



China's Health System: Achievements and Challenges

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Topics on:

Context

Organization and governance

Financing

Resources

Delivery

Health reforms

Assessment

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**People's Republic of China
Health System Review**



Asia Pacific Observatory
on Health Systems and Policies

Background

High economic growth;

More resources available for health;

Continuously increasing demand for health and health care by the people;

More complicated health challenges from pollutions, popu ageing, NCDs, and food safety

Economic indicators

Indicators	1990	2000	2013
Gross domestic product (GDP, billion US\$)	360.0	1198.5	9240.3
GDP at PPP (current international \$, billion US\$)	1110.0	3616.3	16161.7
GDP per capita (US\$)	314.4	949.2	6807.4
GDP per capita at PPP (current international \$)	1006.6	2864.1	11906.5
Annual GDP growth (%)	4.1	7.6	7.7
Public expenditure (% of GDP)	14.1	15.8	14.1

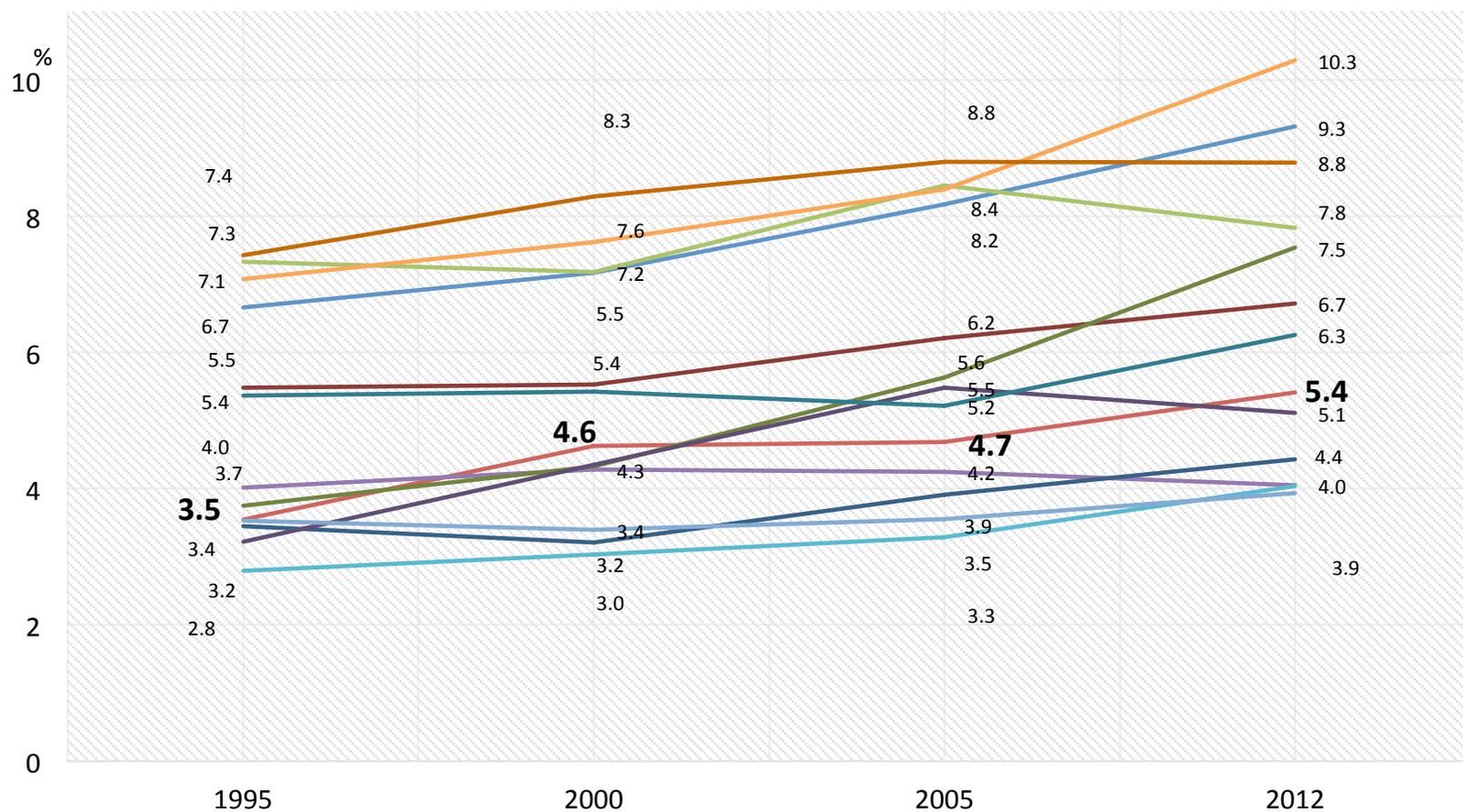
Data source: World Bank 2015

Health system indicators

Indicators	1990	2000	2013
Proportion of total health expenditures in GDP (%)	4.0	4.6	5.6
Proportion of out-of-pocket payment in total health expenditures (%)	35.7	59.0	33.9
Number of health professional workers per 1,000 population	3.4	3.5	5.2
Number of hospital beds per 1,000 population	2.6	2.5	4.5

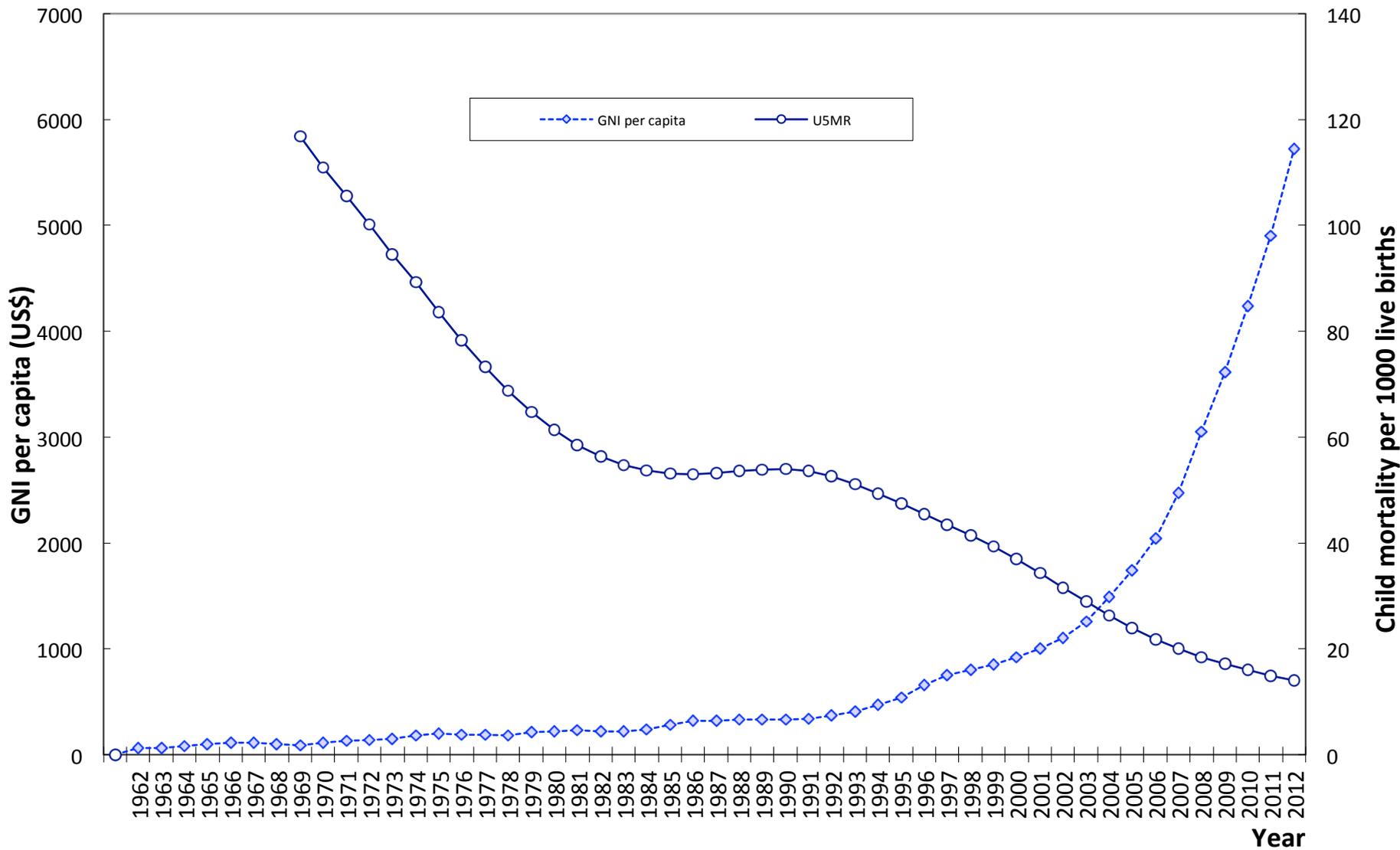
Data source: China National Health and Family Planning 2015

Health expenditure as a share (%) of GDP in China and selected countries, 1995–2012



- Brazil
- China
- Hungary
- India
- Malaysia
- New Zealand
- Philippines
- Poland
- Republic of Korea
- Romania
- Russian Federation
- South Africa
- Thailand

From: China HiT 2015



Source: World Bank, World Development Indicators (2014)

http://data.worldbank.org.cn/country/china#cp_wdi

Achievements

A national goal for universal health coverage;

Rising role of health in political and economic agenda;

An institutional arrangement in health financial protection;

Increased public funding for health; and

Capacities in health care delivery.

China's health systems reform

-One goal

Universal coverage to basic health care

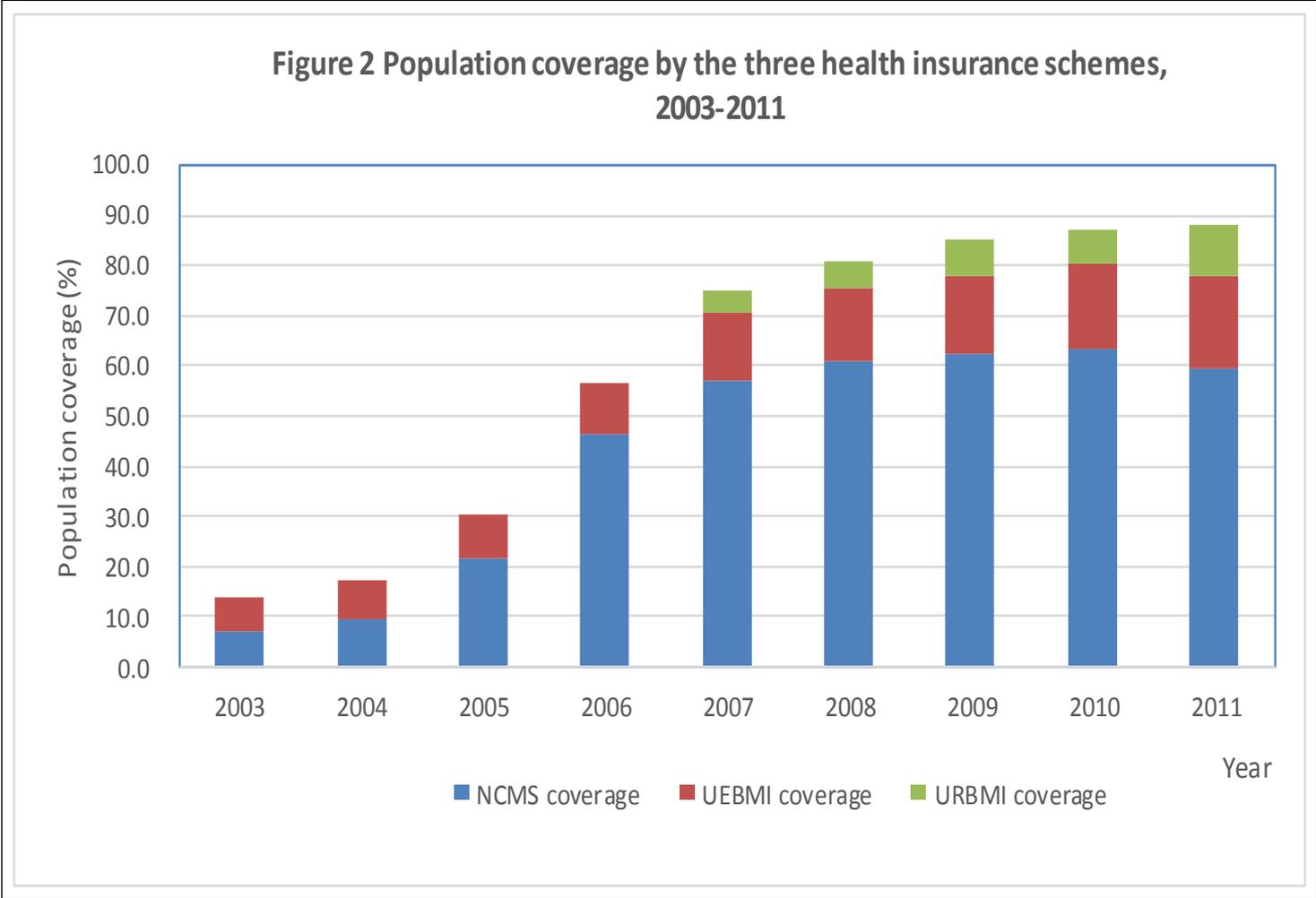
-Four systems (si liang)

Systems of public health, medical care, health security, and essential medicines

-Eight strategies (ba zhu)

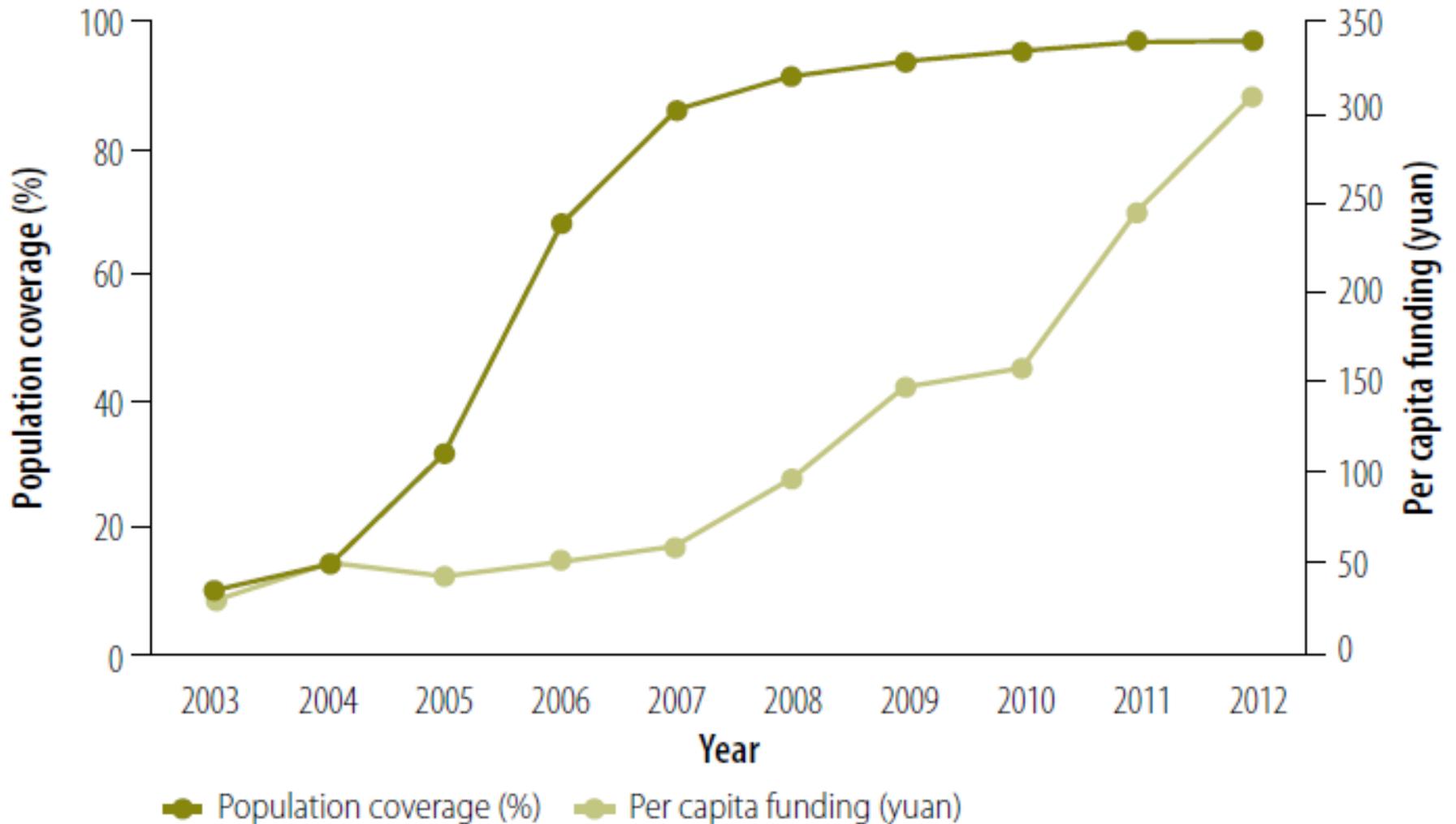
Concrete strategies and policies, covering areas such as financing, human resources, regulation, and information

Coverage of the three health insurance schemes

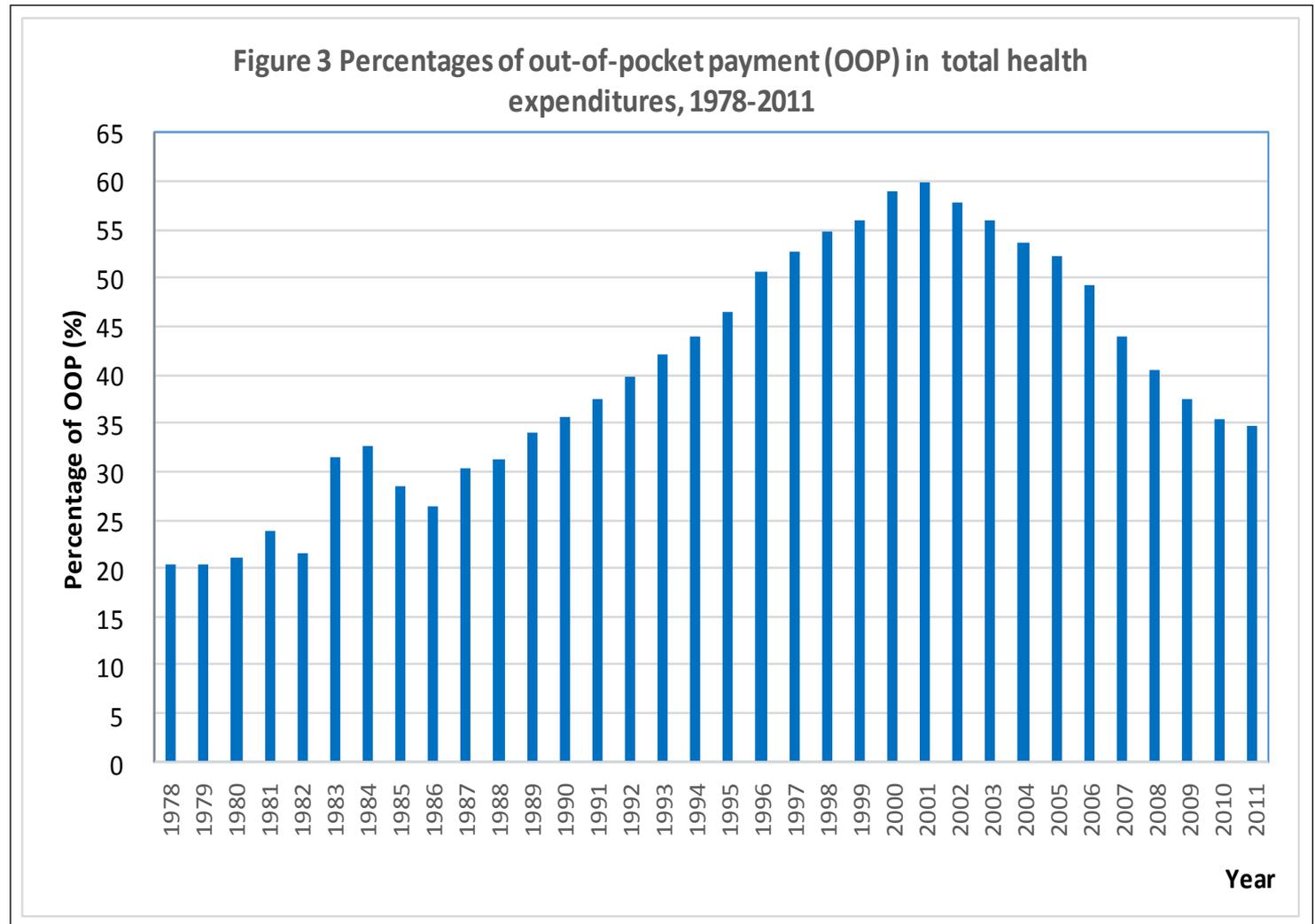


Data source: China health statistics year book, 2007-2012 [12]; China Statistics 2010-2012 [13]; China Labor Statistics 2010-2011

Fig. 1. Population coverage and per capita funding for a rural cooperative medical scheme, China, 2003–2012

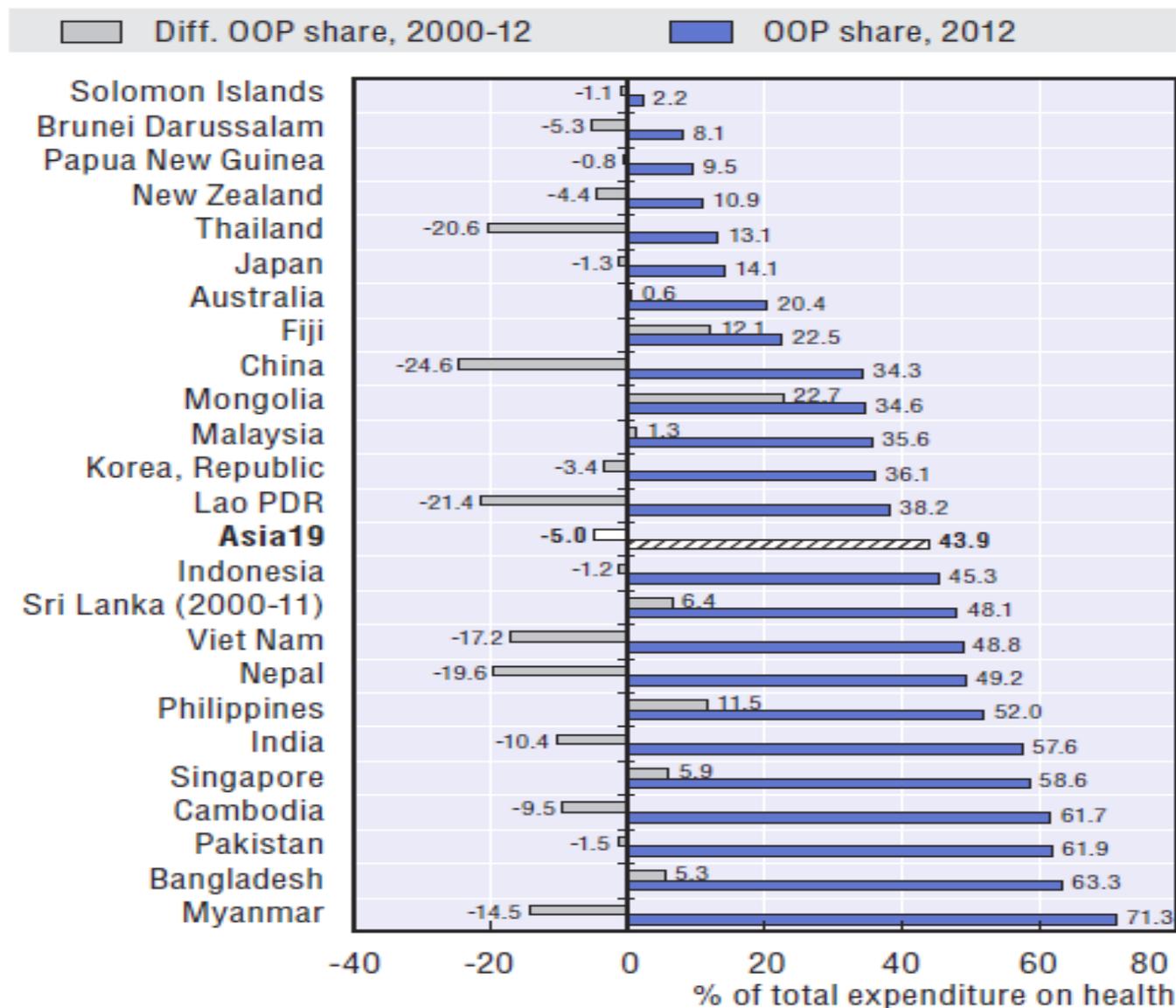


% out-of-pocket payment



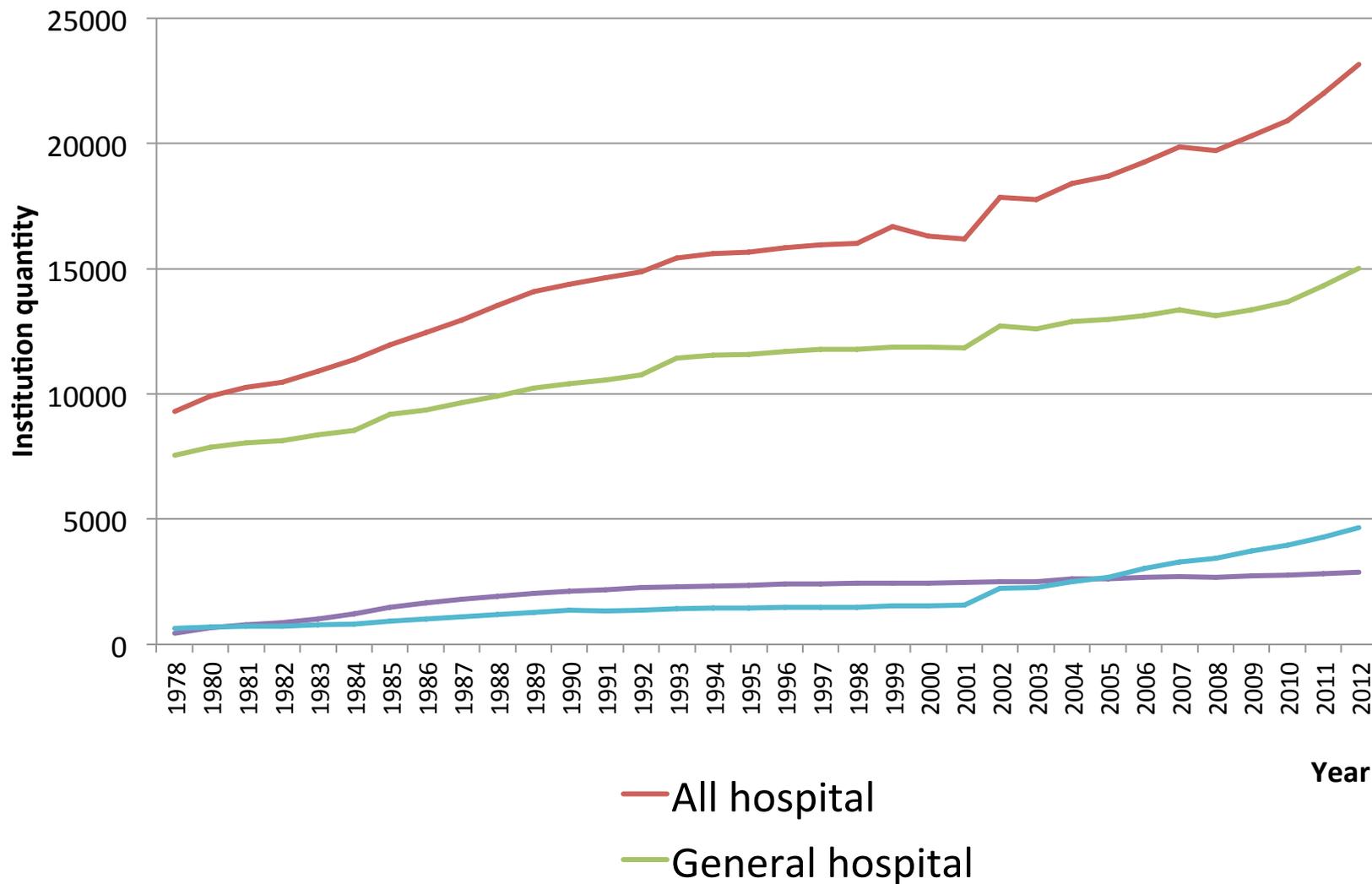
Data source: Report on China's Health Account Study, 2012

Change in out-of-pocket spending as a share of total expenditure on health, 2000-12



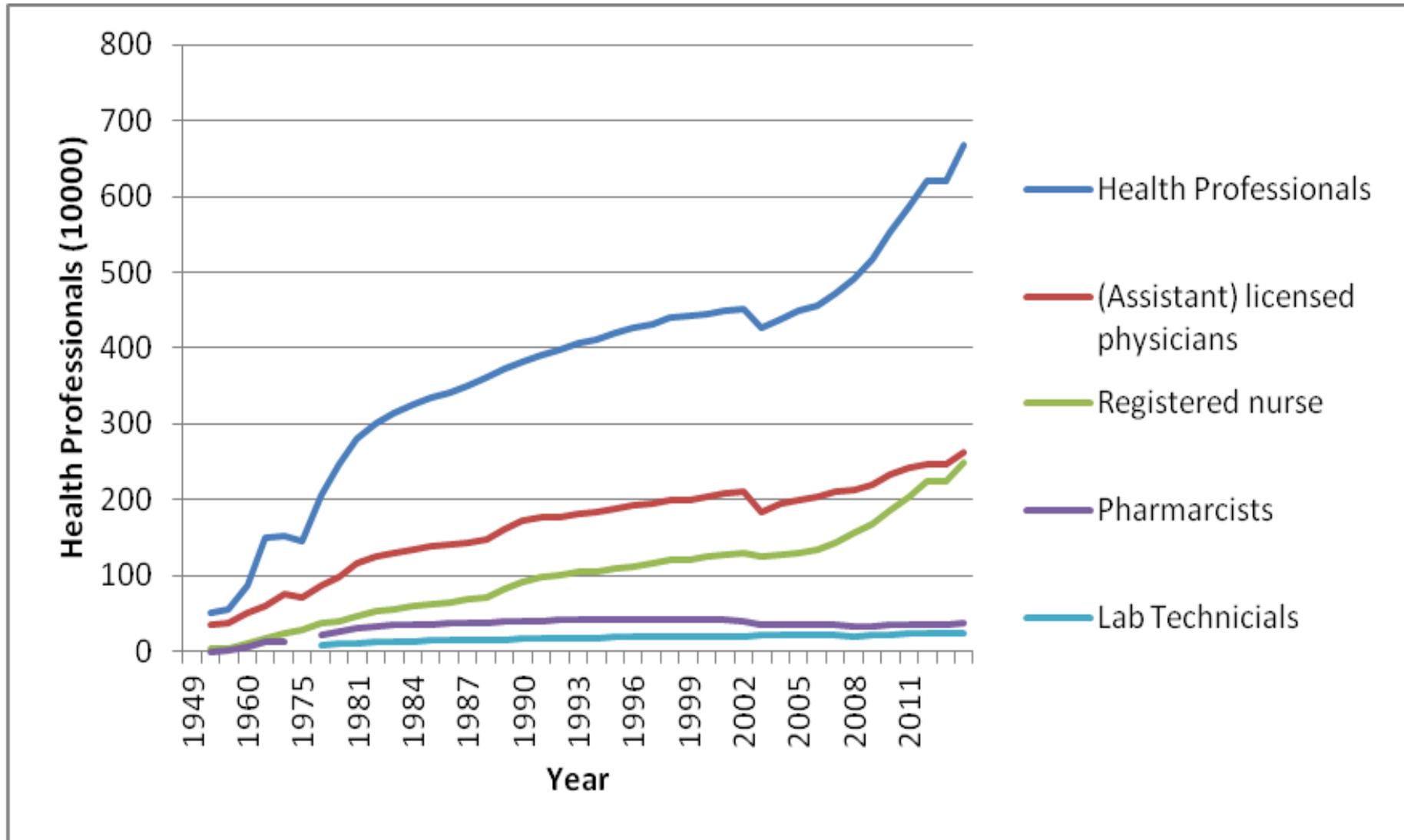
Source: World Health Organization and OECD, 2014

Quantity of health institutions in China, 1978–2012



Source: Ministry of Health, 2013

Changes in total health professionals in China, 1949 to 2012

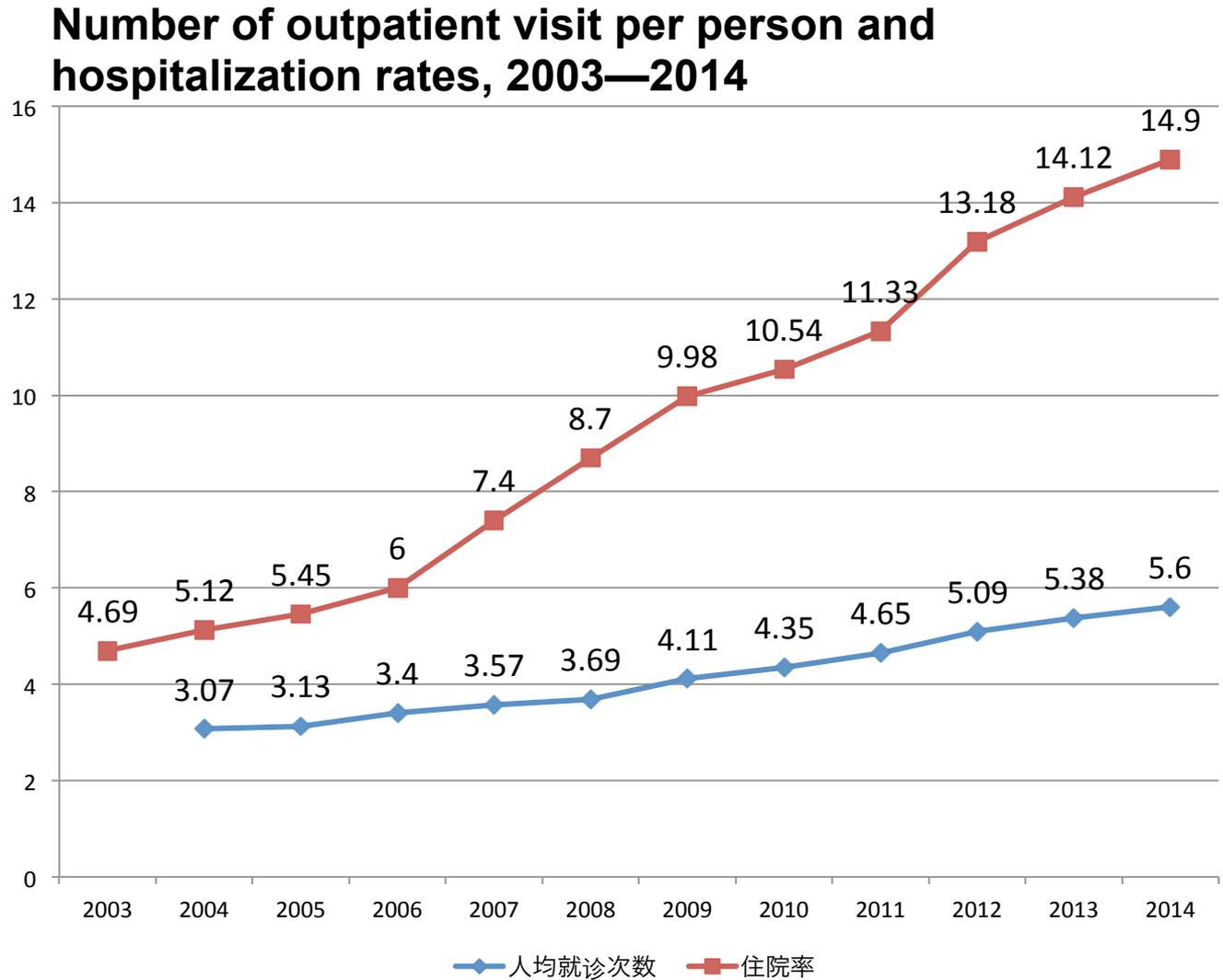


Source: Ministry of Health, 2013

Health care utilization

Driving forces:

- Availability of financial protection mechanisms
- Income
- NCDs
- Popu ageing
- Others



Data source: China Health Statistics Yearbook 2014 and Digest 2015

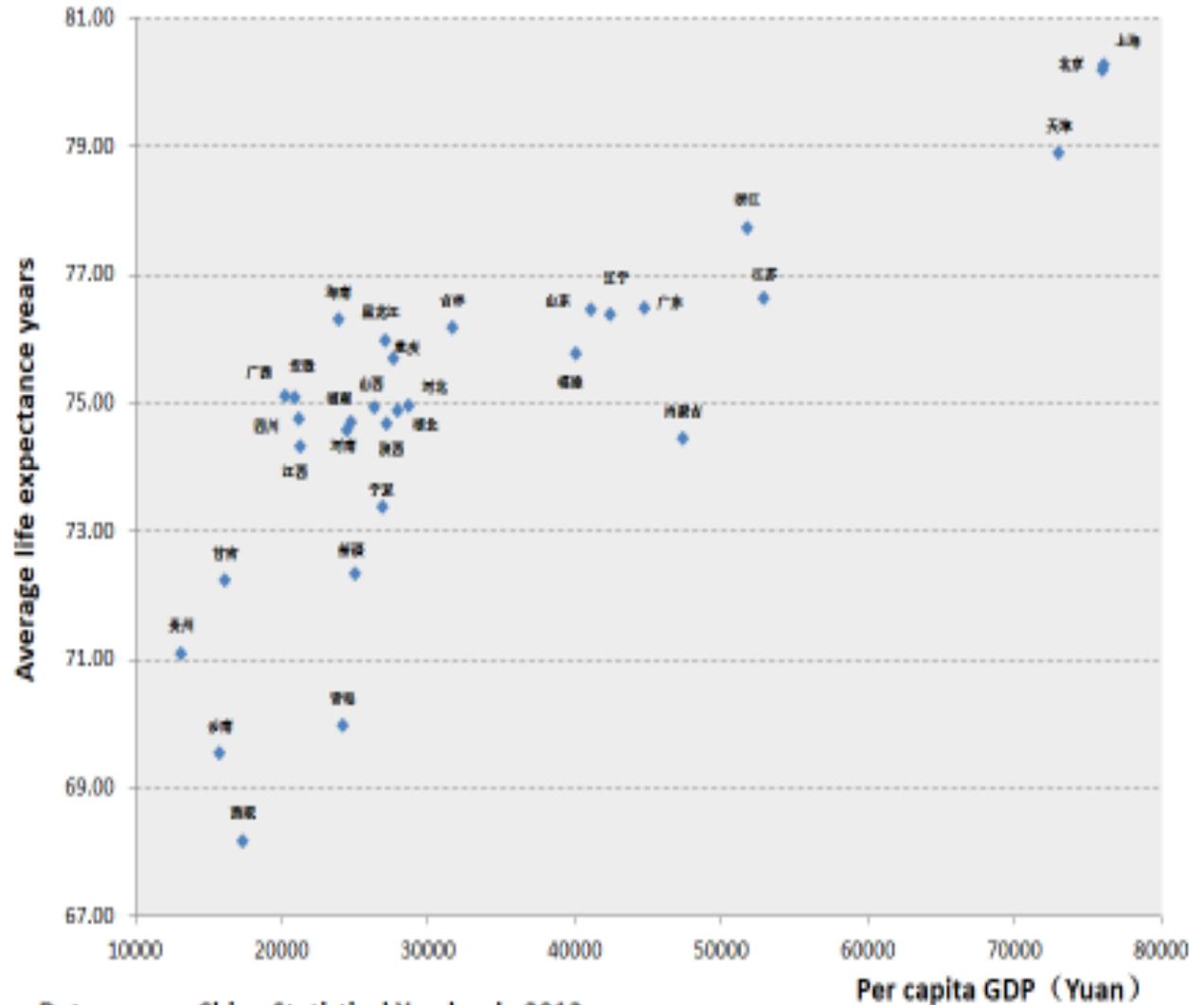
Challenges

Inequalities in health;
Inequitable coverage of health programs;
Hospital-centered health delivery system;
Inefficiency in use of health resources; and
Low quality of health care.

Life expectancy years at birth by province in 2010

-Gap of life expectancy years between the richest and poorest provinces: 9 years old (2010)

-Ratio of IMR (rural/urban): 2.4 (2005)



Data course: China Statistical Yearbook, 2012

Fragmented health insurance schemes vertically and horizontally

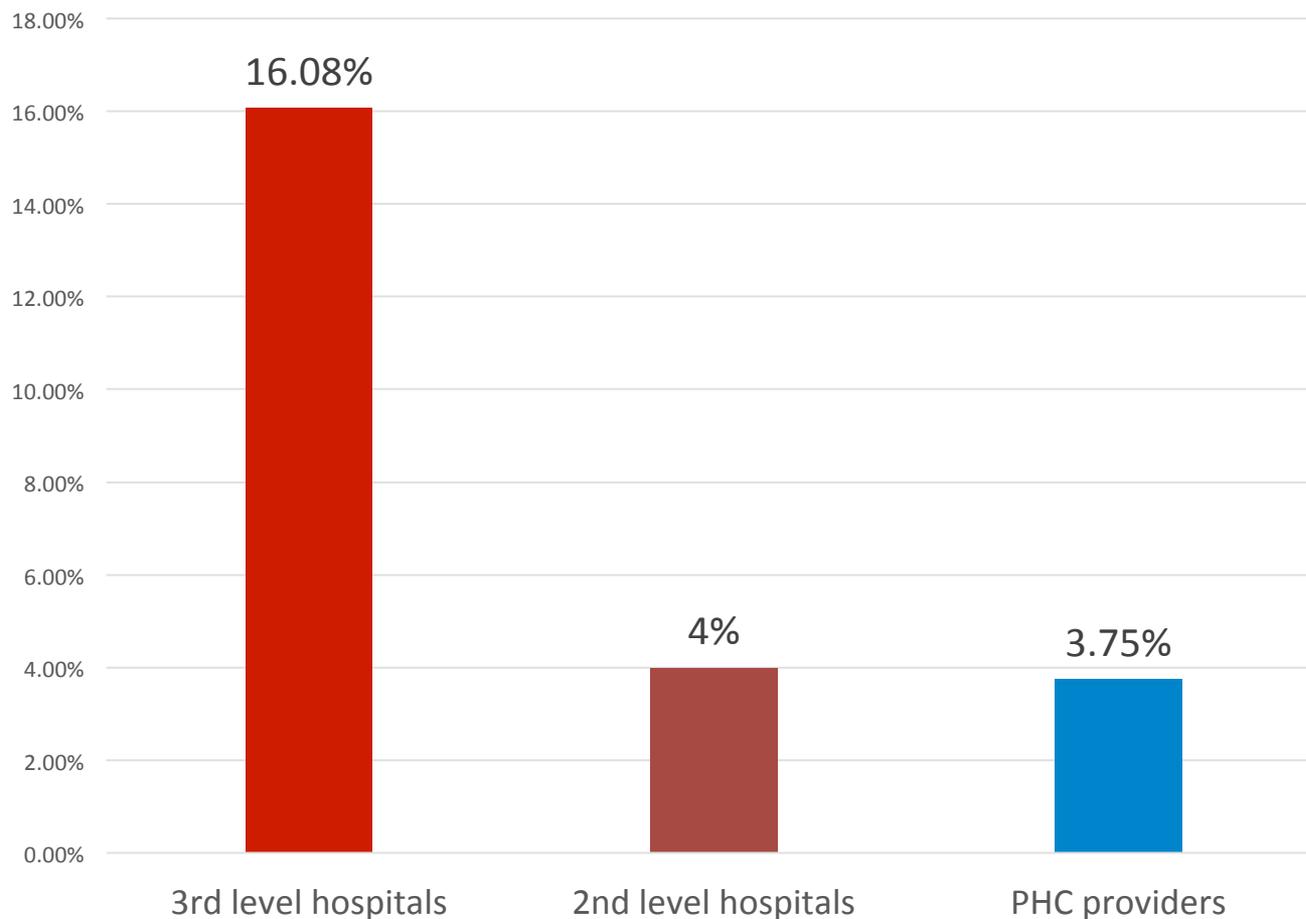
	NCMS	URBMI	UEBMI
Inception year	2003	2007	1998
Eligible population	Rural, employed and non-employed	Urban, non-employed	Urban, employed
Number of people insured (millions)	802	296	274
Population coverage	98.7%
Source of funding	Government subsidy (80%) and individual premium (20%)	Government subsidy (70%) and individual premium (30%)	Contributory (8% of annual payroll, 6% from employers, and 2% from employees)
Per-capita fund (US\$)	\$61.2	\$66.2	\$424.7
Number of funding pools	2852 (counties)	333 (municipalities)	333 (municipalities)
Service package	Limited	Limited	Comprehensive
Annual admission to hospital rates	9.1%	7.1%	11.3%
Rate of physician visits for 2 weeks	12.5%	12.4%	13.4%
Number of drugs covered	800	2300	2300

Data source: Meng et al. *Lancet*, 2015

Annual increase rate of health professionals in health facilities, 2010-2013

2010-2013:

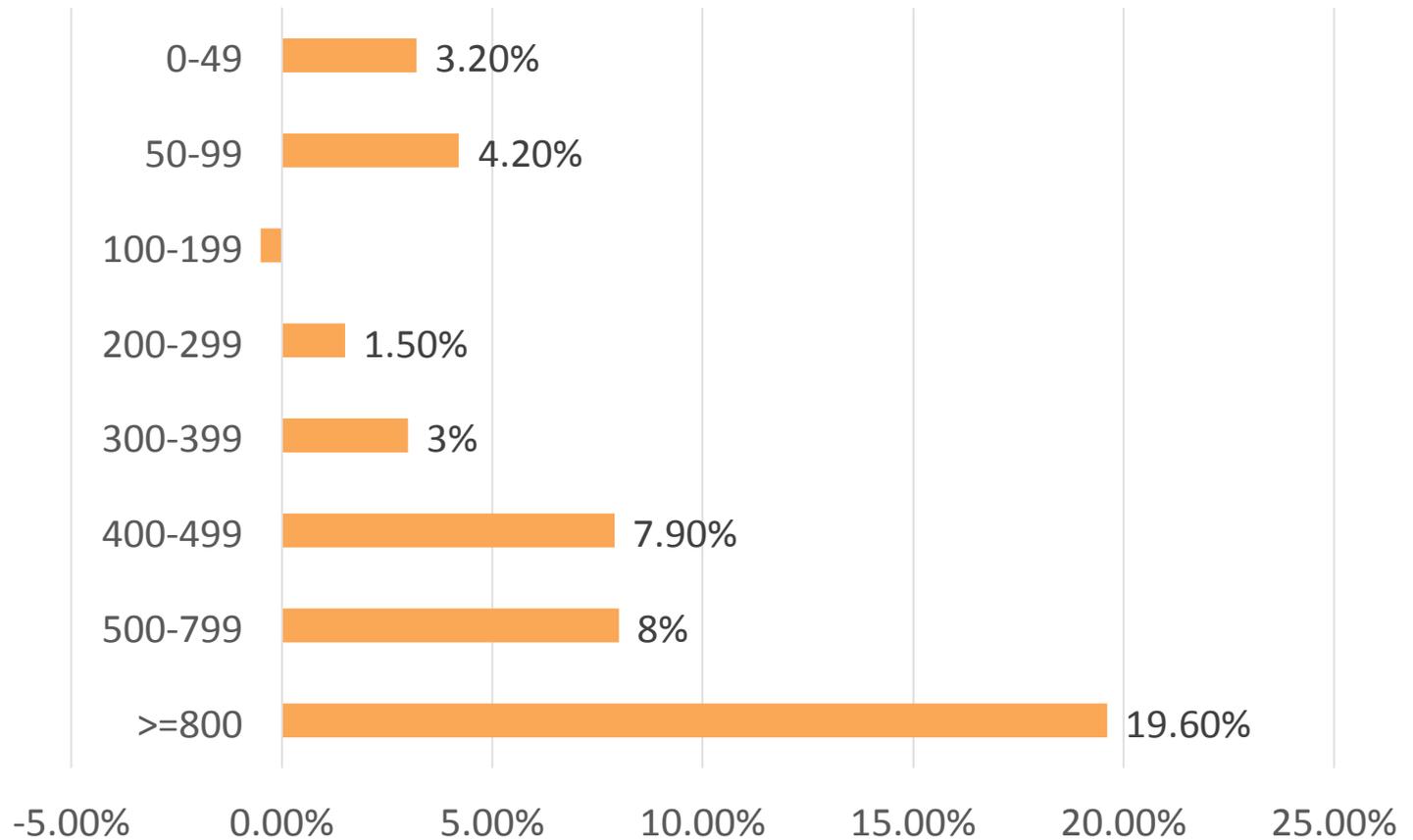
-% of health professionals of community health facilities in total health professionals decreased from 32.6% to 29.7%
-while increased from 19.9% to 25.3% in 3rd level hospitals



Data source: China Health Statistics Yearbook 2014

Growth of health facilities has concentrated in large hospitals (hospital beds ≥ 800 , 243 hospitals in 2004 and 1212 in 2013)

Annual growth rate of number of hospital by number of hospital beds, 2004-2010

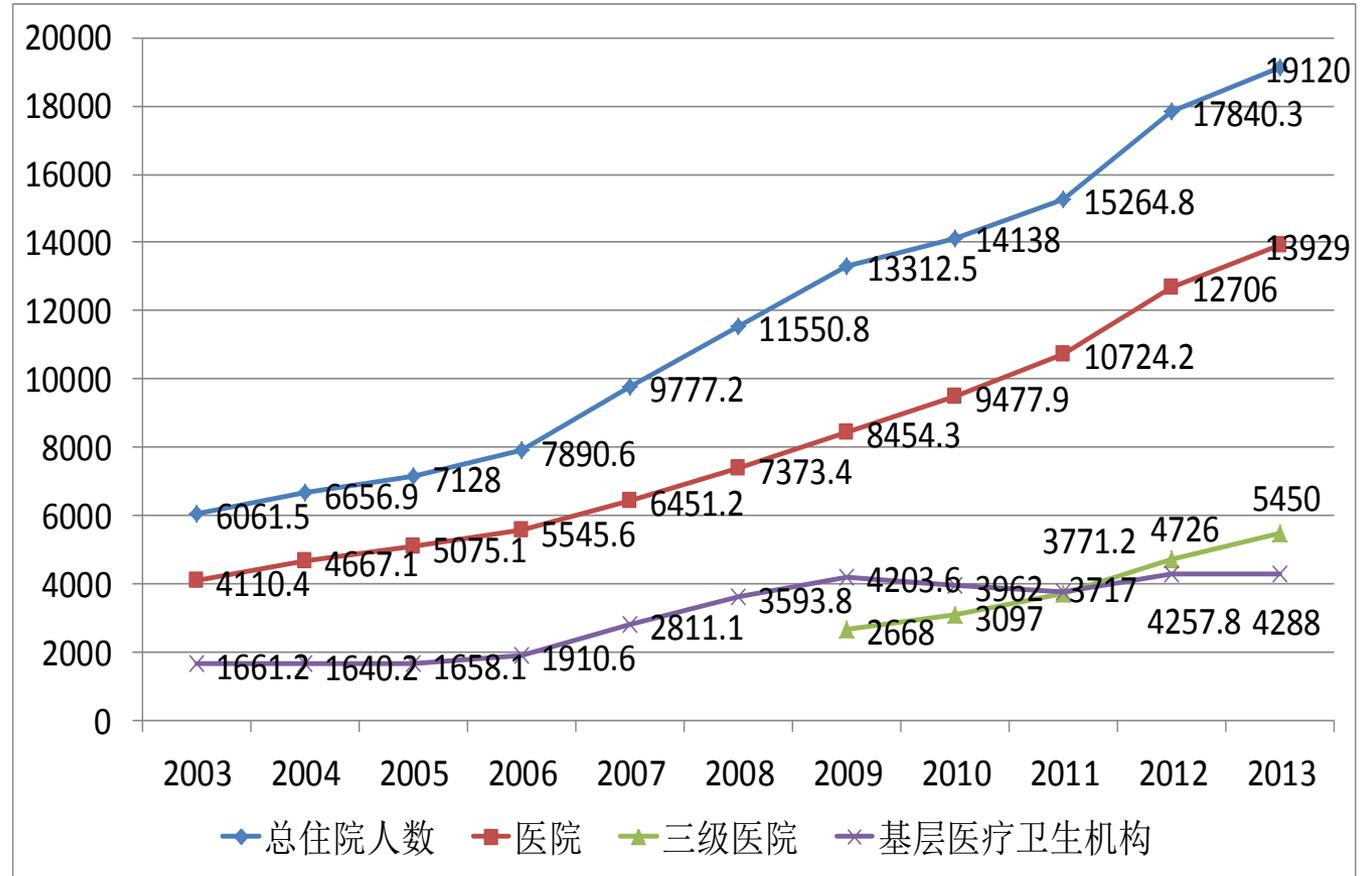


Data source: China Health Statistics Yearbook 2014

Distribution of the inpatient care, 2003-2013

Distribution of the utilization:

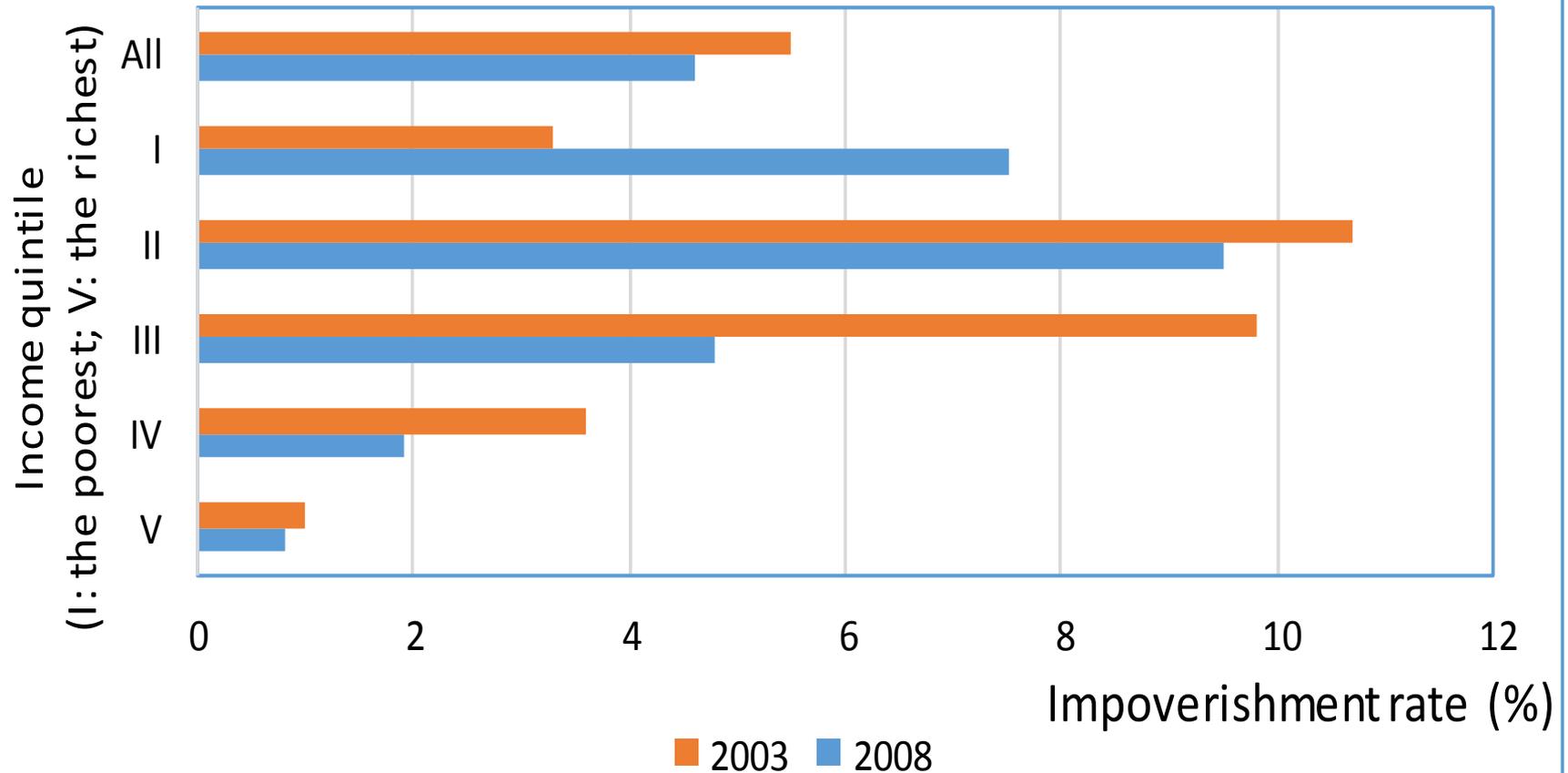
- Stagnated growth in primary health institutions;
- The turning point of 3rd level hospitals and PHC providers in 2011;



Data source: China Health Statistics Yearbook 2014

Impoverishment rates due to diseases

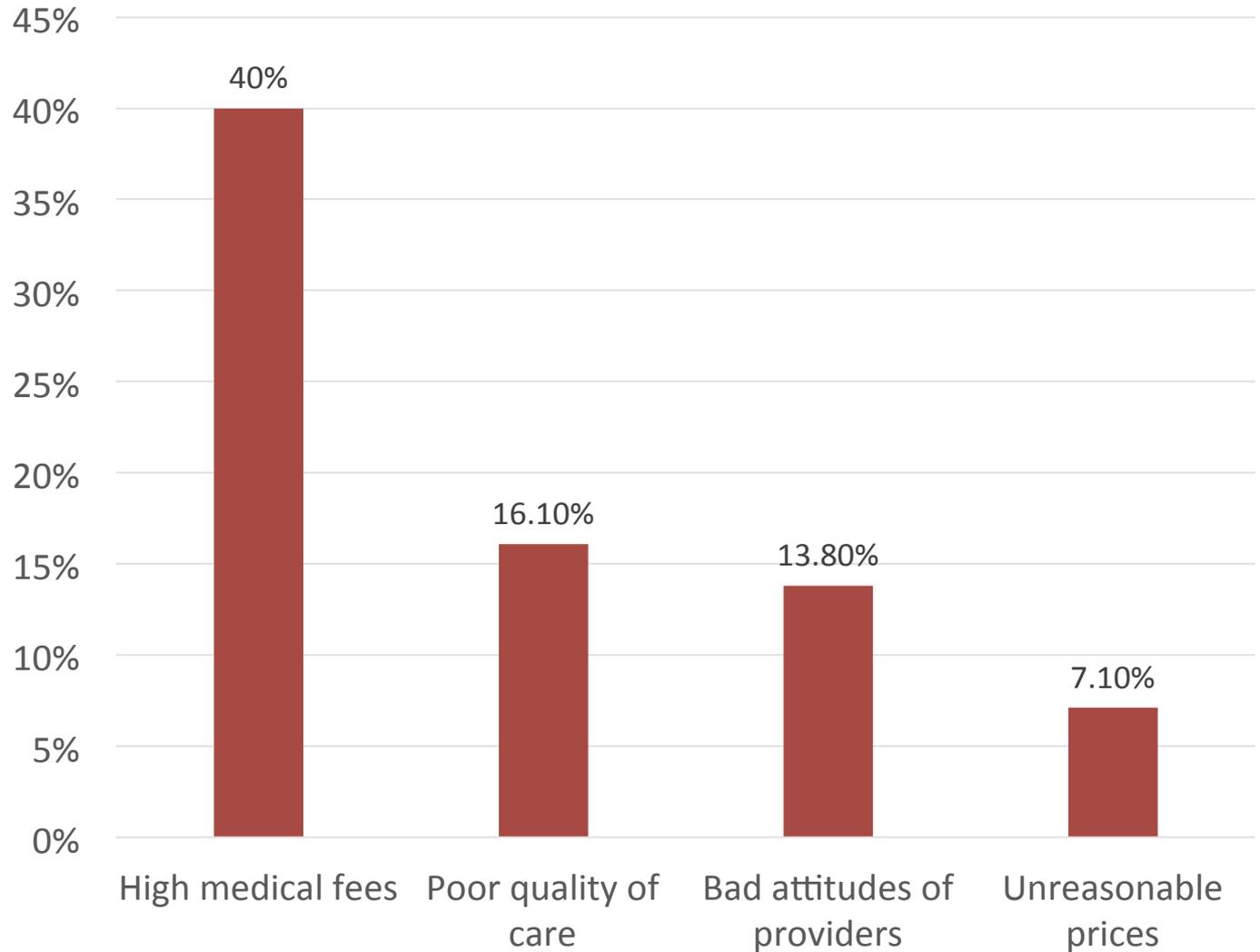
Figure 4 Percentage of households below poverty line due to medical expenditures (%)



Data source: Meng and Xu, PLOS Medicine, 2014

Top four reasons of patients' complaints

Both cost and quality of care are much concerned



Data source: National health service survey, 2013

The way forward

A people- and PHC-centred health care system;
Consolidation of the health financing systems;
Integration of the health care delivery system;
Strengthening of human resources in health; and
Improvements in governance and regulation.

Thanks for your attentions!