

# Japan Pension Service and its Operation



December 2019

# 1. About Japan Pension Service



- ◆Name Japan Pension Service (Nippon Nenkin Kiko)
- ◆HQ address 3-5-24, Takaido-nishi, Suginami-Ku, Tokyo
- ◆Organization Special public corporation with non-government employees  
National HQ and 312 Branch Offices
- ◆Foundation January 1, 2010  
(Replacing the Social Insurance Agency which was abolished)
- ◆President Toichiro MIZUSHIMA
- ◆Staff About 11,000 regular workers and associate workers (as of April 1, 2019)  
In addition the JPS has special task contract workers and assistant contract workers.
- ◆Operations The Japan Pension Service (JPS) is responsible for public pension systems operations (coverage, contribution collection, record management, pension consultation, entitlement and payment of benefits) which are delegated and entrusted by the Minister of Health, Labour and Welfare.

## 2. Responsibilities of JPS and the Ministry

- ◆ The Ministry of Health, Labour and Welfare (MHLW) is responsible for pension finance and administration, while the operations/services are delegated or entrusted to the JPS.
- ◆ The JPS operates:
  - authoritative businesses delegated by the Minister of HLW, including the enrollment /withdrawal, receiving applications and reports, under the name of the JPS
  - entrusted businesses by the Minister of HLW, including entitlement and payment of benefits, under the name of the Minister of HLW.

Insured persons, beneficiaries and employers

Note:  
The pension contribution is collected by the JPS as the state revenue collector.

JPS operation under the name of JPS

Applications and reports

JPS operation under the name of Minister of HLW

**Japan Pension Service**  
Responsible for pension operations

Delegation of authority

Supervision

Entrusting services

**MHLW**  
Financial and administrative responsibility

- Confirmation of coverage (enrollment and withdrawal)
- Collection of delinquent contributions
- Receiving reports/applications
- Determination of standard remunerations for Employees' Pension Insurance purpose
- Issuance of Pension Handbooks

- Entitlement / award of benefits
- Benefit payments
- Record keeping
- Individual statement : "Nenkin Teiki Bin"
- Contribution invoice and reminder

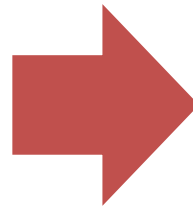
## 3. Principles

### ◆ JPS's Principles ( Article 2 of the Japan Pension Service Act)

The government-managed pension system shall be operated stably and sustainably, based on public trust with principle of solidarity. The Japan Pension Service, therefore, shall strive for higher service quality reflecting people's needs and opinions on government-managed pension systems, and assure effective operation and fairness and transparency in operation.

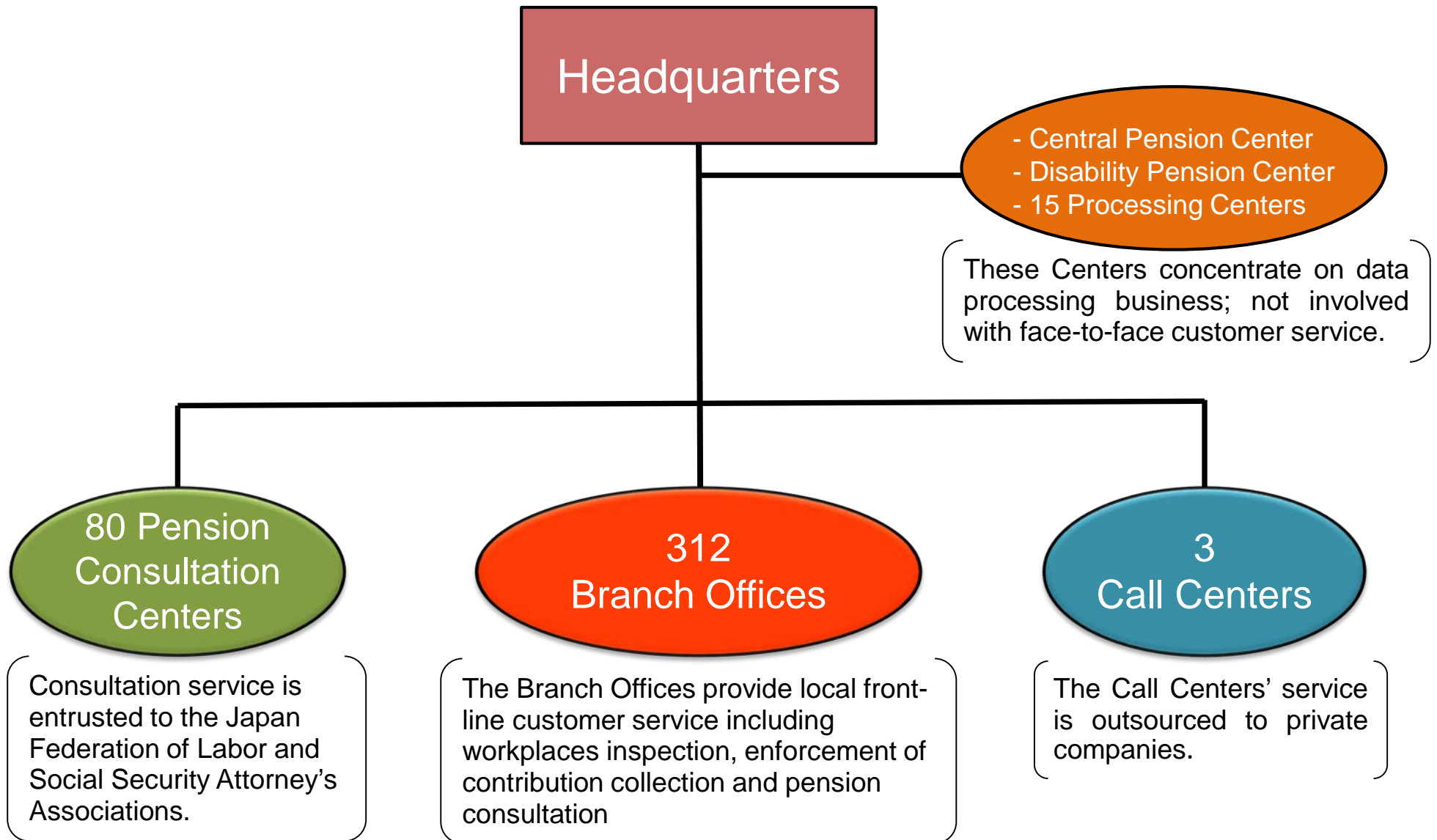
### ◆ Five essential points

1. Public trust
2. Reflection of public opinions
3. Higher service quality
4. Effective operation
5. Fairness and transparency

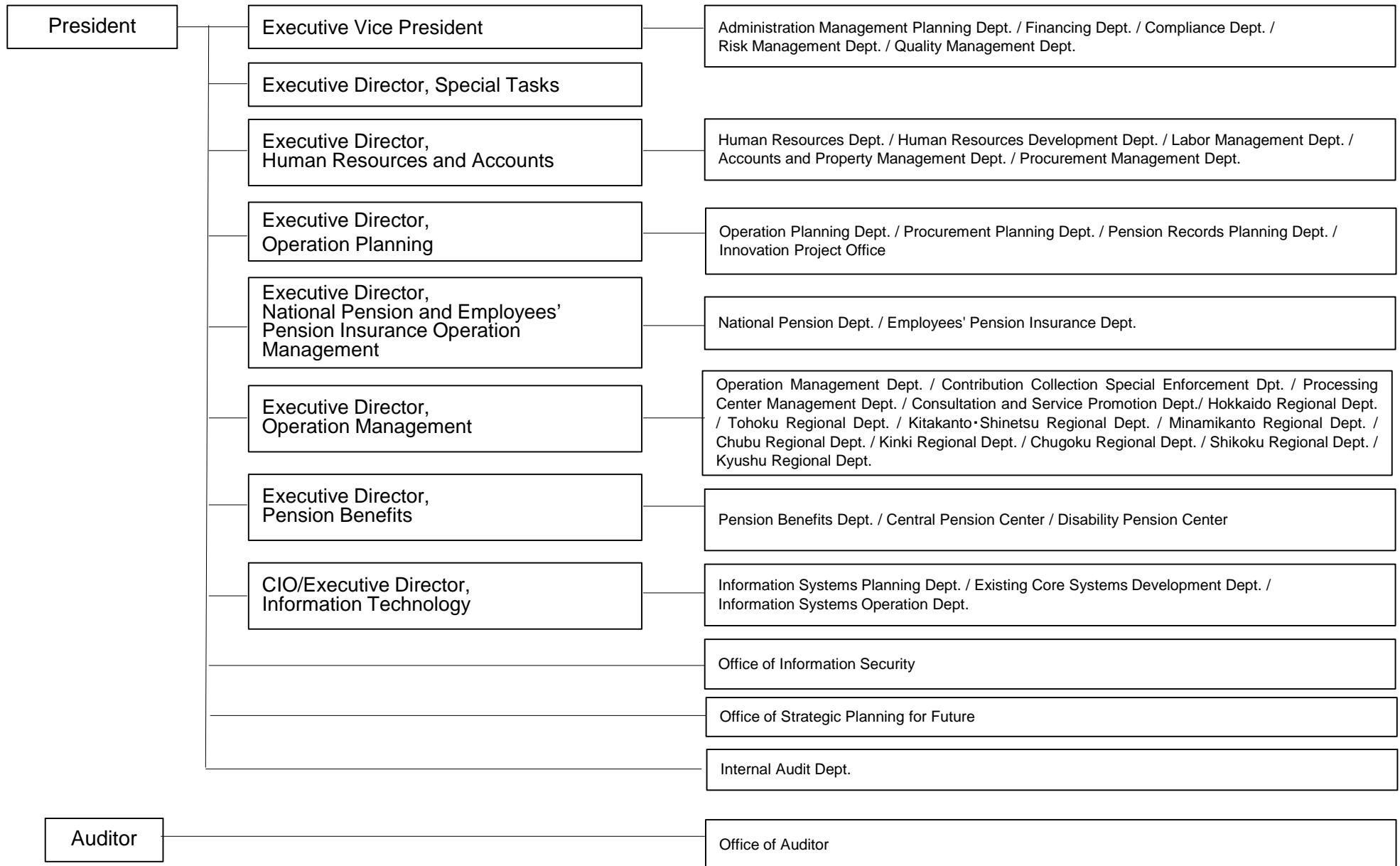


Fundamental subjects in :  
- Business operation  
- Corporate management

## 4. Organization structure



# 5. Headquarters organization



# 6. Flow of Public Pension Operations

The JPS Headquarters, Branch Offices and Processing Centers are connected via an on-line system. Each office plays its operational role including processing at front-line, intensive processing, and integrated mass processing.

2.22 mil. covered workplaces as of the end of Mar. 2018

**67.33 mil. Insured persons**  
Covered by the Employees' Pension Insurance (EPI) system and the National Pension (NP) system  
(As of the end of Mar. 2018)

**40.77 mil. Pension beneficiaries**  
Number of persons entitled to benefits  
(As of the end of Mar. 2018)

## Workplaces

Primarily responsible for Employees' Health / Pension Insurance procedures for the employees

## Municipalities

Front line of various coverage procedures for National Pension



1,741 municipalities as of Mar. 14, 2019

## 312 Branch Offices

### «Front-line»

- Receiving reports
- Pension consultation
- Coverage, contribution collection and inspection



## 15 Processing Centers

### «Intensive processing»

- ▶ **Coverage of EPI and NP: examination and data input of reports and applications**
  - Coverage registration
  - Mailing contribution invoices
- ▶ **Pension benefits: data input of reports and applications** (excluding disability pension)

On-line



On-line



## JPS Headquarters

### Record Management / Basic Pension Number Management System

- Contribution calculation
- Management of workplaces /employees records
- Management of Basic Pension Numbers



On-line

### Benefit Payments System

- Pension entitlement
- Pension benefits payments
- Management of beneficiaries records

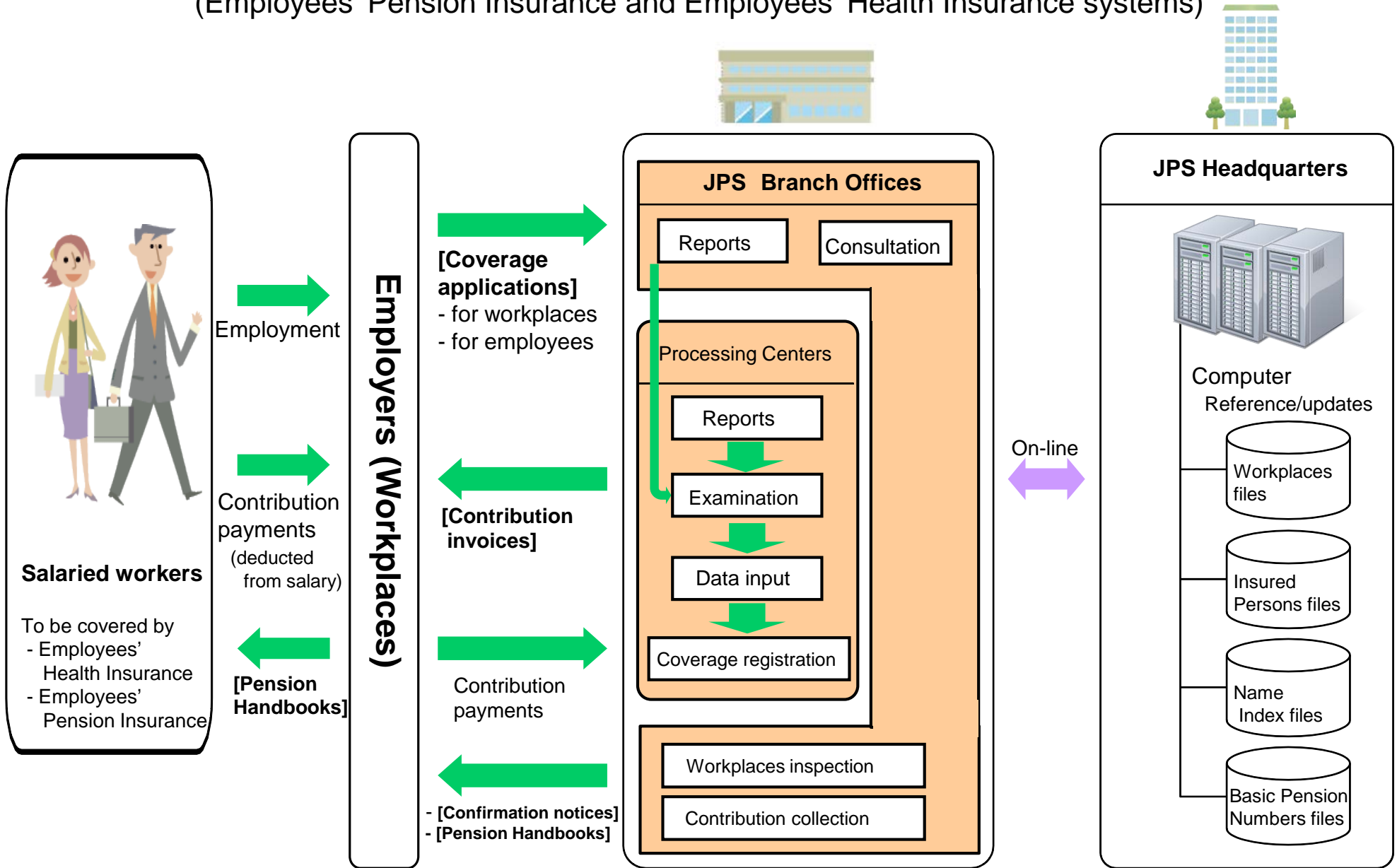


### Centralized processing

- Mailing individual statement "Nenkin Teiki Bin"
- Pension payment related business
- Employees' Disability Pension eligibility examination and entitlement
- Recovery of overpayments

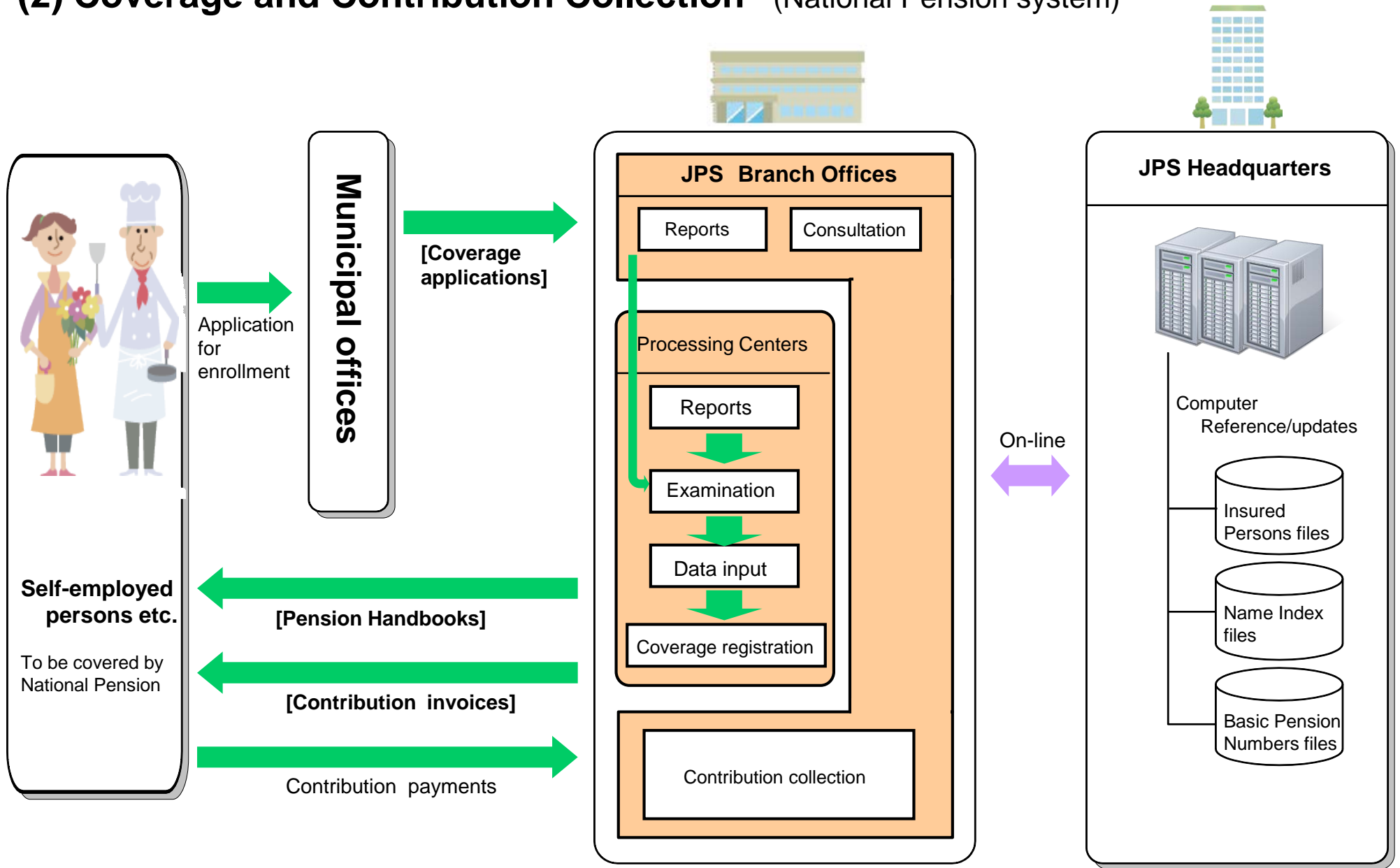
# (1) Coverage and Contribution Collection

(Employees' Pension Insurance and Employees' Health Insurance systems)



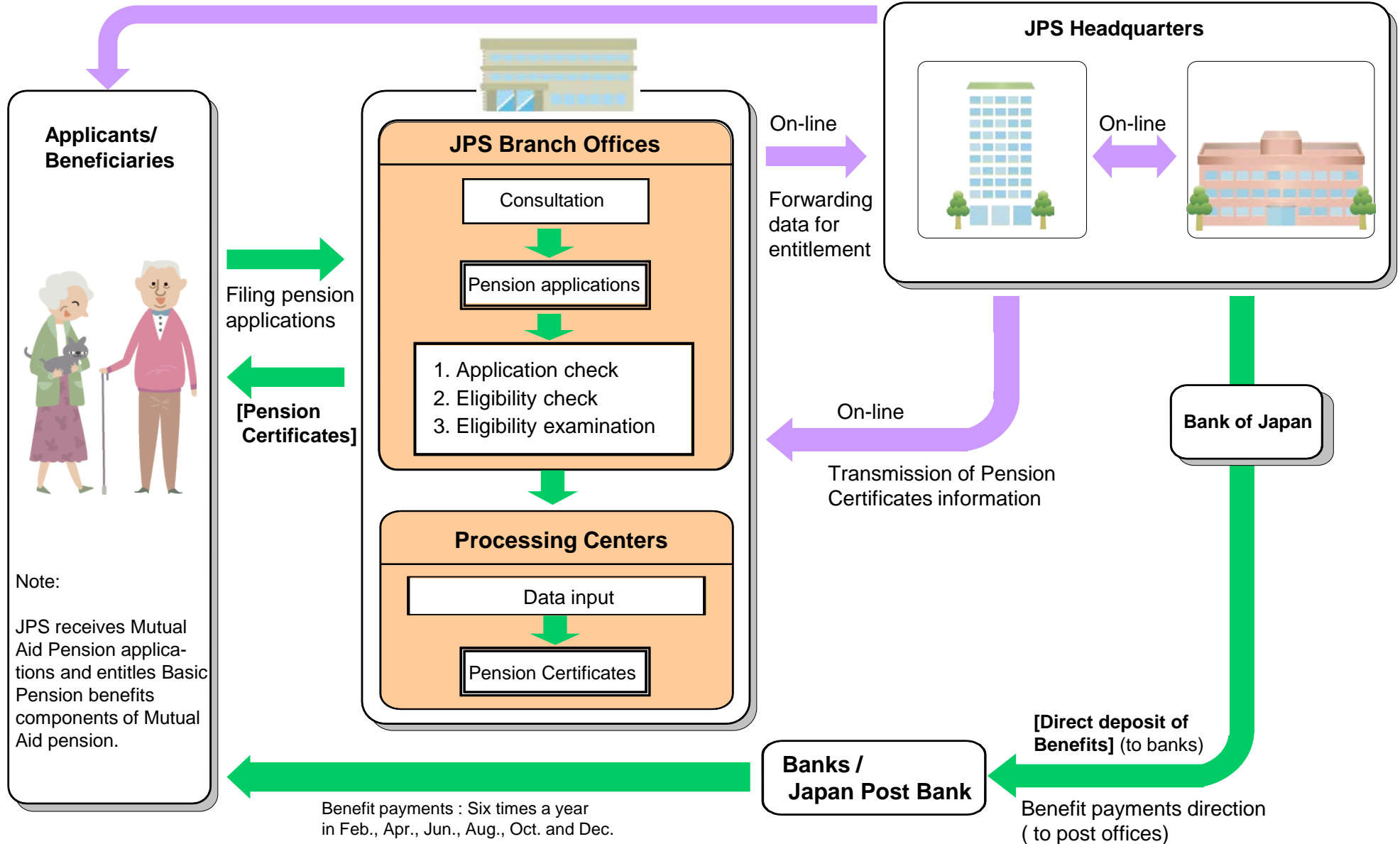


## (2) Coverage and Contribution Collection (National Pension system)



### (3) Entitlement / Awarding and Payment of Pension Benefits

Advance mailing of application forms to the near-pensionable-age ("TURNAROUND" forms)



## (4) Pension Consultation Services

