

Remapping the Blueprint : A Review of the New Health Care Reform of China

Lijie Fang
Institute of Sociology,
Chinese Academy of Social Sciences
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Brief introduction of health situation and health care situation of China

Key health indicators and social background of BRICS countries(2012)

	Life expectancy at birth	Infant mortality rate (‰)	Population (000s)	Aged over 60 (%)	Gross national income per capital (\$)
China	75	12	1,384,770	13	9,040
India	66	44	1,236,687	8	3,910
Russia	69	9	143,170	19	22,720
Brazil	74	13	198,656	11	11,530
South Africa	59	33	52,386	8	11,010
Lower middle income	66	46	--	8	3,914
Upper middle income	74	16	--	12	10,298

Brief introduction of health situation and health care situation of China

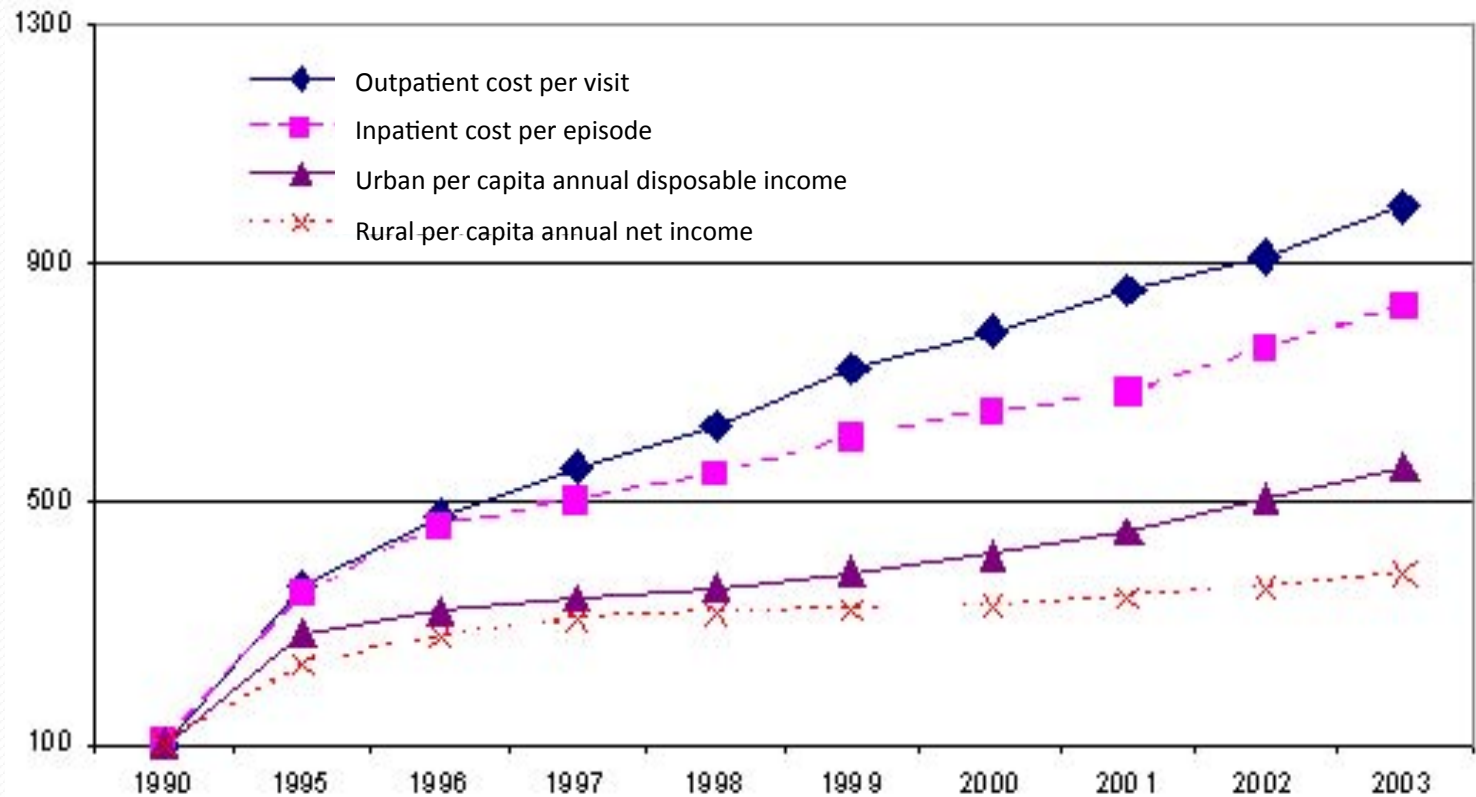
Health expenditure of BRICS countries(2011)

	Total expenditure on health as % of GDP	Government expenditure on health as % of total expenditure on health	Government expenditure on health as % of total government expenditure	Per capital total expenditure on health (PPP int. \$)
China	5.1	55.9	12.5	423
India	3.9	30.5	8.2	146
Russia	6.1	59.8	10.1	1354
Brazil	8.9	45.7	8.7	1035
South Africa	8.7	47.7	12.9	930
Lower middle income	4.4	36.6	8.1	163
Upper middle income	5.8	56.3	11.8	586

Background of the reform

- Collapse of all health security systems in 1990s
 - Public hospital but private fund-been treated more like a enterprise than a public sector
 - Hospitals rely on drugs for a large majority of their revenues-overuse of expensive drugs and test
- Ranging from a pure government delivery model to one radical driven by profit incentives


Background of the reform



Background of the reform

International Comparison in Public Health Spending (2003)

Item	China	Low income	Lower- middle income	Upper- middle income	High income
Public health spending/GDP (%)	2.0	1.3	2.5	3.7	6.7
Public health spending / total health expenditure (%)	36.2	29.1	43.7	57.2	63.9

 2006 World Health Report, the World Health Organization.

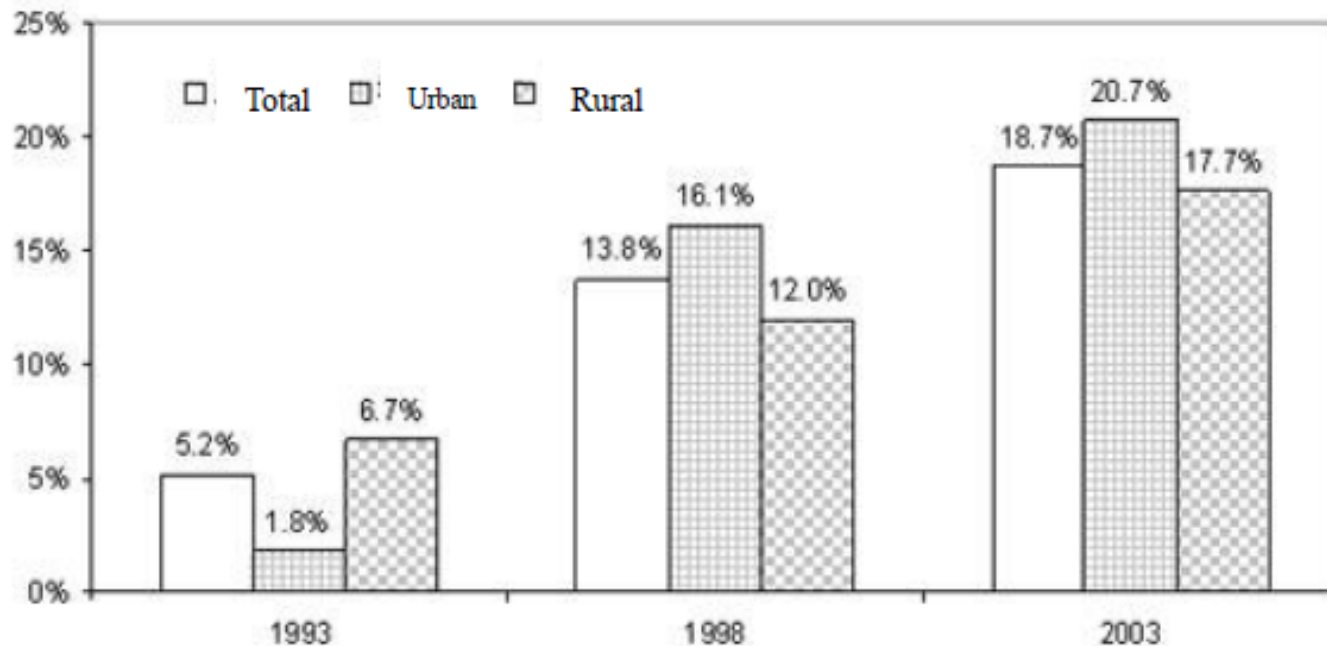
Background of the reform

Health security coverage of China during 1993-2003

	Urban			Rural		
	1993	1998	2003	1993	1998	2003
Urban employee basic medical insurance	--	--	30.4	--	--	1.5
Free health service for government employee	18.2	16.0	4.0	1.6	1.2	0.2
Labor insurance for state-owned employee	35.3	22.9	4.6	1.1	0.5	0.1
Rural cooperative medical scheme	1.6	2.7	6.6	9.8	6.6	9.5
Other social insurance	17.4	10.9	4.0	3.1	3.0	1.3
Commercial health insurance	0.3	3.3	5.6	0.3	1.4	8.3
Out of pocket	27.3	44.1	44.8	84.1	87.3	79.0

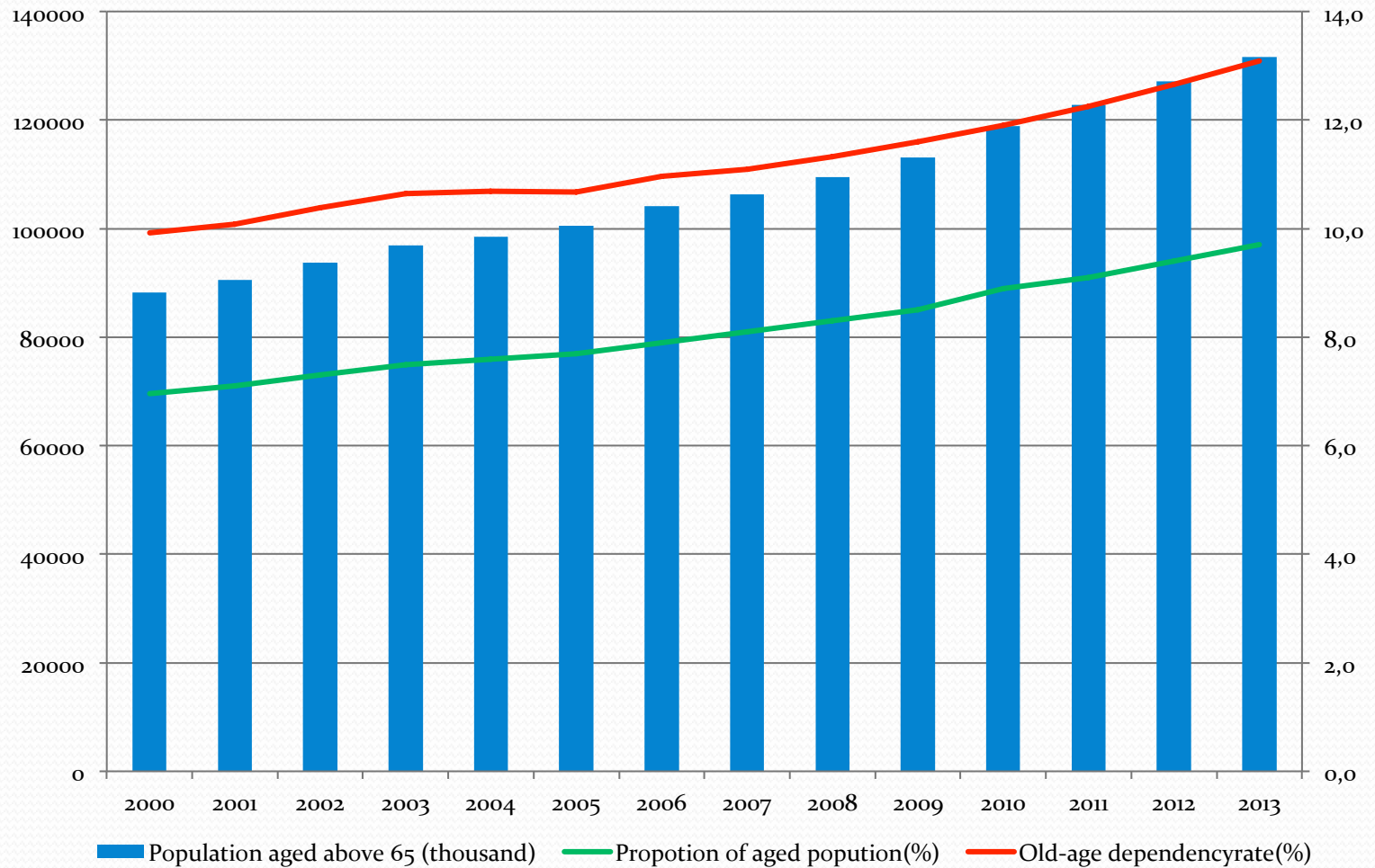
Background of the reform

Figure 1: % of People Failing to See Doctors Due to Financial Difficulties



Source: national health survey, 1993, 1998, 2003

Background of the reform



Background of the reform

Mortality Rate of 10 Main Diseases in Certain Region (2012)

Urban			Rural		
Cause	Mortality rate (1/100000)	%	Cause	Mortality rate (1/100000)	%
Cancer	164.51	26.81	Cancer	151.47	22.96
Heart Disease	131.64	21.45	Cerebrovascular Disease	135.95	20.61
Cerebrovascular Disease	120.33	19.61	Heart Disease	119.50	18.11
Diseases of the Respiratory System	75.59	12.32	Diseases of the Respiratory System	103.90	15.75
Injury and Poisoning	34.79	5.67	Injury and Poisoning	58.86	8.92

Goals of the reform

- Goals:
 - To improve the access to essential health services for the entire population.
 - The "people first" approach based on the understanding of health care as a basic public goods
- Sub-objectives:
 - To address the problem of inaccessible and expensive health care
 - To adapt to the changes in the population structure and disease spectrum and transform the health service model
- Strategy: seeking a hybrid model to suit for its hybrid economy

Policy Framework of “New Health Care reform”

- Reconstruction of the health security system
- Comprehensive reform of primary health care
- Reform of public hospital

Reconstruction of the health security system

- ✓ Urban Employee Basic Medical Insurance (URBMI)
- ✓ New Rural Cooperative Medical Scheme(NCMS)
- ✓ Urban Resident Basic Medical Insurance (URBMI)
- ✓ Medical Assistance Scheme

Reconstruction of the health security system

	Total		Urban		Rural	
	2011	2008	2011	2008	2011	2008
Health insurance for urban workers	14.8	12.7	47.4	44.2	2.9	1.5
Health insurance for urban residents	9.5	3.8	25.1	12.5	3.8	0.7
New rural cooperative medical system	69.5	68.7	13.4	9.5	89.9	89.7
Other social medical insurances	1.0	2.0	3.1	5.8	0.3	0.7
No medical insurance	5.2	12.9	10.9	28.1	3.1	7.5

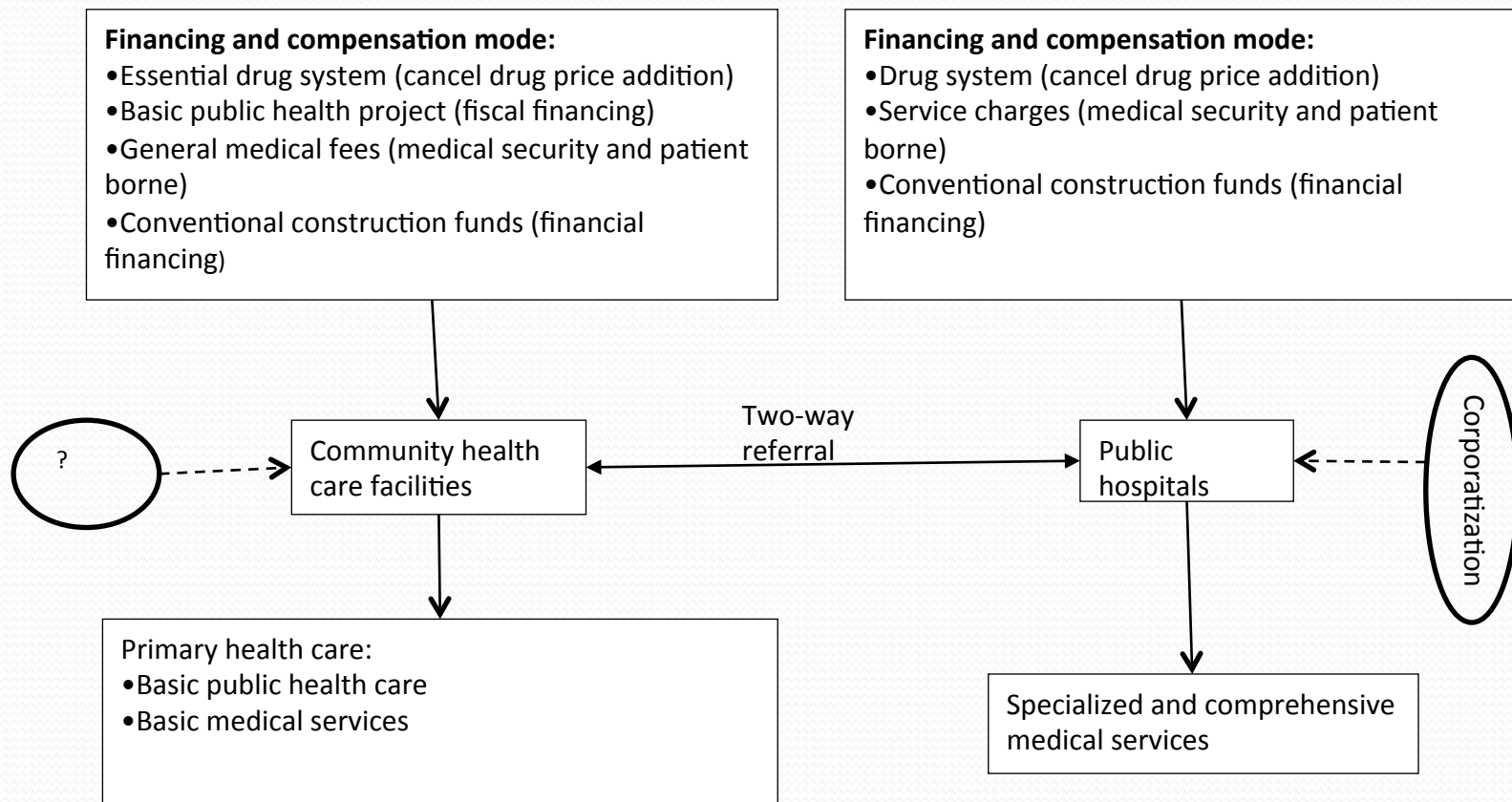
Comprehensive reform of primary health care

- **Essential drugs list implementation and the financial system reform**
- **The implementation of basic public health programm**
- **Training and institutional building of general practitioner**
- **Administration reform of community health care facilities**

Public Hospital Reform

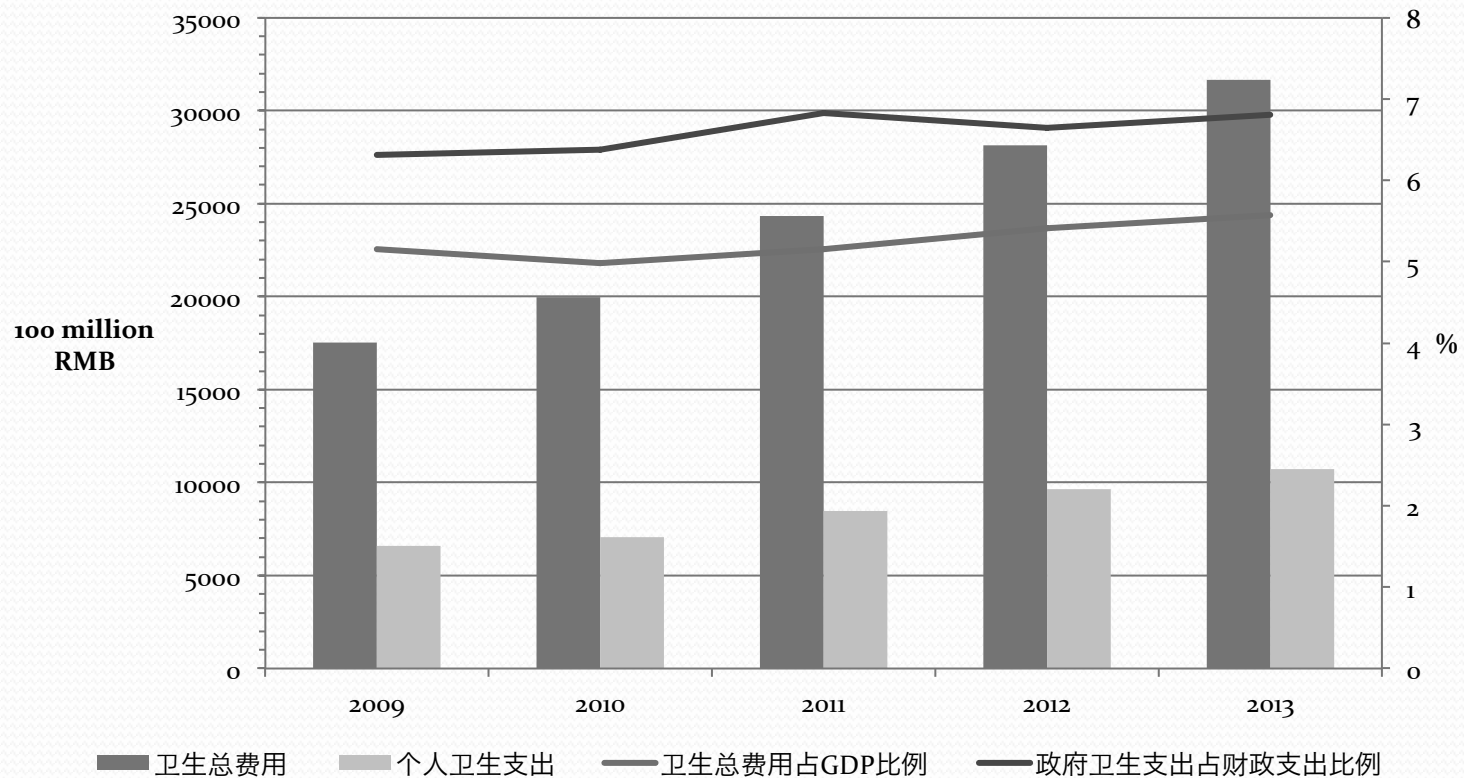
- **Compensation mechanism reform**
- **Salary reform**
- **Establishment of modern hospital management system**
- **Encouraging of the multiple investment**

Blueprint of new health care reform

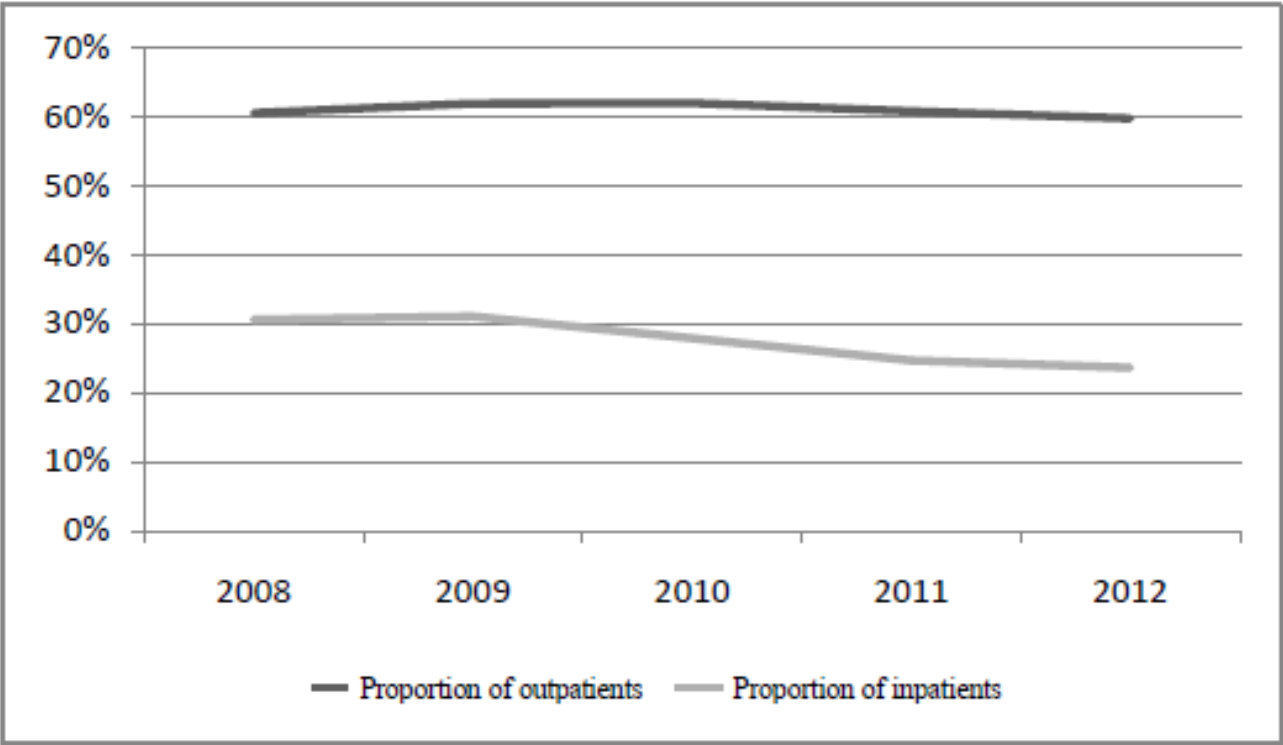


Blueprint of new health care reform

- Primary health care is funding mostly by tax and supervised by an administrative way
- Secondary health care is funding partly by social insurance, and public hospitals are regarded as independent corporation.



Proportion of Services of Community Health Care Facilities in all Health Services (%)



Provision of Medical Services over the Years

Year	Number of patients (100 million)			Number of inpatients (10,000)		
	Total	Hospitals	Community health care facilities	Total	Hospitals	Community health care facilities
2008	49.01	17.82	29.63	11,483	7392	3508
2009	54.88	19.22	33.92	13,256	8488	4111
2010	58.38	20.40	36.12	14,174	9524	3950
2011	62.71	22.59	38.06	15,298	10755	3775
2012	68.88	25.42	41.09	17,812	12727	4209

Number of beds in various health institutions (unit: 10,000 beds)

Year	2008	2009	2010	2011	2012
Hospitals	288.29	312.08	338.74	370.51	416.15
Public hospitals	261.0	279.3	301.4	324.4	357.9
Private hospitals	27.3	32.8	37.4	46.1	58.2
Community health care facilities	97.1	109.98	119.22	123.37	132.43
Specialized public health facilities	14.66	15.4	16.45	17.81	19.82
Other health care facilities	3.82	4.21	4.26	4.29	4.08
Total	403.87	441.66	478.68	515.99	572.48

Number of staff in various medical institutions (unit: 10,000 persons) ^[1]

	Number of staff		Health workers	
	2011	2012	2011	2012
Total	861.6	911.9	620.3	667.9
Hospitals	452.7	493.7	370.6	405.8
Public hospitals	398.1	428.2	328.6	355.5
Private hospitals	54.6	65.5	41.9	50.2
Community health care facilities	337.5	343.7	196.3	205.2
Specialized public health facilities	64.1	67	49.8	53.2
Other institutions	7.3	7.5	3.6	3.7

^[1] Unless otherwise stipulated, the data in this article is from the statistical yearbook over the years published by the Ministry of Health, the statistical abstract, statistical bulletins and monthly reports.

What's happening after 5 years reform?

- The resource of health care increased substantially
- Private sector has a quick development
- The cost of health care is still high
- More patients choose hospitals instead of community health care facilities
- The reform of public hospital is still in argument

Challenging in the future

- Ideology: Ongoing debate of government approach faction and market approach faction
- Institutions:
 - The reform of public hospital
 - The construction of health management model
 - The segmented social services
- Capacity: The capacity building of medical service

-Is the discussion about ideology necessary?

-Should we think more about the change of population structure and disease spectrum(elderly and migrant population)?

-How to understand the relation between social goals and social services



What's the value of comparative study in social policy?



Thanks

And welcome for questions
and comments