policy, with the submission of data from a medical checkup (entailing the handling of a notice of the results of a medical checkup in each case).

Comparison of mortality according to whether an individual has undergone a medical checkup or not (%)
(Mortality of persons who have not undergone a medical checkup set to base 100)

	Persons who have not undergone a medical checkup	Persons who have undergone a medical checkup
Male	100	62.3
Female	100	67.9

While this may be something that some companies do not want to hear, I am personally concerned to see that the notion that companies might want to use Big Data in the development of preferred-risk policies is one that is likely to emerge (Fig. 27). While I believe that risk segmentation with respect to first-sector products is a sign of the times, I encourage insurance companies to first turn their attention to areas outside the insurance industry when they wish to consider adopting preferred-risk policies for cancer insurance and other types of third-sector products.

Fig. 27. Use of Big Data



Main concerns regarding preferred-risk policies

- Criticisms that go to the role of third-sector products (role of private insurance companies)
- Increased public concern about whether genetic testing will eventually be used in the future
- Impact on the simple disclosure form-based system for taking out insurance
- Will products or special conditions for persons not coming within the scope of preferred risks be made available?

Some insurance companies are already selling third-sector preferred-risk insurance policies. (The first of these companies no longer offers preferred-risk insurance policies.) I have never seen a television commercial touting the availability of policies (naturally for higher premiums) to persons unable to take out a preferred-risk insurance policy. Such insurance companies will be criticized for cherry-picking their clientele. For insurance policies payable at death, special conditions have traditionally been disseminated so that problems could be avoided by allowing persons whose health was of some concern to take out insurance through the imposition of additional conditions or conditions resulting in a curtailment of benefits. Third-sector insurance products, however, are frequently based on the use of disclosure forms and therefore cannot accommodate such persons by adding special conditions.

Given the social role that private insurance should fulfill in the future, the introduction of discounted insurance for health is problematic in that it could lead to social unrest attributed to insurance and genetic disparities. While some might argue that we are overthinking this matter, there are already companies that clearly stipulate in the policy conditions that they will make risk selections based on genetic factors. Such policy conditions are at odds enough with global trends that criticisms of the insurance industry are being amplified as a result.

❖ Coverage that will be desired in the future

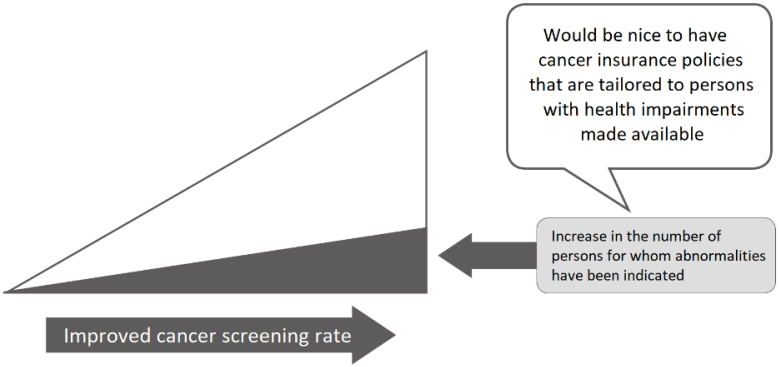
While we will take a look at products that are currently available beginning in the next section, let us think about products whose availability is limited or that are not available in this section.

(i) Cancer insurance policies that can be taken out by persons with health impairments (Fig. 28)

Measures to improve cancer screening rates are included in the Basic Plan to Promote Cancer Control Programs. A program for screening five sites is currently being promoted. As a result, there are people who have had abnormalities identified through screenings that then led to the discovery of cancer and persons who have undergone follow-up examinations. Normally, these persons would not be able to take out cancer insurance. The promotion of screenings has ironically led to an increase in the number of persons who are

unable to take out cancer insurance. Cancer insurance for which underwriting criteria have been relaxed to enable even persons undergoing follow-up examinations to take out such policies is being demanded by society. Of course, this includes insurance policies that can be taken out not just by persons for whom an abnormality has been identified through a cancer screening but also by persons with a disease or illness that is associated with a high cancer incidence rate.

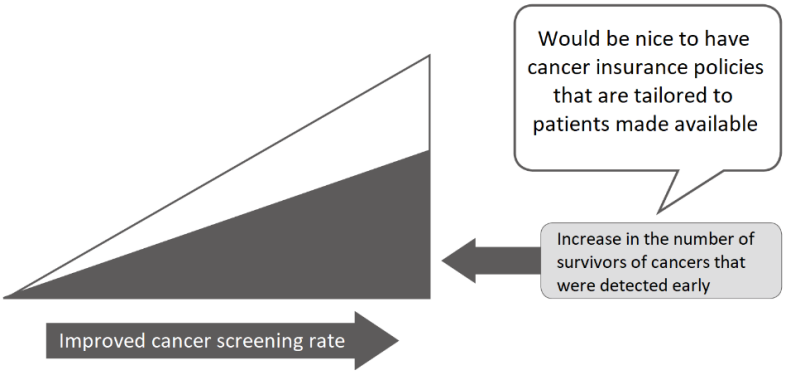
Fig. 28. Substandard insurance needs of persons with health impairments



(ii) Cancer insurance for affected individuals (Fig. 29)

The promotion of cancer screening is also contributing to the early detection of cancer. Many patients can survive for a long time if they receive appropriate treatment, thereby allowing them to return to society as cancer survivors. Since treatment methods and outcomes are both improving, it is believed that the ranks of cancer survivors are growing. You would expect that such persons would have a good understanding of the benefits of cancer insurance through their experience in undergoing medical treatment for cancer. A patient may have been a cancer insurance policyholder in the past, but that product might not have been able to be used for any modern forms of cancer treatment. Expectations are high for the availability of cancer insurance policies for cancer patients that can be taken out by survivors and that can allow benefits to be obtained in a way that keeps pace with the latest developments in the world of medicine. (Such policies are already being sold by some companies but not in any widespread manner.)

Fig. 29. Cancer insurance needs of persons with cancer



(iii) Income-protection insurance

Of course, employment risks are substantially affected by such external factors as the economic environment and the workplace of the individual, but health-related issues are also involved to a significant degree. The inability to work due to an illness affecting the spouse in a household in which both the husband and wife are gainfully employed is not just a problem that affects the patient but also a household problem in that the ability of the family as a whole to earn money can be diminished.

It is known that unforeseen accidents, mental illnesses, and malignant neoplasms are health-related issues that can cause a loss of employment, voluntary or otherwise. Income-protection insurance is a low-priority product relative to insurance payable at death, medical insurance, and cancer insurance and the like, but, given that the medical treatment of cancer is a major cause of unemployment, the addition to cancer insurance policies of a feature that could protect one's income is something that should be demanded by society. While it goes without saying that some people believe that income protection should be provided as a separate type of coverage offered on a standalone basis, it should also be conceivably added to cancer insurance at the present time when the priority attached to policies taken out by people is low. It may indeed be possible to promote this idea to the employees of corporate clients.

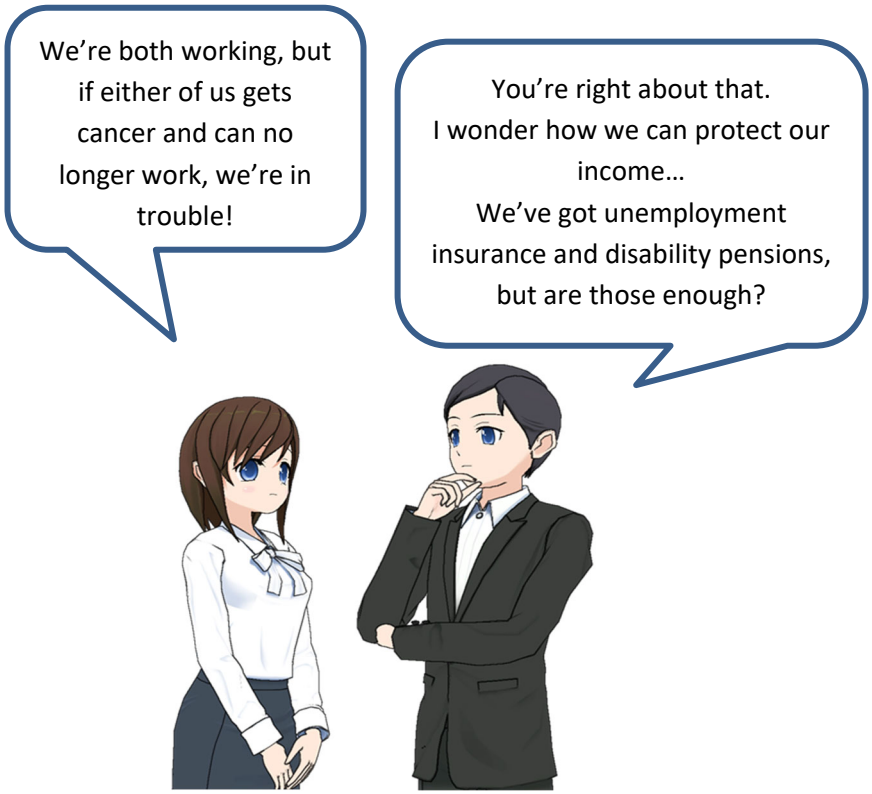
We hope that we will see products that go beyond providing coverage of direct treatment costs become accepted by consumers through a focus on the development of various kinds of products in addition to just insurance for the protection of income. It might even be good to continue taking a scrap-and-build

approach to products required by consumers through trial and error to some extent. (Products to which income protection features have been added are already available. Some companies have also stopped selling such policies.)

Table 76. Survivorship and the financial burdens of surviving cancer

Employment and income issues	Rate
Dismissal of workers, business closure, voluntary retirement	24%
Decrease in earnings by persons with regular income	67%
Income reduction rate	36%

Source: Excerpted from materials issued by the Cancer Control Promotion Council, November 2, 2011



II. Comparison and recommendation standards

❖ Thinking about evaluation standards

This part, if we were to analogize it to the construction of apartment buildings, is the part that corresponds to thinking about the process of certifying a building.

Viewpoints with respect to standards

1. Is the necessary coverage incorporated into the standards?
2. Are the standards medically valid, and are they easy to understand or complicated?
3. Are the policy conditions clear and drafted in a way that problems will be prevented from arising at the time of payment?
4. Is the superiority of pointless aggregation standards being exaggerated?
5. Is there any concern over overlapping or excessive benefits (a way to increase commissions by raising the unit cost of products)?

Basic policies

Free design-type products and partial cancer coverage (such as that which might be provided by a medical insurance policy rider through which cancer coverage is provided) are not dealt with in this book.

Specific evaluation points

Specific evaluation points have been summarized in Table 77. The three basic types of base policies (see page 110 for the section on base policies) are not evaluated in this section, since they are subject to the policies of each company. In addition, aggregation and other such matters will not be evaluated in this section but will be touched upon in discussions on the specifications of each product.

Table 77. Evaluation points

1) Coverage performance: Whether the basic framework of cancer insurance has been properly established and the sufficiency thereof (base policy and riders taken together)
   (1) Whether there are diagnosis-related benefits
      ・Initial lump-sum payment (can be replaced even with a separate product providing coverage of the three major diseases)
      ・Multiple payments
      ・Exemption from having to pay insurance premiums upon receiving a cancer diagnosis (equivalent to a diminishing lump-sum payment benefit for a diagnosis)
      ・Coverage of severe conditions
   (2) Whether there are medical treatment-related benefits
      ・Hospitalization
      ・Hospital visits
      ・At-home medical treatment
      ・Long-term medical treatment
   (3) Whether there are treatment-related matters
      ・Three major cancer treatment options (surgical treatment, radiation therapy, and anticancer drug therapy)
   (4) Whether there is an exemption from having to pay premiums for physical disability insurance

2) Points concerning the policy conditions
   (1) Cancer definition and the medical validity of a diagnosis
      ・Cancer definition: Whether the use of ICD-10 or ICD-O is appropriate
      ・Whether the policy conditions can accommodate future changes in the WHO standards
   (2) Medical validity of the standards for confirming a diagnosis of cancer
      ・Whether the policy conditions prioritize histopathological findings
      ・Appropriate use of terminology
         Misuse of *cancer* and *malignant neoplasm*
         Cancer pain, early-stage cancer
   (3) Standards applicable to multiple payments of lump-sum payments for a cancer diagnosis
      ・Ease of understanding
      ・Medical validity
   (4) Validity of the definition of the three major treatment options and the definition of the scope of benefits
      ・Surgical operations (public insurance linkage, older types of surgical operations-related policy conditions, benefits for some specific surgical options)
      ・Radiation (50 gray (Gy) regulations)
      ・Chemotherapy
         Definition of anticancer drugs
         Scope of benefits (drugs covered by insurance, drugs for which pharmaceutical approval has been obtained, and unapproved drugs)
   (5) Clarification of the standards applicable to the payment of different types of medical treatment benefits

3) Whether coverage is being provided through overlapping benefits (excessive benefits and the excessive assumption of benefits)
   ・Possibility of overlapping benefits, such as through severe-level coverage and treatment benefits

❖ Competition through unnecessary aggregation

In some cases, there is competition to expand through aggregation based on a paucity of scientific evidence.

Since it is easier to recommend a product in comparison ads when the product offers a broad range of coverage, the standards for aggregation options that are believed to be medically unnecessary will expand. It is problematic in that this results in efforts to draw the attention of consumers away from the truth behind the acquisition of unnecessary coverage and the selection of products.

Products that offer unlimited whole-life coverage with no limits in terms of the number of times benefits are paid and the amount of benefits paid placed on the coverage of new risks that a company has never previously handled are available, but I wonder with concern how products offering such excessive coverage can be sold. The provision of the excessive coverage of risks that a company has never previously handled will ultimately lead to one unavoidable result: the foisting of unnecessary premiums on the policyholder. You should be fully aware of this point and consider whether or not such products will be recommended for sale.

By surveying not just cancer insurance but third-sector products in general, competition over various forms of aggregation can be discerned. In other words, we are talking about the following:

- Aggregate amount for advanced medical care
- Aggregate number of days of hospitalization for any of the three major diseases
- Benefit period and number of days of benefit payments corresponding to hospital visit benefit payments
- Number of illnesses and diseases included in coverage of lifestyle-related diseases
- Number of months of benefit payments corresponding to anticancer drug coverage

While some companies have set the aggregate amount of advanced medical care costs that they cover to twenty million yen, just how is it that they are explaining the necessity of this amount to consumers? This is something that I, even in my role as a doctor, cannot wrap my head around.

Coverage of hospitalization for cancer has long constituted coverage without any aggregate limits. On the other hand, a number of companies have recently

expanded hospitalization for myocardial infarctions and strokes so that they are not subject to aggregate limits, for the stated purpose of strengthening coverage of the three major diseases. However, while the Ministry of Health, Labour and Welfare has also certified diseases for which long-term hospitalization has been deemed necessary (specific excluded diseases), malignant neoplasms are recognized, while both myocardial infarctions and strokes are not.

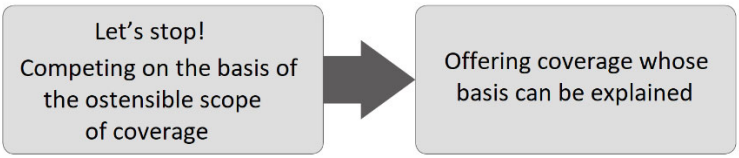
While the concept of covering high blood pressure and other forms of lifestyle-related diseases may be medically questionable, I will not pursue this matter any further in this book.

As mentioned above, the selling of coverage that cannot be medically grasped in order to accomplish nothing more than differentiation to prevail over the competition is problematic. When recommending products, the evaluation of this point should be carefully undertaken.

The number of months of anticancer drug treatment benefits payable was newly brought into the picture as a focus of aggregation competition in relation to cancer insurance. Competition revolved around three types of coverage: five years (sixty times), ten years (120 times), and unlimited. As expected, you will need to carefully consider whether insurance premiums are in line with the expansiveness of coverage.

For future insurance proposals to be made, it will be meaningless to compare the simple number of benefit payments to be made, the number of days, months, or years in question, and the amount of benefits payments that will be payable. The competition for superiority will turn on whether or not you can explain the validity of the rationale for such coverage (Fig. 30).

Fig. 30. Competing on the basis of aggregation that can be perceived as being excessive, which is what can happen when you try to differentiate yourself from other companies and achieve superiority



III. Discussions on product specifications and viewpoints with respect to recommendations

*Insurance products stated in this book are products as of 2016; these have been updated since then by their respective companies.

❖ Definitions of cancer and the conditions applicable to making a definitive diagnosis

Let us first look at the definitions of cancer and the conditions for making a definitive diagnosis as stipulated in provisions upon which all coverage is predicated. These are the most important parts for not just the payment of benefits but also as standards for exercising provisions on invalidity and activating a waiting period. In other words, these are the most important product points for ensuring that correct payments are made and for ensuring that correct medical explanations are issued.

(i) Comparative points

◇ The use of the WHO's classification standards and the disclosure of any new standards

▷ Use both ICD-10 and ICD-O or use just ICD-10

▷ Whether the policy conditions are in accordance with the latest standards

◇ Whether the policy conditions stipulate that the confirmation of a diagnosis requires or prioritizes a histopathological finding

Type A	Diagnosis based on a histopathological finding is accepted as a priority condition
Type B	Accepted based on a histopathological finding or the result of other testing
Type C	Diagnosis of malignant neoplasm made for the first time since the policy went into effect

◇ How to use terms consisting of *cancer* and *malignant neoplasm*

(ii) Evaluation

(ii-i) Regarding the use of both ICD-10 and ICD-O

Products with policy conditions based on the use of both the ICD-10 and ICD-O standards are recommended, as they clarify payments for malignant and intraepithelial neoplasms and accordingly give rise to few problems at the time of payment.

Since medicine is always making progress, it can be argued that policy conditions based on the use of the latest classification standards are preferred.

(ii-ii) Regarding a histopathological finding in confirming a diagnosis

Products with policy conditions set forth in a way that treats a diagnosis based on a histopathological finding as a priority condition are recommended as products that give rise to few problems at the time of payment.

(ii-iii) Regarding medical validity in connection with the use of terms consisting of *cancer* and *malignant neoplasm*

While the use of the term *cancer* as a coined term in policy conditions is permitted, the use of the medical term *malignant neoplasm* as a coined word is problematic and should be immediately corrected. Policy conditions set forth in a way that states “Malignant neoplasms include intraepithelial neoplasms” in an appendix or schedule in which *cancer* is defined is, as might be expected, indeed problematic.

Company name (Product name)	Definition of *cancer*	Conditions for confirming a cancer diagnosis According to type as listed on page 125
Sony Life Insurance (Cancer Insurance)	Provisions that include *intraepithelial neoplasms* in the scope of *malignant neoplasms* Both ICD-10 and ICD-O are used.	Type B
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	Provisions that include *intraepithelial neoplasms* in the scope of *malignant neoplasms* Both ICD-10 and ICD-O are used.	Type A
Prudential (Cancer Insurance for Business Clients)	Provisions that include *intraepithelial neoplasm* as a type of *malignant neoplasm* ICD-10 only	Type B
ORIX Life Insurance (Believe Cancer Insurance)	Provisions that include *intraepithelial neoplasm* as a type of *malignant neoplasm* ICD-10 only	Type A
AXA Life Insurance (Cancer Treatment Insurance)	*Malignant neoplasms* and *intraepithelial neoplasms* are treated as separate terms (where *cancer* = *malignant neoplasms*). Both ICD-10 and ICD-O are used.	Type A
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	*Malignant neoplasms* and *intraepithelial neoplasms* are treated as separate terms (where *cancer* = *malignant neoplasms* + *intraepithelial neoplasms*). Both ICD-10 and ICD-O are used.	Type A
AIG Fuji Life Insurance (Best Gold Alpha)	*Malignant neoplasms* and *intraepithelial neoplasms* are treated as separate terms (the term *cancer* has been removed from the conditions set forth in the base policy). Both ICD-10 and ICD-O are used.	Type A
Aioi Life Insurance (New Cancer Insurance Alpha)	*Malignant neoplasms* and *intraepithelial neoplasms* are treated as separate terms (where *cancer* = *malignant neoplasms* + *intraepithelial neoplasms*). Both ICD-10 and ICD-O are used.	Type A
Manulife Life Insurance (Kodawari Cancer Insurance)	*Malignant neoplasms* and *intraepithelial neoplasms* are treated as separate terms (where *cancer* = *malignant neoplasms* + *intraepithelial neoplasms*). Both ICD-10 and ICD-O are used.	Mix of Type C in base policies and Type B in riders
AXA Direct Life Insurance (Whole-Life Cancer)	*Malignant neoplasms* and *intraepithelial neoplasms* are treated as separate terms (where *cancer* = *malignant neoplasms* + *intraepithelial neoplasms*). Both ICD-10 and ICD-O are used.	Type A
MetLife Insurance (Guard X)	*Malignant neoplasms* and *intraepithelial neoplasms* are treated as separate terms (where *cancer* = *malignant neoplasms* + *intraepithelial neoplasms*). Both ICD-10 and ICD-O are used.	Type A
Aflac (Days Cancer Insurance)	*Malignant neoplasms* and *intraepithelial neoplasms* are treated as separate terms (where *cancer* = *malignant neoplasms*). Both ICD-10 and ICD-O are used (latest version).	Type A
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	*Malignant neoplasms* and *intraepithelial neoplasms* are treated as separate terms (where *cancer* = *malignant neoplasms* + *intraepithelial neoplasms*). Both ICD-10 and ICD-O are used.	Type A

The order in which companies are listed here is based on the order in which they are listed in *Insurance – Life Insurance Statistics* (Hoken Kenkyujo Inc.).

❖ Lump-sum payment for a malignant neoplasm diagnosis

Some products provide a lump-sum payment of benefits when the insured person obtains a diagnosis of *cancer.* Coverage is added in the base policy or a rider. Pertinent points in comparing products offered by different companies shall be explained.

Products that provide a lump-sum payment for not just the fulfillment of a simple condition by way of the confirmation of a diagnosis but also the fulfillment of a condition by way of an initial hospitalization or treatment (initial treatment-linked benefit) are also included.

(i) Comparative points

◇ Benefit types:

Type 1	Benefit paid upon the confirmation of a cancer diagnosis
Type 2	Benefit paid upon the confirmation of a cancer diagnosis or the occurrence of a particular event, such as hospitalization or treatment
Type 3	Benefit paid not just upon the confirmation of a cancer diagnosis but also upon the fulfillment of conditions in terms of site or degree of progression

(ii) Evaluation

(ii-i) Products lacking a lump-sum payment for a diagnosis

For products for which lump-sum payments have not been added, a study done by the Ministry of Health, Labour and Welfare looked at the amount of out-of-pocket expenses paid for by patients and revealed that such products provide insufficient coverage when it comes to cancer treatment costs. However, it is believed that clients who have taken out a separate policy for the three major diseases can combine benefits from the former with lump-sum payments from the latter to obtain sufficient coverage and avoid problems of this nature.

(ii-ii) Types 1 and 2

Coverage is broad with Type 1. In particular, if benefits will be received even without hospitalization or a surgical operation, the insured person will receive an early benefit payment upon the confirmation of a diagnosis. In contrast, a Type 2 product is tied to an event, such as hospitalization, which means that such a product is linked with the assumption of actual costs. In one sense, a Type 2 product is more rational and can be described as providing coverage more in line with expenses that are actually incurred. Insurance premiums are considered to be accordingly lower for Type 2 products.

(ii-iii) Diagnosis of malignant neoplasm

Since the condition for paying a lump-sum payment is "diagnosed as having malignant neoplasm for the first time since the policy came into effect" in accordance with a Type C product (page 125), a determination of when the patient got cancer needs to be made in contrast to the determination of the existence of a malignant neoplasm that is required for a Type A or Type B product. It is believed that it is very difficult in reality for a doctor to accurately make such a diagnosis. Without a precise understanding of what it means to get cancer, there is concern that insurance companies might engage in arbitrary operations with respect to this question. Thus, this type of product cannot be recommended.

Company name (Product name)	Whether lump-sum payment is provided (see note)	Type of benefit and diagnosis According to type as listed on page 128
Sony Life Insurance (Cancer Insurance)	Lump-sum payment provided, once	Type 1
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	Lump-sum payments provided, multiple times	Type 1
Prudential (Cancer Insurance for Business Clients)	Lump-sum payment provided, once	Type 1
ORIX Life Insurance (Believe Cancer Insurance)	Lump-sum payments provided, multiple times	Type 2
AXA Life Insurance (Cancer Treatment Insurance)	No lump-sum payments provided	No lump-sum payments provided
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	Lump-sum payments provided, multiple times	Type 1
AIG Fuji Life Insurance (Best Gold Alpha)	Lump-sum payments provided, multiple times	Type 1
Aioi Life Insurance (New Cancer Insurance Alpha)	Lump-sum payments provided, multiple times	Type 1
Manulife Life Insurance (Kodawari Cancer Insurance)	Lump-sum payments provided, multiple times	Type 3
AXA Direct Life Insurance (Whole-Life Cancer)	Lump-sum payment provided, once	Type 1
MetLife Insurance (Guard X)	Lump-sum payment provided; in principle, once Special provisions providing for multiple payments exist.	Type 2 + Type 3
Aflac (Days Cancer Insurance)	Lump-sum payments provided, multiple times	Type 1
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	Lump-sum payments provided, multiple times	Type 1

Note: Type of lump-sum payment benefit (normally diagnosis benefit payment, initial treatment-linked benefit)

❖ Multiple payments of lump-sum payments for a diagnosis

Several companies sell products through which multiple payments of lump-sum benefit amounts for a diagnosis are made if certain conditions are met after a lump-sum payment for a diagnosis is made. This can be thought of as coverage intended to deal with long-term medical treatment costs and patients suffering from serious conditions. Conditions applicable to payment have been excerpted from the conditions set forth in policies offered by major companies.

Himawari Life Insurance

When the insured person is newly diagnosed as having cancer on or after the day after the date on which two (2) years have passed after the last day on which there were previously grounds for paying the cancer diagnosis benefit payment as reckoned therefrom (including any recurring or metastasizing cancer). Provided, however, that, in the event of recurrence, the insured person would need to have been in a state in which a cancer whose diagnosis had been previously confirmed could no longer be detected as a result of treatment (hereinafter referred to as "cured or in remission"), and a diagnosis of recurrence would need to have been subsequently confirmed.

ORIX Life Insurance

The payment of a cancer treatment benefit payment shall be handled as follows: (1) Where grounds for the payment of a cancer treatment benefit payment arise within two (2) years of the last day on which there were previously grounds for paying the cancer treatment benefit payment as received by the insured person as reckoned therefrom, the Company shall not pay the cancer treatment benefit payment, notwithstanding the provisions of paragraph (1) hereof. (2) Where hospitalization as prescribed in item (iii) of the preceding paragraph is ongoing on the day after the date on which two (2) years have passed after the last day on which there were previously grounds for paying the cancer treatment benefit payment as received by the insured person as reckoned therefrom, grounds for the payment of the cancer treatment benefit payment shall be deemed to have newly arisen on that date, and the Company shall therefore pay the cancer treatment benefit payment.

Anshin Life Insurance (cancer diagnosis rider)

・When the insured person is in a state in which a malignant neoplasm whose diagnosis has already been confirmed can no longer be detected as a result of treatment (hereinafter referred to as “cured or in remission”), and a diagnosis of the recurrence of the malignant neoplasm is confirmed for the first time thereafter;
・When a malignant neoplasm whose diagnosis has already been confirmed is definitively diagnosed as having metastasized to another organ; provided, however, that this is exclusive of any case in which cancer has already occurred in the organ in question prior to the metastasis of the malignant neoplasm;
・When a malignant neoplasm is definitively diagnosed as having newly occurred with no connection to a malignant neoplasm that has already been definitively diagnosed.
* Up to once every two (2) years; provided, however, that this shall be no more than once for an intraepithelial neoplasm
* Where any of (i) to (iii) below applies after grounds for the payment of a diagnosis benefit payment arises within two (2) years of the last time there was a day on which there were grounds for paying the diagnosis benefit payment as reckoned therefrom, grounds for the payment of a new diagnosis benefit payment shall be deemed to have newly arisen on the date on which any of ① to ③ below applies, and the diagnosis benefit payment shall be accordingly paid.
(i) When the insured person is admitted to a hospital or clinic for the direct purpose of receiving cancer treatment on the day after the date on which two (2) years have passed after the last time there was a day on which there were grounds for paying the diagnosis benefit payment as reckoned therefrom;
(ii) When the hospitalization of the insured person in a hospital or clinic for the direct purpose of receiving cancer treatment commences during the insurance period, on or after the day following the date on which two (2) years have passed;
When the insured person visits a hospital or clinic for the direct purpose of receiving cancer treatment during the insurance period, on or after the day following the date on which two (2) years have passed.

AIG Fuji Life Insurance

When the insured person is first admitted to or visits a hospital or clinic for the purpose of treating a malignant neoplasm whose diagnosis has been confirmed during the insurance period at some point on or after the policy inception date and on or after the day following the date on which two (2) years have passed after the last time there was a day on which there were grounds for paying the malignant neoplasm benefit payment as reckoned therefrom;
*Where hospitalization for the purpose of treating a malignant neoplasm is ongoing on the day following the date on which two (2) years have passed after the last time there was a day on which there were grounds for paying the malignant neoplasm benefit payment as reckoned therefrom, the insured person shall be deemed to have been admitted on that day, and the malignant neoplasm diagnosis benefit payment shall be accordingly paid.

Aioi Life Insurance

When the insured person is admitted due to circumstances directly attributable to cancer that has been definitively diagnosed on or after the policy inception date insofar as cancer benefit payments are concerned and on or after the day after the date on which a diagnosis of cancer is confirmed for the first time at some point on or after the policy inception date insofar as cancer benefit payments are concerned
*No payment will be made if grounds for paying the cancer diagnosis benefit payment arise within two (2) years of the date on which the final hospitalization for which the cancer diagnosis benefit payment is to be paid commences (or, where the cancer diagnosis benefit payment is to be paid upon the confirmation of a cancer diagnosis for the first time on or after the policy inception date insofar as cancer benefit payments are concerned, the date on which a diagnosis is confirmed or, where the cancer diagnosis benefit payment is to be paid pursuant to the provisions of the following paragraph, the date on which a paid hospitalization is deemed to have commenced) as reckoned therefrom.
*Where continuous hospitalization corresponding to grounds for paying the cancer hospitalization benefit payment as provided for in the base policy is ongoing on the day following the date on which two (2) years have passed after the date on which the final hospitalization for which the cancer diagnosis benefit payment is to be paid commences as reckoned therefrom, hospitalization shall be deemed to have commenced on that day, and the cancer diagnosis benefit payment shall be accordingly paid.

Manulife Life Insurance (malignant neoplasm diagnosis benefit)

When hospitalization for the purpose of treating a malignant neoplasm that has been definitively diagnosed commences on or after the day following the date on which two (2) years have passed after the date on which the malignant neoplasm was definitively diagnosed for the first time as reckoned therefrom
*Where hospitalization for the purpose of treating a malignant neoplasm is ongoing on the day following the date on which two (2) years have passed after the date on which grounds for paying the malignant neoplasm diagnosis benefit payment arose, it shall be deemed that grounds for payment arose on that date, and the malignant neoplasm diagnosis benefit payment shall be accordingly paid.
*Where grounds for paying the malignant neoplasm diagnosis benefit payment arise within two (2) years of the date on which the final hospitalization for which the malignant neoplasm diagnosis benefit payment will be paid commences as reckoned therefrom, the malignant neoplasm diagnosis benefit payment shall not be paid.

MetLife Insurance

Where grounds for paying the malignant neoplasm treatment benefit payment apply to the insured person within one (1) year of the final date on which there were grounds for paying the malignant neoplasm treatment benefit payment and for which the malignant neoplasm treatment benefit was to be paid as reckoned therefrom, the malignant neoplasm treatment benefit payment shall not be paid, notwithstanding the provisions of the preceding paragraph (*Conversely, provisions stipulate that this benefit payment shall be paid if more than one (1) year has passed.)

Aflac

When (a) and (b) below apply on or after the day following the date on which two (2) years have passed after the first day of the month in which falls the day on which grounds for paying the rider-stipulated diagnosis benefit payment due to a preceding cancer arose as reckoned therefrom: (a) A diagnosis of cancer is confirmed; (b) The insured person is admitted for the direct purpose of treating cancer.

Zurich Life Insurance

When the insured person is hospitalized for the direct purpose of treating cancer on or after the day following the date on which two (2) years have passed after the previous date on which grounds for paying the cancer diagnosis benefit payment arose as reckoned therefrom.

(i) Comparative points

◇ Payment conditions

▷ Simplicity of benefit conditions, convenience of conducting a payment review

▷ Medical validity

▷ Payment interval (one year, two years)

There are also products with complicated conditions due to the fact that medical determinations are added to the mix. In order to recommend products, however, an understanding of such components is very important. Simply stating that a client will be paid multiple times does not amount to a proper comparison.

(ii) Evaluation

・ Difficulty level of the policy conditions (difficulty of medical standards)

It goes without saying that the inclusion in policy conditions of standards that are difficult for even attending physicians to medically evaluate, such as standards with respect to "recurrence or remission," is difficult for consumers to

understand.

A product with a standard for paying benefits upon the occurrence of an event consisting of hospitalization or the paying of a visit to the hospital in order to obtain treatment for cancer that has been confirmed to exist after two years is associated with grounds for payment that are easy for consumers to grasp. Consequently, it is believed that payment problems rarely occur whenever claims are submitted.

(ii-i) Multiple payments of intraepithelial neoplasm diagnosis benefits

An intraepithelial neoplasm can be easily treated and carries no risk of having to undergo long-term medical treatment or suffering death. Therefore, the very concept of a product that provides benefits multiple times is problematic. Even if intraepithelial neoplasms are not eligible for payment, such products are not considered to be medically disadvantageous from a sales point of view.

(ii-ii) Payment interval

Only MetLife's Guard X provides for a payment interval of one year, while many other companies set their payment interval to two years. Perhaps MetLife chose to go with a payment interval of one year, since payments cover treatment costs on a lump-sum basis. In addition, diagnosis benefit payments are provided through riders. For this reason, policy portfolios appear to have become quite complicated.

Company name (Product name)	Payment interval	Comment
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	Payment interval of two years; base policy No limit on the number of payments Intraepithelial neoplasms are also eligible for payment.	The medical evaluation as to whether a cancer has been cured or is in remission is difficult to perform (the problem of determining whether a cancer has been cured or is in remission); there is concern that hospital visits will be avoided until the second year to delay the detection of recurrence.
ORIX Life Insurance (Believe Cancer Insurance)	Payment interval of two years; base policy Intraepithelial neoplasms are also eligible for payment.	Payment conditions are simple and easy to understand.
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	Payment interval of two years; base policy No limit on the number of payments Intraepithelial neoplasms are not eligible for payment.	The policy conditions are difficult to understand; it is questionable as to whether there is a need for conditions to determine whether a cancer is in remission and whether there is a need for grounds for payment. There is the problem of determining whether a cancer has been cured or is in remission
AIG Fuji Life Insurance (Best Gold Alpha)	Payment interval of two years; base policy No limit on the number of payments Diagnosis benefit payments for intraepithelial neoplasms are provided for in a rider.	Payment conditions are simple and easy to understand.
Aioi Life Insurance (New Cancer Insurance Alpha)	Payment interval of two years; rider No limit on the number of payments Intraepithelial neoplasms are also eligible for payment.	Payment conditions are simple and easy to understand.
Manulife Life Insurance (Kodawari Cancer Insurance)	Payment interval of two years; base policy No limit on the number of payments Intraepithelial neoplasms are also eligible for payment (half amount).	While benefits for stage III and stage IV cancer are separately provided, they overlap with treatment benefits to give rise to a medically complicated situation.
MetLife Insurance (Guard X)	Payment interval of one year Upper limit on the number of payments of five or ten Intraepithelial neoplasms are also eligible for payment.	Payment standards applicable to the original treatment benefit payments are slightly complicated.
Aflac (Days Cancer Insurance)	Payment interval of two years; rider No limit on the number of payments Intraepithelial neoplasms are also eligible for payment (1/10).	Payment conditions are simple and easy to understand.
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	Payment interval of two years; rider No limit on the number of payments Intraepithelial neoplasms are also eligible for payment.	Payment conditions are simple and easy to understand.

❖ Amount of coverage of intraepithelial neoplasms

You should assess the necessity of covering intraepithelial neoplasms by sufficiently understanding the explanation of intraepithelial neoplasms given in Chapter 2. In my personal opinion, I believe that you will be adequately covered if you have taken out medical insurance. If anything, *coverage of intraepithelial neoplasms* could render a product more complicated.

(i) Comparative points

◇Whether the lump-sum payment for a diagnosis is the same amount as for a malignant neoplasm

◇Whether multiple payments of a diagnosis benefit apply

◇Whether benefit payments for hospitalization or surgical operations apply

◇Whether or not there are invalidation provisions

(ii) Evaluation

The existence of invalidation provisions applicable to intraepithelial neoplasms is more important as a recommendation standard than the extent to which intraepithelial neoplasms are covered. If there are no invalidation provisions, then it should be fine to recommend a product that provides such coverage.

The significance of cancer invalidation provisions in cancer insurance policies is explained in my book *Cancer and Cancer Insurance* (The Hoken Mainichi Shimbun Co., Ltd., 2015). Malignant neoplasms and intraepithelial neoplasms constitute biologically different states and also differ completely in terms of determinations made for a doctor's disclosure. It is possible that an individual who has previously been notified of an abnormality as revealed in a cancer screening or who has had a polyp removed from his or her digestive tract may have had an intraepithelial neoplasm without having received a detailed explanation from his or her doctor. For this reason, if a policy has invalidation provisions relating to intraepithelial neoplasms, it will be more unstable in the sense that the policyholder will not be certain when he or she will be able to obtain coverage with peace of mind. This is a huge problem for consumers. This problem is even greater since intraepithelial neoplasms are now expanding in scope from severe dysplasia to moderate dysplasia. In addition to whether or not coverage is provided, you must explain disadvantageous elements as material

matters.

If you can get people to deepen their medical understanding of intraepithelial neoplasms, you should be able to get them to realize that other comparative points do not merit being treated as points for recommending a product.

Company name (Product name)	Whether a lump-sum payment for a diagnosis is provided	Benefit amount (*)	Whether multiple payments are made	Whether hospitalization or surgical operations are covered and the benefit amount	Whether there are invalidation provisions (*)
Sony Life Insurance (Cancer Insurance)	Base policy	Same amount	No	Base policy, same amount	Yes
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	Base policy	Same amount	Yes	Base policy, same amount	Yes
Prudential Life Insurance (Cancer Insurance for Business Clients)	Base policy	Same amount	Yes	Base policy, same amount	Yes
ORIX Life Insurance (Believe Cancer Insurance)	Base policy	Same amount	Yes	Base policy, same amount	Yes
AXA Life Insurance (Cancer Treatment Insurance)	No	None	No	Rider, same amount	No
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	Base policy	Same amount	No	Base policy, same amount	Yes
AIG Fuji Life Insurance (Best Gold Alpha)	Rider	Half the amount	Yes	Rider, same amount	Yes
Aioi Life Insurance (New Cancer Insurance Alpha)	Rider	Same amount	Yes	Base policy, same amount	Yes
Manulife Life Insurance (Kodawari Cancer Insurance)	Base policy	Unknown	Yes	Rider, same amount	Yes
AXA Direct Life Insurance (Whole-Life Cancer)	Base policy	Same amount	No	Hospitalization in base policy, same amount Surgical operations in rider, same amount	Yes
MetLife Insurance (Guard X)	Rider	Half the amount	Yes	Hospitalization in rider, same amount Surgical operations in base policy, half the amount	Yes
Aflac (Days Cancer Insurance)	Base policy	1/10	Yes	Hospitalization in base policy, same amount Surgical operations in rider, same amount	No
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	Rider	Same amount	Yes	Rider, same amount	Yes

*The benefit amount compares the benefit amount received with the benefit amount received for malignant neoplasms.

**Invalidation provisions* refers to provisions for invalidation through a definitive diagnosis of an intraepithelial neoplasm before a policy begins to take effect.

❖ Hospitalization benefit

Some companies provide daily benefits where an insured person is hospitalized for a cancer that has been definitively diagnosed after the policy has started to take effect through a base policy, while others provide such benefits through a rider. The definition of the insured event – in other words, the conditions applicable to the benefit in question – is more or less the same for all insurance companies, and there are no limits as well when it comes to aggregation.

(i) Comparative points

(i-i) Benefits-related policy conditions concerning a cancer diagnosis made during hospitalization for another disease or illness or the onset of another disease or illness during the medical treatment of cancer

The pertinent point is whether or not differentiation from hospitalization for any other disease or an injury, a common source of problems when benefits are being paid, is expressly addressed in the policy conditions. Whether or not the following supplementary rules exist should be determined.

A: Supplementary rules where hospitalization for cancer is extended due to another disease or an injury while hospitalization for cancer is ongoing

B: If a diagnosis of cancer is confirmed during hospitalization for another disease or an injury, supplementary rules governing whether or not benefits for pre-diagnosis treatment shall be paid

C: If a diagnosis of cancer is confirmed during hospitalization for another disease or an injury, supplementary rules governing the handling of post-diagnosis hospitalization

(i-ii) Whether there is priority coverage for a short-term hospitalization

Whether there is coverage consisting of an additional daily amount during a short-term hospitalization of up to five days in length

(i-iii) Two types of definitions of the insured event in question can be found; there is a difference in terms of whether or not the term “direct” is used:

Hospitalization for the direct purpose of treating cancer

Hospitalization for the purpose of treating cancer

(ii) Evaluation

(ii-i)Is coverage in terms of a hospitalization benefit payment included in the

base policy?

Since this question is a matter of product strategy as adopted by each company, it is not possible to make a categorical statement as to which is better, but consumers probably expect there to be coverage of hospitalization for cancer when they take out a cancer insurance policy.

(ii-ii) Necessity of expanding the coverage of short-term hospitalizations

While the addition of a feature consisting of priority coverage of short-term hospitalizations as seen with medical insurance policies is conceivable in the future, the need to expand coverage of short-term hospitalizations is probably not great if coverage of the three major cancer treatment options has been added.

(ii-iii) Clarifying payments

The stipulation of supplementary rules A, B, and C is important. In particular, the inclusion of rule A or C is probably a standard for recommendation. If the definition of an insured event also includes the term *direct*, few problems relating to payments will likely arise.

Company name (Product name)	Requirements for receiving a hospitalization benefit	Whether supplementary rules apply
Sony Life Insurance (Cancer Insurance)	Base policy Hospitalization for the direct purpose of treating cancer	Supp. Rules A, B available
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	Base policy Hospitalization for the direct purpose of treating cancer	No supp. rules
Prudential Life Insurance (Cancer Insurance for Business Clients)	Base policy Hospitalization for the direct purpose of treating cancer	Supp. Rules A, B, C available With rules governing deemed admission to at-home hospice
ORIX Life Insurance (Believe Cancer Insurance)	Base policy Hospitalization for the direct purpose of treating cancer	Supp. Rule B available
AXA Life Insurance (Cancer Treatment Insurance)	Rider Hospitalization for the direct purpose of treating cancer	Supp. Rules A, C available
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	Base policy Hospitalization for the direct purpose of treating cancer	Supp. Rule A available
AIG Fuji Life Insurance (Best Gold Alpha)	Rider Hospitalization for the direct purpose of treating cancer	No supp. rules
Aioi Life Insurance (New Cancer Insurance Alpha)	Base policy Hospitalization for the purpose of treating cancer Priority coverage of short-term hospitalization available	Supp. Rules A, C available
Manulife Life Insurance (Kodawari Cancer Insurance)	Rider Hospitalization for the purpose of treating cancer	Supp. Rule C available
AXA Direct Life Insurance (Whole-Life Cancer)	Base policy Hospitalization for the direct purpose of treating cancer	Supp. Rules A, C available
MetLife Insurance (Guard X)	Rider Hospitalization for the purpose of treating cancer Long-term hospitalization payments available	Supp. Rule C available
Aflac (Days Cancer Insurance)	Base policy Hospitalization for the direct purpose of treating cancer	Supp. Rule B available
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	Rider Hospitalization for the direct purpose of treating cancer	Supp. Rule C available

❖ Surgical operations benefit

Many companies provide a surgical operations benefit for surgical operations performed for the purpose of treating cancer.

The surgical operations benefit used to be a problem back when there were frequent cases of non-payment under medical insurance policies. In the case of cancer insurance, however, simpler products might tend to be recommended if you are to keep problems from potentially arising at the time of payment in mind, since payment-related determinations will need to be made with respect to the following: whether or not the surgical operation corresponds to cancer, whether or not the surgical operation is performed for the purpose of treating cancer, and whether the surgical operation constitutes a radical surgical operation or another type of surgical operation for treating a malignant neoplasm (where the policy provides a graded benefit). In a nutshell, if lump-sum payments for a cancer diagnosis are substantial, then you should be satisfied with a surgical operations benefit payment of a fixed amount.

(i) Comparative points

◇ Whether a public insurance-linked system or limited enumeration system applies

◇ If a public insurance-linked system applies, whether bone marrow or stem cell transplantation is eligible for the surgical operations benefit

◇ Whether the surgical operations benefit is a graded benefit (whereby the rate varies according to surgical operation)

◇ Whether there is a supplementary explanation of radical surgical operations if a limited enumeration system applies

(ii) Evaluation

(ii-i) Benefit amount

If the policy provides benefit payments consisting of lump-sum payments for a cancer diagnosis, high amounts of a surgical operations benefit will not be required if you consider the fact that the high-cost medical treatment benefit system can also be used for insurance-covered surgical operations.

(ii-ii) Problems arising at the time of payment

Public insurance-linked products providing fixed-amount benefits will

likely be recommended if you consider the possibility of errors in terms of non-payment or benefit amount. If a limited enumeration system applies, policies with a supplementary explanation of radical surgical operations will likely give rise to fewer problems.

(ii-iii) Generous benefit payments for serious surgical operations

While the benefit amount will be higher for, for example, open-chest surgical operations to give the impression that coverage has been enhanced, this sort of scenario will in fact give rise to more payment problems. Therefore, since an explanation concerning open-chest surgical operations will be needed in such a situation, the contents of coverage should ideally be as simple as possible.

Company name (Product name)	Type of surgical operations benefit	Supplementary explanation of radical surgical operations and whether bone marrow transplantation is eligible
Sony Life Insurance (Cancer Insurance)	Base policy, limited enumeration system, 4 types (3 benefit amount tiers)	There is a supplementary explanation of radical surgical operations. Allogenic bone marrow transplantation is eligible.
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	Base policy, limited enumeration system, 5 types (3 benefit amount tiers)	There is a supplementary explanation of radical surgical operations. Allogenic bone marrow transplantation is eligible.
Prudential Life Insurance (Cancer Diagnosis Insurance)	Base policy, limited enumeration system, 4 types (3 benefit amount tiers)	There is a supplementary explanation of radical surgical operations. Allogenic bone marrow transplantation is eligible.
ORIX Life Insurance (Believe Cancer Insurance)	Base policy, limited enumeration system, 5 types	There is a supplementary explanation of radical surgical operations. Allogenic bone marrow transplantation is eligible.
AXA Life Insurance (Cancer Treatment Insurance)	Base policy, public insurance-linked system (flat rate) For some surgical operations, an additional support benefit payment is provided.	Allogenic bone marrow transplantation is eligible.
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	Rider, limited enumeration system, 5 types (flat rate)	No supplementary explanation of radical surgical operations Allogenic bone marrow transplantation is eligible.
AIG Fuji Life Insurance (Best Gold Alpha)	Rider, limited enumeration system, 5 types (flat rate)	No explanation of radical surgical operations Allogenic bone marrow transplantation is eligible.
Aioi Life Insurance (New Cancer Insurance Alpha)	Base policy, limited enumeration system, 5 types (flat rate)	There is a supplementary explanation of radical surgical operations. Allogenic bone marrow transplantation is eligible.
Manulife Life Insurance (Kodawari Cancer Insurance)	Rider, public insurance-linked system (flat rate)	Allogenic bone marrow transplantation is eligible.
AXA Direct Life Insurance (Whole-Life Cancer)	Rider, limited enumeration system, 4 types (flat rate)	No supplementary explanation of radical surgical operations Allogenic bone marrow transplantation is eligible. One-time surgical operations benefit payment for an intraepithelial neoplasm
MetLife Insurance (Guard X)	Base policy, public insurance-linked system Incorporated into the cancer treatment benefit payment	Includes elements of surgical operations/radiation therapy/anticancer drug treatment benefit payments and the lump-sum payment for a diagnosis
Aflac (Days Cancer Insurance)	Rider, public insurance-linked system (flat rate)	Allogenic bone marrow transplantation is eligible with a radiation therapy benefit.
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	Rider, public insurance-linked system (flat rate)	Allogenic bone marrow transplantation is eligible.

❖ Radiation therapy benefit

Radiation therapy is progressing and growing in terms of treatment methods, treatment equipment, and treatment adaptation. More than 200,000 people a year and more than twenty-five percent of all cancer patients already receive radiation therapy. While treatment based on the use of particle beams or heavy particle beams can also be described as a type of radiation therapy, it is covered by advanced medical care riders (benefit payments), since it is administered as a form of advanced medical care*. Since treatment, except in special cases, will cost between several tens of thousands of yen to several hundreds of thousands of yen, coverage does not have to be especially extensive to deal with out-of-pocket expenses. Radiation therapy is a typical example of a cancer-specific type of treatment, and a radiation therapy benefit is a type of benefit that is typically made available as part of the services that are provided by cancer insurance policies.

With the radiation therapy benefit, provisions exempting treatment involving less than 50 Gray (Gy) of radiation from coverage had long been a very serious matter in the area of radiation therapy. I even remember the Life Insurance Association of Japan once received a request to abolish such exemption provisions from a specialized society for radiation. Thus, the abolishment of such provisions is an important part of the points to be considered when recommending products.

*While certain types of particle beam therapy became eligible for public healthcare insurance coverage in April 2016, many particle beam therapy options continue to be performed as examples of advanced medical care. However, they need to be performed in accordance with standards set forth by the Japanese Society for Radiation Oncology.

(i) Comparative points

(i-i) Whether the product has been designed in such a way that it is easy to understand if coverage in terms of a benefit payment can be obtained if the insured person undergoes radiation therapy

- Conventional type where a benefit for radiation therapy is provided as part of four or five different types of surgical operations benefits
- Type where a benefit is provided through a linkage with surgical operations covered by public healthcare insurance

(i-ii) Whether there are provisions exempting treatment involving less than

50 Gray (Gy) of radiation from the provision of this benefit

(ii) Evaluation

(ii-i) Whether the benefit is provided as an independent benefit payment or otherwise in an equivalent form

A product that explicitly states that coverage consisting of independent benefit payments is provided is probably better. A type that is linked to public healthcare insurance corresponds to such a product.

(ii-ii) Provisions exempting treatment involving less than 50 Gray (Gy) of radiation from the provision of this benefit

This is the biggest point to consider in promoting a product and is a point to be taken into account when recommending a product. Products without exemption provisions are recommended.

Company name (Product name)	Type of radiation therapy benefit	Provisions
Sony Life Insurance (Cancer Insurance)	Benefit is provided for radiation therapy performed as part of a limited list of surgical operations.	50 Gy provisions apply; once every 60 days
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	Benefit is provided for radiation therapy performed as part of a limited list of surgical operations.	50 Gy provisions apply; once every 60 days
Prudential (Cancer Diagnosis Insurance)	Benefit is provided for radiation therapy performed as part of a limited list of surgical operations.	50 Gy provisions apply; once every 60 days
ORIX Life Insurance (Believe Cancer Insurance)	Benefit is provided for radiation therapy performed as part of a limited list of surgical operations.	50 Gy provisions apply; once every 60 days
AXA Life Insurance (Cancer Treatment Insurance)	Linked to public insurance	No 50 Gy provisions; once every 60 days
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	Benefit is provided for radiation therapy performed as part of a limited list of surgical operations.	No 50 Gy provisions; once every 60 days
AIG Fuji Life Insurance (Best Gold Alpha)	Benefit is provided for radiation therapy performed as part of a limited list of surgical operations.	50 Gy provisions apply; once every 60 days
Aioi Life Insurance (New Cancer Insurance Alpha)	Benefit is provided for radiation therapy performed as part of a limited list of surgical operations.	No 50 Gy provisions; once every 60 days
Manulife Life Insurance (Kodawari Cancer Insurance)	Linked to public insurance	No 50 Gy provisions; once every 60 days
AXA Direct Life Insurance (Whole-Life Cancer)	Benefit is provided for radiation therapy performed as part of a limited list of surgical operations.	50 Gy provisions apply; once every 60 days
MetLife Insurance (Guard X)	Base policy; benefit is provided as a cancer treatment benefit payment subject to conditions that bring elements of diagnosis and treatment together; linked to public insurance	No 50 Gy provisions
Aflac (Days Cancer Insurance)	Linked to public insurance	No 50 Gy provisions; once every 60 days
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	Linked to public insurance	No 50 Gy provisions; once every 60 days

❖ Anticancer drugs

Just as the addition of advanced medical care coverage has come to be par for the course with medical insurance policies, the time has come when the provision of anticancer drug coverage is the norm in the field of cancer insurance.

(i) Comparative points

(i-i) Whether the benefit is provided

(i-ii) Scope of drugs for which the benefit is provided

- Whether the benefit applies only to drugs covered by public healthcare insurance
- Whether drugs that have received pharmaceutical approval are also covered by the benefit (in which case the benefit would be applicable to a greater extent than where the benefit applies only to drugs covered by public healthcare insurance)
- Whether the benefit is provided for unapproved drugs (out-of-pocket medical expenses)

(i-iii) Definition of anticancer drug

- Whether the Japanese standard product classification system or system of classification standards set forth by the WHO applies (the benefit would be applicable to a greater extent if the WHO standards apply)

(i-iv) Methods of administration

- Whether the benefit applies if the drug is administered to a hospitalized insured person or an insured person on an outpatient basis
- Whether orally administered drugs are also covered

(i-v) Benefit limits and exemptions

- While the type of benefit that provides benefit payments of a monthly amount is typical, coverage for up to sixty or 120 months in total can be seen.
- Some products provide a separate benefit or do not provide any benefit for hormone-based drugs.

(ii) Evaluation

(ii-i) Maximum benefit

While some anticancer drugs are administered over an extended

period of time, these are highly varied and consist of everything from drugs that are continuously used every day on a long-term basis to drugs that are injected as part of a standard prescribed treatment regimen (see * on page 81). A majority of patients undergoing chemotherapy are administered drugs on an outpatient basis, according to research conducted by the Ministry of Health, Labour and Welfare. Single-dose administration is common and corresponds primarily to hormone-based drugs. Thus, the maximum number of months for which the benefit is provided is at least sixty. Endocrine drugs are often administered long-term. At the same time, this option is cheaper than other drugs.

(ii-ii)Scope of the benefit

This is an important point: products that provide the benefit for all drugs that have received pharmaceutical approval are better than those that provide the benefit for only drugs that are covered by public healthcare insurance. In addition, it would be problematic if a product were not one that also covered drugs that might be released in the future. According to the table…

(ii-iii) Benefit for hormone-based drugs

Hormone-based drugs are also important as drugs used for treating cancer. Products that provide a benefit for this type of drug are recommended.

(ii-iv) Oral drugs

These days, anticancer drugs taken orally have also become more expensive. Thus, products that also provide a benefit for oral drugs are recommended.

(ii-v) Other

There are also products that provide a separate benefit payment for drugs that mitigate side effects and therapeutic agents that act to reduce pain. Even though such drugs and agents do not constitute anticancer drugs, it might be helpful to take this point into account when determining whether or not a given product should be recommended.

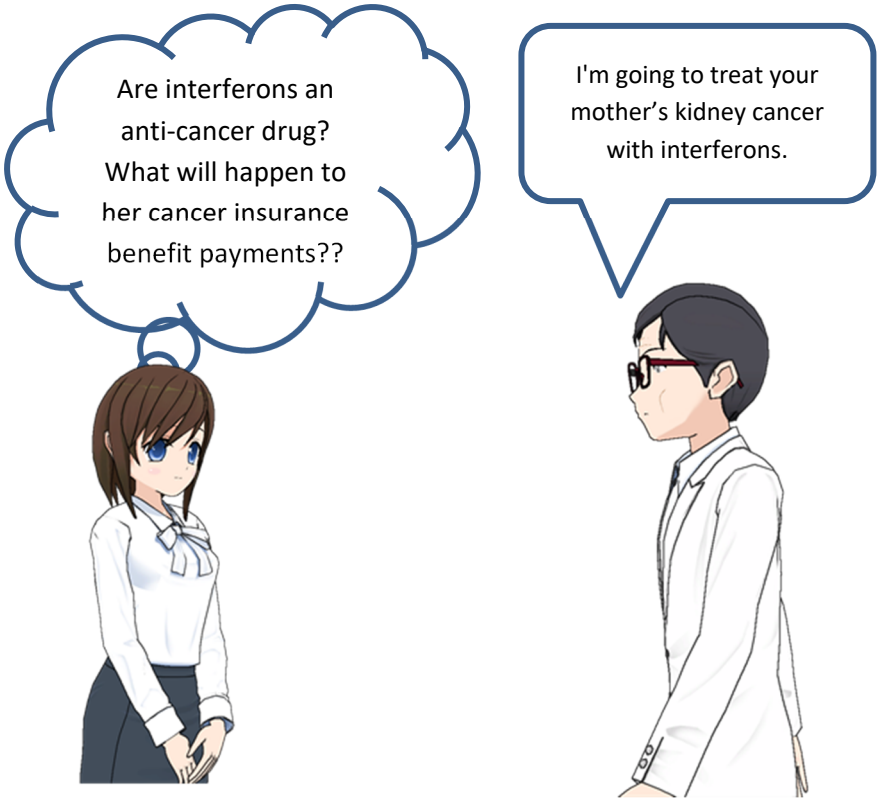
Company name (Product name)	Chemotherapy benefit provisions	Scope of the benefit and other points
Sony Life Insurance (Cancer Insurance)	Rider; main text of the policy conditions refers to drugs that are covered by public insurance; the appendix refers to drugs for which pharmaceutical approval has been obtained, which means that there is an inconsistency within this policy	Monthly benefit amount; up to 120 months in total Japanese standard product classification system and limited list of drugs
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	Base policy; benefit provided as an outpatient treatment benefit payment where chemotherapy is performed on an outpatient basis	Daily benefit amount; up to 120 days within one year after a definitive diagnosis No public standard (also applies to pain-relief treatment) Includes cellular immunotherapy and vaccine therapy
Prudential (Cancer Diagnosis Insurance)	None	
ORIX Life Insurance (Believe Cancer Insurance)	Rider; benefit provided as a cancer hospital visit benefit payment on the day the insured person visits the hospital to receive treatment based on the use of anticancer drugs Drugs that are covered by public insurance	Daily benefit amount; up to 60 days within one year after hospital discharge Japanese standard product classification system; oral administration excluded; hormone-based drugs are not eligible
AXA Life Insurance (Cancer Treatment Insurance)	Base policy; drugs that are covered by public insurance	Monthly benefit amount; up to 60 months in total; Japanese standard product classification 8742; not applicable to hormone-based drugs
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	Rider; drugs for which pharmaceutical approval has been obtained	Monthly benefit amount; up to 60 months in total; WHO standards; applicable to hormone-based drugs
AIG Fuji Life Insurance (Best Gold Alpha)	None	
Aioi Life Insurance (New Cancer Insurance Alpha)	None	
Manulife Life Insurance (Kodawari Cancer Insurance)	Rider; drugs that are covered by public insurance	Monthly benefit amount; up to 60 times in total; WHO standards; applicable to hormone-based drugs; palliative care benefit payments separately available
AXA Direct Life Insurance (Whole-Life Cancer)	None	
MetLife Insurance (Guard X)	Benefit provided as a benefit payment for the treatment of malignant neoplasms Drugs for which pharmaceutical approval has been obtained	Annual benefit amount (once per year); WHO standards; applicable to hormone-based drugs through a separate rider
Aflac (Days Cancer Insurance)	Rider; drugs for which pharmaceutical approval has been obtained	Monthly benefit amount; up to 60 months in total (up to 120 months for hormone-based drugs); WHO standards
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	Base policy; drugs that are covered by insurance	Monthly benefit amount; unlimited; WHO standards; applicable to hormone-based drugs Conditions as stipulated in the policy as pertains to applicability to anticancer drugs are complicated.

※Drug costs and prescription fees are calculated according to the medical service fees schedule for insurance-covered drugs; they are not calculated for drugs used in clinical trials and are generally assumed by pharmaceutical manufacturers (see Table 52 of the section on “New cancer immunotherapy” in Chapter 3).

The environment surrounding treatment based on the use of anticancer drugs is presently undergoing significant changes concerning two different points.

With respect to the first point, it should be noted that cancer treatment used to primarily entail the performance of surgical operations. Treatment based on the use of anticancer drugs now plays such a central role in the treatment of cancer that it can be said to have displaced surgical operations as the leading treatment option for cancer. It is also the driving force behind the emergence of personalized medical care in the form of treatment tailored to each individual patient. With respect to the second point, it should be noted that anticancer drugs are becoming more expensive and accordingly imposing a greater financial burden on patients.

The rising cost of anticancer drugs is negatively affecting not just patients but also doctors who treat patients. This is because optimal therapeutic drugs cannot be administered in some cases depending on the patient's financial status. In very unfortunate situations, the patient might even suffer from a discontinuation of treatment. This is a big problem in the medical setting. Even experts in treatment based on the use of anticancer drugs have high expectations that treatment based on the use of anticancer drugs will be covered by private insurance companies. In making comparisons and putting forth recommendations, this point needs to be properly understood. While you could argue that a lack of coverage is problematic, the quality of coverage is likewise important. What is important is to ensure that there is little difference between anticancer drugs as understood by patients and anticancer drugs as covered in the policy conditions.


Are interferons an anti-cancer drug? What will happen to her cancer insurance benefit payments??
I'm going to treat your mother's kidney cancer with interferons.

❖ Advanced medical care coverage

Advanced medical care is a type of evaluated medical treatment that allows a patient to receive medical treatment with the technical fees component (in principle) borne by the patient in accordance with the publicly managed use of insured and uninsured types of medical treatment (public insurance -inapplicable medical treatment system to which the uninsured concomitant medical treatment benefit system applies). It is important that you are able to explain to clients why this system exists. It is inadequate to simply say something like, "Particle beam therapy costs around three million yen. You can afford this with advanced medical care benefit payments."

The track record thus far with respect to advanced medical care is such that most benefit payments are made for particle beam therapy. The total amount spent on advanced medical care is a small percentage of total healthcare spending by the population. We will need to assess future trends to determine whether or not the system will be enhanced. In recommending products, it is also important that we look at the impact of being able to conclude only one policy with a given company.

(i) Comparative points

◇ Whether or not actual losses are to be compensated (Table 78), (Table 79)

Type A1	Assumption of costs pertaining to advanced medical care (technical fees)
Type A2	Benefit for portion of costs pertaining to advanced medical care (technical fees) borne by the patient (true actual losses)
Type B	Type other than for coverage of actual losses (not currently available among products compared at this time)

◇ Whole-life or fixed-term coverage

Advanced medical care is expected to expand, which means that benefits should increase in the future. Monthly insurance premiums are low and mark-up percentages are currently high, but premiums will likely rise down the line. Thus, whole-life coverage is advantageous if you only focus on advanced medical care.

◇ Whether advanced medical care for non-cancer diseases or illnesses is also covered

Type 1	Cancer only (all products compared at this time are of this type)
Type 2	Diseases and illnesses other than cancer are also covered.

◇ Other additional benefits

Some companies provide an additional fixed-amount benefit to cover transportation costs incurred to receive medical treatment nominally under a lump-sum payment for advanced medical care.

Table 78. Whether the policy conditions are defective *(Why would a product like this be approved?)*

Forgive me for being blunt but I believe that Type A1 products are imperfect products. For consumers, Type A1 products are definitively a great deal. However, the policy conditions are defective. This is because the technical fees for advanced medical care are not all borne by patients and because the costs of unapproved drugs and medical devices are assumed by manufacturers. For example… Even if a patient were to receive medical treatment in the form of advanced medical care based on the use of an unapproved drug costing 2.5 million yen, there are many cases in which 2 million yen of this amount would be paid by the manufacturer and not paid by the patient. With Type A1 products, however, policy conditions provide for benefit payments totaling 2.5 million yen to the insured person (beneficiary). I believe that this is also problematic for the approval review process.

Table 79. Assumption of the costs of advanced medical care

Pattern 1 Costs not covered by a benefit (costs pertaining to advanced medical care) ≠ paid by patient on out-of-pocket basis Pattern 2 Costs not covered by a benefit (costs pertaining to advanced medical care) = paid by patient on out-of-pocket basis

(ii) Evaluation

While you would receive overlapping benefits if you were already enrolled in a policy providing advanced medical care coverage as offered by another company, there are also cases in which archaic advanced medical care riders exist, such that you might want to recommend advanced medical care benefit payments that have been added to a cancer insurance policy if the client wishes to choose a new option for covering actual losses.

(ii-i) Which is better: coverage of actual losses or another type of product?

Compared products all covered actual losses. The issue is that a comparative explanation as to whether a product pays for technical fees

or pays actual costs included in technical fees is required.

(ii-ii) Advanced medical care benefit under a medical insurance policy or advanced medical care benefit under a cancer insurance policy

If we have to think in terms of an adverse selection, we will need to take into account the existence of a ninety-day waiting period. However, it is important that you properly explain this part, since this is a point that differs from an advanced medical care rider that can be added to a medical insurance policy as outlined in Table 78 (page 153).

(ii-iii) Which is better: whole-life coverage or fixed-term coverage?

While whole-life coverage is advantageous in that premiums can be projected, coverage is often added through riders, which means that you must think about coverage as it relates to the base policy. It is probably difficult to compare whole-life coverage with fixed-term coverage with just the advanced medical care benefit.

(ii-iv) Aggregate limit

While differences in terms of aggregate limit can be seen, I have never heard of a case in which the insurance company itself provides a clear explanation as to whether the assumption of costs exceeding ten million yen is necessary in order to receive advanced medical care. As the author of this book, I believe that it would be acceptable to not treat this point as an important one for evaluation purposes.

(ii-v) Additional benefits (condolence money and transportation expense aid)

Since advanced medical care required by a patient is sometimes unavailable at a nearby hospital, transportation and accommodation costs are incurred in some cases. Since these do not constitute absolutely necessary benefit payment options, their selection depends simply on the preference of each consumer. I do not believe that such benefit payment options are important enough to be considered a point for comparing and recommending products.

(iii) Rule to remember

Unlike other benefit payments, the advanced medical care benefit is subject to a one-policy-per-company sales rule. While cancer insurance is cheap if you compare advanced medical care coverage added to cancer insurance with medical insurance or other products, coverage is limited to advanced medical care for cancer only (Table 80).

Table 80. Comparing medical insurance with cancer insurance in terms of advanced medical care benefit payments given the rule that only one policy can be taken out with a given company

	Applicable to	Waiting period	Insurance premiums
Advanced medical care benefit payments provided by cancer insurance policies	Cancer only	90 days (3 months)	Low
Medical insurance and other policies providing advanced medical care benefit payments	Also applies to non-cancer diseases and illnesses	None	While higher than for advanced medical care covered by cancer insurance, premiums would be around 200 yen per month.

Company name (Product name)	Whether the benefit is provided; coverage period	Scope of benefit and other points
Sony Life Insurance (Cancer Insurance)	Rider; Type A1, Type 1	90-day waiting period; up to 10 million yen in total
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	Rider; Type A1, whole-life	90-day waiting period; up to 10 million yen in total
Prudential Life Insurance (Cancer Diagnosis Insurance, Cancer Hospitalization Rider)	Rider; Type A2	Up to 10 million yen in total (general-purpose rider; unknown whether it can be added to cancer insurance)
ORIX Life Insurance (Believe Cancer Insurance)	Rider; Type A1, whole-life	90-day waiting period; up to 20 million yen in total
AXA Life Insurance (Cancer Treatment Insurance)	Rider; Type A2, fixed-term	Up to 10 million yen per time; up to 20 million yen in total; lump-sum payment for advanced medical care available
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	Rider; Type A1; whole-life; fixed-term	90-day waiting period; up to 20 million yen in total
AIG Fuji Life Insurance (Best Gold Alpha)	Rider; Type A1; whole-life	90-day waiting period; up to 20 million yen in total
Aioi Life Insurance (New Cancer Insurance Alpha)	Rider; Type A2	90-day waiting period; benefit of up to 20 million yen for transportation and accommodation costs in total available
Manulife Life Insurance (Kodawari Cancer Insurance)	Rider; Type A1; fixed-term (renew every 10 years; up to 90 years of age)	90-day waiting period; up to 20 million yen in total Condolatory benefit payments available (50,000 yen per time)
AXA Direct Life Insurance (Whole-Life Cancer)	Rider; Type A2; fixed-term (renew every 10 years; up to 80 years of age)	90-day waiting period; up to 5 million yen in total
MetLife Insurance (Guard X)	Rider; Type A1; fixed-term (renew every 10 years; no upper age limit)	90-day waiting period; up to 20 million yen in total; assistance benefit payment available up to 20% of technical fees
Aflac (Days Cancer Insurance)	Rider; Type A2; fixed-term (renew every 10 years)	3-month waiting period; up to 20 million yen in total Lump-sum payment for advanced medical care available (up to once per year)
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	Rider; Type A1; whole-life	Up to 20 million yen in total Advanced medical care assistance benefit payment (150,000 yen)

※A1: Benefit for costs pertaining to advanced medical care; A2: benefit for costs pertaining to advanced medical care where such costs are assumed by the patient

❖ Hospital visit coverage

The length of hospitalization is shortening. In addition to advancements in medical technology, this is due to the impact of policy inducements designed to increase medical service fees earned by medical institutions whenever treatment can be completed with shorter-term hospitalizations. As shown in Table 81, hospital visit coverage will become increasingly important if we take the medical care environment of the future into account. However, a reassessment of payments previously conducted by the insurance industry revealed that hospital visit benefit payments were often not made or claimed. Some companies that used to provide coverage in the form of hospital visit benefits no longer offered this coverage. In addition, some companies revised the contents of their products to provide a benefit in the form of a lump-sum fixed payment amount at the time of discharge as a way to nominally cover hospital visits or provide a benefit for post-discharge medical treatment.

Since premiums are affordable and mark-up percentages are high with benefit payments that are linked to the actual number of days an insured person visits the hospital, it would be worth it for a consumer taking out a new cancer insurance policy to look into obtaining this coverage.

(i) Comparative points

The framework of this benefit is essentially the daily benefit amount that is tied to the day of a visit to the hospital.

◇ Whether or not house visits are included

◇ Benefit types

(i-i) Daily amount type or fixed-amount benefit on discharge (Table 82)

Type 1 provides a daily benefit amount linked to medical actions performed during a hospital visit

Type 2 provides a lump-sum benefit payment as a way to nominally provide a hospital visit benefit at the time of discharge

(i-ii) Admission-linked benefit (page 155)

Type A1 provides coverage that is limited to the post-discharge period

Type A2 covers even hospital visits made prior to hospitalization

Type B covers hospital visits for the purpose of receiving treatment even without hospitalization

Table 81. Reasons why you might need to have your hospital visits covered

- The length of hospitalization is shortening due to the impact of the healthcare system (medical service fees).
- You might not necessarily be discharged because you have been completely cured. (There are also national statistics on this point.)
  According to DPC hospital statistics, more than 20% of patients cannot be discharged in a healed or improved state (data inclusive of all diseases and illnesses: results of a survey on discharged patients pertaining to an assessment of the impact of DPC adoption in fiscal year 2014).
- There is a shortage of hospitals that provide post-discharge cancer rehabilitation services.
- While there are no clear data tracking the shift in treatment from hospitalization to out-patient services, we can see that testing performed before and after treatment has come to be carried out on an outpatient basis. (There are also national statistics on this point.)
- In the future, we will consider expanding the statutory burden (such as in terms of insurance exemptions and the assumption of a fixed amount at the time of each visit).
- Anticancer drugs are administered to a majority of patients on an outpatient basis (study conducted by the Ministry of Health and Welfare).

Table 82. Benefit types

Type 1	Himawari Life Insurance, Anshin Life Insurance, Aioi Life Insurance, Manulife Life Insurance, MetLife Insurance, Aflac
Type 2	Sony Life Insurance, AXA Direct
Type 1+2	ORIX Life Insurance
No hospital visit coverage	Prudential, AXA Life Insurance, Fuji Life Insurance

(ii) Evaluation

(ii-i) Whether there is a benefit and the benefit types

There are many benefit types (A1, A2) covering hospitalization-linked outpatient-based hospital visits. While the burden of benefit administration will increase, Type A2 or Type B, which covers hospital visits after a cancer diagnosis is confirmed even if the insured person is not hospitalized, is in line with the actual situation surrounding cancer treatment.

While there are differences in the maximum number of aggregate benefit days, they are not sufficient to become a standard for recommending products. Rather than focusing on just the coverage provided by the hospital visit benefit, it might be good to determine the necessity of this coverage in relation to other types of coverage. (For

example, with anticancer drug coverage added, outpatient-based hospital visits are covered as part of the coverage provided by a given policy.) Since various statutory burdens are expected to expand in the future, it will be necessary to reinforce coverage provided with the hospital visit benefit.

(ii-ii) Whether there is a lump-sum payment to be paid on discharge

There are products that, in lieu of a hospital visit benefit, add coverage that provides for the payment of a fixed lump-sum amount if the insured person survives and is discharged after he or she has been admitted to the hospital under certain conditions. While post-discharge medical treatment as a term does not explicitly include *hospital visits*, post-discharge coverage in the form of a fixed benefit amount deliberately comparable to hospital visit benefit payments is provided. Naturally, the administration of benefits by an insurance company is easier than it is with daily benefit amounts provided in line with hospital visit dates. When making comparisons with the hospital visit benefit, you will need to compare in a way that includes conditions applicable to lump-sum benefit payments made at the time of discharge.

Both hospital visit benefit payments and lump-sum amounts at the time of discharge are provided by products offered by ORIX Life Insurance. It is believed that companies that do not offer a hospital visit benefit instead offer a lump-sum benefit amount at the time of discharge as a way of raising the appeal of their products.

(ii-iii) Overlapping other coverage

AXA Life Insurance in effect provides coverage in terms of hospital visit benefit payments with other benefit payments (including benefit payments for surgical operations, radiation, and chemotherapy) even though it does not provide coverage that the company refers to as hospital visit benefit payments.

Verify the adequacy of substantial coverage in totality with respect to such coverage and the coverage provided through the hospital visit benefit.

Company name (Product name)	Hospital visit benefit payment type; scope of benefit	Conditions and other points
Sony Life Insurance (Cancer Insurance)	None (post-discharge medical treatment benefit payments available)	
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	Base policy; Type B	1 year after applicable date of diagnosis benefit payment; 120 days; extended for 1 year in accordance with certain conditions
Prudential Life Insurance (Cancer Diagnosis Insurance)	None	
ORIX Life Insurance (Believe Cancer Insurance)	Rider; Types A1, B	A1: 1 year after discharge; up to 60 days within period B:
AXA Life Insurance (Cancer Treatment Insurance)	None (hospital visits for palliative medical treatment covered)	
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	Rider; Type A2	Up to 45 days within 60 days prior to hospitalization and 180 days after discharge; maximum 730 days in total
AIG Fuji Life Insurance (Best Gold Alpha)	None	
Aioi Life Insurance (New Cancer Insurance Alpha)	Rider; Type B (at-home care rider available)	5 years after confirmation of diagnosis; no maximum number of days There are provisions for providing the benefit even after 5 years have passed if certain conditions are met.
Manulife Life Insurance (Kodawari Cancer Insurance)	Rider; Type A1	Up to 60 days within 365 days after discharge
AXA Direct Life Insurance (Whole-Life Cancer)	None (post-discharge medical treatment rider available)	
MetLife Insurance (Guard X)	Base policy; Type B	Hospital visits after the confirmation of diagnosis; up to 60 days per year
Aflac (Days Cancer Insurance)	Base policy; Types A1, B	A1: 365 days after discharge; no maximum number of days B: No period limitation; no aggregate limitation
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	Rider; Type A2	Up to 120 days within 60 days prior to hospitalization and 365 days after discharge

* A1: Hospital visits subsequent to being discharged after being hospitalized for treatment; A2: hospital visits prior to being hospitalized for treatment and subsequent to being discharged; B: hospital visits for treatment
* All companies that provide a hospital visit benefit include house calls in the scope of hospital visits.

❖ At-home care and post-discharge medical treatment

The number of days of hospitalization is statistically declining, a fact that may account for the existence of people whose acute-stage treatment has been completed but who have no choice but to be discharged even though they are not yet healed or otherwise better (see Table 81 of "Hospital visit coverage" on page 157). Such patients will likely receive at-home care as part of a comprehensive system of community-based care.

The current benefit types are types through which benefit payments are paid as a way to nominally cover at-home care and post-discharge medical treatment received by an insured person after he or she is discharged for surviving after hospitalization, in accordance with certain conditions predicated on the occurrence of an insured event corresponding to a cancer hospitalization benefit payment. In some cases, the benefit will overlap hospital visit benefit payments or, conversely, a benefit payment will be provided in lieu of a hospital visit benefit payment because payment administration is easier for a lump-sum payment at the time of discharge than it is for the hospital visit benefit (see the hospital visit coverage section on page 156).

(i) Comparative points

While there are no points that especially need to be compared, the length of the hospitalization period up to discharge, which is a condition for an insured event, is one that I will mention if one must be stated here.

(ii)Evaluation

With respect to benefit payment options being sold these days, it should be noted that hospitalization and discharge upon survival are requirements for an insured event and that the products in question are not products linked to a state of home care (some pain-relief benefit options are sold), which means that the reason for the existence of such products can be perceived only in terms of such products as an alternative to the hospital visit benefit or as an additional feature. The provision of proper benefit payments for at-home care for cancer should be seen as something that will now get underway rather than as a work in progress. We should expect to see an at-home care environment developed in the future through the promotion of a comprehensive system of community-based care. At this stage, I get the sense that there is no need to discuss the pros and cons of

such benefit payments or make comparisons and recommendations concerning such benefit payments.

Company name (Product name)	Whether there is a lump-sum payment at the time of discharge	Other points
Sony Life Insurance (Cancer Insurance)	Base policy; post-discharge medical treatment benefit payments	When the insured person is discharged after a reason for paying a cancer hospitalization benefit payment applies
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	None	
Prudential Life Insurance (Cancer Insurance for Business Clients)	None	
ORIX Life Insurance (Believe Cancer Insurance)	Base policy; lump-sum payment at the time of cancer discharge	Upon discharge after hospitalization for 10 or more days
AXA Life Insurance (Cancer Treatment Insurance)	None	
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	None	
AIG Fuji Life Insurance (Best Gold Alpha)	None	
Aioi Life Insurance (New Cancer Insurance Alpha)	Rider; benefit payments for at-home care	When the insured person survives and is discharged after a hospitalization of 20 or more days after a reason for paying a cancer hospitalization benefit payment applies
Manulife Life Insurance (Kodawari Cancer Insurance)	None	Cancer palliative medical treatment rider available
AXA Direct Life Insurance (Whole-Life Cancer)	Rider; payment for post-discharge medical treatment of cancer	When the insured person is discharged after a reason for paying a cancer hospitalization benefit payment applies
MetLife Insurance (Guard X)	None	
Aflac (Days Cancer Insurance)	None	
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	None	

❖ Coverage according to progression

These days, products that pay substantial amounts of benefit payments for malignant neoplasms that give rise to especially severe medical conditions are being developed. Constituting a system for indicating the progression of a malignant neoplasm, the TNM classification system produced by the UICC (page 61-62) is being used as a standard for solid cancers.

Since data possessed by the Ministry of Health, Labour and Welfare also reveal that medical treatment costs incurred by patients rise with the degree of progression (Table 83), the concept of providing generous coverage to those whose cancer is progressively worsening is not wrong.

Nevertheless, problems with severity coverage by stage are as outlined in (ii-i) to (ii-iv) below.

(ii-i) Difference between cancer disclosure and notice of remaining life

While the rate of cancer disclosure has risen, doctors often refrain from notifying patients of the amount of life they have left. Indeed, aspects of notification with respect to both types of information are completely different. It would be problematic to link insurance company-provided benefits tied to the degree of progression to a notification of the amount of life remaining. A problem equivalent to the problem that a patient without the knowledge of having cancer discovers he/she actually has cancer through receiving a benefit will emerge.

(ii-ii) Continuity of the severity of cancer

While the severity of an illness is continuous, the degree of progression as set forth by the UICC-produced TNM classification system remains a man-made standard. Classification is not based on the necessity or quantity of medical resources. Rather, this system is a standard for classifying tumors in such a way that a difference in survival curves can be recognized if progression has been classified. Thus, the provision of a tiered graded benefit based on the use of this standard leads to complaints at a certain level. In addition, it invites after-the-fact moral hazards, including by way of the imposition of arbitrary pressure on certifying parties. In particular, huge problems can arise if the difference in tiered benefits is large. There is no denying the possibility that a problem engulfing the medical community could arise. This differs in a fundamental way from the problem of stipulating different benefit

payments depending on whether you are dealing with an intraepithelial neoplasm or a malignant neoplasm.

(ii-iii) Diagnostic standards for classifying progression

Whereas a definitive diagnosis of cancer is made on the basis of a histopathological finding, there unfortunately exists no objective diagnostic standard relating to the stage of a disease. Furthermore, there are no definitions set forth by policy conditions relating to this point.

(ii-iv)Problem of overlapping benefits with severity coverage

One might wonder why medical treatment costs are higher for those whose condition has progressed, but this is essentially a function of the number of days of hospitalization and the cost of medical treatment. Thus, it is problematic that coverage is weighted in accordance with degree of progression and that benefit payments according to treatment type overlap one another.

Table 83. 2011 survey: Burden on patients by stage of disease affecting the subjects of drug therapy

	Stage I	Stage II	Stage III	Stage IV
Out-of-pocket expenses	610,000 yen	683,000 yen	982,000 yen	1,284,000 yen
Length of hospitalization per year	20.6 days	23.3 days	37.1 days	44.3 days
Number of hospital visits	14.2	18.9	2.4	24.9

Source: Health and Labor Sciences Research Grant research report by research representative Nobuo Koinuma, March 2012

Fig. 31. Costs by degree of progression

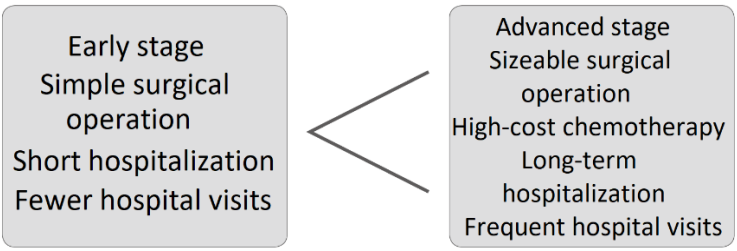
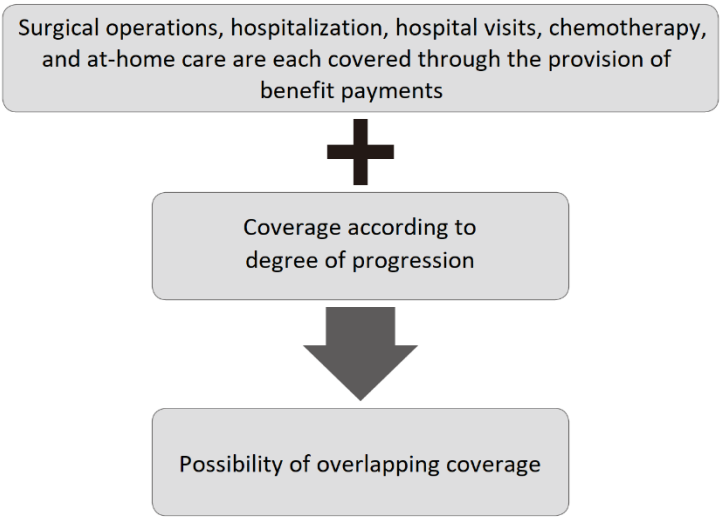


Fig. 32. Overlapping benefits



From the perspective of consumers, such policies will become expensive.

For this reason, an explanation as to why costs other than medical treatment costs incurred for the direct performance of treatment rise in accordance with the degree of progression must be given when such products are sold.

Since there are problems as exemplified in (ii-i) through (ii-iv) on page 162-163, sales education to enable an explanation of the necessity of severity coverage to be given while overlapping benefits are avoided is important. The necessity of generous coverage for any patient dealing with a severe condition is self-evident.

Currently, policies sold by companies that have adopted a system to determine whether it is proper to pay benefit payments and that have introduced graded benefit payment amounts while utilizing the TNM classification system to select patients dealing with a severe condition consist of Guard X as sold by MetLife Insurance and Kodawari Cancer Insurance as sold by Manulife Life Insurance.

❖ Waiver premium provisions

The ability to pay insurance premiums varies greatly depending on the state of asset ownership and income. In addition, the significance of exemption provisions also differs according to insurance product. Even though coverage can enable recovery from an actual illness or injury, the fact that you may not be able to properly enjoy what insurance is designed to provide as a result of being rendered incapable of working is a serious matter. Thus, the value of becoming exempt from paying premiums should be very apparent. While exemption provisions differ directly from benefit payment provisions corresponding to treatment, they are taken up as important components in any given product. A number of companies also sell policies that exempt policyholders from having to pay premiums in the event that they get cancer. This is a product feature that comprises a part of the coverage that is uniquely provided by cancer insurance policies.

With insurance premium payment exemption provisions, the benefit received is allocated to the payment of insurance premiums after an insured event occurs. In a manner of speaking, the benefit payment, whose purpose of use is limited, is proportional to the remaining period of insurance premiums owing, which means that the product in question is one with a lump-sum payment the amount of which declines over time. Since such a product would be one with insurance premiums that are accordingly high, you will ultimately need to compare the additional coverage offered with the balance of insurance premiums owing.

The option to take advantage of payment-exempted insurance premiums for low-incidence cases of physical disability, such as states of severe disability the coverage of which has been added to many insurance products, is provided at low cost to clients as a matter of course.

Those who are granted an exemption from having to pay insurance premiums are people with an injury or illness and naturally, people who wish to use various types of insurance services. However, there is concern over the possibility that certain insurance features tied to a policyholder might be severed through the affairs pertaining to the receipt of insurance premiums. Consequently, there is also concern over the possibility that various types of claims might fail to be made. Thus, the state of company-specific initiatives for following up on policyholders after exemption provisions are exercised will also constitute a standard for comparing and recommending policies. (Since there is a similar

problem with respect to the coverage period after all premiums have been paid for a paid-up policy at maturity, this is not a problem that is limited to payment-exemption provisions.)

Company name (Product name)	Payment exemption for a malignant neoplasm (malignant neoplasm P exemption)	Payment exemption for a physical disability (physical disability P exemption)	Other
Sony Life Insurance (Cancer Insurance)	Yes*	Available	*Payment exemption for the three major diseases (skin cancer is eligible)
Himawari Life Insurance (Yuuki no Omamori Cancer Insurance)	No	Available	
Prudential Life Insurance (Cancer Diagnosis Insurance)	No	Available	
ORIX Life Insurance (Believe Cancer Insurance)	No	Available	
AXA Life Insurance (Cancer Treatment Insurance)	No	Available	
Anshin Life Insurance (NEO Cancer Treatment Support Insurance)	Available	Available	
AIG Fuji Life Insurance (Best Gold Alpha)	Available	Available	
Aioi Life Insurance (New Cancer Insurance Alpha)	No	Available	
Manulife Life Insurance (Kodawari Cancer Insurance)	Available	Available	With specific disability exclusion conditions
AXA Direct Life Insurance (Whole-Life Cancer)	No	Available	
MetLife Insurance (Guard X)	Available	No	
Aflac (Days Cancer Insurance)	No	No	
Zurich Life Insurance (Whole-Life Cancer Treatment Insurance)	Available	Available	

(i) Comparative points

◇ Whether there are insurance premium payment exemption provisions

- Whether there are physical disability provisions
- Whether there are exemption provisions based on the confirmation of a cancer diagnosis

◇ How each company follows up on each policyholder to whom exemption provisions apply

(ii) Evaluation

(ii-i) Whether exemption provisions are necessary

Exemption provisions are provisions that are attractive to patients, since they no longer have to pay insurance premiums.

Products with provisions that allow for coverage to be obtained cheaply are recommended.

Companies that do not offer payment exemption provisions need to follow up on policyholders to ensure that policies do not lapse. Since policy administration and follow-up arrangements are invisible, however, they are unfortunately not taken into account when evaluating and recommending products. Nevertheless, gathering information on this point is still important for solicitors.

(ii-ii) Whether exemption provisions for malignant neoplasms are necessary

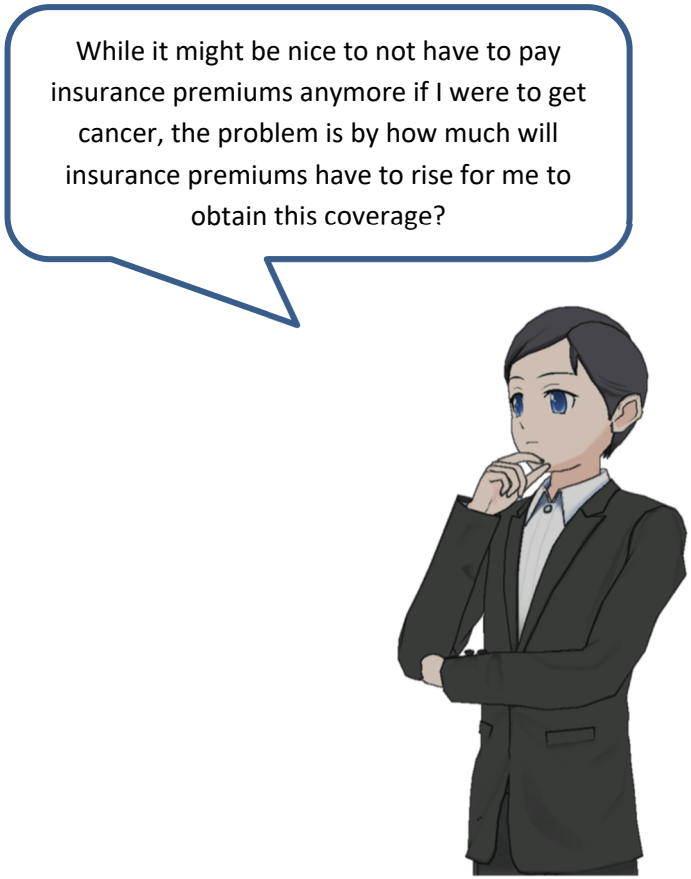
When you get cancer, you will be faced with serious issues in terms of a reduction in income, a loss of employment, or otherwise a diminishment in earning power. Since it is difficult to continue paying insurance premiums while you are battling cancer, a patient will surely benefit from being exempt from having to pay insurance premiums upon receiving a definitive diagnosis of a malignant neoplasm. However, there is the problem of insurance premiums rising in order to obtain this coverage. Since this coverage is equivalent to having a lump-sum payment for diagnosis in excess of a million yen added in connection with the provision of whole-life coverage, you will need to determine whether you can recommend certain policies after making sure that this point is clearly understood by the consumer.

In the event of a policy for which insurance premiums are paid for through payroll deductions, the way in which an unknown cancer status is handled is a problem. There have been cases in which a patient came to know that he or she had cancer when his or her premium deductions ceased.

Since this is a sensitive matter, the administrative procedures of a company that provides products should be verified (where the designated

proxy claimant submits a confirmation of a cancer diagnosis or request for a payment exemption or otherwise asks to discuss payroll deductions due to a problem of uncertainty with respect to a patient's cancer status).

Of course, a system for following up on a policyholder after he or she becomes exempt from having to pay insurance premiums and for following up on a policyholder whose policy has been prevented from becoming invalidated is necessary.



❖ Incidental services

In-kind services known as policyholder services are provided by insurance companies separately from insurance benefits. While there are services that are limited to specific insurance policies and services that are not, such services are highly varied and include everything from zoo admission discount coupons to discount services for finding doctors who can conduct thorough medical check-ups.

As shown in Table 86, incidental services differ from insurance benefits. Since they also constitute *product extras* as set forth in the statute known as the Act Against Unjustifiable Premiums and Misleading Presentations, high-cost services cannot be provided.

If we limit our focus to cancer insurance, we see that incidental services currently being provided include "the provision of various types of information on the medical treatment of cancer," "the referral of a doctor who can provide a cancer-related second opinion," and "cancer screening service." Among such services, consultation services relating to the medical treatment of cancer and services that can refer policyholders to doctors capable of providing a second opinion are utilized to a considerable degree.

However, companies that provide such services are limited in number, and there is a sense that, even though insurance companies differ, the fact that the companies to whom incidental services are outsourced are all the same does not affect the standard for comparing and recommending policies. Nevertheless, consultation services with counseling functions provided for cancer patients by Houken Corp. have been assessed by various parties, including by way of a report on business contents and business track records issued by the Japan Psycho-Oncology Society[*6].

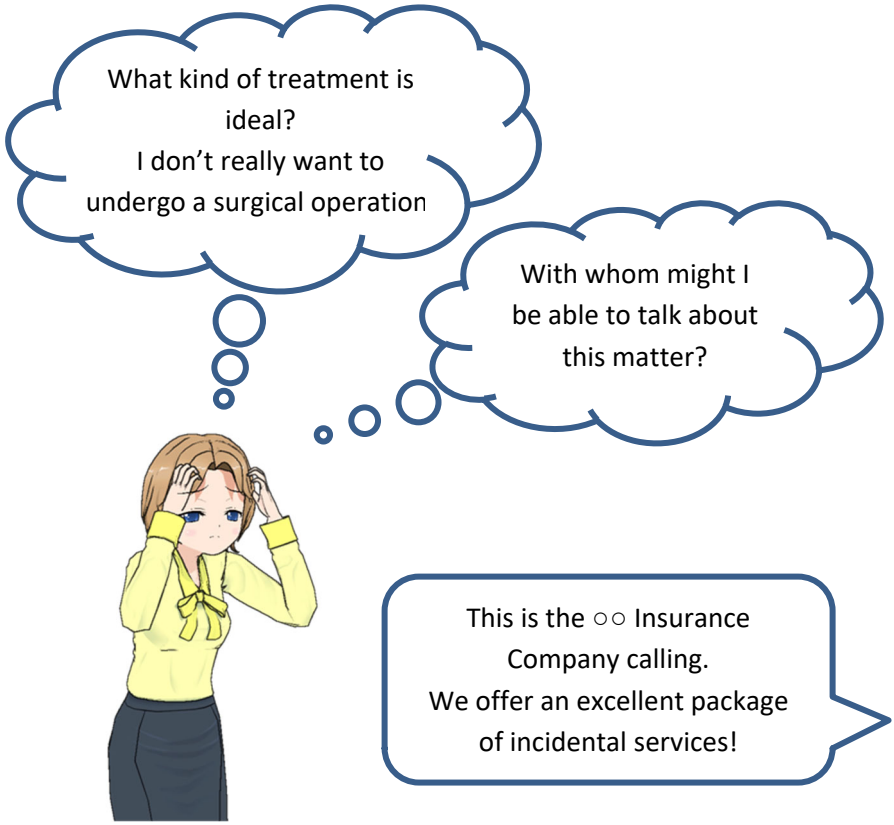
Some customers believe that such incidental services are equivalent to insurance benefits. Even though we are talking about incidental services, management of the quality of such services is still important. While a company will provide incidental services because a failure to do so will cause it to be compared unfavorably with other companies, the substantial utilization of such services by clients will result in mounting costs. For this reason, some companies

[*6] Some companies provide incidental services that allow clients seeking psychological counseling services or a second opinion to interview a doctor.

only engage in efforts in this area in a passive manner. This is just a personal impression on my part, but a look at the official websites of different companies reveals that some companies appear to deliberately obfuscate the way in which their incidental services are described.

Table 86. Comparing insurance benefits and incidental services

	Insurance benefits	Incidental services
Cost burden	Insurance premiums	Business expenses incurred by the insurance company
Service type	Cash	In-kind
Upper limit	Policy provisions	Within statutory scope
Supervisory authority	Financial Services Agency	Consumer Affairs Agency
Relevant statutes	Insurance Act, Insurance Business Act, others	Act Against Unjustifiable Premiums and Misleading Presentations



❖ Summary

There are various aspects of the medical treatment of cancer for each individual, and the risks vary from one person to the next. Thus, a wide range of products will surely continue to be developed. While this book deviates from an examination of specific product specifications, some companies have already begun to provide services in terms of cancer coverage by site, coverage of supportive therapies positioned around the provision of anticancer drug coverage, and more.

I expect to see various products continue to be developed in the future, including the following:

- Products that are focused on prevention;
- Products that are focused on providing more finely-textured services for the provision of treatment coverage;
- Products that are focused on societal reintegration and disability coverage; and
- Products that are focused on functions that supplement the social insurance system.

In any case, the following points are important:

- That basic coverage is properly provided;
- That the product is easy to understand;
- That the policy condition setting forth the benefit conditions are clear, to prevent payment problems from occurring;
- That the product has been designed on the assumption that there will be advancements in medicine;
- That sales education (including education with respect to medicine, nursing care, and social insurance) is substantial;
- That, since fixed-rate products always give rise to coverage that is either excessive or lacking, attention needs to be paid to the easy growth of aggregation undertaken to offset shortfalls.

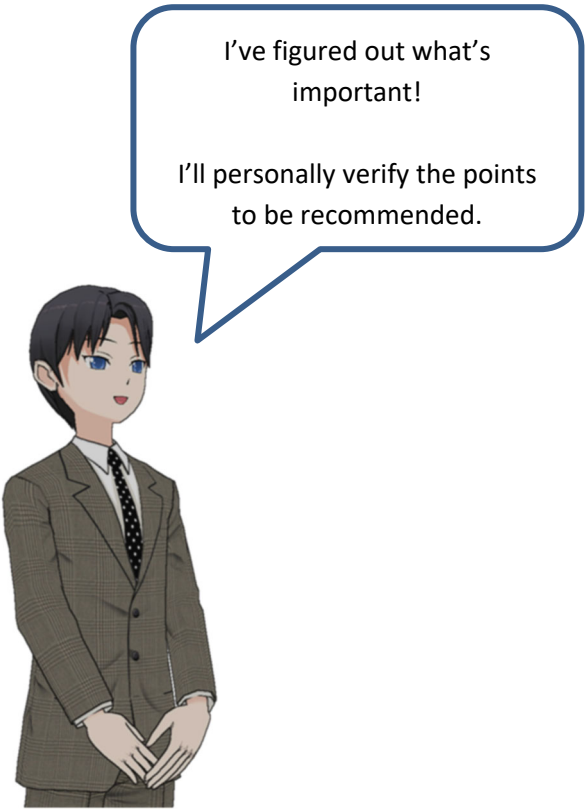
You should personally check out products to be recommended without making determinations only on the basis of an insurance company's explanations and product overview.

Important points:

- Make sure to confirm product points with the policy conditions

(unfavorable information and favorable information should be included in the policy conditions);

- Be careful about any claims to be *Japan's first…* or *Ranked number one for…*;
- Do not treat a given point as a point of recommendation if the superiority of the aggregation standard cannot be medically explained;
- Consider whether you can confidently describe the product as one that the client really needs.



IV. Evaluating products that exclusively provide cancer coverage according to insurance company

❖ Basic coverage and evaluations

This book was not written to rank the products of different companies. It contains standards-based information to highlight the advantages of cancer insurance for customers and to help readers figure out which points should be taken into account when evaluating products.

Allow me to diagrammatically illustrate coverage that I believe is useful in this book. Since the risks that should be underwritten by insurance change with the times, however, the contents of this book will invariably need to be updated with the passage of time.

Basic coverage features

(i) Lump-sum payment coverage

Coverage of malignant neoplasms
Lump-sum payment for the confirmation of a diagnosis (lump-sum payment upon the commencement of treatment after a diagnosis of cancer is confirmed)
1 million to 2 million yen according to research data provided by the Ministry of Health, Labour and Welfare

Definition of malignant neoplasm:	ICD-10 and ICD-O are utilized; if possible, provisions governing handling in the event that a new classification system is enacted should be substantial.
Requirements for the confirmation of a diagnosis:	The finding of a pathological examination should be prioritized; biopsy handling is clear.

(ii) Hospitalization coverage

Coverage of malignant neoplasms
Hospitalization coverage (coverage without any aggregate limits)

The relationship between the benefit and hospitalization for other illnesses or

injuries is clear, easy to understand, and expressly set forth in supplementary rules stipulated in the policy conditions.

(iii) Coverage of the three major treatment options (surgical operations, radiation, and anticancer drug treatment)

Coverage of malignant neoplasms
Coverage of the three major treatment options

Surgical operations:	In the case of not a public insurance-linked benefit but a limited enumeration system, radical surgeries and other forms of surgical operations will need to be explained.
Radiation:	Coverage is independent (encompassed in conventional policy conditions governing surgical operations).
Anticancer drugs:	Standards indicating the scope of the benefit are clear; drugs granted pharmaceutical approval are also eligible; whether there is a benefit for hormone-based drugs is clear; policies offering a broader scope of the benefit are better. What would be best is a policy that combines both the WHO standards and the domestic standards, though no such policy has been adopted yet by a company in the industry.

(iv) Advanced medical care

Advanced medical care

Basic coverage should consist of the coverage of actual losses. A benefit equal to the actual amount paid by the insured person on an out-of-pocket basis is more appropriate than a benefit equal to the technical fee associated with advanced medical care.

(v) Coverage of long-term medical treatment

Coverage consisting of multiple lump-sum payments

Payment conditions are easy to understand; coverage is not medically complicated and essentially encompasses the coverage of severe or advanced

cancers.

(vi) Exemption from having to pay personal injury insurance premiums

Exemption from having to pay personal injury insurance premiums

Even with the addition of exemption provisions, the added value is high for policyholders if the impact on insurance premiums is small, in which case the provision of coverage makes sense.

Incidental coverage functions

(vii) Hospital visit coverage

Hospital visit coverage for malignant neoplasms

This type of coverage should be enhanced in the future, since the length of hospitalization in terms of the number of days will decrease and various types of statutory burdens will increase.

(viii) Exemption from having to pay malignant neoplasm insurance premiums

Exemption from having to pay malignant neoplasm insurance premiums

While this type of coverage is nice if it is available, it is equivalent to coverage added to a lump-sum payment for a diagnosis (diminishing lump-sum payment benefit for a diagnosis of cancer), which means that striking a balance with insurance premiums is important.

(ix) Coverage of intraepithelial neoplasms

Coverage of intraepithelial neoplasms (hospitalization, hospital visits, surgical operations)

This is coverage that has been decoupled from malignant neoplasms to the extent that it does not become excessive.
There are no invalidation provisions for intraepithelial neoplasms (sufficient if benefits for hospitalization, hospital visits, and surgical operations have been added).

❖ Sony Life Insurance

(Whole-Life Cancer Insurance) (08) (no dividends)

Base policy	Waiting period	Cancer diagnosis benefit payment (Type A daily amount x 100; Type B daily amount x 0); once only
		Cancer hospitalization benefit payments
		Cancer surgical operation benefit payments (4 types of limited enumeration; including radiation therapy)
		Post-discharge medical treatment benefit payments
		Cancer death benefit payment
	Death benefit payment (death for a reason other than cancer)	
Riders	Waiting period	Anticancer drugs
		Benefit payment rider for the diagnosis of a specific disease (cancer) *Only Type B can be added
	Benefit payment rider for the diagnosis of a specific disease (stroke, acute myocardial infarction) *Only Type B can be added	
	Waiting period	Advanced medical care rider (cancer)
	Advanced medical care rider (non-cancer)	
	Waiting period	Insurance premium payment exemption rider (cancer; excludes carcinoma in situ and skin cancer)
	Insurance premium payment exemption rider (stroke, acute myocardial infarction)	
	Insurance premium payment exemption rider (physical disability)	

*Whole-life coverage is provided under the base policy.

Basic coverage

When it comes to basic coverage, enhanced coverage is provided by combining a base policy and riders. Provisions to exempt the policyholder from paying insurance premiums have been enhanced.

Other coverage

Advanced medical care is characterized by the inclusion of advanced medical care for conditions other than cancer.

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

While the product has been basically designed to be easy to understand, it may be difficult to understand the fact that radiation therapy is included in the scope of benefit payments for surgical operations. On the other hand, this is a product that is easy to understand, since multiple payments of diagnosis benefit payments are not provided.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

The way in which terms relating to malignant neoplasms are used in the appendix needs to be improved. Conditions for confirming a diagnosis need to be investigated.

Policy conditions with respect to matters not concerning definitions

General

The policy is easy to understand and its basic framework is solid. It can likely be improved if it were to offer multiple payments of the diagnosis benefit payment or instead, some kind of coverage to persons receiving long-term medical treatment.

❖ Himawari Life Insurance

(Yuuki no Omamori Cancer Insurance (2010) Type B II)

Base policy	Waiting period	Cancer diagnosis benefit payments (multiple times after the passage of 2 years)
		Cancer hospitalization benefit payments
		Cancer surgical operation benefit payments (5 types of limited enumeration; including radiation therapy)
		Cancer outpatient treatment benefit payments (outpatient treatment accompanying measures taken by doctors during the outpatient treatment period; up to 120 days during the 1-year outpatient treatment period after payment of the diagnosis benefit payment; extended 1 year later)
	Death benefit payment (death for a reason other than cancer); can be added if the policy is a fixed-term type	
	Physical disability P exemption*	
Riders	Waiting period	Cancer death rider; living needs rider is available
		Advanced medical care rider (cancer)

Whole-life type and fixed-term type (renewed up to 90 years of age)

* A *P exemption* exempts the policyholder from having to pay insurance premiums for a life insurance policy if the insured person is in heavy need of long-term nursing care or if certain conditions are otherwise satisfied.

Basic coverage

The product is clean, with a base policy boasting a solid framework. Coverage of the three major treatment options will likely need to be improved in the future.

Other coverage

Clarity for consumers

With few riders, the product is centered around its base policy and is easy to understand.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

The way in which terms relating to malignant neoplasms are used in the appendix needs to be improved.

Policy conditions with respect to matters not concerning definitions

With measures taken by doctors and other requirements concerning outpatient treatment included in the policy conditions, there is concern over the possibility that an interpretation of the policy conditions could become a problem when conducting payment reviews.

General

While some believe that the diagnosis benefit payments cover everything, a better product in terms of the coverage of cancer treatment costs could be developed by separately adding coverage of the three major treatment options.

❖ Prudential Life Insurance

(Cancer Insurance (Business Insurance); without dividends)

Base policy	Waiting period	Cancer death/severe disability insurance money
		Cancer hospitalization benefit payments; at-home hospice care treated as deemed hospitalization
		Cancer surgical operation benefit payments (4 types of limited enumeration; including radiation therapy)
		Cancer treatment benefit payments* (daily amount x 100); multiple times after the passage of 2 years from the date on which the preceding hospitalization commenced
	Death benefit payment (death for a reason other than cancer); can be added if the policy is a fixed-term type	
	Physical disability P exemption (reason other than cancer)	
Riders	Waiting period	Cancer death rider; living needs rider is available
		Advanced medical care rider (cancer)

Whole-life coverage is provided under the base policy.

*Insured event for cancer treatment benefit payments: When hospitalization for the direct purpose of treating definitively diagnosed cancer commences.

Basic coverage

The base policy is solid in terms of its basic framework.
While the functions for the provision of basic coverage are not yet sufficient, it may be simply the case that coverage has not been augmented, since the product is one that is exclusively geared towards the provision of business insurance.

Other coverage

This product is notable for treating at-home hospice care as deemed hospitalization.

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

The fact that one type of radiation therapy is included in the scope of benefit payments for surgical operations may be difficult for consumers to understand.
Since benefit payments for surgical operations other than benefit payments for treatment are included in the base policy, the contents of coverage cannot be discerned just by looking at the labels accorded to the product. As for benefit payments for treatment, a (first-time) lump-sum payment at the time of hospitalization for treatment would be appropriate.

Policy conditions (1): Definition of cancer and the confirmation of a diagnosis

Histopathological findings are not prioritized in connection with the confirmation of a cancer diagnosis.
The way in which terms relating to malignant neoplasms are used in the appendix needs to be improved.

Policy conditions (2): Other matters

The relationship between hospitalization for other illnesses or injuries and cancer hospitalization benefit payments is encoded in supplementary rules more clearly than by any other company in the industry.

General

While the three major treatment options may be covered by treatment benefit payments, outpatient-based chemotherapy and chemotherapy administered orally during hospital visits have also become expensive. Coverage of anticancer drug costs will likely become necessary. This point might be inevitable in the context of business insurance.

❖ ORIX Life Insurance

(Believe Cancer Insurance)

Base policy	Waiting period	Cancer first-time diagnosis lump-sum payment
		Cancer hospitalization benefit payments
		Cancer surgical operation benefit payments (5 types of limited enumeration; including radiation therapy)
		Cancer discharge lump-sum payment
		Cancer treatment benefit payments* (daily amount x 50); multiple times after the passage of 2 years
	Physical disability P exemption	
Riders	Waiting period	Cancer hospital visit rider (prescribed hospital visits for the purpose of receiving treatment; up to 60 days within 1 year after discharge)
		Cancer advanced medical care rider (cancer)

Whole-life coverage is provided under the base policy.

*Insured event for cancer treatment benefit payments: When hospitalization for the purpose of treating definitivly diagnosed cancer commences.

Basic coverage

The base policy is solid in terms of its basic framework.
The functions for the provision of basic coverage are not yet sufficient.

Other coverage

Clarity for consumers
(Is it easy to understand the product structure, product title, and added security function?)

While the composition of the product is easy to understand, the fact that radiation therapy is included in the benefit payments for surgical operations is difficult to grasp.
Since benefit payments for surgical operations other than the benefit payments for treatment are included in the base policy, the contents of coverage cannot be discerned at a mere glance of the product labels. As for the label accorded to benefit payments for treatment, a (first time) lump-sum payment at the time of hospitalization for treatment would be appropriate.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

The way in which terms relating to malignant neoplasms are used in the appendix attached to the policy conditions needs to be improved.

Policy conditions with respect to matters not concerning definitions

Radical surgical operations, as a term relating to the benefit for surgical operations and for which payment problems could easily occur, is properly explained.

General

Since the coverage of anticancer drugs is limited to cases in which parenteral anticancer drug treatment is received on an outpatient basis, it would be good to further enhance this coverage.

If creative thinking could be applied to the benefit payments for surgical operations such that radiation therapy would instead be covered under a different label, the product would be easier to understand.

❖ AXA Life Insurance
(Cancer Treatment Insurance (non-refundable cancellation type))

Base policy	Waiting period	Cancer surgical operation benefit payments
		Cancer specific surgical operation support benefit payments
		Cancer radiation treatment benefit payments
		Chemotherapy benefit payments (linked to public insurance)
		Palliative medical treatment benefit payments (hospitalization with additional costs for cancer pain treatment or palliative care)
	Physical disability P exemption	
Riders	Waiting period	Cancer hospitalization rider
		Surgical operation benefit payments in an intraepithelial neoplasm treatment benefit rider
		Radiation therapy benefit payments in an intraepithelial neoplasm treatment benefit rider
		Advanced medical care benefit payments in a cancer advanced medical care rider (for costs assumed by the patient)
		Lump-sum payments for advanced medical care in a cancer advanced medical care rider

Whole-life coverage is provided under the base policy.

Basic coverage

Basic coverage consists of Type 3 coverage as explained on the base policy page. Even when we expand our focus to include the riders, we see that the specifications of the policy are designed to provide pure coverage of treatment. The product is composed in such a way that those who have obtained lump-sum payment coverage by taking out cancer insurance policies with other companies or who have taken out an insurance policy covering the three major diseases or a medical insurance policy will be compensated for any inadequate coverage of treatment costs. In this sense, the policy of the company is clear. Lump-sum payments associated with a high degree of freedom are omitted from the scope of basic coverage.

Other coverage

The fact that coverage of supportive therapy referred to in terms of palliative medical treatment has been added can be treated as a point of recommendation.
The fact that there are no invalidation provisions tied to intraepithelial neoplasms can also be treated as a point of recommendation.
The reasons for selecting surgical operations eligible for support benefit payments for specific surgical operations are not clear.

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

The contents of what is being covered are easy to understand, as also reflected in the labels accorded to different benefits.
Product composition is distinctive.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

There are no problems with the definitions of *malignant neoplasm*, *intraepithelial neoplasm*, or *cancer* or with the way in which terms are used.

Policy conditions with respect to matters not concerning definitions

There is a sense that the policy conditions were drafted with a deliberate effort to ensure that no payment problems would be encountered.

General

This is an easy-to-understand, well-thought-out product. An explanation will need to be given to ensure that there is no discrepancy between points that are intended by the company, such as in terms of the lack of a lump-sum benefit for a cancer diagnosis and the distinctive way in which the base policy is constituted, and what consumers might be looking for in a cancer insurance policy. An explanation of risks relating to the selling of base policy elements to supplement other products is also pertinent. The fact that no benefit for hormone-based drugs as an aspect of chemotherapy is provided needs to be investigated, but the product is, generally speaking, one that features inner workings not visible to the outside that are quite solid and proper.

❖ Anshin Life Insurance

(NEO Cancer Treatment Support Insurance; without dividends) (NEO Cancer Treatment Support Insurance; non-refundable cancellation type)

Base policy	Waiting period	Benefit payments for a diagnosis; multiple times (first time only for an intraepithelial neoplasm)
		Hospitalization benefit payments
	Physical disability P exemption	
	Waiting period	Special rules governing the insurance premium payment exemption for malignant neoplasms
Riders	Waiting period	Malignant neoplasms first-time diagnosis rider
		Cancer hospital visit rider (between 60 days prior to hospitalization and 180 days after discharge)
		Cancer surgical operation rider (5 types of limited enumeration; including radiation therapy)
		Anticancer drug treatment rider
		Cancer advanced medical care rider

Whole-life coverage is provided under the base policy; anticancer drug treatment coverage is provided for a fixed term of 10 years.

Basic coverage

When it comes to basic coverage, enhanced coverage is provided by combining a base policy and riders.
With no insurance premium payment exemption for a physical disability, the product is notable for the addition of exemption provisions for malignant neoplasms.

Other coverage

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

Matters relating to product composition and product labeling are all easy to understand. However, the fact that one type of radiation therapy is included in the scope of benefit payments for surgical operations may be difficult for consumers to understand.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

There are no problems other than the issue concerning the use of the term *cancer* as a coined term.

Policy conditions with respect to matters not concerning definitions

Supplementary rules governing multiple payments of diagnosis benefit payments are complicated.

General

The contents of coverage have been enhanced. There are likely no problems.
If possible, it would be better if the payment reasons for multiple payments of the diagnosis benefit payments were made easier to understand.

❖ AIG Fuji Life Insurance

(Cancer Best Gold Alpha; non-refundable cancellation-type insurance for the medical treatment of malignant neoplasms (2014); without dividends)

Base policy	Waiting period	Benefit payments for a diagnosis of a malignant neoplasm
		Supplementary rules governing benefit payments for the non-occurrence of malignant neoplasm events
	Death benefit payment	
	Physical disability P exemption	
Riders	Waiting period	Intraepithelial neoplasm diagnosis benefit rider
		Lump-sum payment for a first-time diagnosis of a malignant neoplasm
		Hospitalization benefit payments in a cancer hospitalization and surgical operation rider
		Surgical operation benefit payments in a cancer hospitalization and surgical operation rider (5 types of limited enumeration; including radiation therapy)
		Cancer advanced medical care rider
		Cancer death coverage rider
		Living needs rider (where needs stem from cancer)

Whole-life coverage is provided under the base policy.

Basic coverage

This is a product for which focus has been placed on lump-sum payments for a diagnosis. The addition of radiation and anticancer drug coverage is probably needed in terms of basic coverage.

Other coverage

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

Matters relating to product composition and the contents of coverage are easy to understand. However, the fact that one type of radiation therapy is included in the scope of benefit payments for surgical operations may be difficult for consumers to understand.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

The fact that the term *cancer* has been removed from the policy conditions for the base policy can be treated as a point of recommendation.

Policy conditions with respect to matters not concerning definitions

There are no particular issues.

General

The very thinking behind the composition of a product that provides coverage by integrating specifications through riders differs from the thinking behind the composition of a product that provides coverage with lump-sum payments for a diagnosis; this makes it hard in this case to compare the product with those offered by other companies. If lump-sum payment benefits overlap, solicitors would be required to explain the medical appropriateness of the amounts in question, such that sales education is important even where a policy with riders is not being sold. In addition, product composition might need to be further studied with respect to the coverage of treatment costs expected of cancer insurance policies by consumers.

❖ Aioi Life Insurance

(New Cancer Insurance Alpha; without dividends)

Base policy	Waiting period	Cancer hospitalization benefit payments
		Cancer surgical operation benefit payments (5 types of limited enumeration; including radiation therapy)
	Death benefit payment	
	Physical disability P exemption	
Riders	Waiting period	Cancer diagnosis benefit rider (alpha)
		Cancer treatment hospital visit benefit rider
		At-home care benefit rider (alpha)
		Cancer death insurance money and insurance money for a severe disability due to cancer in a cancer death coverage rider (alpha)
		Death insurance money (death for a reason other than cancer) in a cancer death coverage rider (alpha)
		Cancer advanced medical care rider (alpha) (benefit covering transportation and accommodation costs is available)

Whole-life coverage is provided under the base policy.

Basic coverage

When it comes to basic coverage, enhanced coverage of matters other than anticancer drugs is provided by combining a base policy and riders.

Other coverage

This product is distinctive for having added short-term hospitalization coverage to the scope of hospitalization coverage.
Also distinctive is the fact that a benefit covering transportation and accommodation expenses has been added with a rider for advanced medical care.

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

Matters relating to product composition and product labeling are all easy to understand. However, the fact that one type of radiation therapy is included in the scope of benefit payments for surgical operations may be difficult for consumers to understand.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

There are no problems other than the issue concerning the use of the term *cancer* as a coined term.

Policy conditions with respect to matters not concerning definitions

The ease with which payment review determinations can be made, such as with respect to supplementary rules governing hospitalization benefit payments and explanations of radical surgical operations, has been taken into account.

General

This is an easy-to-understand product for which an appropriate balance has been struck. Basic coverage would not be problematic if coverage of anticancer drugs were improved.

❖ Manulife Life Insurance

(Kodawari Cancer Insurance; without dividends; whole-life cancer insurance that is non-refundable if canceled during the premium-payment period)

Base policy	Waiting period	Cancer diagnosis benefit payments (malignant neoplasm benefit payments); once every 2 years; multiple times
		Cancer diagnosis benefit payment (severe stage; specific cancers); once only
		Intraepithelial neoplasm diagnosis benefit payments; once every 2 years; multiple times
		Cancer surmounting support benefit payments
	Physical disability P exemption	
Riders	Waiting period	Cancer hospitalization rider
		Cancer hospital visit rider
		Cancer surgical operation and radiation therapy rider (linked to public insurance)
		Anticancer drug treatment rider
		Cancer palliative medical treatment rider
		Advanced medical care benefit payments in a cancer advanced medical care rider
		Condolatory benefit payments in a cancer advanced medical care rider
		Malignant neoplasm insurance premium payment exemption rider

Whole-life coverage is provided under the base policy; the rider for advanced medical care is effective for a fixed term of 10 years.

Basic coverage

When it comes to basic coverage, enhanced coverage is provided by combining a base policy and riders.
Provisions to exempt the policyholder from paying insurance premiums have been enhanced.

Other coverage

The product is notable for the fact that coverage of severe-stage and specific cancers has been added.

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

The framework of benefits designed to provide coverage of Stage III and Stage IV cancers is quite complex.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

Stipulations pertaining to the confirmation of a cancer diagnosis are inconsistently presented in the base policy and riders. The conditions relating to benefit reasons as set forth in the base policy state that there needs to be a diagnosis of cancer for the first time subsequent to the policy coming into effect; two diagnoses are thus required: a confirmation of a cancer diagnosis and a diagnosis that establishes that the insured person has gotten cancer for the first time. The event by which the insured person gets cancer is neither defined nor subject to any supplementary rules. This sort of diagnosis is believed to be medically difficult to obtain. The precise time at which a tumor emerged in a patient is something that a doctor cannot establish or prove.

Policy conditions with respect to matters not concerning definitions

The confirmation of a diagnosis of Stage III or Stage IV cancer is ambiguous. I have the impression that the policy conditions are problematic in terms of the risk that an after-the-fact moral hazard might arise. In addition, there is also a conflation of reasons for benefits set forth in the riders; “purpose of treatment,” “purpose of treatment,” and “direct purpose of treatment” are all stated.

General

Medical education concerning intraepithelial neoplasms is difficult to provide, and it is expected that medical education on the degree of progression is difficult to provide. Various issues can also be discerned, including the following: the degree of progression does not always match the degree of severity to which necessity is linked; the determination of a notification of the degree of progression, which is linked to the notification of the amount of life remaining, must be made very carefully; and there must not be benefits that overlap costs incurred for the treatment of other conditions.
Lacking a definition of the act of getting cancer, the product also calls for medical operations tied to the act of getting cancer that are difficult to perform.

❖ AXA Direct Life Insurance

(cancer insurance, cancer insurance (whole-life))

Base policy	Waiting period	Cancer diagnosis benefit payments
		Cancer hospitalization benefit payments
	Physical disability P exemption	
Riders	Waiting period	Cancer surgical operation rider
		Cancer post-discharge medical treatment rider
		Cancer advanced medical care rider
	Rider providing benefit payments for the non-occurrence of cancer	

Whole-life coverage is provided under the base policy (the rider for advanced medical care is effective for a fixed term of 10 years).

Basic coverage

As the product can only be purchased online, coverage of core parts is simple and does not require a complicated payment review process.

Other coverage

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

As the product can be purchased only online, the product is exceedingly easy to understand and simple.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

There are no problems other than the issue concerning the use of the term *cancer* as a coined term.

Policy conditions with respect to matters not concerning definitions

There are no particular issues

General

While coverage of the three major treatment options and of severe or long-term medical treatment procedures is less adequate than it is with products provided by other companies, the product composition is satisfactory in light of the fact that the product is sold on an online basis.

❖ MetLife Insurance

(Guard X, a cancer insurance policy ideally suited to the times)

Base policy	Waiting period	Malignant neoplasm treatment benefit payments (public insurance-linked surgical operations, radiation therapy, and anticancer drug treatment) (Highest progression degree diagnosis + hospitalization/hospital visits)
		Intraepithelial neoplasm treatment benefit payments (public insurance-linked surgical operations, radiation therapy, and anticancer drug treatment)
Riders	Waiting period	Malignant neoplasm diagnosis benefit payments in a cancer diagnosis benefit rider
		Intraepithelial diagnosis benefit payments in a cancer diagnosis benefit rider
		Cancer hospitalization benefit payments in a cancer hospitalization benefit rider
		Cancer long-term hospitalization benefit payments in a cancer hospitalization benefit rider
		Cancer hospital visit support benefit rider
		Hormone-based drug treatment benefit rider
		Advanced medical care benefit payments in a cancer advanced medical care rider
		Advanced medical care support benefit payments in a cancer advanced medical care rider
		Cancer insurance premium payment exemption rider

Whole-life coverage is provided under the base policy; the rider for advanced medical care is effective for a fixed term of 10 years.

Basic coverage

When it comes to basic coverage, enhanced coverage is provided by combining a base policy and riders.
Basic coverage consists of Type 3 coverage as explained on the base policy page.
Coverage of the three major treatment options is integrated under treatment benefit payments.
Treatment benefit payments are paid multiple times, with a minimum interval of 1 year between payments if treatment is undertaken.

Other coverage

This product is notable for providing coverage of hospitalization and hospital visits for the highest progression degree through benefit payments even where treatment is not undertaken.

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

Coverage is slightly complicated, since coverage for untreated patients whose condition is progressing is included in the scope of a benefit labeled as providing treatment benefit payments.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

There are no problems other than the issue concerning the use of the term *cancer* as a coined term.

Policy conditions with respect to matters not concerning definitions

There are no particular issues.

General

Medical education concerning intraepithelial neoplasms is difficult to provide, and it is expected that medical education on the degree of progression is difficult to provide. There are various issues, including with respect to the fact that the determination of a notification of the degree of progression, which is linked to the notification of the amount of life remaining, must be made very carefully. It is also possible that the occurrence of an insured event relating to the degree of progression will be something that cannot be recognized by the beneficiary, policyholder, or insured person in a given case.
An explanation will need to be given to ensure that there is no discrepancy between points that are intended by the company, such as in terms of the distinctive way in which the base policy is constituted, and what consumers might be looking for in a cancer insurance policy. An explanation of risks relating to the selling of base policy elements to supplement other products is also pertinent.

❖ Aflac

(New Days Cancer Insurance for Survival; without dividends; non-refundable cancellation type or low cancellation refund type 2014)

Base policy	Waiting period	Cancer diagnosis benefit payments (1/10 for intraepithelial neoplasms)
		Cancer hospitalization benefit payments
		Cancer hospital visit benefit payments
Riders	Waiting period	Anticancer drug treatment rider
		Surgical operation and radiation therapy rider
		Rider providing multiple payments of diagnosis benefit payments
		Cancer advanced medical care benefit payments in an advanced medical care rider
		Cancer advanced medical care lump-sum payments in an advanced medical care rider

Whole-life coverage is provided under the base policy (the rider for advanced medical care and rider for anticancer drug treatment are effective for a fixed term of 10 years).

Basic coverage

The framework of the product is solid.

Other coverage

There are no insurance premium payment exemption provisions.

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

The product composition and labeling are simple and easy to understand, and the addition of coverage functions is also easy to grasp.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

There are no problems. Operations upon the issuance of a new WHO classification system also constitute a standard that can be applied in a manner more in line with the latest in medical science.

Policy conditions with respect to matters not concerning definitions

While supplementary rules on hospitalization benefit payments are inadequate, there are otherwise no problems.

General

While the lack of coverage in terms of an insurance premium payment exemption will need to be investigated in the future, coverage contents and product composition are otherwise fundamentally acceptable.

❖ Zurich Life Insurance

(Premium Whole-Life Cancer Treatment Insurance; non-refundable cancellation-type cancer treatment insurance)

Base policy	Waiting period	Radiation therapy benefit payments
		Anticancer drug and hormone-based drug treatment benefit payments
	Physical disability P exemption	
Riders	Waiting period	Cancer diagnosis rider (multiple times, provided that the insured person is hospitalized after 2 years)
		Cancer hospitalization rider
		Cancer hospital visit rider (for a certain period before and after hospitalization; up to 120 days total after discharge)
		Cancer surgical operation rider (linked to public insurance)
		Cancer palliative medical treatment rider (hospitalization with additional costs for cancer pain treatment or palliative care)
		Post-cancer diagnosis stress-related illness rider
		Advanced medical care benefit payments in a cancer advanced medical care rider
		Advanced medical care support benefit payments in a cancer advanced medical care rider
		Malignant neoplasm insurance premium payment exemption rider

Whole-life coverage is provided under the base policy.

Basic coverage

Basic coverage consists of Type 3 coverage as explained on the base policy page. When it comes to basic coverage, enhanced coverage is provided by combining a base policy and riders. Insurance premium payment exemption provisions are offered.

Other coverage

The fact that coverage of supportive therapy referred to in terms of palliative medical treatment has been added can be treated as a point of recommendation.
While the inclusion of a rider covering stress-related illnesses suffered subsequent to a diagnosis of cancer is distinctive, the appropriateness of eligible illnesses is medically problematic such that, if anything, one is likely to question the necessity of this coverage. While psychological stress can be suffered after a diagnosis of cancer is received, whether monetary coverage relating to this point is needed or not is not understood.

Clarity for consumers
(Is it easy for consumers to understand product composition, product labels, and added coverage functions?)

The contents of what is being covered are easy to understand, as also reflected in the labels accorded to different benefits.
Since product composition is distinctive, an explanation on this point is abundantly necessary.

Policy conditions with respect to the definition of cancer and the confirmation of a diagnosis

There are no problems other than the issue concerning the use of the term *cancer* as a coined term.

Policy conditions with respect to matters not concerning definitions

Supplementary rules governing anticancer drug treatment benefit reasons are complicated.

General

The product is well-balanced in terms of offering a package of basic coverage options when the base policy and riders are included.
Policy conditions are written in a way that problems are generally not encountered at the time of payment.
An adequate explanation will need to be given to ensure that there is no discrepancy between points that are intended by the company in terms of the way in which the base policy is constituted and what consumers might be looking for in a cancer insurance policy.
An explanation of risks relating to the selling of base policy elements to supplement other products is also pertinent.

Ultimately, even on comparing products offered by multiple companies, we see that there is a limit to the number of types of coverage required for the medical treatment of cancer. For the most part, it appears as if companies are doing nothing more than trying to nominally differentiate their products by combining and linking together these types of coverage.

Thus, the following points are important ones for comparing and recommending products:

- Is the composition of the product easy to understand, and can coverage be described as being neither excessive nor inadequate?
- Are there clear provisions, supplementary rules, notes, and explanations of terms that can prevent problems from occurring at the time of payment included in the detailed parts of the policy conditions that are typically not read by consumers?
- Are there mechanisms designed to help increase the number of policyholders (devising special conditions)?
- Are there disadvantageous provisions in the form of invalidation provisions for intraepithelial neoplasms that are also medically problematic?

As I come close to the point at which I will conclude this book, I recognize even more that I was not mistaken in my initial assessment of the breadth of coverage, aggregate values, and most other points as points that are not worth focusing on when comparing and recommending products. I will also finish comparing products by reiterating the fact that I did not engage in a comparative exercise of points from the standpoint of sales policies, examples of which are as follows:

- Competition over sales insurance premiums or competition over commission amounts;
- Securing administrative expenses and securing commissions to be paid to solicitors by raising the unit prices of products;
- Efforts to make it harder to compare insurance premiums by slightly expanding the range of specifications;
- Efforts to make it easier to sell supplementary coverage by modifying the product composition of base policies.

I chose to take this approach since, from the standpoint of consumers, these points have no impact on the selection of coverage, except insofar as they affect insurance premiums.

Afterword: The roles and societal significance of cancer insurance

More than half a century has passed since the establishment of the public healthcare insurance system in Japan. Waves of change permeating the environment in which medical care is administered – including change in terms of institutional fatigue, the tightening of healthcare finances, and the impending arrival of the 2025 Problem amid changes in population demographics – are greater now than ever before. It is in this context that private insurance, which has been complementing the public healthcare insurance system to date, is showing signs that its role too is gradually changing. Expectations for private insurance on the part of both the medical community and the general public will surely rise.

Cancer insurance has already formed the core of the infrastructure through which medical care for cancer is provided. This too is the result of the daily sales efforts carried out by all insurance solicitors. Medical care for cancer as facilitated by cancer insurance is undergoing change from one day to the next. As the public healthcare insurance system, which has been providing ample, substantial healthcare services up to now, shrinks, the role of private insurance can be expected to grow to encompass functions that partially supplement public healthcare insurance. (For more information, see the July 2016 issue of *Journal of Life Insurance Management.*) However, consumers' household budgets are tight, such that there is a limit to the total amount of spending a household can accommodate, regardless of whether money is spent on social insurance premiums or private insurance premiums. Insurance is an expensive, long-term purchase. Thus, it is more necessary than ever before to provide and sell high-quality products (products that offer proper risk-transferring functions and on-point risk coverage) and coverage that is not inefficient. It is the role of solicitors to engage in self-examining behavior every day to determine whether or not they have managed to truly sell peace of mind to clients through the products they sell. Of course, it goes without saying that, in addition to the selling of insurance, the act of following up on clients after policies have been signed is important.

In making comparisons with the numbers of policies sold per year, we see that it is reasonable to suggest that *medical insurance* and *cancer insurance* are typical examples of third-sector products. While the positioning of each type of product differs, the issues being confronted by medical care for cancer epitomize the issues with Japanese healthcare and are looming as problems that we must

address with respect to both types of insurance. Thus, if we can provide appropriate cancer-targeting coverage, it may be possible to describe the provision of other third-sector products as an extension of such coverage. In surveying the changes affecting the medical care environment and discerning trends in terms of these changes, I am convinced that the provision and selling of insurance that is tied to the future will be expected by and draw the attention of consumers.

Insurance is not the sort of product that is designed to deliver something tangible to someone who wishes to immediately use it. The phenomenon known as the innovator's dilemma does not apply to the life insurance sector. This is because it is easy to copy and sell both good products and other products. In the cancer insurance market, there are few opportunities to overwhelm other products and dominate the market even if a company enters the game late. At best, a company can swap out elements of the specifications of a base policy and seek to provide a product that it hopes can be sold to supplement coverage provided to the clients of other companies. At the end of the day, you will be unable to ascertain significant differences upon comparing, at a glance, products offered by different companies. However, actually analyzing policy conditions in detail will reveal substantive differences among products. Even if the process is slow and gradual, I would like to see progress made in providing products that are rated highly in terms of quality in the details. The essence of what consumers expect from solicitors is probably the provision of information on this point. The grounded provision of information of this sort is in contrast to the strategy one sees normally applied to television commercials and other types of ads for insurance.

The standards for comparison in this book differ from the conventional targets of comparison, such as the breadth of ostensible coverage and the simply presented low levels of gross premiums. If anything, I have steered clear of giving weight to such targets. I set out to explain the results of comparisons from a standpoint of determining the quality of products that are truly needed by consumers. While it is likely that there will be parts that are criticized by many readers, I have summarized this book in accordance with my experiences to date.

I anticipate that sales functions will eventually become excluded from the scope of functions performed by insurance companies, such that insurance companies will be left to provide products after the selling of insurance is outsourced. In addition to human insurance sales channels, means of selling

insurance based on the application of artificial intelligence will also surely be developed. While comparative information like that which has been presented in this book is expected to inundate the public realm, I would be happy if I were to successfully outline, even in the sense of blazing a trail for the industry, the direction in which a single recommendation standard should be applied.

Lastly, no matter how much the environment surrounding medical care for cancer changes and no matter how much the insurance industry changes, there is an aspect of insurance that will not change. I am talking about the essential function of insurance. In other words, insurance functions by transferring risks that affect policyholders. Within this framework, what will change are the types and qualitative nature of risks. For example, as anticancer drugs become more expensive, insurance services corresponding to this rise in prices are provided. Most consumers are probably still unaware of the rising prices of medical pharmaceuticals. Nevertheless, there are risks affecting consumers. The age in which we live demands that the insurance industry quickly ascertain these risks, explain together with solicitors the risks that are faced, and provide high-quality products to clients. In other words, the ability to develop products is nothing more than the ability to assess risks.

A scholar stated the following in a book that was recently published: "What is most important when it comes to insurance is the selling of peace of mind." This might seem to be something that is obvious but you will be reminded of the implications of this statement even when you just compare cancer insurance policies. It goes without saying that we should refrain from providing excessive coverage and overstating fears by exaggerating the risks that might be faced. While you might still receive all sorts of explanations from each insurance company as to the superiority of the products they offer, the government will also strongly require that solicitors provide explanations from the standpoint of consumers and issue points of guidance towards this end. Since there are no standards for comparing and recommending products, however, any decision to refrain from making comparisons will end up running counter to the need to act from the standpoint of consumers.

While I continue to cultivate a relationship with several insurance companies, I am not qualified to solicit, which means that I do not find myself entangled in a conflict of interest. I hope that you understand that I described products offered by Aflac, where I once worked for an extended period of time, and also included statements that were critical of these same products. Chapter 4, which carries

descriptions of various products, was written based fully on objective facts with respect to comparative points. You can see from my commentary on product specifications that no product of any company was described as being perfect, and that, consequently, I recommended no product of any individual company. It would be sufficient if readers of this book were to simply check points of comparison and points of evaluation as explained by me and think about their own evaluation standards. In this sense, my goal is not to influence the conclusion each reader will arrive at but to position this book as a source of viewpoints for thinking about pertinent matters.

I wrote this book fully prepared to receive considerable criticism for individual parts of my explanations and for my own way of thinking about issues. However, I believe that the proper orientation of product development and the establishment of a proper sales narrative should be influenced not just by independent agencies that compare, recommend, and sell products but also eventually by companies that can only sell proprietary products and that operate under a sales staff system.

Finally, I was able to reexamine what kinds of coverage are needed by consumers while thinking about solicitors who must listen daily to feedback from consumers and feedback from cancer patients and family members whenever claims are submitted, thinking about patients actually suffering from illnesses and their family members, and thinking about all those who provide medical care and nursing care services while battling hard within the constraints imposed by healthcare institutions and the various healthcare and nursing-care systems that are linked to healthcare and nursing care at a community level. I would like to sincerely thank the Hoken Mainichi Shimbun Company for giving me the opportunity to carry out these tasks.

Policy conditions referred to in this book (confirmed as of March 22, 2016)

Company name	Brand name and product name (top) Policy conditions management number or policy conditions booklet printing management number (bottom)
Sony Life Insurance	Whole-life cancer insurance (08) (without dividends)
	November 2, 2015
Himawari Life Insurance	Yuuki no Omamori Cancer insurance (2010) Type BII
	April 2015 HL-P-B2-14-02115 (April 2, 2015)
Prudential Life Insurance	Cancer insurance (for business insurance); without dividends
	November 2015 Registered November 24, 2015; Pru - 2015-02-0014
ORIX Life Insurance	Believe Cancer Insurance New cancer insurance without dividends (2010); cancer advanced medical care rider
	30VI09 ORIX2015-C-025; created in March 2015
AXA Life Insurance	Cancer Treatment Insurance (non-refundable cancellation type)
	November 2015 Form No.0T0795 (3.2) AXA-A1-1510-1641/9W2 2015.11.06
Anshin Life Insurance	NEO Cancer Treatment Support Insurance; without dividends NEO Cancer Treatment Support Insurance; non-refundable cancellation type
	Newly established in July 2015 Fund 1412-KR06-033 D79-12110 New 201504
AIG Fuji Life Insurance	Cancer Best Gold Alpha Non-refundable cancelation type insurance for the medical treatment of malignant neoplasms (2014); without dividends
	Revised in April 2015; W2043 Reg. No. AFL14D072 W2043 (55,000 (1) 116.6) TF
Aioi Life Insurance	New Cancer Insurance Alpha; without dividends
	August 2015 [MS] B2129 [AD] 92-129 40,000 2015.05.28 (Rev. 1) 61 Reg. 2015-A-202 (July 1, 2015)
Manulife Life Insurance	Kodawari Cancer Insurance Without dividends; whole-life cancer insurance that is non-refundable if canceled during the premium-payment period
	Created in January 2016 MLJ (Co.) 15110224-386701 (16-01.45c) Ⓣ
AXA Direct Life Insurance	Whole-Life Cancer Insurance Cancer insurance (whole-life type)
	September 2015 Form No. AX-15-010 (1) 2015.09.16
MetLife Insurance	Guard X Modern Cancer Insurance Whole-life cancer treatment insurance
	September 2015 ver. 3 Fund 1506-0012 B005-24 (03) (15.9) Y1207DI-DNP

Company name	Brand name and product name (top) Policy conditions management number or policy conditions booklet printing management number (bottom)
Aflac	New Days Cancer Insurance for Survival Without dividends; cancer insurance (no refund or low refund amount upon cancellation 2014)
	Fund 778192 (00) TO.14.08.40A (new) AF Co. 2-2014-0032 June 26
Zurich Life Insurance	Premium Whole-Life Cancer Treatment Insurance Non-refundable cancellation-type whole-life cancer treatment insurance
	Rev. April 2015 WC142 Fund 15003

[Biographical outline of the author]

Mitsunobu Sasaki (President, Insurance Medicine Research Institute Inc.)

After graduating from the Keio University School of Medicine, Sasaki obtained a degree in bladder cancer research and received the Sanshikai Award.

After working for a medical institution, he became the head of Chiyoda Mutual Life Insurance Company's medical research section and the director of the company's medical division. He became the head of the American Family Life Assurance Company's medical division and assumed the post of chief medical director in 2001 before he eventually chose to work for himself, which he has been doing since.

For over three decades, Sasaki has been engaged in risk-selection (insurance underwriting and insurance payments) activities and product-development work with a focus on insurance medicine and has been giving lectures on the provision of information to financial planners and on matters concerning insurance medicine and sales education.

Sasaki has conducted research activities with a focus on the relationship between medical advancements and life insurance, the healthcare and long-term care insurance systems, and private insurance and has produced a considerable volume of research results, including in the form of papers published in this field. His work to introduce a risk-selection method based on the use of videophone technology to the insurance sector has been picked up by the Financial Times economic journal, NHK Close-Up Gendai, and other media outlets.

In addition to serving as a member of the governing board of the Association of Insurance Medicine of Japan and a member of the Life Insurance Association of Japan's Medical Affairs Subcommittee, Sasaki is currently an editorial writer for the Insurance Journal.

Sasaki is a medical doctor, Doctor of Medicine, certified long-term care support specialist, certified physician with the Association of Life Insurance Medicine of Japan, and certified industrial physician with the Japan Medical Association and belongs to, among other academic organizations, the Japan Society of Clinical Oncology, the Japanese Urological Association, the Japanese Society of Insurance Science, the Association of Insurance Medicine of Japan, and the Japan Association for Bioethics.

[Major papers and articles]

1. *The significance of medical checkups* (homework report of the Association of Life Insurance Medicine of Japan; published in four major newspapers)
2. *Life insurance risk selection* (Insurance Science Magazine; paper for a lecture presentation made at a symposium held at Komazawa University)
3. *Bioethics and the insurance business* (Journal of the Association of Life Insurance Medicine of Japan; report on initiatives concerning genetic problems in the area of life insurance)
4. *Gender dysphoria and sex change procedures* (Journal of the Institute of Life Insurance Management; editorial on the impact of an exceptional measures statute concerning sex change procedures on the life insurance business)
5. *Fetal status and the scope of coverage* (Journal of the Association of Life Insurance Medicine of Japan; explanation of issues concerning fetal treatment and life insurance)
6. *Higher-order brain dysfunction and coverage trends* (Journal of the Institute of Life Insurance Management; pointing out that coverage of brain damage aftereffects as provided by life insurance policies lags behind coverage as provided by non-life insurance policies)
7. *Intellectual disabilities and life insurance* (Journal of the Association of Life Insurance Medicine of Japan; was conferred the Life Insurance Association of Japan's Chairman's Award for this paper)
8. *Life insurance and ethical issues* (Journal of the Association of Life Insurance Medicine of Japan; was conferred the Life Insurance Association of Japan's Chairman's Award for this paper)
9. *A study of genetic information in the post-sequencing era* (Hoken Kenkyu; editorial on insurance theory based on recent genetic knowledge at the Insurance Institute of Keio University)
10. *Launching anticancer drug treatment coverage* (Journal of the Institute of Life Insurance Management; explaining the challenges that arise when developing products based on the provision of anticancer drug coverage)
11. *Underwritten palliative medical insurance and the substandard market* (Journal of the Institute of Life Insurance Management; explaining the challenges that arise when making products available to the substandard market)
12. *Medical progress and insurance policy conditions* (Insurance Science Magazine; editorial on the issues surrounding the long-term nature of insurance products and the variability of medicine)
13. *Genetic screening and insurance issues: What does Angie's statement imply?* (Institute of Life Insurance Management; editorial on the challenges attributed to the infiltration of genetic screening)

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