

Telecommunications, Environment/Energy and Health

Scott Olsen

Coming from the office of U.S. Senator Max Baucus (D-MT), who currently holds Mike Mansfield's Senate seat and considers Ambassador Mansfield a hero, I was deeply honored to be selected as a Mike Mansfield Fellow in 1998.

In the U.S. Senate I had focused on reform of the Medicare program, the government-provided health insurance program for the elderly. As I prepared my research for the Mansfield Fellowship application, I was struck by how similar the challenges were for the Japanese version of Medicare, perhaps even more acute. As post-war "baby boomers" were about to exit the workforce into retirement, the number of younger workers, who would have to pay for those baby boomer Medicare costs, was rapidly shrinking. In both countries, this problem was augmented by a declining birth rate. Finally, each system had major flaws in the way Medicare reimbursed health care providers, encouraging over-utilization of services. The more I learned about the Japanese Medicare system, the more I realized that each country could benefit from more cross-pollination of policy ideas.

The Mansfield Foundation helped to place me in the Health Policy Bureau of the Ministry of Health and Welfare. My colleagues there greeted me with open arms, giving me a behind-the-scenes look into how policy decisions are made within the Japanese government. On topics ranging from hospital reimbursement to patient copayments to drug pricing, the Ministry let me sit in on, and at times participate in, policy development from the top down. One particular project I worked on, the establishment of a new episode-based reimbursement system for hospitals (as opposed to a fee-based one that encourages over-utilization), is now fully implemented. My contribution was to help the Ministry make the case to nervous Diet members and doctor groups that when the U.S. Medicare system implemented a similar reform a few years earlier, quality of patient care did not suffer.

My colleagues at the Ministry were also eager to learn how the United States was dealing with the demographic challenges of providing health care to a growing elderly population. I was surprised at their level of understanding and curiosity about very specific regulatory reforms to Medicare payment in the U.S. I realized that U.S. policymakers could also benefit from being more outwardly focused and from reviewing how other countries are responding to challenges within their own health-care systems.

Another takeaway was the major difference between how policy decisions are made in the U.S. and Japan. U.S. policymaking is driven on Capitol Hill, where, say, a senator may have up to seventy staff who can specialize in particular areas of interest to the senator. In Japan, policymaking is driven at the ministry level, with a Diet member heading each ministry. Individual Diet members have very few staff to focus on specific policy areas. One by-product of this difference is that in Japan, “backbenchers” who want to pursue a reformist agenda have difficulty doing so without a staff to help them take on the ministry. Through the Mansfield Fellowship Program, I was able to spend time with a reform-minded Diet member whose office was stacked with bills and proposals he was trying to sort through himself. This member wanted to take on his own party leadership to confront the major challenges to elderly health care, but without legislative staff to assist him it was almost impossible.

While I spent a majority of my Mansfield Fellowship at the Ministry of Health and Welfare in Tokyo, I also spent a month at the prefecture government level in Shimane Prefecture. Coming from a Montana senator’s office, I was interested in rural health issues and sought out a local government placement while in Japan. In addition to learning how Japan employs telemedicine to bring specialized health care to remote areas, I was also able to review how Japan’s new long-term health care system, called *kaigo-hoken*, was being implemented at a local level. It was fascinating to see how legislation created in Tokyo became real programs that touch real people at the prefectural level. On a personal note, modernization has not changed Shimane as much as Tokyo and other areas, so experiencing the deep culture and long history of this rural part of Japan left a deep impression on me that I will never forget.

The same can be said for my entire time in Japan. It will stay with me forever.

Twelve years later, I am now in the private sector trying to launch the company for which I work into Japan, and every day I am able to utilize the skills, knowledge, relationships and experience from my Mansfield Fellowship to help me with this endeavor. I am extremely grateful to the Mike Mansfield Fellowship Program for giving me this great opportunity.

Scott Olsen participated in the Mike Mansfield Fellowship Program as a representative of the Office of United States Senator Max Baucus from 1998–2000. During his Fellowship year in Japan, he served in full-time placements in Japan’s Ministry of Health and Welfare, Health and Welfare Department, and Shimane Chuo Hospital. He currently is Executive Director of the international venture capital fund at Amgen.