

社會保險

1. Overview

- Social welfare programs: largest expenditure item since 1999 in Taiwan
 - Social assistance (社會救助): low-income, handicap, elderly
 - Social insurance (社會保險): group insurance against disaster
- Features:
 - Compulsory participation!
 - ▷ Not means-tested: financial distress not necessary.
 - Eligibility/benefits depends on past contributions.
 - Benefit payment begin with identifiable event.
- Why Government Insurance?
 - Adverse selectn (逆選擇): private market will fail
 - Paternalism (父權心態)
 - Income redistributn (所得重分配)

2. Social security insurance (SSI)

- Taiwan: 國民年金, began in 2000
- Pay tax when you work, receive benefits after retirement
- Problem of the elderly: no income after retirement
 - Poor all your life \Rightarrow need assistance
 - Live too long \Rightarrow need insurance
- Two possible systems:
 - Full funding (FF, 全額提撥): self insurance
 - Pay-as-you-go (PAYG, 隨收隨付): generational contract

	Assistance	Insurance	Capital Acc	Countries
FF	No	No	Yes	Singapore
PAYG	Yes	Yes	No	US, TW, ...

▷ US national capital stock is lowered by 1/3 under PAYG!

- Other PAYG advantages: intergenerational sharing
 - Income transfer: lucky \Rightarrow miserable (war, depression)
 - Risk sharing: working \Rightarrow retired (business cycle)
- Potential problems:
 - As population growth rate declines, tax burden on future generations is heavier.
 - Marriage subsidy (補貼婚姻, 懲罰單身): spouse benefits (even after divorce)

- Financing:
 - Fixed tax rate, variable payment (量入為出)
 - Variable tax rate, fixed payment (量出為入)
 - (US) 1%(1937), 3%(1960), 6.2%(1994), 7.5%(now)
 - (TW) 「公務人員退撫基金」: 本俸 \times 2 \times 8%(費率) \times 35%(自繳)

- (US) Partially funded financing [PFF]
 - System change:
 - FF originally, converted to PAYG in 1939
 - SS Trust Fund established in 1983: for baby boom retirement
 - PAYG for current retirees, PFF for future retirees
 - Benefit level: depends on
 - Primary insurance amount (PIA)
 - Age at which benefit is drawn
 - Recipient's family status: spouse gets half benefits
 - Financing:
 - Flat tax rate on salary: with taxable earnings ceiling
 - Share between employer/worker \Rightarrow lower pre-tax wage

3. Unemployment Insurance (UI)

- (US) 97% workers covered, 1.7M receive benefits (avg \$172/wk) in 1993
 - ▷ Max benefit duration: 26 weeks each time in most states
 - ▷ Gross replacement rate: 50%, subject to federal income tax
- (TW) 《就業服務法》Began 1999.1.1, 限有固定雇主者 (cf. 勞基法資遣費二個月)
 - ▷ (Old) 一生最多領期: 十六個月 (勞保滿十年者), 六個月 (勞保滿五年者)
- 理由: adverse selectn (before contract), moral hazard (after contract)
- US Financing:
 - ▷ Payroll tax: 雇主支付 0.5%
 - ▷ UI tax rate t is experience-rated for firms with max/min:

$$t \propto \text{benefits}; \quad t \propto^{-1} \text{ taxes}$$

- Effects:
 - Ⓐ Firms at max: pay no extra from further layoffs.
Firms at min: save no more by not laying off workers.
⇒ Govt subsidizes layoffs! (esp. seasonal industries)
 - Ⓑ Recall: tax liability accumulation stops.
New hires: liability continues to grow!
⇒ Govt encourages recalls.
 - Ⓒ Job search incentives: better matching v. laziness

4. Health Care

- 全民健康保險
- Market failure:
 - Asymmetric info: bet. doctor/patient about medicatn
 - Adverse selectn: private HI market will fail (⇒ 故需政府介入)
 - Moral hazard: incentive problem (⇒ 故需有自付額)
 - ⇒ 保險後較不重視健康保養與生活習慣
 - ⇒ 保險後不珍惜醫療資源
 - Paternalism: forced into system for your own good
- US health care market: 14% GDP, 9M employed
 - Incl: hospitals, nursing homes, doctors/nurses, dentists, drugs, ...
 - Payment: self 22%, private insurance 32%, govt 43%
- US **Medicare**: enacted 1965, for people aged 65+
 - Govt expenditures: \$143B [1993], 2.3%GDP
 - Cost-containment measures
- US private health insurance (HI)
 - Employer-provided insurance: 90%, as a fringe benefit
 - Non-portable, reduces labor mobility
 - Adverse selectn: firms w/ better HI attract high-risk workers
 - Insecurity: losing job also means losing HI
- 醫療給付方式:
 - 論量計酬 (per item): 以單項治療為計價支付, 醫生多看病就多賺錢
 - 論日計酬 (per diem): 以住院日數為支付單位, 多用於長期照護

- 論病計酬 (DRG, diagnosis related groups): 依不同病症給予定額給付
 - 論件計酬 (cost-based reimbursement, episode of care): 涵蓋進醫院前後之費用
 - 論人計酬 / 總額預算 (capitaion-based reimbursement): 以參加保險人數為支付單位
- US govt implicitly subsidizes private HI:
 - 工資須付稅, 但 HI 福利免稅; 雇主以優厚福利吸引工人
 - US Treasury: \$56B forgone rax revenue annually
 - Too much insurance, exceeding MB=MC level
 - Access: uninsured populatn: 12.5% [1980], 16% [1992]
 - Uninsured group: low income (below poverty line)
 - % rising: due to rising HI costs
 - 台灣: 全民健保前 47%/9M 人口無保險
 - National health care expenditures:
 - GDP%: 5.5%[1961], 8.4%[1975], 10.5%[1985], 16%[1995]
 - Per-capita comparision (in 1990 US\$):

USA	\$2566
Canada	\$1794
W. Germany	\$1287
Japan	\$1113
UK	\$909