

CHP Seminar Series
Dr. Wen Chen, February 19, 2019

China's Healthcare Reform:
Does restructuring government functions matter?

Dr. Wen Chen, the Director of PuDong Preventive Medicine Institute at Fudan University, visited Harvard T.H. Chan School of Public Health in February. The Harvard China Health Partnership hosted him for a presentation titled, “China’s Healthcare Reform: Does restructuring government functions matter?” Dr. Chen served as the Dean of School of Public Health at Fudan University from 2013 to 2017 and has been a long-time collaborator with numerous Harvard faculty. He has more than 120 publications in international and Chinese health economics and management journals. He received the “Excellent Talent in the New Century” award by the Chinese Ministry of Education in 2008. As an investigator and advisor often invited by national and municipal governments to evaluate reform initiatives on a wide range of topics, such as health insurance, pharmaceutical policy, and health financing, Dr. Chen provided a wealth of information by drawing from his first-hand observations working in China.



Dr. Chen opened his presentation by giving the audience a comprehensive review of China’s health care system. Compared to 15 years ago, health development has achieved tremendous progress. The government’s effort to expand health insurance coverage has played a significant role in making this possible. However, going into the future, government investment will likely flatten while new demands from societal changes continue to rise. This gap will continue challenging China’s health care system which is already burdened with issues such as health outcome disparity, health financing’s sustainability, patient’s dissatisfaction with service delivery and so on.

Dr. Chen also shared with the audience his views on key issues surrounding the recent government restructuring in China. In order to tackle some of the abovementioned challenges that the Chinese health care system faces, the national government recently formed a new National Medical Insurance Bureau. The new bureau integrated the administration of the three social insurance schemes which had been managed by different government bodies in the past.

In addition, the bureau will be responsible for pricing pharmaceutical products and health services, the bidding process of medicines and consumables, as well as managing payments to medical institutions and pharmacies.

Despite showing great potential, the restructure still faces a series of hurdles, in Dr. Chen's opinion. Any grand strategies should be able to be translated into operational plans that are feasible. The new Bureau still face many unsolved problems such as connecting different insurance plans, providing sustainable financing to enrollees, dynamically adjusting benefit packages or coordinating the pricing, purchasing and payment mechanisms.

At the end of his talk, Dr. Chen reminded the audience that health care reform in China should be integrated with policy making in other sectors too. As the government envisions health to be a necessary prerequisite to overall social and economic development, more innovative solutions are needed to promote health development in China. More importantly, these solutions should be based on evidence from rigorous research.