

Service Export of Suang-Lien Elderly Center

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1. Introduction

Shortly after Chinese New Year in February 2012, CEO Fang-Wen Tsai returned to his office from a full day of non-stop receptions for numerous groups of Mainland Chinese real estate delegations. Besides looking after and managing elderly care centers, receiving visiting groups at the Suang-Lien Elderly Center is almost routine work for its management team. Upholding the notion that sharing is the key to enhancing the quality of elderly care, CEO Tsai says, “The greatest feature of Suang-Lien Elderly Center is its willingness to share experience without reservation.” As a result, it has received over 200 visiting groups, more than 4,000 visitors, from domestic and overseas each year. At this moment, the office telephone rang, and on the other end of the line was someone from the Ministry of Economic Affairs Industrial Bureau hoping to discuss with CEO Tsai the transformation of the Taiwanese health service industry as well as the technologization and internationalization of service industry. Should the export of the service industry be globalized? This idea was slowly taking shape in the mind of CEO Tsai as he has been receiving countless visiting delegations.

Since the decision of the Suang-Lien Presbyterian Church in 1993 to establish a comprehensive social welfare complex for the completion of the special care center for dementia in 2009, CEO Tsai and his management team has frequently flown to Japan, Germany, Northern Europe, and other nations to visit the relevant agencies, constantly thinking about how to enhance the quality of care for 432 elders. Years of hard work has earned Suang-Lien Elderly Center recognition as an excellent organization in 2001, 2004, 2007, and 2010 by the Ministry of the Interior and the New Taipei City Government. The average occupancy rate of care facilities in Taiwan is approximately 70%; Suang-Lien Elderly Center has full occupancy, and the waiting list for admission has risen to more than 1,800. Based on an annual turnover rate of 72 people, it will take 25 years before one can be admitted.

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In 2014, Health Magazine invited 40 Taiwanese social welfare experts and 10 associations to select the top 10 elderly care organizations in Taiwan with the highest recommendation rates with Suang-Lien Elderly Center winning the first place. However, even with the best service, Suang-Lien Elderly Center can only accommodate 432 elders. The rate of expansion will never catch up to the demand for elderly care. Could it be that the continuous stream of visiting delegations be potential clients that can be serviced by Suang-Lien Elderly Center? Could the desire to take care of more elders be converted from the finite tangible “bed spaces” into an infinite intangible export of “management know-how”? Judging from the surging number of overseas visiting delegations, can the exportation of management know-how be considered as a way of benefiting more elders?

2. Industry and Case Company Overview

2.1 Aging Trends and Policies

According to the Taiwanese Elderly Welfare Law, an “elderly person” is defined as a person of at least 65 years of age. The WHO uses the percentage of a society’s population over 65 years of age as a measure of its aging situation. A society with an elderly population percentage of over 7% is defined as an “aging society,” over 14% as an “aged society,” and over 20% as a “super-aged society (Ministry of Health and Welfare 2016).” Since 1993, Taiwan has already reached the status of aging society with the estimation that it will reach the status of aged society in 2018 and super-aged society in 2026. As of the end of September 2016, the elderly population of Taiwan has significantly increased from 7% to 12.99%, exceeding 3.05 million people, as shown in Table 1. The National Development Council estimates that the percentage of the elderly population will reach 39.4% of the total population by 2060, indicating that 2 out of every 5 persons will be elderly seniors. Having an aging population is the present, ongoing, and future situation of Taiwan.

Elderly care at home is the first choice of all elders as “aging in place” is the goal of long-term care policies of developed nations. Faced with an aging population, low birth rate, yearly decline of Taiwan’s double-income household population, and the increasing difficulty for those requiring care to access suitable care due to decreasing caregiving capabilities of families, the Taiwanese government has been promoting the “Ten Year Long-Term Care Plan” since 2007 using social welfare budgets to provide care services, meal delivery, auxiliary equipment rental, home accessibility improvement, transportation shuttle service, etc. to help the disabled and demented elderly receive elderly care at home. In 2015, the “Long-term Care Services Act” was formally adopted, appropriating TWD12 billion over 5 years to build a long-term care service network and capacity and to construct a long-term care system. In 2016, Long-Term Care ABC was launched to set up a community care service network. The long-term care service of Taiwan is predominantly moving toward a home-based

and community-based model to replace the solely institutional placement model. Overall, the long-term care service types in Taiwan can be divided into home-based, community-based and institutional care. Table 2 outlines the ownership rates, whereas Table 3 outlines the occupancy rates.

Table 1 Taiwan and China 's Elderly Market

year	Taiwan							China		
	elderly person (Million)	Percentage of total population	Senior Citizens' Welfare Institutions					elderly person (Million)	Percentage of total population	Senior Citizens' Welfare Institutions
			domiciliary care	Nursing	Long-term	dementia care	Total number			
2004	215.0	9.48%	49	813	24	0	886	9,857	7.6	1,335
2005	221.7	9.74%	47	838	27	0	912	10,055	7.7	1,800
2006	228.7	10.00%	43	869	32	0	944	10,419	7.9	2,103
2007	234.3	10.21%	43	922	37	0	1,002	10,636	8.1	2,594
2008	240.2	10.43%	40	882	33	0	955	10,956	8.3	2,920
2009	245.8	10.63%	40	845	31	0	916	11,307	8.5	3,399
2010	248.8	10.74%	39	775	30	0	844	11,894	8.9	4,199
2011	252.8	10.89%	37	711	26	0	774	12,288	9.1	6,444
2012	260.0	11.15%	21	702	44	1	768	12,714	9.4	7,709
2013	269.4	11.53%	23	937	54	1	1,015	13,161	9.7	10,382
2014	280.9	11.99%	25	981	56	1	1,063	13,755	10.1	11,669
2015	293.9	12.51%	25	992	49	1	1,067	-	-	-
2016	305.5	12.99%	23	1009	50	1	1,083	-	-	-

Data Source: Statistics Department of Ministry of Health and Welfare (2016a); The National Bureau of Statistics of the People's Republic of China(2016); Wu (2016).

Table 2 Long - Term Care System of Taiwan _ Service Content of Home, Community-Based and Institutional Services

Type	Home services	Community-based services	Institutional services
Service Content	Home services Home rehabilitation Home nursing care Home pharmacy Home nutrition Food service for the elderly Aids and home accessibility Transportation	community care center Transportation Day care center Family care Respite Service (Residential) Food Services for the Elderly (Fixed point) Community rehabilitation	Respite care services (Institutional) Nursing home Veterans home Health agencies Long - term care institutions (includes long-term care 、nursing 、 dementia care)

Data Source: Wu et al. (2011).