

China



China achieves near-universal coverage through the provision of publicly funded basic medical insurance. The urban employed are required to enroll in an employment-based program that is funded primarily via employer and employee payroll taxes. Other residents can voluntarily enroll in Urban-Rural Resident Basic Medical Insurance, financed primarily by central and local governments through individual premium subsidies. Local health commissions organize public and private health care organizations to deliver services. The basic medical insurance plans cover primary, specialty, hospital, and mental health care, as well as prescription drugs and traditional Chinese medicine. Deductibles, copayments, and reimbursement ceilings apply. There is no annual cap on out-of-pocket spending. Complementary private health insurance helps cover cost-sharing and coverage gaps.

HEALTH CARE DELIVERY AND PAYMENT

General practitioners (GPs) work in hospitals and receive a base salary along with activity-based payments. Patients are encouraged to see GPs in rural township and urban community hospitals, which are regarded as primary care facilities. Primary care is also delivered by unlicensed village doctors in rural clinics. *Patient cost-sharing:* Copayments are USD 1.40–2.82 but vary by region and clinic/hospital level. Free preventive services, such as immunizations, are covered under a separate public health benefit package.

Specialists are employed by and usually work in hospitals. They receive a base salary plus activity-based payments. They cannot bill above the fee schedule. Patients can usually see specialists without a GP referral. *Patient cost-sharing:* Copayments vary by region, level of clinic/hospital, and type of specialist.

Hospitals can be public or private, nonprofit or for-profit. The government encourages the use of community and township hospitals over tertiary hospitals. Payment is primarily fee-for-service. *Patient cost-sharing:* Copayments vary by region, hospital level, and insurance plan.

Prescription drugs are covered. *Patient cost-sharing:* Varies by region and insurance plan. In Beijing, copayments were about 50 percent to 80 percent of the cost of the drug in 2018, depending on hospital type.

Mental health care is provided in psychiatric hospitals and in the psychology departments of tertiary hospitals. Mild illnesses are treated at home or in the community. Outpatient and inpatient mental health services are covered by both the public health insurance programs. *Patient cost-sharing:* Varies.

DEMOGRAPHICS

1.41B

Total population

11.2%

Population age 65+

HEALTH SYSTEM CAPACITY & UTILIZATION

2.0

Practicing physicians per 1,000 population

2.7

Nurses per 1,000 population

4.3

Hospital beds per 1,000 population

173

Hospital discharges per 1,000 population

All costs are in U.S. dollars, adjusted for cost-of-living differences.
Conversion rate: USD 1.00 = CNY 3.55.



Long-term care is not covered under public health insurance. It is provided mainly by family members at home, in accordance with Chinese tradition. Caregivers do not receive financial support or tax benefits. There are few formal long-term care providers. *Patient cost-sharing*: Expenses in long-term care facilities are paid almost entirely out-of-pocket.

Care coordination is being pursued by regional hospital groups, which often consist of one tertiary hospital and several secondary hospitals and primary care facilities. The aim is to reduce the need for people to visit tertiary hospitals, while ensuring that patients with serious health problems can be easily referred to these facilities and moved back to primary care facilities after their conditions improve.

TOTAL HEALTH EXPENDITURES

In 2018, total health spending accounted for approximately 6.6 percent of China's GDP; 28 percent was financed by the central and local governments.

RECENT REFORMS

- In 2018, the 13th National People's Congress unveiled a plan for restructuring its biggest cabinet (the State Council) to improve efficiency and public services.

SPENDING

\$688

Health care spending per capita

\$247

Out-of-pocket health spending per capita

HEALTH STATUS & DISEASE BURDEN

76.5

Life expectancy at birth (years)

6.6%

Obesity prevalence

This overview was prepared by Hai Fang.

Data: 2019 OECD Health Data except obesity data, which represent WHO estimates from 2016.