

Abstract

A Study on the Effects of Marketization of Long-term Care Services for Older People in South Korea

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In the West, there have been a large number of studies examining the 'marketisation of care' services. In the East Asian countries, however, the marketization of care service has received scant attention from scholars. This is partly because the role of family in caring for elderly relatives in many East Asian countries has been a prominent feature of care provision and formal LTC services for older people have remained underdeveloped.

Due to rapid changes in the social and economic circumstances for older people in many East Asian nations, however, there has been increasing pressure to reform the existing LTC systems. Since the early 2000s, the Korean welfare state has significantly increased its welfare budget and has expanded social care services for the elderly. In particular, the introduction of long-term care insurance (LTCI) for older people in 2008 is one of the most notable achievements of the Korean government's expansion of welfare services. Korea have followed the EU countries' policy of marketization of LTC services by actively using market forces and promoting the principles of competition and choice. In particular, it is notable that the Korean government appears to have settled on the use of market forces in LTC provision more than is the case in Japan.

The research aims to understand how the marketisation of LTC services affects the provision of services under the Korean LTCI system. To explore this issue, the detailed experiences and perspectives of home visiting service providers were sought through conducting semi-structured in-depth interviews with them.

Methodology

The author conducted semi-structured in-depth qualitative interviews with 18 home visiting service providers in a city in Kyounggi province. A snowball-sampling method that involved asking service providers to recommend potential interviewees was adopted to recruit the interview participants (Bryman, 2004; Noy, 2008). The author adhered throughout the sampling process to criteria on the types of interviewees sought: experienced home visiting service provider managers who were knowledgeable about the LTCI system and had been working in the field for at least one year.

Findings

The findings appear to suggest that the Korean home visiting service market is in a state of disorder. Some of the stakeholders in the field, such as home visiting service provider managers, care workers, and older clients, appear to employ unlawful activities and unprincipled behaviors in order to maximize their individual interests. In particular, home visiting service provider managers noted that since there are so many competing service providers using such inappropriate tactics to generate and bolster their profits, it is virtually impossible for service providers to survive in the LTC market unless they too engage in such behavior.

It was also found that the financial problems faced by service providers have contributed to poor quality care services being provided. Many of the interviewees reported their serious concern that elderly clients have come to be regarded simply as a means of generating profits for service providers rather than as people in need of professional care who should be treated with compassion.

