<u>E-Mail Newsletter from Mayor of Okayama City "Challenge of Legendary Okayama" (11)</u> <u>February 24th Issue</u>

[Medical Subsidy for Children]

Hello, l'm Omori, Mayor of Okayama.

On February 21st, a regular municipal assembly of Okayama opened and I addressed my policy speech about the municipal administration for the new fiscal year. In this newsletter, I would like to talk about the expansion of the medical subsidy for children that is not included in a budget bill in fiscal 2014.

About the expansion of the medical subsidy for children, I had a lot of requests during my election campaign period. It is true that cities, towns and villages of the prefecture except Okayama City carry out some kind of subsidy (mostly free of charge) for elementary and junior high school children when visiting hospitals. However, I had refrained from commenting on this issue because I thought I should not do it at a stage where I didn't well know what kind of effect it will bring to the city and the financial situation.

My opinion is getting firm after I took office as Mayor, had discussion with each division, and conversation with the citizens.

For example, at "Omori talk", a mother who has three elementary school children said, "they all have weak bronchus and their medical burden is big. The neighboring city subsidizes all the expense".

Of course the medical burden by an individual is a problem. However, I feel unfairness is the main problem so I came to believe it is important to prevent it.

But if all the medical expenses were exempted for the children, the burden of the city would be about 1,800 million yen according to the trial calculation. That means approximately 1% out of 183 billion yen of the city's general revenue would be expended every year. I wonder if it would be tolerable for the city because there are various projects to be conducted. Furthermore, by making the medical expenses free of charge, it would lead to the increase of visit to a doctor and the medical expenses, and the impoverishment of pediatricians.

In addition, the payment of medical expenses is systematically maintained as a prefecture even if it limited the range of the subsidy. Therefore, we must think about whether the change of the system is possible in the first place. Also, it is necessary for us to think the way of the subsidy and whether the system is appropriate or not.

From such a process, I was not able to come to a conclusion about the expansion of the subsidy of medical expenses for children by the budgeting of the new fiscal year. I would like to ask for experts' opinion and obtain a conclusion as soon as possible.