Health Poverty Alleviation Project (HPAP) in China

He Dan, Director-General
China Population and Development Research Center

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Background & Significance
Poverty trends in rural China since 2010

Notes: 1. Based on the standard in 2010; 2. Data from China Statistical Yearbook and the Statistics Bulletin of China on the National Economic and Social Development.

Poor Population Distribution in China

Concentrated in 22 provinces and autonomous regions in central and western China
Commitment of the Government

“Three Tough Battles” China is determined to fight for 2017-2020 in order to deliver a moderately prosperous society by 2020:

- Preventing and resolving major risks
- Conducting targeted poverty alleviation
- Controlling environmental pollution

Global Cause of Poverty Reduction

- **2030 Sustainable Development Goals**
  Ending poverty in all its forms everywhere (Goal 1) has been adopted by the international community as the central tenets of SDGs.

- Poverty reduction in China is a big part of the global efforts in lifting people out of poverty
Illness: the most prominent poverty-causing factor among rural poor

Proportion of the illness-stricken poor households by the end of 2015

- Illness-stricken poor households: 44.1%
- Poor households due to other causes: 55.9%

Average annual medical expenses of seriously ill patients in rural poor areas: about 8,000 yuan.

V.S.


Health Poverty Alleviation Project (HPAP)

- In June 2016, the Guiding Opinions on the Implementation of HPAP was jointly issued by 15 ministries including the former National Health and Family Planning Commission and the State Council Leading Group Office of Poverty Alleviation and Development.
- This document illustrates the policy framework, action plans, and the goals by 2020.
Aspect 1: Making disease treatment affordable

- Improve the financing level for basic medical insurance for urban and rural residents
- Provide premium subsidies for the rural poor to enroll in basic medical insurance, ensuring 100% coverage of rural poor
- Increase reimbursement rates for hospitalization expenses
- Improve medical assistance for serious and catastrophic diseases
- Establish supplementary insurance mechanisms
**Aspect 1: Making disease treatment affordable**

Percentage distribution of medical spending for poor patients registered by the government, by source of payment

<table>
<thead>
<tr>
<th>2016</th>
<th>2018</th>
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<tbody>
<tr>
<td>42%</td>
<td>67%</td>
</tr>
<tr>
<td>4%</td>
<td>18%</td>
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<tr>
<td>2%</td>
<td>6%</td>
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<tr>
<td>52%</td>
<td>9%</td>
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- **Basic health insurance**
- **Out-of-pocket**
- **Social assistance**
- **Supplementary guarantee**

**Treatment before Payment & “One-stop” Real-time Reimbursement Policies**

- Allow poor patients pay no upfront deposits upon hospital admission and make only out-of-pocket payment for hospital bills upon discharge, so as to ease their burden of advance payment.
- Currently, 822 out of 832 national poverty-stricken counties have achieved one-stop settlement.
## Aspect 2: Providing effective treatment

### Categorized disease treatment strategy

<table>
<thead>
<tr>
<th>Patients with serious diseases</th>
<th>Patients with chronic diseases</th>
<th>Patients with catastrophic diseases</th>
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<td>- Provide centralized treatment assistance by taking the measures of “Four Determinings (determining clinical pathway, designated medical institutions, standard of charge for specified diseases, and reimbursement rates)” and “Two Strengthenings (strengthening accountability and quality management)”</td>
<td>- Issue health cards for poverty-stricken people in rural areas, prioritize family doctor contracting services, and provide standardized management and health services for key chronic diseases including hypertension and diabetes.</td>
<td>- Implement basic guarantee provided by governments, and realize “one-stop” reimbursement by relevant medical insurance and assistance policies at designated hospitals via unified information platform.</td>
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### Aspect 2: Providing effective treatment

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<td>- More than 1 million patients received centralized treatment.</td>
<td>- More than 20 million poor families have been assigned contracted family doctors who would visit homes to provide follow-up services on a regular basis.</td>
<td>- Nearly 1 million patients have received basic guarantee by provided government and medical assistance, which would ensure a basic standard of living while under treatment.</td>
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<td>- Out-of-pocket ratio was 8.12% in 2018.</td>
<td>- 10 million patients with common high incidence diseases and chronic diseases are able to receive timely diagnosis and treatment at the county, township and village health institutions.</td>
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Aspect 3: Making health services more accessible

- **Improvement of facilities of health institutions**
  - Accelerate the standardized construction of medical and health institutions at county, township and village levels.

- **Comprehensive training and use of health professionals**
  - Increase tuition-waived medical education; promote training of local general practitioners in rural areas; by 2020, each township hospital has 1 GP.

- **Partner assistance by tertiary hospitals**
  - Assist aided county hospital with capacity enhancement and send medical teams to poor areas to provide on-site clinic and mobile medical services.

- **Acceleration of telemedicine services development**
  - Establish telemedicine networks that connect tertiary hospitals with county hospitals; make full use of distance education and telemedicine.

- **Innovation in management mechanisms of medical institutions**
  - Implement integrated county-township-village management; build county-wide hierarchical health service system.

Aspect 4: Making poor people less vulnerable to diseases

- **Prevention & Control of Infectious Diseases**
- **Maternal & Child Health Services**
- **Patriotic Health Campaign & Health promotion**
Achievements & The Way Forward

Achievement: Lifting People Out of Poverty

As of the end of 2018

- 58.2% illness-stricken poor households registered by the State Council Leading Group Office of Poverty Alleviation had shaken off poverty.

- More than 97% of poor patients were hospitalized for proper treatment or received contracted family doctor services.
**Achievement: Notable Improvement of Medical and Health Services in Poor Areas**

### Fiscal support

- From 2016 to the first half of 2018, the central government arranged special investment totaling **RMB 70.6 billion** to support construction of **5,099 medical and health services projects**.
- Among which, **RMB 61.8 billion** were utilized for construction of **4,391 medical and health care facilities** in the provinces where poverty-stricken areas are located.

### Partner assistance

- 963 tertiary hospitals had been organized to assist **1,180 county-level hospitals** in **834 poor counties** as of the first half of 2018.
- Telemedicine network connecting tertiary hospitals with county hospitals was established to cover all the national-level poor counties.

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**Achievement: Notable Improvement of Medical and Health Services in Poor Areas**
Training of health professionals

- Standardized residency training in general medicine was reinforced with 34,000 general practitioners trained under the “5 plus 3” program (5 years of college education and 3 years of residency training).
- Some 50,000 undergraduate medical students were trained for rural township health centers in central and western regions.

Achievement: Notable Improvement of Medical and Health Services in Poor Areas

Achievement: Delivery of Public Health Services

Results in Effective Control of Some Diseases

Prevention & control of major infectious and endemic diseases

- HIV/AIDS control and health poverty alleviation campaign was launched in full scale in Liangshan Prefecture of Sichuan.
- Central government provided a per capita subsidy of RMB 8,000 for echinococcosis patients receiving surgical treatment and a per capita subsidy of RMB 1,728 for those receiving medical treatment, which help contain the disease effectively.
Achievement: Delivery of Public Health Services Results in Effective Control of Some Diseases

**Early screening, diagnosis and treatment of major chronic diseases**

- The breast and cervical cancer screening project for poor rural women has achieved full coverage for target groups.
- As of the end of 2017, “Nutrition Improvement Project for Children in Poverty Stricken Areas” had benefited 5.8 million children while the “Neonatal Diseases Screening Project” 6.05 million children.

Achievement: Delivery of Public Health Services Results in Effective Control of Some Diseases

**Health literacy education**

- Health education projects including “Three Reductions (reduced salt, edible oil and sugar intake) and Three Healthys (healthy mouth, body weight and bones)” has been carried out leading to a notable improvement in residents’ health literacy level.
Achievement: Delivery of Public Health Services
Results in Effective Control of Some Diseases

- Improve living environment and sanitary conditions in poverty-stricken areas
- Launch the “toilet revolution”: 80.3% of rural areas have sanitary toilets
- Strengthen drinking water and environmental sanitation monitoring, survey and assessment, and implement project to consolidate and upgrade drinking water safety in poor rural areas.

Achievement: High Degree of Satisfaction

Telephone Surveys on Degree of Satisfaction with the Health Poverty Alleviation

- Sample: poverty-stricken patients who were admitted to hospital
- Goal: To better understand poor patients’ degree of satisfaction with the process of disease treatment and medical bill reimbursement.

Degree of satisfaction in 2016: 89.2%
- Very Satisfied: 42%
- Satisfied: 31%
- Fair: 16%
- Dissatisfied: 4%
- Very Dissatisfied: 7%

Degree of satisfaction in 2018: 95.9%
- Very Satisfied: 61%
- Satisfied: 26%
- Fair: 9%
- Dissatisfied: 3%
- Very Dissatisfied: 1%
Experience in Providing Health Services in Poor Areas

1. Strong leadership & strict performance assessment

2. Targeted poverty alleviation

3. Combining prevention with treatment & increasing health literacy

4. Government-led and guided social engagement

Government-led and guided social engagement

Adhere to the government-led and guided participation by social organizations, enterprises, individuals and other social forces in orderly manner with the resultant force formed to tackle illness-stricken poverty.
Important Implications for Poverty Reduction & Health Care Reform in China

Medical services delivery capacity in poor areas has substantially increased, laying a solid foundation for the implementation of tiered diagnosis and treatment system.

Through using the measure of “Four Determinings”, important breakthroughs have been made in controlling medical expenses and pushing forward the reform of medical insurance payment method (i.e. Diagnosis Related Groups, DRGs).

Provide an exploration on establishment of a health system with health as center and prevention as focus in the new era.

China’s experience of HPAP may give a good example for developing countries to improve health services in poverty-stricken areas.

Key Challenges

A stable financing system has not yet taken shape, and the sustainability of medical security policies for poor people has been challenged.

Grassroots health service delivery capacities in poor areas remain weak which requires long-term support from governments at different levels.

Social participation in health poverty alleviation is limited, and social impact needs to be enhanced.

It is in urgent need to increase health literacy and still a long and arduous task to form a prevention-centered management pattern.
The Way Forward

"Greater Health" & advance the construction of healthy countryside

Increase policy supply to put in place a long-term guarantee system

Increase medical and health service delivery capacities

Focus on health poverty alleviation in the deep poverty stricken areas

Pool social forces to jointly win the battle

Thank you!

Please visit our website for more information
www.cpdrc.org.cn/en/