I. Abstract 2014

1. Enrollment and Underwriting

(1) The average annual increase of beneficiaries was 0.7% over the past ten years.

At the end of 2014, there were 23,622 thousand beneficiaries, an increase of 159 thousand, or 0.7% from the previous year. There has been an average annual increase of 0.7% since 2004.

(2) The percentage of female beneficiaries was 50.3%, higher than the 49.7% for male beneficiaries.

At the end of 2014, 11,729 thousand (49.7%) beneficiaries were male and 11,893 thousand (50.3%) beneficiaries were female. In terms of age, there were more male beneficiaries than females in the <30 age group, whereas females outnumbered males in the 30 or more age group.

(3) The number of beneficiaries in the ＜15 age group decreased by 67 thousand from the previous year.

There were 3,214 thousand (13.6%) beneficiaries in the ＜15 age group at the end of 2014, 17,636 thousand (74.7%) in the 15-64 age group, and 2,771 thousand (11.7%) in the above 65 age group. Compared with the previous year, beneficiaries in the ＜15 age group decreased by 67 thousand, of which dependents decreased by 62 thousand.

(4) The average insured payroll-related amount for Categories 1 to 3 totaled to NT$35,402.

At the end of 2014, the average insured payroll-related amount totaled to NT$35,402, an increase of 2.0% from the previous year. The average annual increase was 2.3% over the past ten years. The average insured payroll-related amounts for Categories 1 to 3 were NT$40,291, NT$27,327 and NT$22,800, respectively.

(5) The average insured payroll-related amount for males was NT$38,646, which was higher than the NT$32,131 for females.

At the end of 2014, the average insured payroll-related amount for males was NT$38,646, which was higher than the average amount of NT$32,131 for females. Males showed higher average insured payroll-related amounts than females across all age groups, of which, there were significant differences occurring in the 40-64 age groups, with the differences in amount surpassing NT$8,000.

2. Financial Status

(1) Premiums receivable were NT$478 billion, with a collection rate of 98.3%.

Premiums receivable totaled NT$478 billion in 2014, while premium collected totaled NT$470 billion. The total collection rate was 98.3%.

(2) Supplementary premiums totaled NT$47 billion.

Supplementary premiums totaled NT$47 billion in 2014. NT$22 billion came from group insurance applicants and NT$25 billion from the insured.

(3) Delinquent charge receivables totaled NT$225 million, with a collection rate of 63.9%.

Delinquent charge receivables totaled NT$225 million in 2014, NT$144 million was collected, for a collection rate of 63.9%.

(4) In accrual basis, the surplus was NT$51 billion.

In terms of accrual basis, the insurance revenue totaled NT$573 billion in 2014, an increase of 2.5% from the previous year. Insurance costs were NT$522 billion, an increase of 3.2% from the previous year. Surplus was NT$51 billion and all deposited into the reserve fund pursuant to law. Therefore the reserve fund accumulated balance in 2014 was NT$126 billion.

3. Contracting and Management of Medical Care Institutions

(1) The average annual increase of contracted medical care institutions was 2.0% over the past ten years.

At the end of 2014, the total number of contracted medical care institutions was 27,332, an increase of 509 (1.9%) from the previous year. The average annual increase was 2.0% over the past ten years.

(2) Rate of contracts signed with the contracted hospitals and clinics was 93.2%; the lowest was for Taipei City, at 81.7%.

As of the end of 2014, 93.2% of hospitals and clinics had entered into contracts with the NHIA. In terms of locale, Taipei City had the lowest rate of contracted institutions at 81.7%, while Lienchiang County had the highest rate at 100%.

(3) Chiayi City had the largest number of contracted medical care institutions per 10,000 beneficiaries at 18.7, Taipei City had the smallest at 7.7.

At the end of 2014, the number of contracted medical care institutions per 10,000 beneficiaries (contracted medical care institutions / beneficiaries × 10,000) was 11.6. In terms of locale, Chiayi City had the largest number at 18.7, while Taipei City had the smallest number at 7.7.

(4) The total number of beds in contracted medical care institutions increased by 0.8% on average per year over the past ten years.

At the end of 2014, the total number of beds in contracted medical care institutions

was 145,461, a decrease of 233 from the previous year. The average annual increase has been 0.8% for the past ten years, of which 120,335 were insured beds and 25,126 were non-insured beds.

(5) The percentage of insured beds in contracted medical care institutions was 82.7%.

At the end of 2014, the percentage of insured beds in contracted medical care institutions was 82.7%. In terms of contracted category, the percentage of insured beds in academic medical centers was 73.9%, 78.2% for metropolitan hospitals, 89.0% for local community hospitals and 100% for physician clinics.

(6) Hualien County had the largest number of beds in contracted medical care institutions per 10,000 beneficiaries at 147.8, while Hsinchu City had the fewest at 41.6.

As of the end of 2014, the beds of contracted medical care institutions per 10,000 beneficiaries (beds in contracted medical care institutions / beneficiaries × 10,000) was 61.6, of which insured beds accounted for 50.9, and non-insured beds accounted for 10.6. In terms of locale, Hualien County had the largest number of beds per 10,000 beneficiaries at 147.8, while Hsinchu City had the fewest at 41.6.

(7) 380 cases were found to have committed violations in contracted medical care institutions, of which the largest group of violators, 161, consisted of medical care institutions that were penalized by reduced reimbursement.

In 2014, 380 cases were found to have committed violations in contracted medical care institutions, of which the largest group of violators consisted of medical care institutions that were penalized by reduced reimbursement (161 cases), 92 were penalized by corrections, 88 were penalized by suspension of contract ranging from 1 month to 3 months, and 39 were penalized by contract termination, which accounted for the smallest group of violators.

4. Medical Benefits

(1) Physician clinics had the most medical points for outpatient services, while academic medical centers had the most medical points for inpatient services.

The total medical points in 2014 amounted to 615 billion points, an increase of 4.4% from the previous year. Among which, the total requested points amounted to 578 billion and copayment points amounted to 37 billion. The total outpatient medical points amounted to 427 billion, of which physician clinics had the most medical points at 42.8%; the total inpatient medical points amounted to 188 billion, of which academic medical centers had the most medical points at 42.5%.

(2) In terms of the average medical points per outpatient and inpatient case, males had a higher amount than females in all age groups above 15.

The average medical points per outpatient case were 1,304 for males, surpassing that of females, who had 1,110 points; the average medical points per inpatient case were 63,294 points for males, surpassing that of females, who had 53,920 points. In terms of the average medical points per outpatient and inpatient case, males had a higher amount than females in all age groups above 15.

(3) Physician clinics accounted for the largest proportion of approved medical benefit for outpatient services, while academic medical centers accounted for the largest proportion for inpatient services.

In 2014, the total approved medical benefit amounted to 569 billion points (NT$519 billion), 393 billion points (NT$361 billion) for outpatient and 176 billion points (NT$158 billion) for inpatient. Physician clinics had the highest amount of approved outpatient benefit at 152 billion points (NT$138 billion), as for the average benefits per approved case, academic medical centers had the highest amount of 2,684 points (NT$2,487); academic medical centers had the highest amount of approved inpatient benefit at 75 billion points (NT$68 billion), as for the average benefits per approved case, academic medical centers had the highest amount of 70,645 points (NT$64,064).

(4) Cancer accounted for the highest proportion of medical points. In terms of average medical points per capita, hemophilia ranked the highest.

As at the end of 2014, the number of valid Major Illnesses/Injuries Certificates issued was 975 thousand. Total medical points of major illnesses/injuries in 2014 amounted to 168 billion points. The top three conditions were, respectively, cancer, uremia, and dependence on respirator. In terms of average medical points per capita for major illnesses/injuries, hemophilia ranked the highest for both outpatient and inpatient services.

(5) Uremia accounted for the largest proportion of medical points for major illnesses/injuries for outpatient services, while cancer ranked the highest for inpatient services.

In 2014, uremia accounted for the largest proportion of outpatient medical points for major illnesses/injuries, followed by cancer; cancer accounted for the largest proportion of inpatient medical points for major illnesses/injuries, followed by dependence on respirator.

(6) In terms of average medical points per capita, hemophilia ranked the highest for males both in outpatient and inpatient services, while uremia ranked the highest in outpatient services for females, and dependence on respirator ranked the highest for inpatient services.

In terms of average medical points per capita, hemophilia ranked the highest for

males both in outpatient and inpatient services in 2014, followed by uremia for outpatient services and burns for inpatient services. For females, uremia ranked the highest for outpatient services, followed by rare diseases; dependence on respirator ranked the highest for inpatient services, followed by burns.

(7) In terms of average copayments per case, academic medical centers had the highest amount both in outpatient and inpatient services.

The average copayments per case were NT$98 for outpatient services and NT$4,704 for inpatient services in 2014. Analyzed by contracted category, academic medical centers had the highest amount both in outpatient and inpatient services (NT$327 for outpatient and NT$5,968 for inpatient).

(8) Males had higher average copayments per case than females for all age groups.

In 2014, the average copayments per outpatient case were NT$100 for males and NT$97 for females; the average copayments per inpatient case were NT$4,802 for males and NT$4,599 for females. Males showed higher amounts than females in all age groups. The most significant difference was seen in the 45-64 age group, at NT$514 per inpatient case.

(9) The approval rate for out-of-plan services was 32.2%.

The total advanced medical expense claims for out-of-plan services approved amounted to NT$1,542 million in 2014, an increase of 4.9% from the previous year. The total approved amount was NT$496 million, an increase of 6.8% from the previous year. The approval rate was 32.2%. Among which, NT$371 million was claimed for outpatient services (NT$51 million for emergencies), with an approval rate of 52.4%, and NT$1,171 million for inpatient services, with an approval rate of 25.8%.

II. Main Indicators 2014

	Unit	2014	Annual Growth Rate (%)
Enrollment and Underwriting			
Group Insurance Applicants	No.	**803,693**	**3.7**
Beneficiaries	1,000 Persons	**23,622**	**0.7**
Category 1		13,178	2.1
Category 2		3,772	(0.4)
Category 3		2,540	(3.5)
Category 4		185	(0.9)
Category 5		349	(1.0)
Category 6		3,597	0.1
Male		11,729	0.6
Female		11,893	0.7
Under 15		3,214	(2.0)
age 15-64		17,636	0.7
65 and over		2,771	4.2
Average Insured Payroll-related Amount for Categories 1 – 3	NT$	**35,402**	**2.0**
Financial Status			
Insurance Revenues（Accrual Basis）	100 Million NT$	**5,733**	**2.5**
Insurance Costs（Accrual Basis）	100 Million NT$	**5,219**	**3.2**
Contracting and Management of Medical Care Institutions			
Contracted Medical Care Institutions	No.	**27,332**	**1.9**
Western Medicine		10,703	1.0
Chinese Medicine		3,391	3.1
Dentistry		6,509	1.0
Pharmacies		5,737	4.1
Beds in Contracted Medical Care Institutions	Beds	**145,461**	**(0.2)**
Acute Beds		128,277	0.1
Chronic Beds		17,184	(2.1)

	Unit	2014	Annual Growth Rate (%)
Insured Beds in Contracted Medical Care Institutions	Beds	**120,335**	**(0.3)**
Acute Beds		103,798	0.1
Chronic Beds		16,537	(2.4)
Medical Benefits			
Medical Points	100 Million Points	**6,153**	**4.4**
Outpatient Services		4,274	4.2
Requested Points		3,979	4.4
Copayment		295	1.8
Inpatient Services		1,879	4.9
Requested Points		1,799	4.8
Copayment		80	5.9
Medical Service Cases	1,000 Cases		
Outpatient Services		357,029	1.7
Inpatient Services		3,208	2.4
Average Medical Points per Case	Points		
Outpatient Services		1,197	2.5
Inpatient Services		58,573	2.5
Approved Medical Benefit Payments	100 Million Points	**5,689**	**5.2**
Outpatient Services		3,932	5.0
Inpatient Services		1,756	5.5
Approved Medical Payments	100 Million NT$	**5,195**	**3.3**
Outpatient Services		3,610	3.5
Inpatient Services		1,585	2.9
Number of Valid Major Illnesses/Injuries Certificates	Pieces	**974,720**	**(1.2)**
Medical Benefit Claims of Major Illnesses/Injuries	100 Million Points	**1,679**	**3.3**

III. Statistical Analysis

1. Enrollment and Underwriting

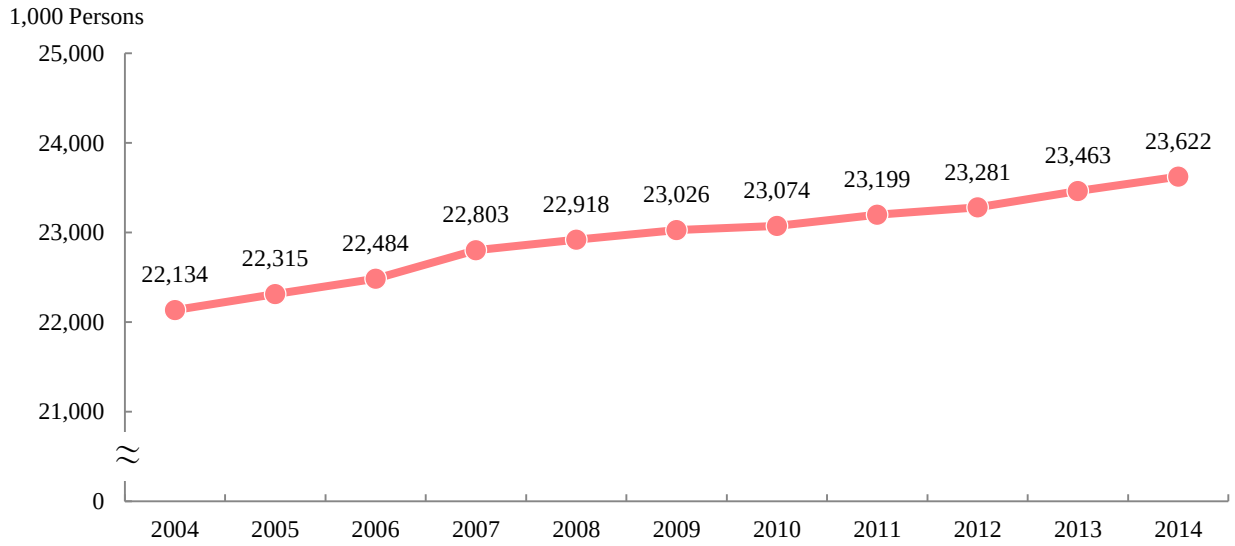
The National Health Insurance (NHI) program is a mandatory, single-payer social health insurance system, founded on the principle that all people should have equal access to health care services. Under the NHI scheme, beneficiaries are divided into six categories and each category differs in its insured payroll-related amount, premium contribution rate, and premium calculation method. Applications are to be made at the agency, school, enterprise, institution, employer, group, or designated departments to which the insured belongs.

(1) Beneficiaries

i. The average annual increase of beneficiaries was 0.7% over the past ten years.

At the end of 2014, there were 23,622 thousand beneficiaries, an increase of 159 thousand, or 0.7% from the previous year. There has been an average annual increase of 0.7% since 2004.

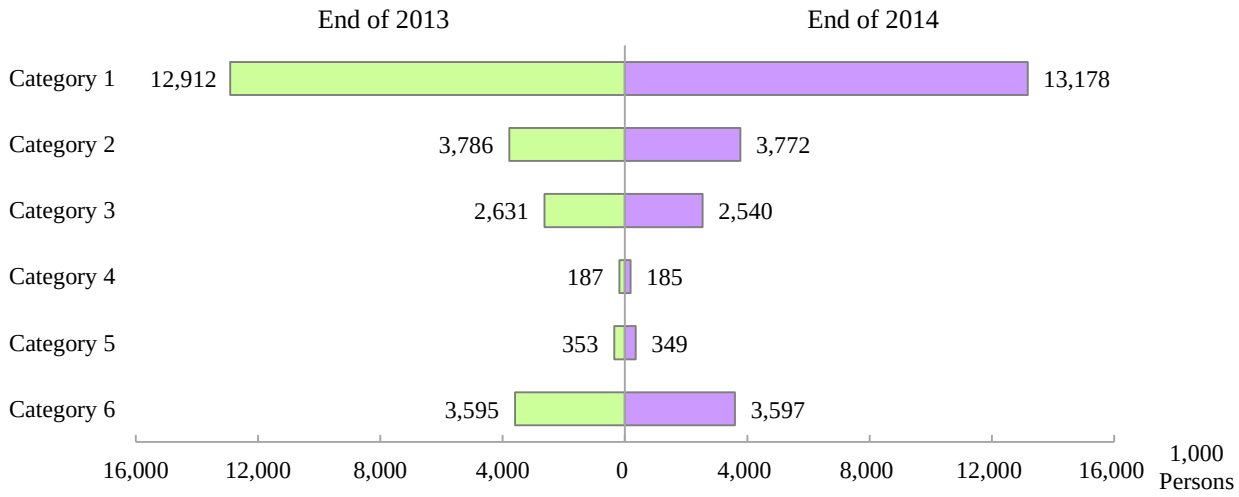
Figure 1 Numbers of Beneficiaries



When broken down by beneficiary category, Category 1 had the highest number of beneficiaries at 13,178 thousand, followed by Category 2 at 3,772 thousand, Category 6 at 3,597 thousand, Category 3 at 2,540 thousand, Category 5 at 349 thousand and Category 4 at 185 thousand.

In terms of change from the previous year, Category 1 experienced the largest increase at 267 thousand people, followed by Category 6 with 2 thousand people, while other categories showed a decreasing trend. Category 3 fell by 91 thousand people, followed by Category 2 with a decrease of 14 thousand people, Category 5 with 4 thousand people, and Category 4 with 2 thousand people.

Figure 2　Numbers of Beneficiaries by Beneficiary Category

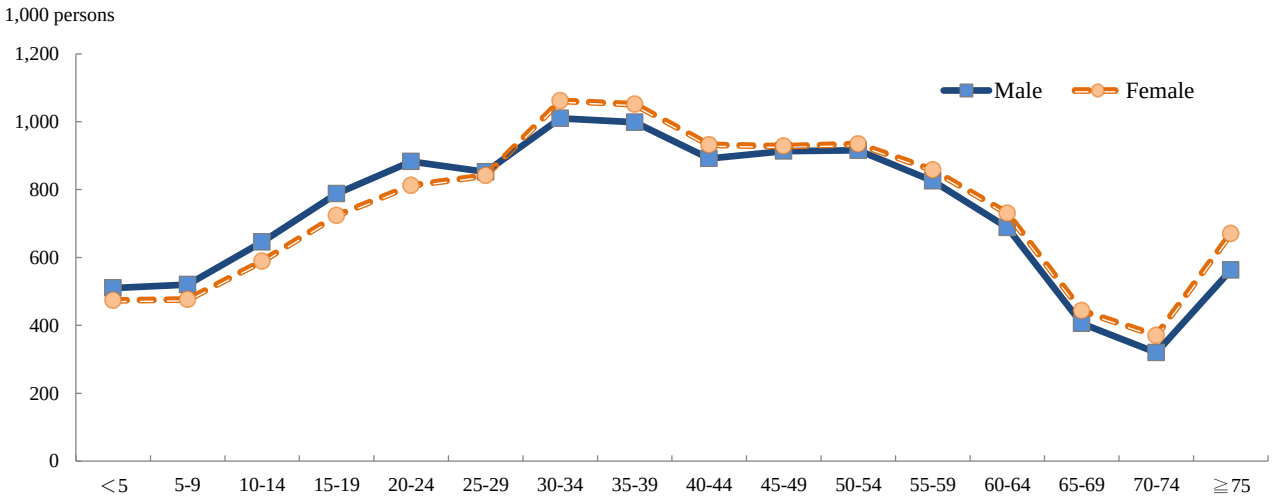


ii. The percentage of female beneficiaries was 50.3%, higher than the 49.7% for male beneficiaries.

At the end of 2014, 11,729 thousand (49.7%) beneficiaries were male and 11,893 thousand (50.3%) beneficiaries were female. In terms of age, there were more male beneficiaries than females in the <30 age group, whereas females outnumbered males in the 30 or more age group.

Figure 3　Beneficiaries by Gender and Age

End of 2014

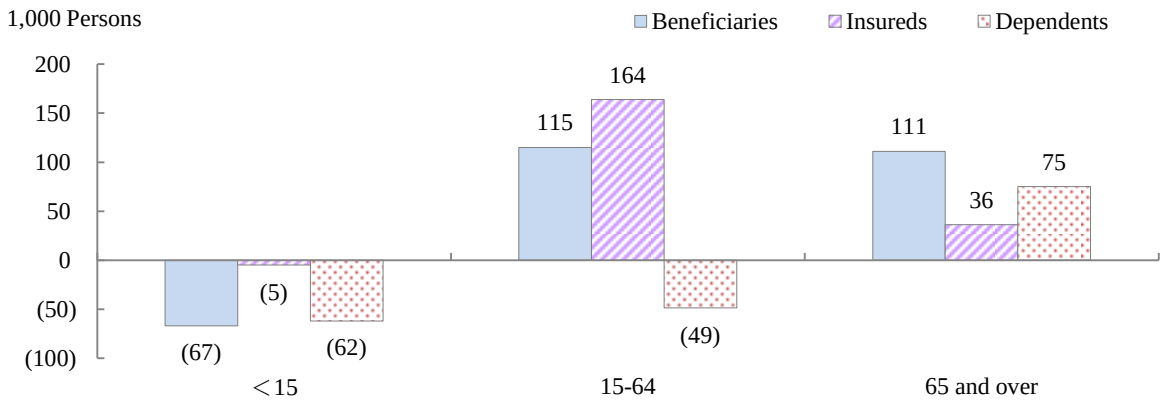


iii. The number of beneficiaries in the ＜15 age group decreased by 67 thousand from the previous year.

There were 3,214 thousand (13.6%) beneficiaries in the ＜15 age group at the end of 2014, 17,636 thousand (74.7%) in the 15-64 age group, and 2,771 thousand (11.7%) in the above 65 age group. Beneficiaries in the 15-64 age group increased by 115 thousand compared with the previous year, while senior beneficiaries above 65 years of age also increased by 111 thousand. However, beneficiaries in the ＜15 age group decreased by 67 thousand, of which dependents decreased by 62 thousand.

Figure 4　Changes in Beneficiaries by Age

End of 2014 vs. End of 2013



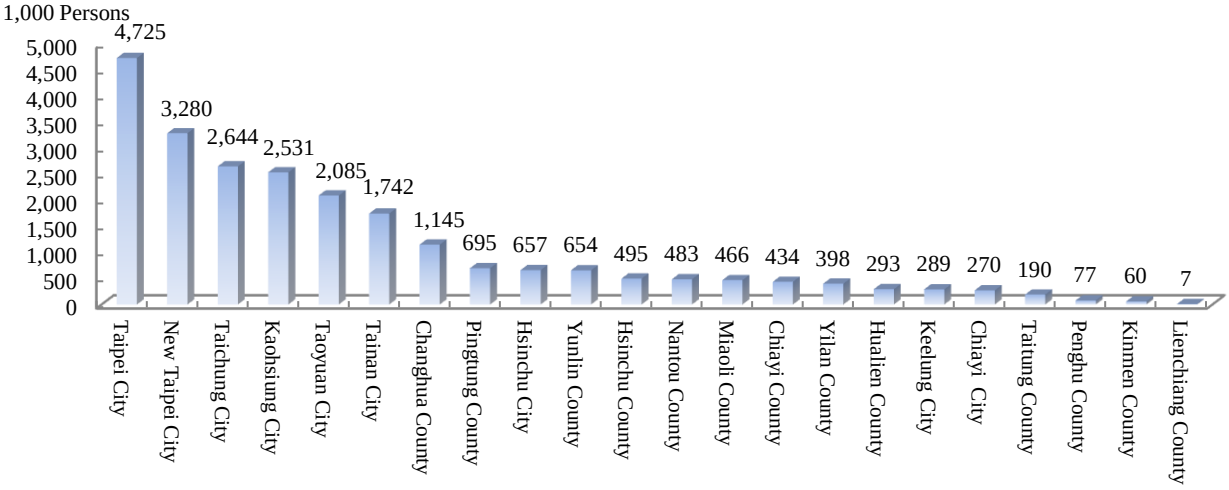
iv. Taipei City had the highest increase of beneficiaries at 53 thousand and Hsinchu County showed the largest rate of increase at 2.5%.

When broken down by city/county using the mailing addresses of the group insurance applicants to which the beneficiaries belong, Taipei City had the highest number of beneficiaries at 4,725 thousand, followed by New Taipei City, Taichung City and Kaohsiung City, all with over 2.5 million, while Lienchiang County had the smallest amount at 7 thousand.

If compared with the previous year, Taipei City showed the largest increase with 53 thousand beneficiaries, followed by Taichung City with 32 thousand and Taoyuan City with 31 thousand. Pingtung County had the largest decrease with 7 thousand. Among all locales, Hsinchu County had the largest rate of increase, at 2.5%, while Yunlin County had the largest rate of decrease, at 1.0%.

Figure 5　Beneficiaries by Locale

End of 2014



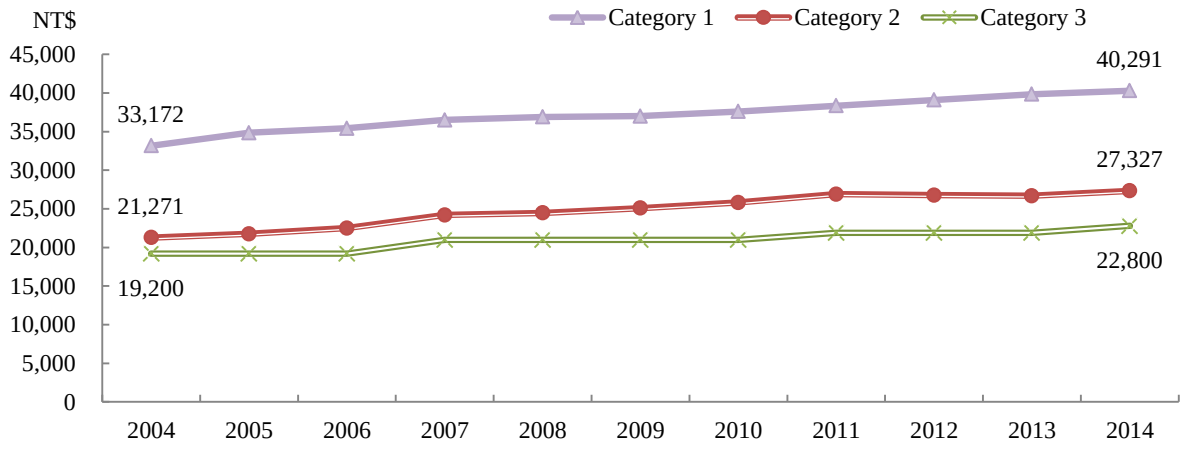
Note：The locales were determined by the mailing addresses of the group insurance applicants to which the beneficiaries belong.

(2) The Insured Payroll-Related Amount

i. The average insured payroll-related amount for Categories 1 to 3 totaled to NT$35,402; the average annual increase of the insured payroll-related amount was 2.3% over the past ten years.

At the end of 2014, the average insured payroll-related amount totaled to NT$35,402, an increase of 2.0% from the previous year. The average annual increase was 2.3% over the past ten years. The average insured payroll-related amounts for Categories 1 to 3 were NT$40,291, NT$27,327 and NT$22,800, respectively. The insured payroll-related amount does not apply to the insured in Categories 4, 5 and 6. The average premium was NT$1,376 for Categories 4 and 5, and was NT$1,249 for Category 6.

Figure 6　The Average Insured Payroll-Related Amount for Categories 1-3

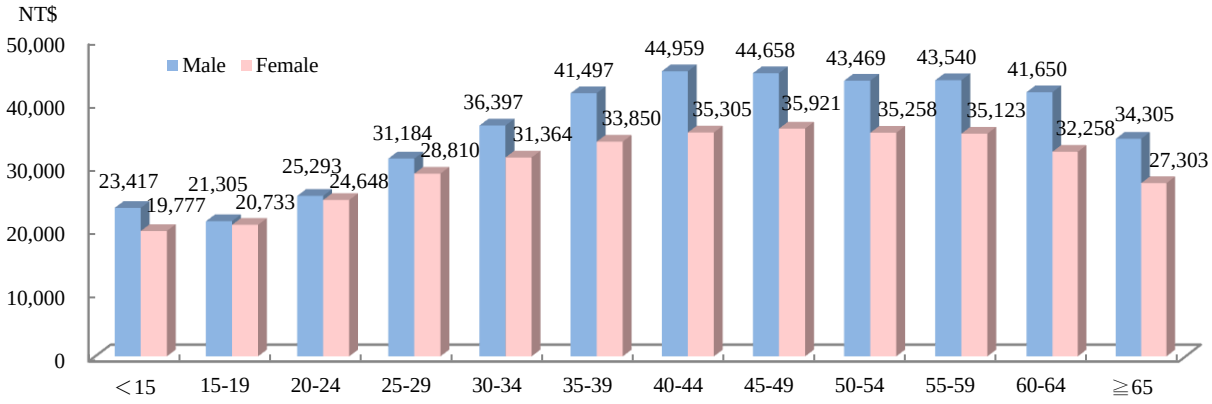


ii. The average insured payroll-related amount for males was NT$38,646, which was higher than the NT$32,131 for females.

At the end of 2014, the average insured payroll-related amount for males was NT$38,646, which was higher than the average amount of NT$32,131 for females. For males, the 40-44 age group had the highest average insured payroll-related amount and the 15-19 age group had the lowest amount. For females, the 45-49 age group had the highest average insured payroll-related amount and the ＜15 age group had the lowest amount. Males showed higher average insured payroll-related amounts than females across all age groups, of which, there were significant differences occurring in the 40-64 age groups, with the differences in amount surpassing NT$8,000.

Figure 7　The Average Insured Payroll-Related Amount for Categories 1-3 by Gender and Age

End of 2014



2. Financial Status

The main source of revenue for the National Health Insurance scheme is garnered from premium revenue, which is made collectively by the insured, the group insurance applicants, and the government. Since the previous system collected premiums solely on the basis of regular wages, the growth in premium income was inhibited in recent years. In addition, factors such as the aging of the overall population, introduction of new medical technologies, and increased care for major disease patients have led to substantial increases in medical expenditures. Premium revenue has long been inadequate to meet medical expenditures, and the NHIA is facing a serious financial pressure. To ease the financial deficit, the NHIA plans to tap new resources and cut expenses. Furthermore, premium rate was adjusted on April, 2010, to prevent the deficits gap from widening. In order to solidify the NHI revenue base and promote a more equitable distribution of the program's financial burden, the second-generation NHI system was adopted in January 1, 2013. The new system adds to the existing base by collecting other forms of income, such as large bonuses, wages from part-time jobs, ad hoc professional fees, interest, dividend and rental income. Premiums are also collected on the difference between the total salaries the group insurance applicants (employers) actually pay their employees in a month and the total insured payroll-related amounts for the employees. Both are made to ensure the program's long-term sustainability.

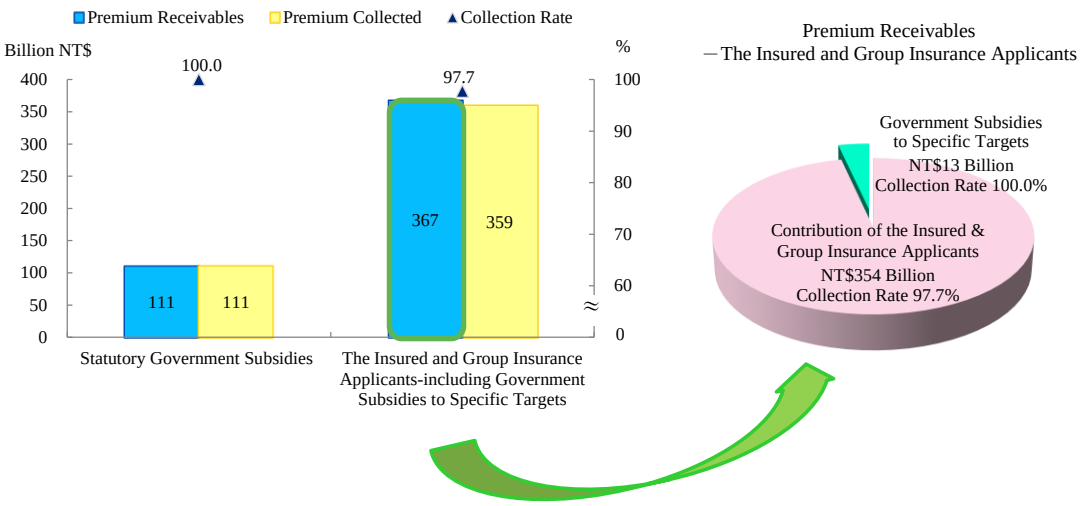
(1) Premium Collections

i. Premiums receivable were NT$478 billion, with a collection rate of 98.3%.

Premiums receivable totaled NT$478 billion in 2014, while premium collected totaled NT$470 billion. The total collection rate was 98.3%. Premiums receivable from the insured and group insurance applicants totaled NT$367 billion (NT$13 billion was from government subsidies to specific targets), NT$359 billion was collected (NT$13 billion was from government subsidies to specific targets), for a collection rate of 97.7%. Premiums receivable from the government (statutory government subsidies) totaled NT$111 billion, and NT$111 billion was collected, for a collection rate 100.0%.

Figure 8 Premiums

2014

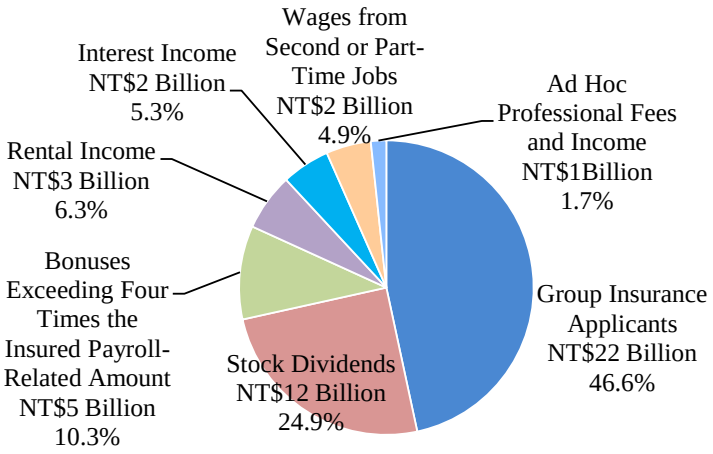


ii. Supplementary premiums totaled NT$47 billion.

Supplementary premiums totaled NT$47 billion in 2014. NT$22 billion came from group insurance applicants and NT$25 billion from the insured. The latter included NT$5 billion for bonuses exceeding four times the insured payroll-related amount, NT$2 billion for wages from second or part-time jobs, NT$1 billion for ad hoc professional fees and income, NT$ 12 billion for stock dividends, NT$2 billion for interest income and NT$3 billion for rental income.

Figure 9 Supplementary Premiums

2014

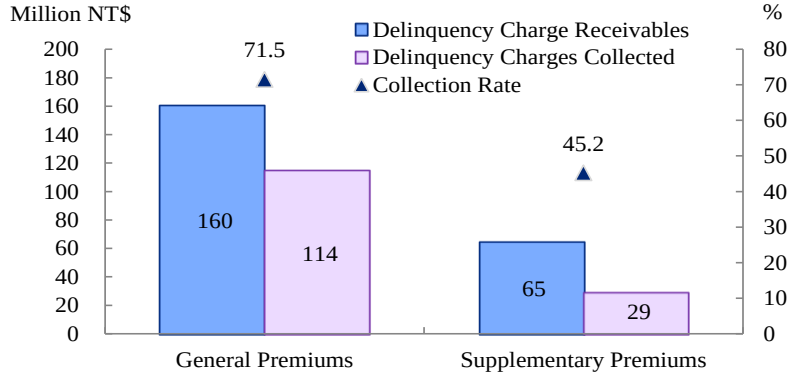


iii. Delinquent charge receivables totaled NT$225 million, with a collection rate of 63.9%.

Group insurance applicants, beneficiaries and premium withholder should pay delinquent charges in the case where they pay late premiums. Delinquent charge receivables totaled NT$225 million in 2014, NT$144 million was collected, for a collection rate of 63.9%. Of which, the delinquent charges of general premiums totaled NT$160 million, NT$114 million was collected, for a collection rate of 71.5%. The delinquent charges of supplementary premiums totaled NT$65 million, NT$29 million was collected, for a collection rate of 45.2%.

Figure 10 Delinquency Charges

2014

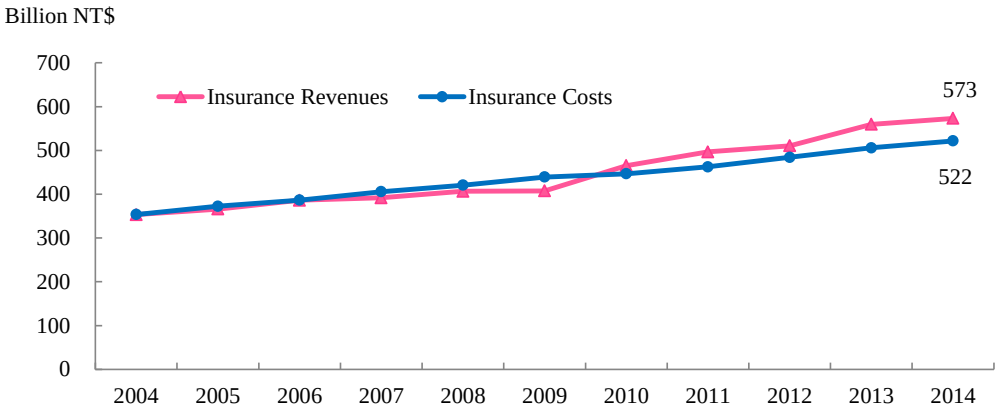


(2) Financial Revenue and Expenditure

i. In accrual basis, the surplus was NT$51 billion.

In terms of accrual basis, the insurance revenue totaled NT$573 billion in 2014, an increase of 2.5% from the previous year. The average annual increase in the most recent decade was 5.0%. Of which premium revenues were NT$545 billion or 95.1%, being the largest proportion of insurance revenue. Insurance costs were NT$522 billion, an increase of 3.2% from the previous year. The average annual increase in the most recent decade was 4.0%. Of which medical expenses were NT$518 billion or 99.3%, being the largest proportion of insurance costs. Surplus was NT$51 billion and all deposited into the reserve fund pursuant to law. Therefore the reserve fund accumulated balance in 2014 was NT$126 billion.

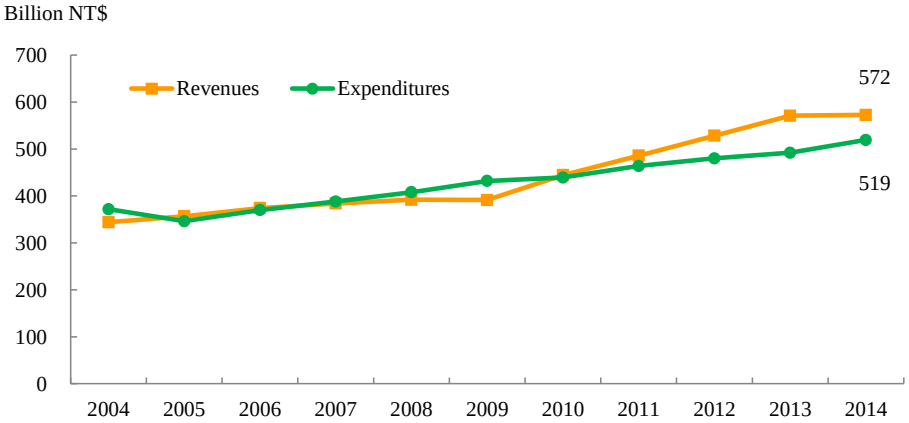
Figure 11　Financial Status ─ Accrual Basis



ii. In cash basis (cash flow), revenue was NT$572 billion; expenditure was NT$519 billion.

In terms of cash basis, the NHI revenue was NT$572 billion in 2014, an increase of 0.3% from the previous year. The average annual increase in the most recent decade was 5.2%. Of which premium revenues were NT$546 billion or 95.3%, being the largest proportion of revenue. Expenditures were NT$519 billion, an increase of 5.6% from the previous year. The average annual increase in the most recent decade was 3.4%. Medical expense was the largest proportion of expenditures.

Figure 12　Financial Cash Flow Status



Notes:

1. Data in this chapter was last updated on May 5, 2015.
2. The “premium receivable” in this chapter refers to the premium amount corrected based on the queries/requests by the insured or the group insurance applicants. It does not include supplementary premiums, the shortage of the 36 percent of the annual health insurance budget, the lowest amount which should be burdened by the government according to law, and delinquent charge receivables.
3. The “premium collected” in this chapter does not include supplementary premiums, the shortage of the 36 percent of the annual health insurance budget, the lowest amount which should be burdened by the government according to law, and delinquent charge collected.
4. “Government subsidies to specific targets” in this chapter refers to the separately-budgeted government subsidies for premium payments, which were originally payable by the insured or the group insurance applicants pursuant to the NHI Act.
5. The “statutory government subsidies” in this chapter refers to the subsidy amount payable by the government pursuant to Article 27 of the NHI Act.

3. Contracting and Management of Medical Care Institutions

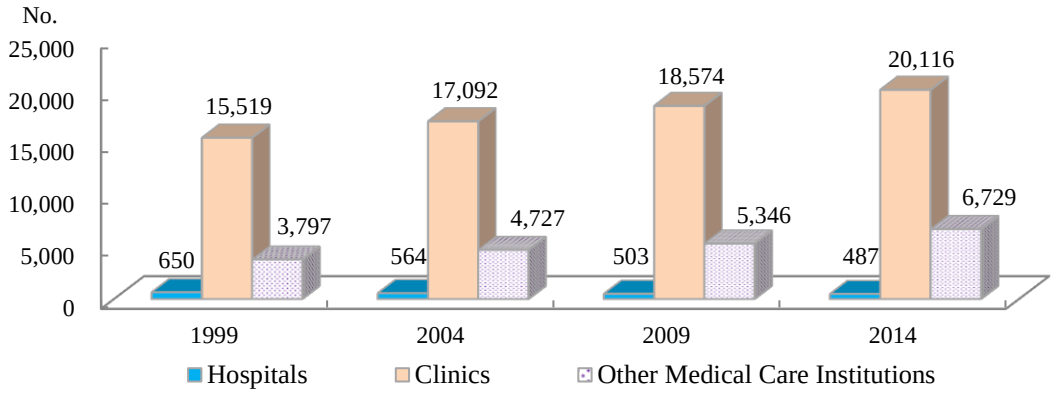
Contracted medical care institutions are categorized as contracted hospitals and clinics, pharmacies and other medical care institutions appointed by the competent authorities, which so far include midwifery institutions, home nursing cares, psychiatric rehabilitation institutions, physical therapy clinics, occupational therapy clinics, medical laboratory institutions, medical radiology centers, and respiratory care agencies.

(1) Contracted Medical Care Institutions

i. The average annual increase of contracted medical care institutions was 2.0% over the past ten years.

At the end of 2014, the total number of contracted medical care institutions was 27,332, an increase of 509 (1.9%) from the previous year. The average annual increase was 2.0% over the past ten years. There were 487 hospitals, 20,116 clinics, and 6,729 other medical care institutions.

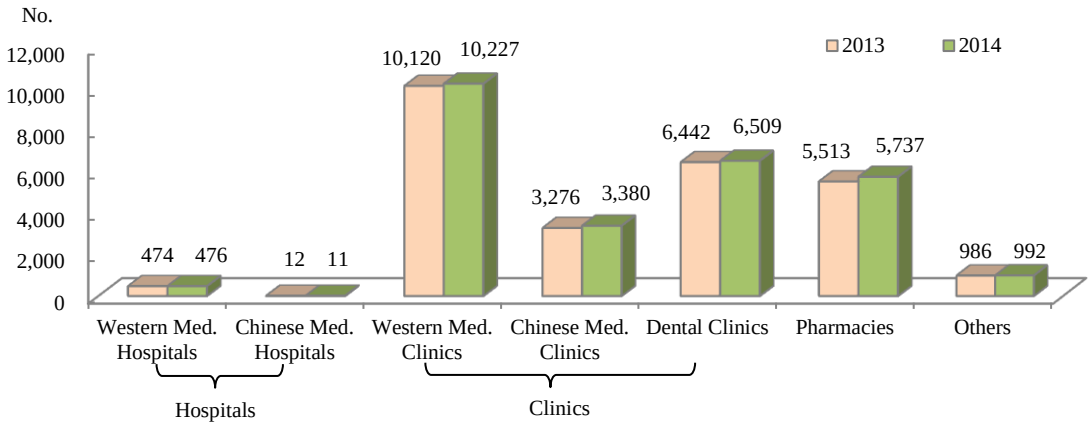
Figure 13 Contracted Medical Care Institutions



ii. The number of pharmacies and Western medicine clinics increased by 224 and 107, respectively.

Among contracted hospitals at the end of 2014, there were 476 Western medicine hospitals and 11 Chinese medicine hospitals (an increase of 2 and a decrease of 1, respectively, from the previous year). Among contracted clinics, the number of Western medicine clinics had the largest number at 10,227, followed by dental clinics at 6,509, and then Chinese medicine clinics at 3,380. Compared with the previous year, Western medicine clinics had the biggest increase at 107, followed by Chinese medicine clinics at 104, and dental clinics at 67. Among other medical care institutions, pharmacies were the most numerous at 5,737 and experienced the biggest increase, increasing by 224 from the previous year. There were a total of 992 other medical care institutions, including medical laboratory institutions, home nursing cares, midwifery institutions, psychiatric rehabilitation institutions, physical and occupational therapy clinics, medical radiology centers and respiratory care agencies. This total increased by 6 compared to the previous year.

Figure 14　Contracted Medical Care Institutions 2014 vs. 2013



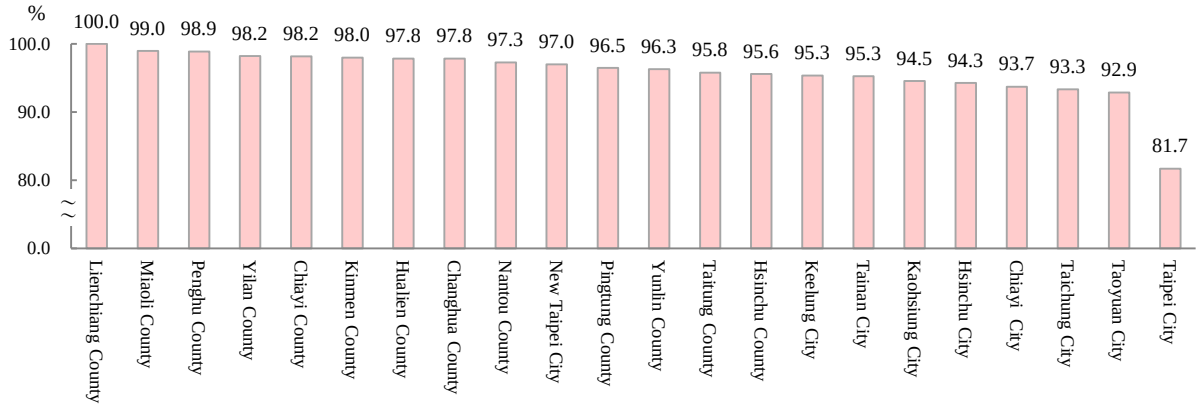
Note："Others" includes medical laboratory institutions, home nursing cares, midwifery institutions, psychiatric rehabilitation institutions, physical and occupational therapy clinics, medical radiology centers and respiratory care agencies.

iii. Rate of contracts signed with the contracted hospitals and clinics was 93.2%; the lowest was for Taipei City, at 81.7%.

As of the end of 2014, 93.2% of hospitals and clinics had entered into contracts with the NHIA. In terms of locale, Taipei City had the lowest rate of contracted institutions at 81.7%, followed by Taoyuan City at 92.9%; the rate for other cities/counties was over 93.2%, the highest of which was Lienchiang County at 100.0%.

Figure 15　Percentage of Hospitals and Clinics that Entered into Contracts with the NHIA by Locale

End of 2014



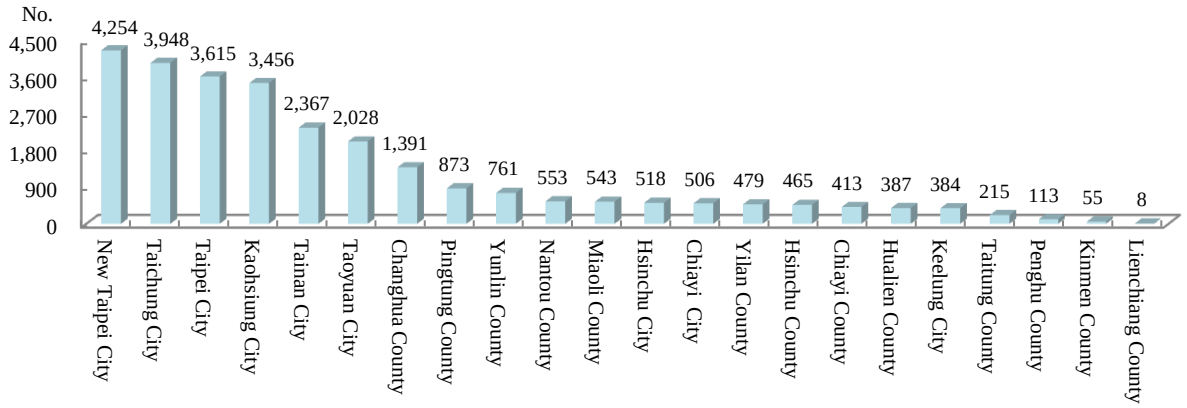
iv. The number of contracted medical care institutions in New Taipei City experienced the highest increase, increasing 106 compared to the previous year; Hsinchu County experienced decreases.

In terms of locale, New Taipei City had the largest number of contracted medical care institutions at 4,254, followed by Taichung City, Taipei City and Kaohsiung City,

which all had over 3,000; Lienchiang County had the fewest with 8 institutions. Compared with the previous year, institutions in Taitung County, Penghu County and Lienchiang County remained the same, while institutions in Hsinchu County decreased by 1. Institutions in other cities/counties increased, and New Taipei City experienced the highest increase at 106.

Figure 16　The Number of Contracted Medical Care Institutions by Locale

End of 2014

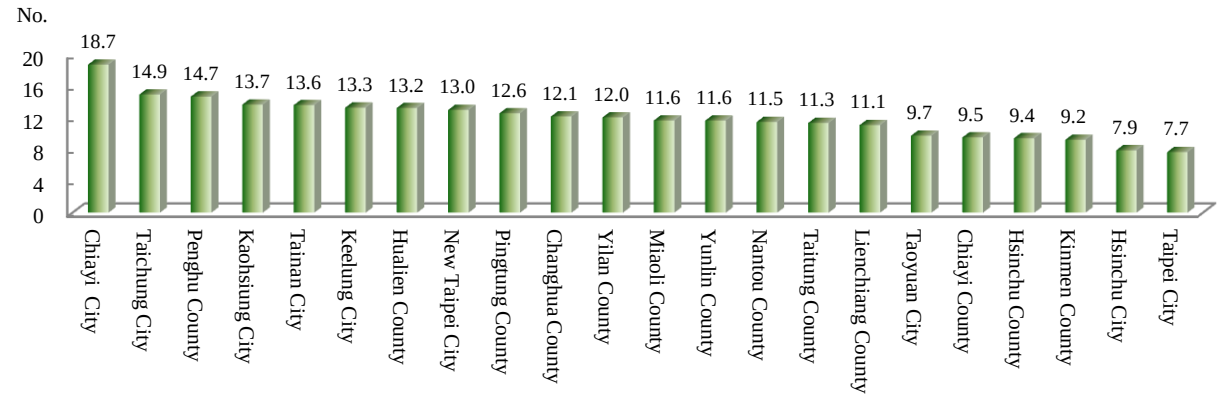


v. Chiayi City had the largest number of contracted medical care institutions per 10,000 beneficiaries at 18.7, Taipei City had the smallest at 7.7.

At the end of 2014, the number of contracted medical care institutions per 10,000 beneficiaries (contracted medical care institutions / beneficiaries × 10,000) was 11.6. In terms of locale, Chiayi City had the largest number at 18.7, followed by Taichung City at 14.9, and Penghu County at 14.7. Taipei City had the smallest number at 7.7, followed by Hsinchu City at 7.9, while Kinmen County, Hsinchu County, Chiayi County and Taoyuan City all had fewer than 10.

Figure 17　The Number of Contracted Medical Care Institutions per 10,000 Beneficiaries by Locale

End of 2014



Note：The locales of beneficiaries were determined by the mailing addresses of the group insurance applicants to which the beneficiaries belong.

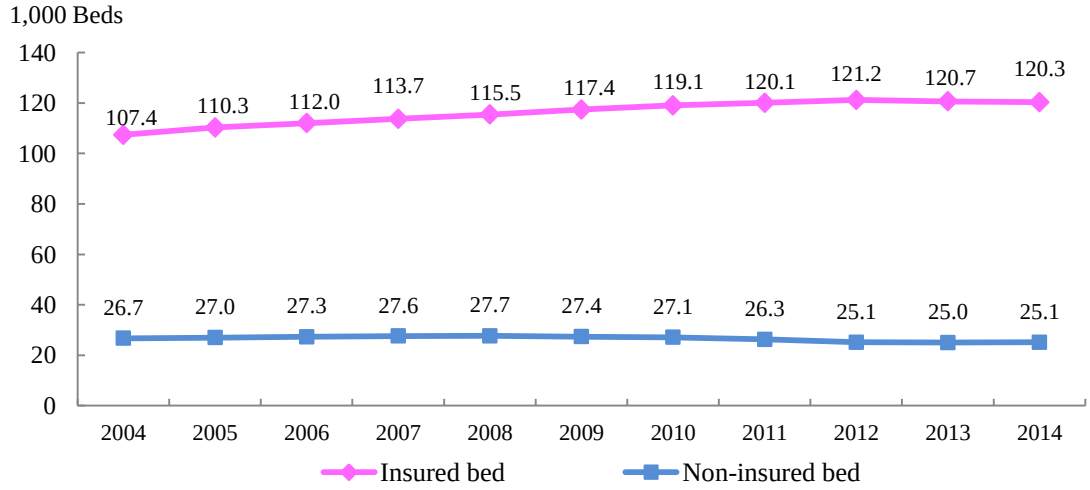
(2) Insured Beds

When setting up of wards in contracted hospitals, the following must be taken into consideration: 1. the standard requirements for setting up wards by medical care institutions, and 2. the ratio of the number of beds in insurance wards. Hospital wards are divided into acute and chronic wards. An insurance ward refers to a ward provided by a contracted hospital to an insurance beneficiary in receiving hospital care without charging the patient additional fees.

i. The total number of beds in contracted medical care institutions increased by 0.8% on average per year over the past ten years.

At the end of 2014, the total number of beds in contracted medical care institutions was 145,461, a decrease of 233 from the previous year. The average annual increase has been 0.8% for the past ten years, of which 120,335 were insured beds and 25,126 were non-insured beds. Compared with the previous year, the number of insured beds decreased by 337, while non-insured beds increased by 104.

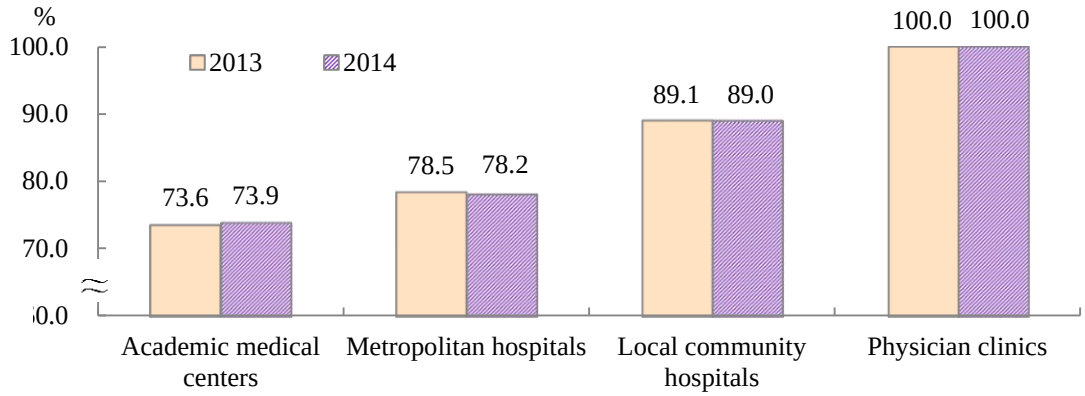
Figure 18 The Number of Beds in Contracted Medical Care Institutions



ii. The percentage of insured beds in contracted medical care institutions was 82.7%.

At the end of 2014, the percentage of insured beds in contracted medical care institutions was 82.7%. In terms of contracted category, the percentage of insured beds in academic medical centers was 73.9%, 78.2% for metropolitan hospitals, 89.0% for local community hospitals and 100.0% for physician clinics. Compared with the previous year, academic medical centers experienced an increase of 0.3 percentage points, while metropolitan hospitals and local community hospitals experienced a respective decrease of 0.3 and 0.1 percentage points.

Figure 19 Share of Insured Beds in Contracted Medical Care Institutions by Contracted Category



iii. The total number of acute and chronic beds in contracted medical care institutions increased by 137 and decreased by 370 from the previous year, respectively.

In terms of the type of bed, there were 128,277 acute beds at the end of 2014; 103,798 of which were insured beds and 24,479 were non-insured. Chronic beds numbered 17,184, of which 16,537 were insured beds and 647 were non-insured beds.

Compared with the previous year, the number of acute beds increased by 137, while the number of insured and non-insured beds increased by 76 and 61, respectively. The number of chronic beds decreased by 370, while the number of insured and non-insured beds decreased by 413 and increased by 43 beds, respectively.

At the end of 2014, insured acute beds accounted for 74.7% of total beds (a decrease of 0.1 percentage points from the previous year); insured chronic beds accounted for 96.2% of total beds (a decrease of 0.3 percentage points from the previous year).

Figure 20 The Number of Beds in Contracted Medical Care Institutions by Type of Bed

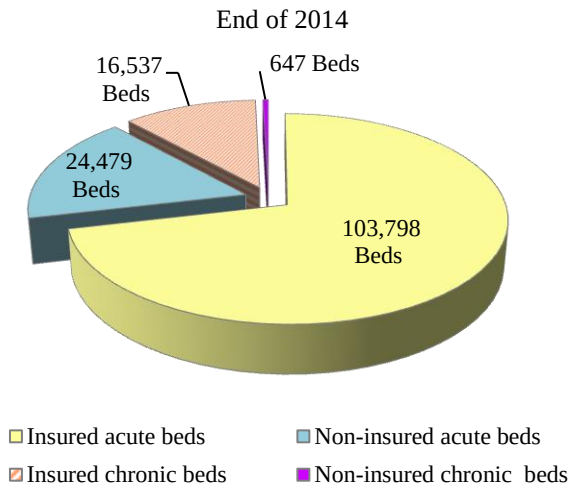
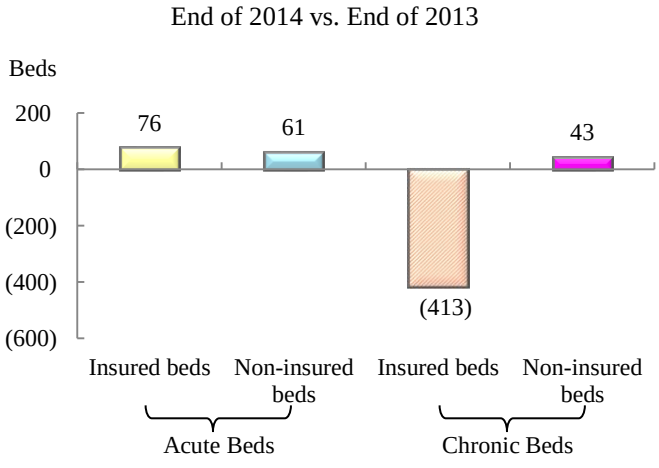


Figure 21 Changes in Number of Beds in Contracted Medical Care Institutions by Type of Bed



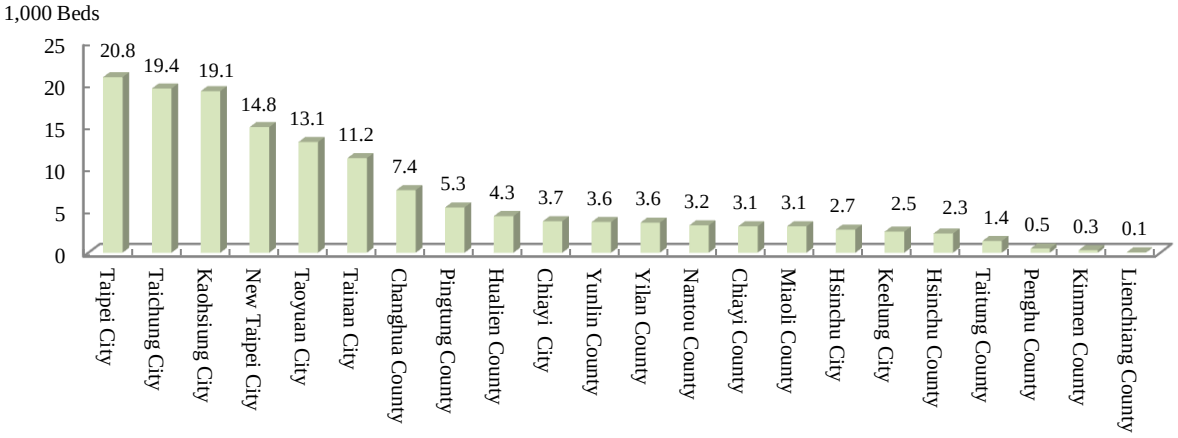
iv. Taipei City had the most beds in contracted medical care institutions at 20,752, while Lienchiang County had the fewest beds at 52.

In terms of locale, Taipei City had the most beds in contracted medical care institutions at 20,752, followed by Taichung City at 19,407, and Kaohsiung City at 19,094. New Taipei City, Taoyuan City and Tainan City all had over 10,000 beds. Lienchiang County had the fewest beds at 52, followed by Kinmen County and Penghu County at 300 and 491 beds, respectively; all of which had fewer than 500 beds.

Compared with the previous year, the number of beds in Nantou County, Penghu County, and Lienchiang County remained the same, while other cities/counties experienced fluctuations: New Taipei City saw the largest increase in number of beds at 307, followed by Taichung City at 225, and Tainan City at 146. Taipei City experienced the largest decrease at 338, followed by Yilan County at 214, and Pingtung County at 204.

Figure 22 The Number of Beds in Contracted Medical Care Institutions by Locale

End of 2014



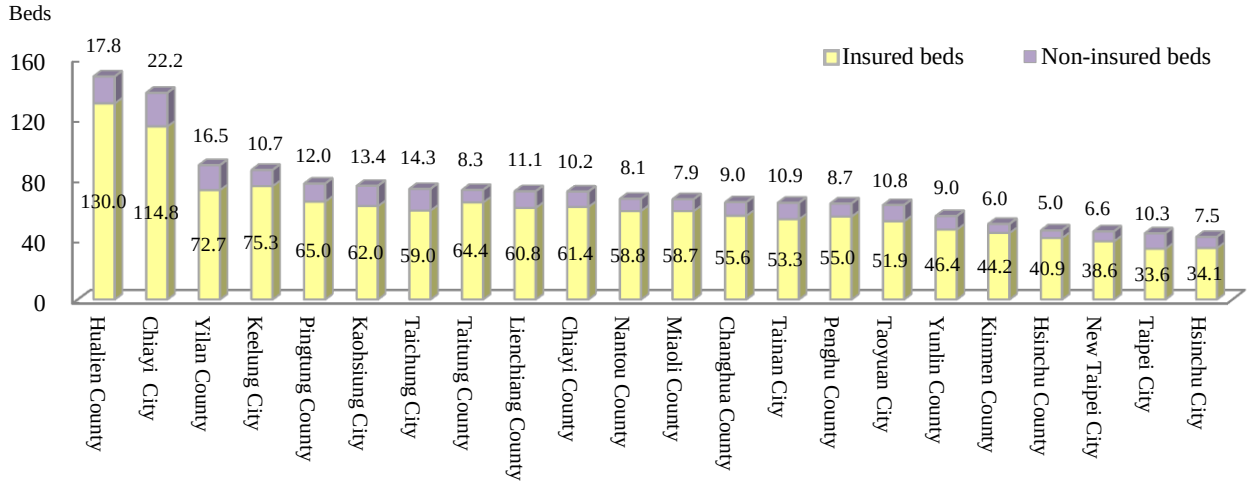
v. Hualien County had the largest number of beds in contracted medical care institutions per 10,000 beneficiaries at 147.8, while Hsinchu City had the fewest at 41.6.

As of the end of 2014, the beds of contracted medical care institutions per 10,000 beneficiaries (beds in contracted medical care institutions / beneficiaries × 10,000) was 61.6, of which insured beds accounted for 50.9, and non-insured beds accounted for 10.6.

In terms of locale, Hualien County had the largest number of beds per 10,000 beneficiaries at 147.8, followed by Chiayi City at 137.0. Hsinchu City accounted for the smallest number of beds at 41.6, followed by Taipei City at 43.9. Hualien County and Chiayi City both had the largest number of insured beds in contracted medical care institutions per 10,000 beneficiaries at 130.0 and 114.8 beds, respectively. Taipei City accounted for the smallest number of beds at 33.6, followed by Hsinchu City at 34.1.

Figure 23　The Beds of Contracted Medical Care Institutions per 10,000 Beneficiaries by Locale

End of 2014



Note：The locales of beneficiaries were determined by the mailing addresses of the group insurance applicants to which the beneficiaries belong.

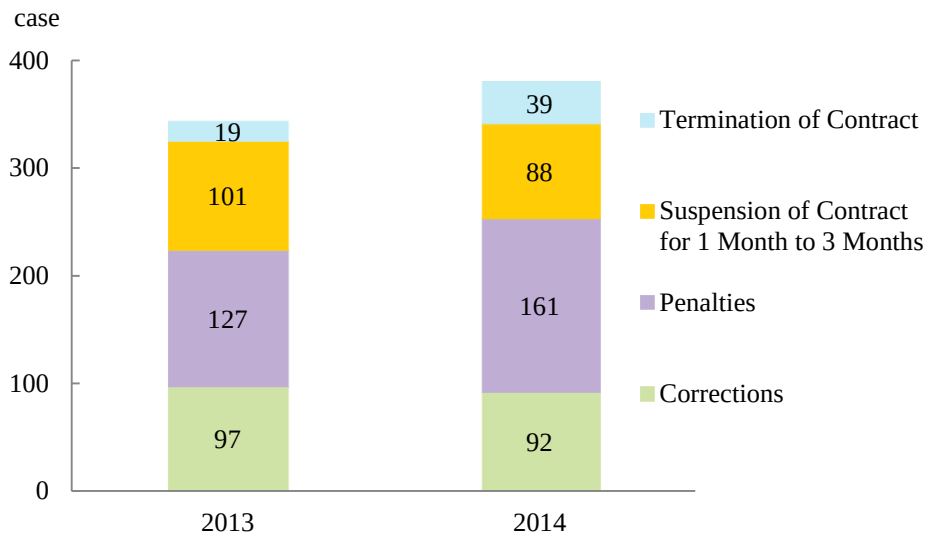
(3) Management of Contracted Medical Care Institutions

Since its establishment, the NHIA has emphasized the need for the supervision of contracted medical care institutions to maintain the quality of medical services provided. In addition, the NHIA also follows the "Regulations Governing Contracting and Management of National Health Insurance Medical Care Institutions" to strengthen violation reviews and manage abnormal activity. The reviews focus on severe violations such as fraud that falsely claims insurance benefits. When appropriate, the NHIA assists the related judicial authorities in the investigation of serious offenses committed by contracted medical care institutions.

i. 380 cases were found to have committed violations in contracted medical care institutions, of which the largest group of violators, 161, consisted of medical care institutions that were penalized by reduced reimbursement.

In 2014, 380 cases were found to have committed violations in contracted medical care institutions, an increase of 36 cases(10.5%) from the previous year. Of which the largest group of violators consisted of medical care institutions that were penalized by reduced reimbursement (161 cases), 92 were penalized by corrections, 88 were penalized by suspension of contract ranging from 1 month to 3 months, and 39 were penalized by contract termination, which accounted for the smallest group of violators.

Figure 24 Penalties against Contracted Medical Care Institutions



4. Medical Benefits

The National Health Insurance System has comprehensively implemented a global budget payment system on medical expenses since July 2002. The medical benefits under the global budget payment system are paid primarily on the basis of service volume. To elevate the quality of healthcare services and promote better health, the NHIA gradually additionally introduced the "Case Payment" and "Pay for Performance" systems. Furthermore, to improve the effectiveness of healthcare services and provide complete holistic care, the NHIA implemented the Tw-DRGs (Taiwan Diagnosis Related Groups) payment system in January 2010 and the pilot project of the "Capitation" payment system in July 2011.

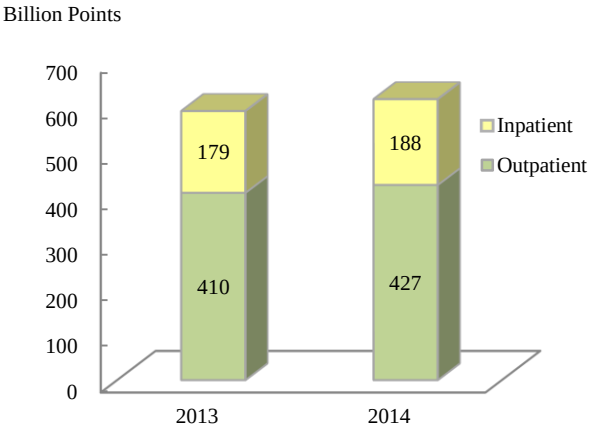
According to the "Regulations Governing Declaration and Payment of Medical Expenses and Examination of Medical Care Services for National Health Insurance", monthly medical expense applications of cases serviced by a medical care institution under the NHI, should be submitted by the 20th of the month following the service. Electronic applications are divided in two periods: from the 1st to the 15th of the month and from the 16th to the end of the month. Relevant documents (summary reports) should be submitted by the 5th and the 20th of the following month when applying online or via electronic media. For the filing of inpatient cases, if the beneficiary has not checked out of the hospital at the end of the month, the expenses should be filed altogether after the beneficiary has checked out. For chronically hospitalized patients, filing may be done every two months. Monthly filing is also allowed if deemed necessary.

Medical care institutions under the NHI should complete filing within the specified period, leaving no incomplete applications or errors therein. The insurer should process the provisional payments within the specified time limit after having received the documents and should deliver the reviewed results within 60 days. If the results cannot be delivered on time, a provisional payment of the full amount should be made. Any disagreement with the review results of the medical services raised by the medical care institutions under the NHI may be disputed within 60 days from the arrival of the notice from the insurer. The insurer should review the disputed cases within 60 days of receiving such complaints. If a medical care institution disagrees with the disputed results, it may apply to the National Health Insurance Dispute Mediation Committee for a second review pursuant to the "National Health Insurance Dispute Mediation Regulations".

(1) Medical Benefit Claims

The total medical points in 2014 amounted to 615 billion points, an increase of 4.4% from the previous year. Among which, the total requested points amounted to 578 billion and copayment points amounted to 37 billion. The total outpatient medical points amounted to 427 billion, an increase of 4.2% from the previous year. Among which, requested points amounted to 398 billion, and copayment points amounted to 30 billion. The total inpatient medical points amounted to 188 billion, an increase of 4.9% from the previous year. Among which, the requested points amounted to 180 billion and copayment points amounted to 8 billion.

Figure 25 Medical Points



A total of 357 million outpatient cases were filed in 2014, an increase of 1.7% from the previous year. A total of 3 million inpatient cases were filed, an increase of 2.4% from the previous year.

The average medical points per case amounted to 1,197 for outpatients and 58,573 points for inpatients. The average length of stay was 9.7 days.

i. Physician clinics had the most medical points for outpatient services, while academic medical centers had the most medical points for inpatient services.

In terms of contracted category, physician clinics had the most medical points for outpatient services in 2014 at 183 billion points (42.8%), followed by metropolitan hospitals at 100 billion, academic medical centers at 99 billion and local community hospitals at 46 billion (together accounting for 57.2%). Academic medical centers had the most medical points for inpatient services at 80 billion points (42.5%), followed by metropolitan hospitals at 76 billion (40.4%), local community hospitals at 30 billion (16.1%) and physician clinics at 2 billion (1.0%).

The average medical points per outpatient case were, in descending order, 3,139 for academic medical centers, 2,374 for metropolitan hospitals, 1,655 for local community hospitals, and 715 for physician clinics. The average medical points per inpatient case were, in descending order, 74,962 for academic medical centers, 51,844 for metropolitan hospitals, 49,122 for local community hospitals, and 29,954 for physician clinics.

Figure 26 Outpatient Medical Points by Contracted Category

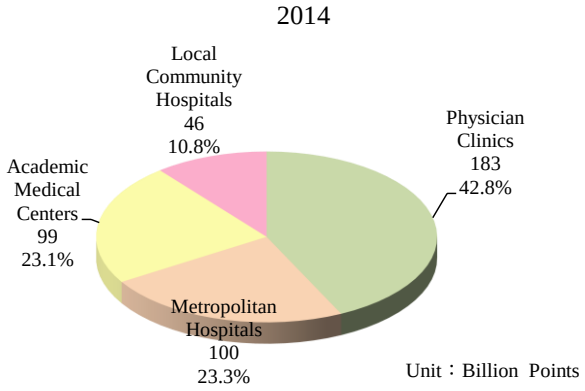
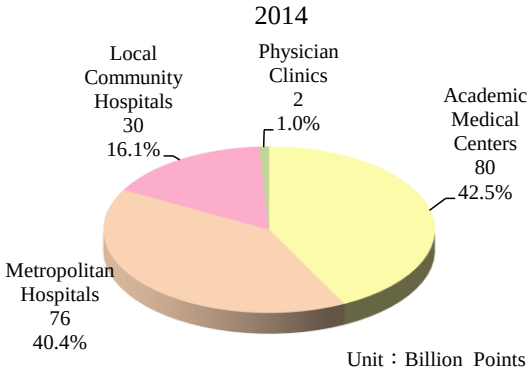


Figure 27 Inpatient Medical Points by Contracted Category

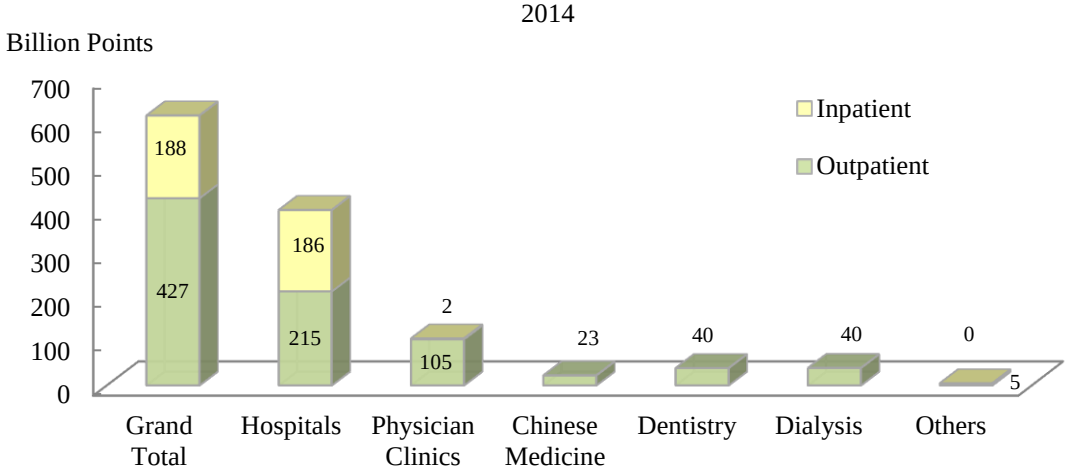


ii. In terms of the global budget payment system, hospitals represented the largest proportion of all at 65.1%.

In terms of the global budget payment system, hospitals had the most medical points in 2014 at 401 billion (215 billion for outpatient services and 186 billion for inpatient services) or 65.1%, followed by physician clinics at 107 billion (105 billion for outpatient services and 2 billion for inpatient services) or 17.4%, Chinese medicine at 23 billion, dentistry at 40 billion, and dialysis at 40 billion.

The average medical points per case were 2,281 for outpatient services and 59,161 for inpatient services at hospitals, 565 for outpatient services and 29,958 for inpatient services at physician clinics, 564 for Chinese medicine, 1,218 for dentistry, and 46,249 for dialysis.

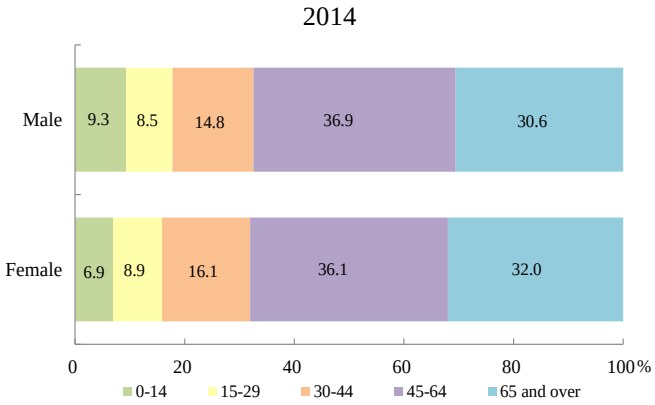
Figure 28 Medical Points by Global Budget Payment System



iii. Females had higher outpatient medical points than males, males had higher inpatient medical points than females.

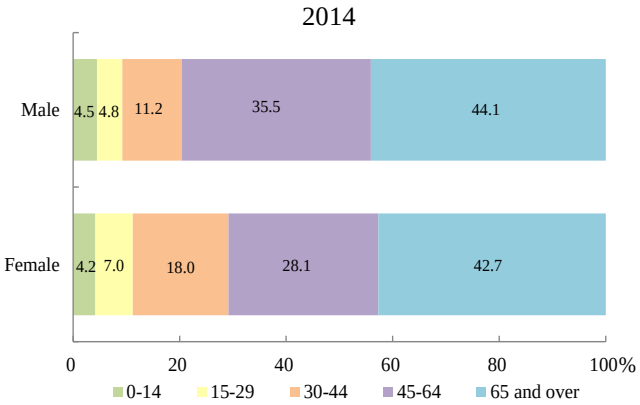
In terms of gender, outpatient medical points amounted to 208 billion (48.8%) for males and 219 billion (51.2%) for females in 2014. When analyzed by age group, the 45-64 age group had the most points for both males and females, and the 15-29 and 0-14 age groups had the least for males and females, respectively. In terms of gender, inpatient medical points amounted to 101 billion (53.6%) for males and 87 billion (46.4%) for females in 2014. When analyzed by age group, the above 65 age group had the most points for both males and females, the 0-14 age group had the least.

Figure 29 Outpatient Medical Points by Gender and Age



Outpatient medical points amounted to 208 billion for males and 219 billion for females.

Figure 30 Inpatient Medical Points by Gender and Age



Inpatient medical points amounted to 101 billion for males and 87 billion for females.

iv. In terms of the average medical points per outpatient and inpatient case, males had a higher amount than females in all age groups above 15.

The average medical points per outpatient case were 1,304 for males, surpassing that of females, who had 1,110 points. In terms of age group, males had a higher amount than females in all age groups. The average medical points per inpatient case were 63,294 points for males, surpassing that of females, who had 53,920 points. In terms of age group, males had a higher amount than females in all groups above 15, while females had a higher amount than males in the 0-14 age group.

Figure 31 Average Medical Points per Outpatient Case by Gender and Age

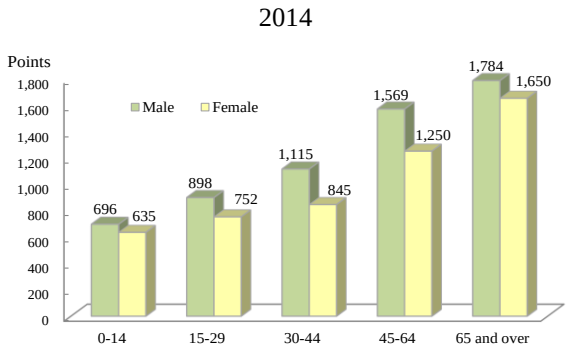
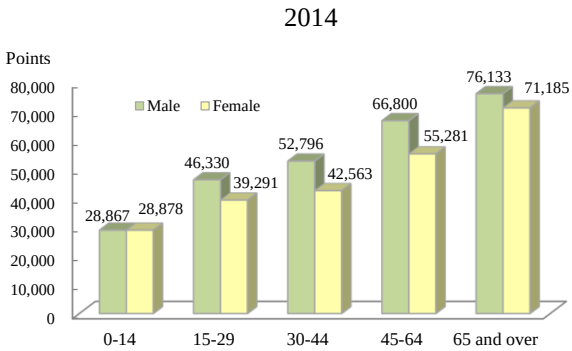


Figure 32 Average Medical Points per Inpatient Case by Gender and Age

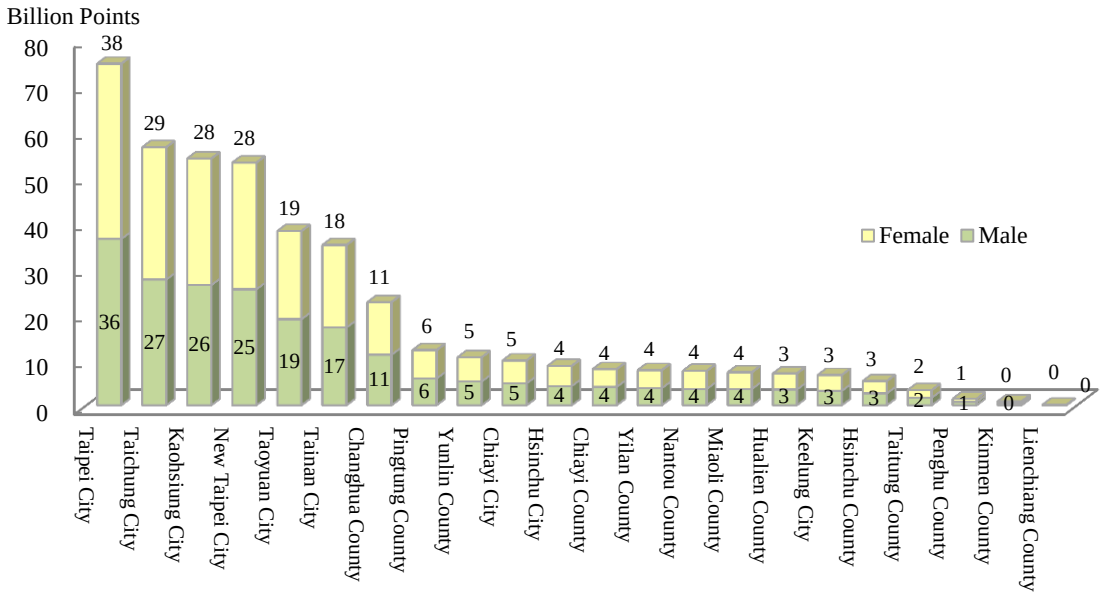


v. The total medical points claimed by the six municipalities accounted for more than 70%.

In terms of locale, the seat of the contracted medical care institutions, the total outpatient medical points for Taipei City amounted to 74 billion in 2014, the most of any locale, followed by Taichung City at 56 billion, Kaohsiung City at 54 billion and New Taipei City at 53 billion, Taoyuan City at 38 billion, and Tainan City at 35 billion. The total medical points claimed by the six municipalities accounted for 72.5% of all the medical points claimed. Analyzed by gender, females had a higher amount of outpatient medical points than males. Chiayi, Taitung, Penghu, Kinmen and Lienchiang counties were the only five locales where males had higher medical points than females. In terms of average medical points per case, males had a higher amount than females in all locales.

Figure 33 Outpatient Medical Points by Gender and Locale

2014

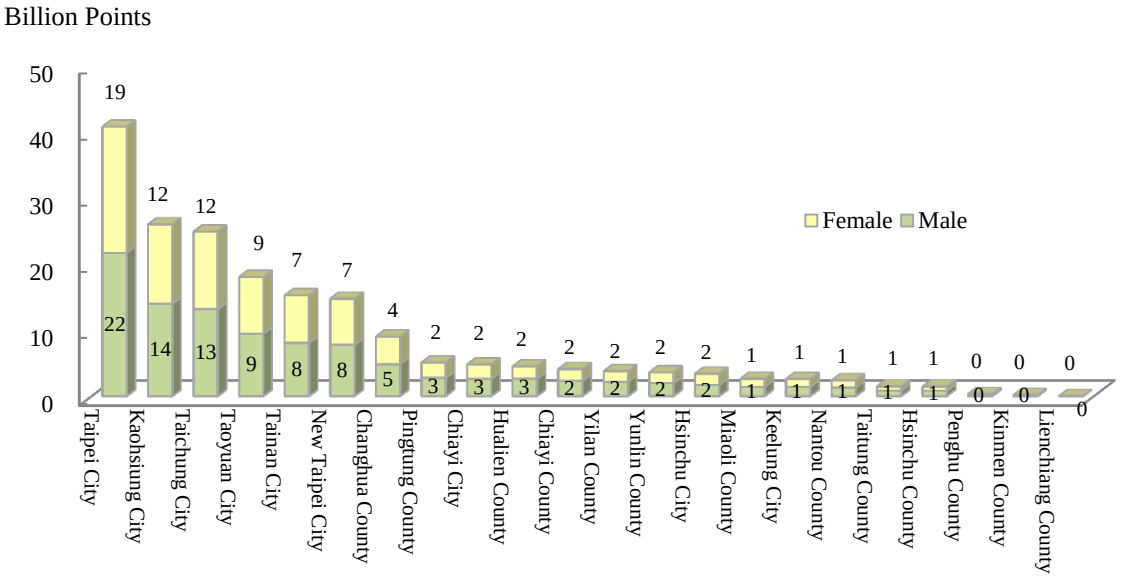


Note: Locale means the seat of the contracted medical care institutions.

The total inpatient medical points for Taipei City amounted to 41 billion in 2014, the most of any locale, followed by Kaohsiung City at 26 billion, Taichung City at 25 billion, Taoyuan City at 18 billion, Tainan City at 15 billion, and New Taipei city at 15 billion. The total medical points claimed by the six municipalities accounted for 74.0% of all the medical points claimed. Analyzed by gender, males had a higher amount of inpatient medical points than females. Lienchiang County was the only locale where females had higher medical points than males. In terms of the average medical points per case, males had a higher amount than females. Penghu County and Lienchiang County were the locales where females had a higher amount than males.

Figure 34 Inpatient Medical Points by Gender and Locale

2014



Note: Locale means the seat of the contracted medical care institutions.

vi. Consultation, treatment and medical supplies accounted for the largest proportion of the expenses in outpatient services, while ward fees accounted for the largest proportion for inpatient services.

In terms of the actual detailed expenses, the total outpatient expenses in 2014 amounted to 427 billion points, 208 billion points for males and 219 billion points for females. Consultation, treatment and medical supplies accounted for the largest proportion of expenses for both genders, with drug fees second largest.

Based on age group, diagnosis fees accounted for the largest proportion of the expenses in the 0-14 age group. Consultation, treatment and medical supplies accounted for the largest proportion of expenses for all age groups except the 0-14 age group. Diagnosis fees accounted for the second largest in age groups 15-44, while drug fees accounted for the second largest in age groups 45-64 and 65+.

Figure 35 Detailed Outpatient Medical Expenses by Gender

2014

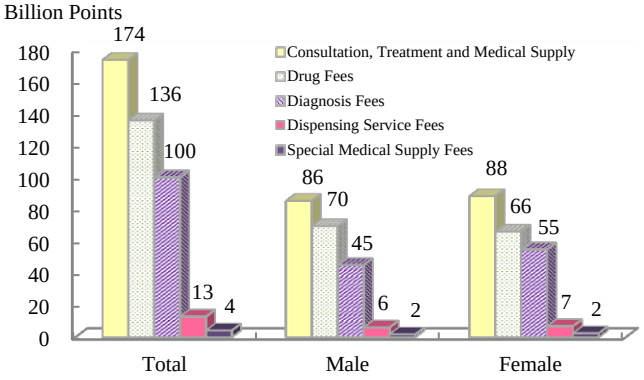
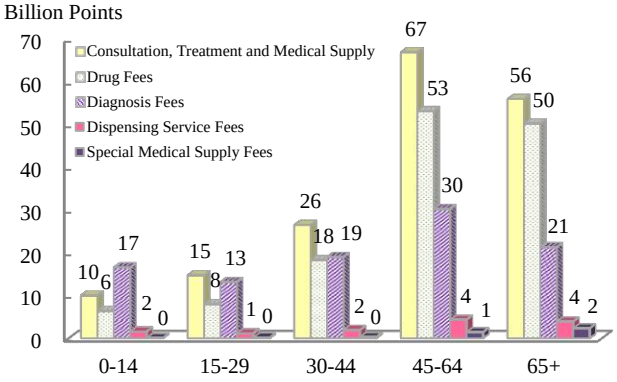


Figure 36 Detailed Outpatient Medical Expenses by Age

2014



The total inpatient expenses in 2014 amounted to 184 billion points. Ward fees accounted for the largest proportion of the expenses, while drug fees were second largest, and surgical fees were third. Inpatient expenses totaled 100 billion points for males. Ward fees accounted for the largest proportion of expenses, followed by drug fees and then therapeutic procedure fees. Inpatient expenses totaled 84 billion points for females. Ward fees accounted for the largest proportion of expenses, followed by surgical fees and then drug fees.

Based on age group, surgical fees accounted for the largest proportion of expenses in the 15-29 age group, while ward fees accounted for the largest in all other age groups.

Figure 37 Top 5 Detailed Inpatient Medical Expenses by Gender

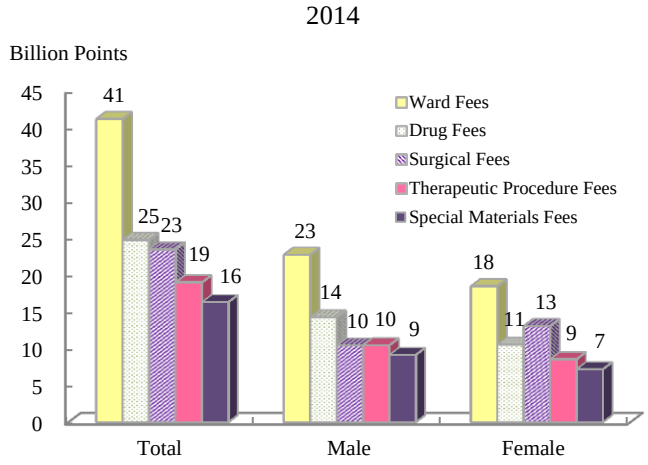
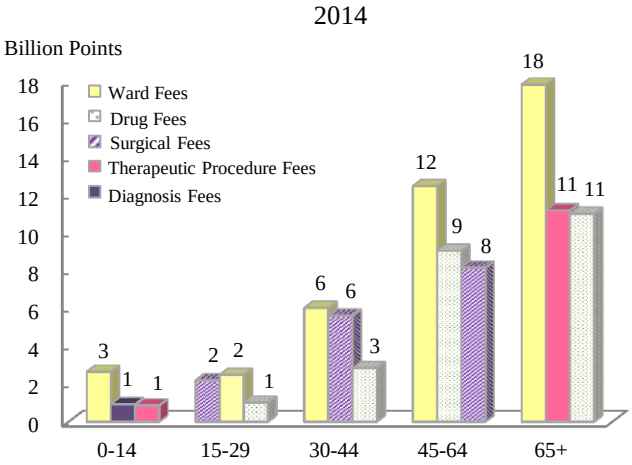


Figure 38 Top 3 Detailed Inpatient Medical Expenses by Age



(2) Approved Medical Benefit

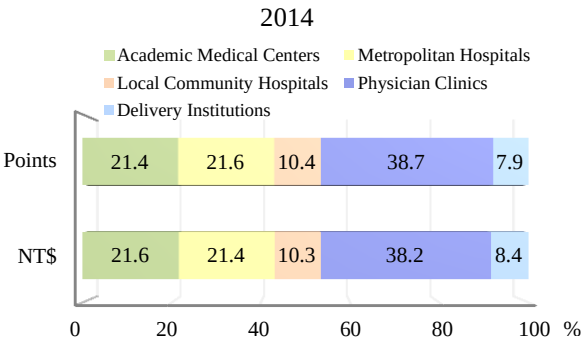
i. Physician clinics accounted for the largest proportion of approved medical benefit for outpatient services, while academic medical centers accounted for the largest proportion for inpatient services.

In 2014, the total approved medical benefit amounted to 569 billion points (NT$519 billion), 393 billion points (NT$361 billion) for outpatient and 176 billion points (NT$158 billion) for inpatient services.

Based on contracted category, physician clinics had the highest amount of approved outpatient benefit in 2014 at 152 billion points (NT$138 billion), followed by metropolitan hospitals at 85 billion points (NT$77 billion) and academic medical centers at 84 billion points (NT$78 billion). As for the average benefit per approved case, academic medical centers had the highest amount of 2,684 points (NT$2,487), followed by metropolitan hospitals at 2,017 points (NT$1,840) and local community hospitals at 1,475 points (NT$1,329).

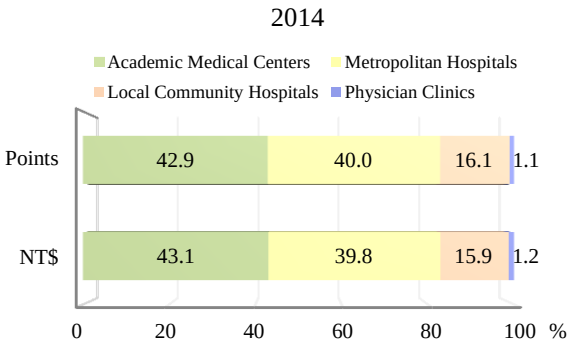
Academic medical centers had the highest amount of approved inpatient benefit in 2014 at 75 billion points (NT$68 billion), followed by metropolitan hospitals at 70 billion points (NT$63 billion) and local community hospitals at 28 billion points (NT$25 billion). As for the average benefit per approved case, academic medical centers had the highest amount of 70,645 points (NT$64,064), followed by metropolitan hospitals at 47,925 points (NT$43,065) and local community hospitals at 46,044 points (NT$41,068).

Figure 39 Approved Outpatient Medical Benefit by Contracted Category



The approved outpatient medical benefit was 393 billion points or NT$361 billion.

Figure 40 Approved Inpatient Medical Benefit by Contracted Category



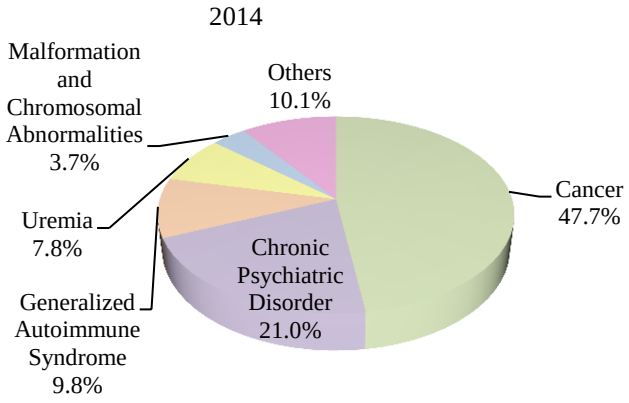
The approved inpatient medical benefit was 176 billion points or NT$158 billion.

(3) Medical Utilization for Major Illnesses/Injuries

i. The number of valid Major Illnesses/Injuries Certificates issued in 2014 was 975 thousand, of which cancer accounted for the largest proportion.

As at the end of 2014, the number of valid Major Illnesses/Injuries Certificates issued was 975 thousand, a decrease of 12 thousand (1.2%) from the end of the previous year. The highest of all certificates issued was cancer certificates at 465 thousand (47.7%), followed by chronic psychiatric disorder at 205 thousand (21.0%), generalized autoimmune syndrome requiring lifelong treatment at 95 thousand (9.8%) and uremia at 76 thousand (7.8%).

Figure 41 Numbers of Valid Major Illnesses/Injuries Certificates Issued



ii. Cancer accounted for the highest proportion of medical points. In terms of average medical points per capita, hemophilia ranked the highest.

Total medical points of major illnesses/injuries in 2014 amounted to 168 billion points. The top three conditions were, respectively, cancer, uremia, and dependence on respirator. Outpatient services amounted to 94 billion points; the top three conditions were uremia, cancer, and chronic psychiatric disorder. Inpatient services amounted to 74 billion points; cancer, dependence on respirator, and chronic psychiatric disorder ranked top three in conditions.

Table 1 Top 10 Major Illnesses/Injuries in 2014

Outpatient				Inpatient		
Rank	Category of Major Illnesses/Injuries	Medical Points (in millions)	%	Category of Major Illnesses/Injuries	Medical Points (in millions)	%
-	Total	94,116	100.0	Total	73,794	100.0
1	Uremia	41,969	44.6	Cancer	33,286	45.1
2	Cancer	31,423	33.4	Dependence on respirator	15,989	21.7
3	Chronic psychiatric disorder	4,884	5.2	Chronic psychiatric disorder	8,356	11.3
4	Generalized autoimmune syndrome	3,944	4.2	Uremia	5,683	7.7
5	Hemophilia	3,218	3.4	Acute cerebrovascular disease	3,165	4.3
6	Rare diseases	2,650	2.8	Major trauma	1,475	2.0
7	Organ transplants	2,062	2.2	Cirrhosis of liver	1,138	1.5
8	Dependence on respirator	936	1.0	Generalized autoimmune syndrome	1,025	1.4
9	Malformation and chromosomal abnormalities	443	0.5	Malformation and chromosomal abnormalities	969	1.3
10	Congenital metabolic disease	436	0.5	Organ transplants	815	1.1

In terms of average medical points per capita for major illnesses/injuries in 2014, hemophilia ranked the highest at 3,056 thousand points for outpatient services, followed by uremia at 522 thousand points, rare diseases at 442 thousand points, hemolytic disease at 257 thousand points, and multiple sclerosis at 220 thousand points; hemophilia ranked the highest at 1,996 thousand points for inpatient services, followed by burns at 781 thousand points, dependence on respirator at 765 thousand points, severe malnutrition at 574 thousand points, and rare diseases at 435 thousand points.

Table 2 Top 10 Average Medical Points per Capita on Major Illnesses/Injuries in 2014

Outpatient				Inpatient		
Rank	Category of Major Illnesses/Injuries	Average Medical Points per Capita (total points)	Multiples	Category of Major Illnesses/Injuries	Average Medical Points per Capita (total points)	Multiples
-	Average	107,986	1.0	Average	239,543	1.0
1	Hemophilia	3,056,422	28.3	Hemophilia	1,996,229	8.3
2	Uremia	521,820	4.8	Burns	781,493	3.3
3	Rare diseases	441,965	4.1	Dependence on respirator	764,532	3.2
4	Hemolytic disease	257,166	2.4	Severe malnutrition	574,098	2.4
5	Multiple sclerosis	219,500	2.0	Rare diseases	434,706	1.8
6	Organ transplants	209,008	1.9	Hemolytic disease	390,352	1.6
7	Dependence on respirator	163,896	1.5	Congenital immunodeficiency	372,732	1.6
8	Severe malnutrition	156,732	1.5	Complications of premature infants	355,386	1.5
9	Congenital immunodeficiency	120,485	1.1	Creutzfeldt Jakob disease	300,364	1.3
10	Complications of premature infants	108,204	1.0	Organ transplants	279,266	1.2

iii. Uremia accounted for the largest proportion of medical points for major illnesses/injuries for both genders for outpatient services. In terms of average medical points per capita, hemophilia ranked the highest for males and uremia ranked the highest for females.

In 2014, the total outpatient medical points for major illnesses/injuries filed by males amounted to 48 billion points (51.4%), and those filed by females amounted to 46 billion points (48.6%). Uremia accounted for the largest proportion of all for both genders and was followed by cancer. For males, hemophilia ranked the third largest, followed by chronic psychiatric disorder and then rare diseases. For females, generalized autoimmune syndrome ranked the third largest, followed by chronic psychiatric disorder and then rare diseases.

Table 3 Top 10 Outpatient Major Illnesses/Injuries in 2014 by Gender

	Male			Female		
Rank	Category of Major Illnesses/Injuries	Medical Points (in millions)	%	Category of Major Illnesses/Injuries	Medical Points (in millions)	%
-	Total	48,411	100.0	Total	45,706	100.0
1	Uremia	20,880	43.1	Uremia	21,089	46.1
2	Cancer	16,126	33.3	Cancer	15,296	33.5
3	Hemophilia	3,182	6.6	Generalized autoimmune syndrome	3,202	7.0
4	Chronic psychiatric disorder	2,449	5.1	Chronic psychiatric disorder	2,434	5.3
5	Rare disease	1,559	3.2	Rare disease	1,091	2.4
6	Organ transplants	1,365	2.8	Organ transplants	698	1.5
7	Generalized autoimmune syndrome	741	1.5	Dependence on respirator	478	1.0
8	Dependence on respirator	458	0.9	Malformation and chromosomal abnormalities	243	0.5
9	Cirrhosis of liver	253	0.5	Congenital metabolic disease	229	0.5
10	Congenital metabolic disease	208	0.4	Hemolytic disease	210	0.5

In terms of outpatient average medical points per capita for major illnesses/injuries in 2014, hemophilia ranked the highest for males, followed by uremia and rare diseases; uremia ranked the highest for females, followed by rare diseases and hemophilia.

Table 4 Top 10 Outpatient Average Medical Points per Capita on Major Illnesses/Injuries in 2014 by Gender

	Male			Female		
Rank	Category of Major Illnesses/Injuries	Average Medical Points per Capita (total points)	Multiples	Category of Major Illnesses/Injuries	Average Medical Points per Capita (total points)	Multiples
-	Average	121,030	1.0	Average	96,921	1.0
1	Hemophilia	3,399,086	28.1	Uremia	527,242	5.4
2	Uremia	516,456	4.3	Rare diseases	383,629	4.0
3	Rare diseases	494,583	4.1	Hemophilia	315,114	3.3
4	Multiple sclerosis	286,450	2.4	Hemolytic disease	247,199	2.6
5	Hemolytic disease	269,828	2.2	Multiple sclerosis	201,838	2.1
6	Organ transplants	224,477	1.9	Severe malnutrition	189,577	2.0
7	Complications of premature infants	153,479	1.3	Organ transplants	184,180	1.9
8	Dependence on respirator	148,556	1.2	Dependence on respirator	181,890	1.9
9	Severe malnutrition	140,309	1.2	Leprosy	118,583	1.2
10	Congenital immunodeficiency	126,326	1.0	Congenital immunodeficiency	109,596	1.1

iv. Cancer accounted for the largest proportion of medical points for major illnesses/injuries for both genders for inpatient services. In terms of average medical points per capita, hemophilia ranked the highest for males and dependence on respirator ranked highest for females.

In 2014, the total inpatient medical points on major illnesses/injuries filed by males amounted to 42 billion points (57.4%), and those from females amounted to 31 billion points (42.6%). For both genders, cancer accounted for the largest proportion of medical points, followed by dependence on respirator, chronic psychiatric disorder, uremia and acute cerebrovascular disease respectively.

Table 5 Top 10 Inpatient Major Illnesses/Injuries in 2014 by Gender

	Male			Female		
Rank	Category of Major Illnesses/Injuries	Medical Points (in millions)	%	Category of Major Illnesses/Injuries	Medical Points (in millions)	%
-	Total	42,363	100.0	Total	31,431	100.0
1	Cancer	19,466	46.0	Cancer	13,820	44.0
2	Dependence on respirator	9,098	21.5	Dependence on respirator	6,892	21.9
3	Chronic psychiatric disorder	4,620	10.9	Chronic psychiatric disorder	3,736	11.9
4	Uremia	2,854	6.7	Uremia	2,829	9.0
5	Acute cerebrovascular disease	1,844	4.4	Acute cerebrovascular disease	1,321	4.2
6	Major trauma	1,058	2.5	Generalized autoimmune syndrome	813	2.6
7	Cirrhosis of liver	839	2.0	Malformation and chromosomal abnormalities	459	1.5
8	Organ transplants	576	1.4	Major trauma	417	1.3
9	Malformation and chromosomal abnormalities	510	1.2	Cirrhosis of liver	300	1.0
10	Hemophilia	287	0.7	Organ transplants	239	0.8

In terms of inpatient average medical points per capita for major illnesses/injuries in 2014, hemophilia ranked the highest for males, followed by burns and dependence on respirator. Dependence on respirator ranked the highest for females, followed by burns and complications of premature infants.

Table 6 Top 10 Inpatient Average Medical Points per Capita on Major Illnesses/Injuries in 2014 by Gender

	Male			Female		
Rank	Category of Major Illnesses/Injuries	Average Medical Points per Capita (total points)	Multiples	Category of Major Illnesses/Injuries	Average Medical Points per Capita (total points)	Multiples
-	Average	254,898	1.0	Average	221,554	1.0
1	Hemophilia	2,193,674	8.6	Dependence on respirator	782,947	3.5
2	Burns	852,182	3.3	Burns	631,700	2.9
3	Dependence on respirator	751,150	2.9	Complications of premature infants	538,144	2.4
4	Severe malnutrition	611,498	2.4	Severe malnutrition	520,670	2.4
5	Rare diseases	471,923	1.9	Rare diseases	391,337	1.8
6	Hemolytic disease	434,631	1.7	Congenital immunodeficiency	363,193	1.6
7	Creutzfeldt Jakob disease	384,983	1.5	Hemolytic disease	340,706	1.5
8	Congenital immunodeficiency	380,214	1.5	Hemophilia	271,879	1.2
9	Organ transplants	319,441	1.3	Major trauma	229,006	1.0
10	Congenital Muscular Dystrophy	272,080	1.1	Malformation and chromosomal abnormalities	224,068	1.0

v. Uremia accounted for the largest proportion of outpatient claims for 30+ age groups.

The outpatient claims of major illnesses/injuries in 2014 were, respectively, 2 billion points (2.3%) for the 0-14 age group, 4 billion points (4.0%) for the 15-29 age group, 11 billion points (11.7%) for the 30-44 age group, 42 billion points (44.5%) for the 45-64 age group and 35 billion points (37.6%) for the 65+ age group.

In terms of disease, rare disease accounted for the largest proportion of outpatient claims of major illnesses/injuries and hemophilia ranked second for the 0-14 age group. Hemophilia ranked first and rare disease ranked second for the 15-29 age group. For 30+ age groups, uremia ranked first and cancer ranked second.

Table 7 Top 5 Outpatient Major Illnesses/Injuries in 2014 by Age Group

	0-14	15-29	30-44	45-64	65+
Medical Points	2 Billion Points	4 Billion Points	11 Billion Points	42 Billion Points	35 Billion Points
Rank					
1	Rare disease 26.9%	Hemophilia 25.8%	Uremia 28.7%	Uremia 44.7%	Uremia 55.7%
2	Hemophilia 25.7%	Rare disease 18.6%	Cancer 27.2%	Cancer 37.0%	Cancer 35.1%
3	Malformation and chromosomal abnormalities 10.5%	Cancer 11.2%	Chronic psychiatric disorder 14.7%	Chronic psychiatric disorder 5.2%	Generalized autoimmune syndrome 3.1%
4	Poliomyelitis 6.9%	Uremia 10.8%	Hemophilia 9.8%	Generalized autoimmune syndrome 4.7%	Chronic psychiatric disorder 1.7%
5	Cancer 6.6%	Chronic psychiatric disorder 10.0%	Generalized autoimmune syndrome 5.5%	Organ transplants 3.1%	Dependence on respirator 1.3%

vi. Cancer accounted for the largest proportion of inpatient claims for all age groups.

The inpatient claims of major illnesses/injuries in 2014 were, respectively, 3 billion points (4.0%) for the 0-14 age group, 3 billion points (3.5%) for the 15-29 age group, 8 billion points (11.0%) for the 30-44 age group, 29 billion points (38.9%) for the 45-64 age group and 31 billion points (42.6%) for the 65+ age group.

In terms of disease, cancer accounted for the largest proportion of inpatient claims of major illnesses/injuries for all age groups. Dependence on respirator ranked second for the 0-14 and 65+ age groups, while chronic psychiatric disorder ranked second for the 15-64 age groups.

Table 8 Top 5 Inpatient Major Illnesses/Injuries in 2014 by Age Group

	0-14	15-29	30-44	45-64	65+
Medical Points	3 Billion Points	3 Billion Points	8 Billion Points	29 Billion Points	31 Billion Points
Rank					
1	Cancer 22.6%	Cancer 28.3%	Cancer 38.7%	Cancer 55.5%	Cancer 40.7%
2	Dependence on respirator 19.6%	Chronic psychiatric disorder 23.3%	Chronic psychiatric disorder 32.8%	Chronic psychiatric disorder 14.6%	Dependence on respirator 36.5%
3	Malformation and chromosomal abnormalities 17.6%	Dependence on respirator 11.5%	Dependence on respirator 7.6%	Dependence on respirator 10.5%	Uremia 10.5%
4	Major trauma 8.0%	Major trauma 10.3%	Uremia 3.3%	Uremia 6.7%	Acute cerebrovascular disease 5.3%
5	Rare disease 6.8%	Malformation and chromosomal abnormalities 6.7%	Cirrhosis of liver 2.7%	Acute cerebrovascular disease 3.8%	Chronic psychiatric disorder 2.7%

(4) Copayments for Medical Expenses

Copayments for medical expenses totaled NT$37 billion in 2014, a 2.6% increase from the previous year. Among which, outpatient copayments amounted to NT$30 billion and inpatient copayments NT$8 billion.

i. In terms of average copayments per case, academic medical centers had the highest amount both in outpatient and inpatient services.

The average copayments per case were NT$98 for outpatient services and NT$4,704 for inpatient services in 2014. Analyzed by contracted category, academic medical centers had the highest amount both in outpatient and inpatient services (NT$327 for outpatient and NT$5,968 for inpatient). Metropolitan hospitals ranked second (NT$233 for outpatient and NT$4,357 for inpatient).

Figure 42 Average Copayments per Outpatient Case by Contracted Category

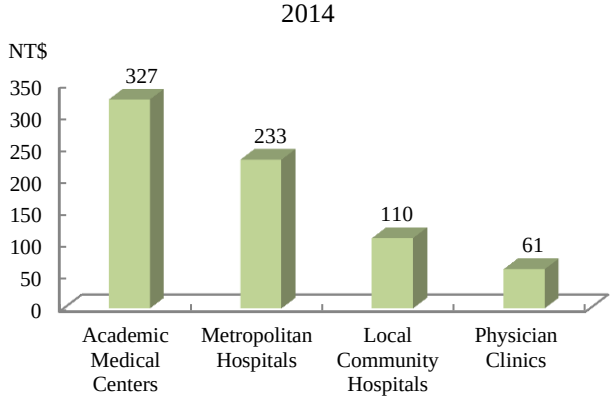
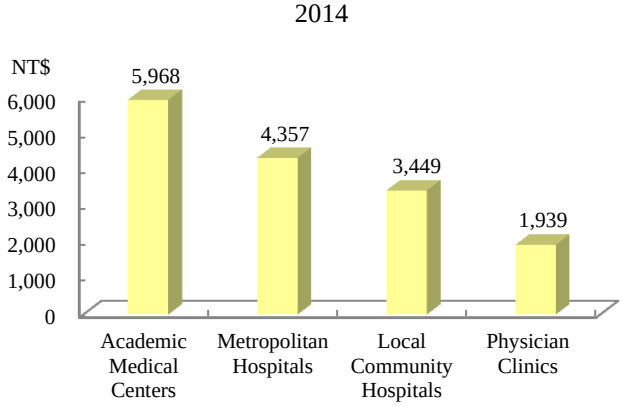


Figure 43 Average Copayments per Inpatient Case by Contracted Category



ii. Males had higher average copayments per case than females for all age groups.

In terms of gender, the average copayments per outpatient case were NT$100 for males and NT$97 for females in 2014; the average copayments per inpatient case were NT$4,802 for males and NT$4,599 for females. Based on age group, the average copayments per case increased with age. The average copayments per case for the 65+ age group represented 1.7 times that of the 0-14 age group for outpatient services, and 3.6 times that of the 0-14 age group for inpatient services. Males showed higher amounts than females in all age groups. The most significant difference was seen in the 45-64 age group, at NT$514 per inpatient case.

Figure 44 Average Copayments per Outpatient Case by Gender and Age

2014

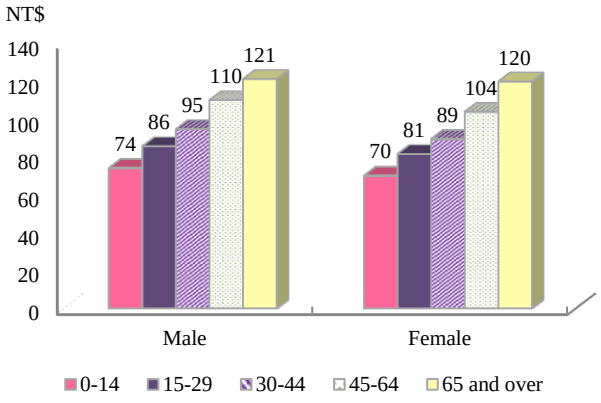
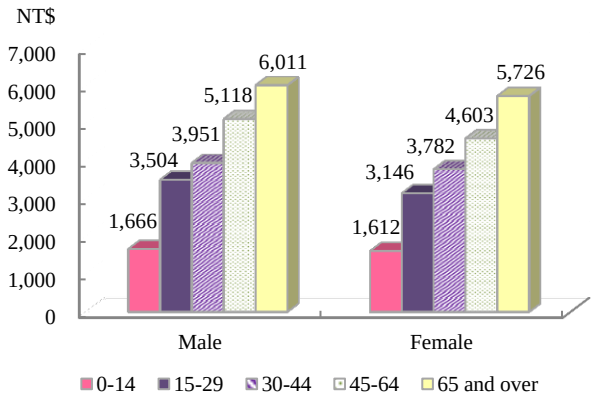


Figure 45 Average Copayments per Inpatient Case by Gender and Age

2014



(5) Reimbursement of Advanced Medical Expenses for Out-of-Plan Services

i. The total approved amount for out-of-plan services was NT$496 million, with an approval rate of 32.2%.

The total advanced medical expense claims for out-of-plan services approved amounted to NT$1,542 million in 2014, an increase of 4.9% from the previous year. The total approved amount was NT$496 million, an increase of 6.8% from the previous year. The approval rate was 32.2%. Among which, NT$371 million was claimed for outpatient services (NT$51 million for emergencies), with an approval rate of 52.4%, and NT$1,171 million for inpatient services, with an approval rate of 25.8%.

Figure 46 Applied Amount for Out-of-Plan Services

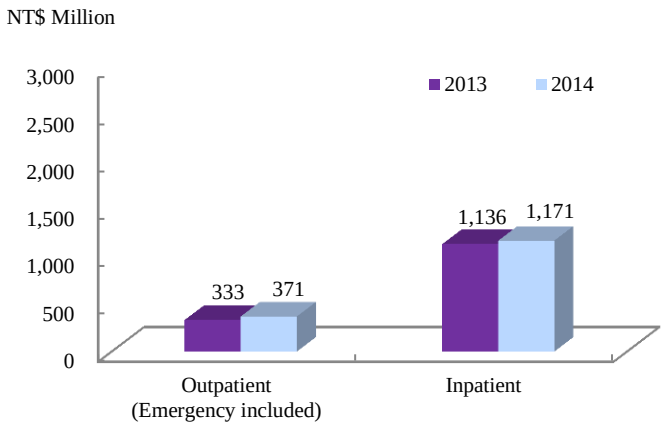
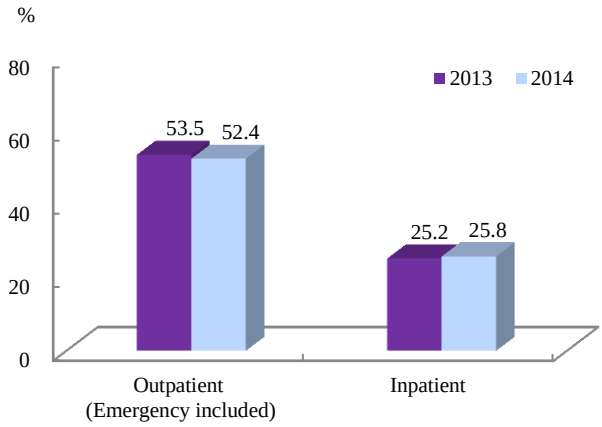


Figure 47 Approval Rate for Out-of-Plan Services

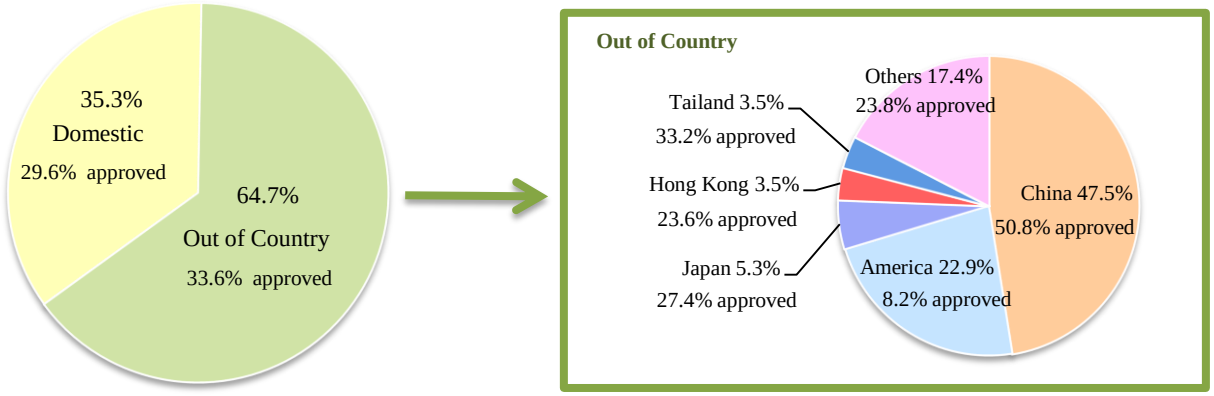


ii. China accounted for the highest proportion of all overseas claims and had the highest approval rate.

Based on area, domestic claims accounted for NT$544 million and had an approval rate of 29.6%. Out of country claims amounted to NT$998 million and had an approval rate of 33.6%. Advanced medical expenses for services rendered in China amounted to NT$474 million and represented the highest portion of overseas claims at 47.5%; the approval rate was 50.8%. Claims for services rendered in the United States amounted to NT$228 million and represented the second highest portion of overseas claims at 22.9%; the approval rate was 8.2%.

Figure 48 Reimbursements of Advanced Medical Expenses for Out-of-Plan Services

2014



Notes:

1. Data updated on June 10, 2015.
2. Medical benefit claims exclude commission cases.
3. Medical expenses imply both requested points and copayments.
4. The detailed medical expenses indicate actual medical expenses incurred for each item, including copayments.
5. Patients' copayment does not include registration fees.
6. Prior to the implementation of the global budget payment system, 1 point was equal to NT$1. After the global budget payment system was implemented, 1 point for any item under general services was calculated according to the "Point Values of Global Budget Payment System" in this chapter. For other items, 1 point was equal to NT$1 in principle.