

Research Assessment Exercise 2020

Impact Case Study

University: The Education University of Hong Kong |

Unit of Assessment (UoA): 25 Political science (incl. public policy & administration & international relations) |

Title of case study: Improved understanding and awareness of reforms needed in healthcare delivery in China and health financing in Hong Kong |

(1) Summary of the impact

China's healthcare system faces challenges of spiralling costs as it seeks to meet increasing demand from a more prosperous and aging population, and surge in non-communicable diseases. Hong Kong's public medical system is similarly challenged, where reforms aim to reduce the burden on the over-stretched public service. Dr HE Jingwei's research addresses both challenges. His public policy research has contributed to knowledge informing large-scale reforms in China as well as in Hong Kong, and public debate. This has been achieved through his work being a significant reference in a major government-supported reform blueprint for China's health system, much of it now being implemented in the State Council's Five Year Plan (2016-2020); engagement with policymakers; and media engagement in China and Hong Kong reaching audiences of at least 1 billion people. |

(2) Underpinning research

In the past decade, healthcare costs in China have grown at 5 to 10 percentage points higher than GDP growth. With economic and personal income growth and an aging population, people are demanding more and better healthcare. These factors have resulted in rising healthcare costs that, without reform, would increase five-fold by 2035 and account for over 9% of GDP, up from 5.6% in 2014. Dr He's research focuses on costs and sustainability in Hong Kong and mainland China. He has conducted research in this space across three main areas that have played an important role in informing both policy and the public debate around these issues, as follows: 1. Doctor-patient relationships in China; 2. Healthcare governance in China; 3. Private health insurance in Hong Kong. Each of these is set out in more detail below.

1. Doctor-patient relationships in China: In China, Dr He's unique contribution has been his investigations on doctor-patient relationships and their significance in doctors' behaviour in delivering healthcare, an issue largely overlooked by researchers and policymakers (**See Section 3, R1**). This research, based on a survey of 506 doctors in Shenzhen, showed that where relationships were poor, doctors were more likely to practice "defensive medicine" involving over-prescription of drugs and diagnostic tests as they attempted to avoid liability and future medical disputes. Such practices have a negative impact on the system's capacity and sustainability.

2. Healthcare governance in China: Dr He has addressed China's broader healthcare reform agenda, focused uniquely on the governance perspective, complementing more prevalent analyses by health economists and health service experts that see health care reform as involving more technical operational issues. He identified how the limited capacity of the social health administration impeded policy reforms, in particular practices desired by policymakers for cost-effective strategic and third party purchasing of health care funded by universal social health

insurance [R2]. While the government has set up a broad network for social health insurance, lack of administrative capacity has prevented the system from achieving desired outcomes such as cost containment. He developed further insight on healthcare in China through a comparative review of health financing reforms in Hong Kong and Singapore [R3].

3. Voluntary private health insurance in Hong Kong: In Hong Kong, spending on healthcare is predicted to take up as much as 27% of the government's budget by 2033 as the population ages and relies on the public service for about 90% in inpatient care. Dr He responded to this policy challenge by conducting research on health financing and long-term care reforms. This involved the testing of public attitudes towards the government's preferred policy option for voluntary healthcare insurance, through a telephone survey of more than 1000 respondents, conducted in 2014-2015. This found that overall people were generally positive, with reservations, towards this direction, if premium costs could be kept below a median of HK\$2400 per year [R4]. However, more than half (55.4%) indicated they would not join such a scheme. The policy aim, which is subject to on-going policy development, is to encourage the public to make greater use of the under-used private sector for their healthcare needs, funded by voluntary healthcare insurance, in order to relieve the burden on public hospitals. Hong Kong has the longest life expectancy in the world, but limited provision for long-term care of the elderly. The government has been exploring alternatives to finance long-term care, which should provide individuals with adequate funding for private services. In 2015/16, Dr He conducted a telephone survey of more than 1400 middle aged and elderly people in order to analyse their willingness to pay for private long-term care insurance. This revealed about one third of respondents to be positively receptive [R5]. In another study with a sample of 1600 respondents, Dr He further analyzed the long-term care service needs for different cohorts of Hong Kong's middle-aged and older population. This study provides the government with more nuanced results to inform the planning of long-term care services [R6].

(3) References to the research

[R1] He, J. (2014). The doctor-patient relationship, defensive medicine and overprescription in Chinese public hospitals: evidence from a cross-sectional survey in Shenzhen City. *Social Science and Medicine*, 123, 64-71. (citations: 55)

[R2] Ramesh, M., Wu, X. and He, J. (2014). Health governance and healthcare reforms in China. *Health Policy and Planning*, 29, 663-672.

[R3] Yin, J.D.C. & He, J. (2018). Health insurance reforms in Singapore and Hong Kong: How the two ageing Asian Tigers respond to health financing challenges? *Health Policy*, 122(7): 693-697.

[R4] He, J. (2017). Introducing voluntary private health insurance in a mixed medical economy: are Hong Kong citizens willing to subscribe? *BMC Health Services Research*, 17: 603.

[R5] He, J. and Chou, K.L. (2018). What affects the demand for long-term care insurance? A study of middle-aged and older adults in Hong Kong, *Journal of Applied Gerontology*, DOI: 10.1177/0733464818766598.

[R6] He, J. and Chou, K-L (2017). Long-term care service needs and planning for the future: a study of middle-aged and older adults in Hong Kong. *Ageing and Society*. 39(2), 221-253

Funding: Research on China's healthcare reform (2013-2014) was funded by an RGC Early Career Scheme grant (HK\$399,000); on healthcare governance in China by the Dean's Research Fund (Early Career Researcher), HKIEd (HK\$298,000); and on doctor-patient relationships by Internal Research Grants, EdUHK 1/4/2016-30/3/2017 (HK\$99,230).

(4) Details of the impact

Dr He's research on healthcare reform and financing has had impact in China and the Hong Kong Special Administrative Region on (i) understanding of policymakers, policy and public services, and (ii) on public discussion and debate.

(i) Understanding of policymakers, policy and public services

His work in China contributed to improved understanding of government officials and policymakers in relation to areas of the healthcare system that needed reform, and has made a significant impact on policy design and implementation. A blueprint for reforms, from the high-profile study conducted for the World Bank, the World Health Organization (WHO), and the Chinese Government, "*Healthy China: Deepening Health Reform in China, Building High-Quality and Value-Based Service Delivery*", cited six of his articles, making him one of the most extensively cited researchers informing the study [See Section 5, C1]. For example, his work was the sole citation for the study's conclusion, that "*there is a consensus that public hospitals in China need to strengthen governance and management to drive improvements in quality and efficiency, promote service integration, and counteract vested interests so that they act in the public interest*" (p65) and that "*effective, scalable and sustainable implementation will require putting in place the incentives and accountability mechanisms that will drive local leaders and government departments to coordinate and enforce health reforms*" (p121).

The report has been highly valued by the Chinese government as an important reference for health policy and reform, as evidenced by Liu Yandong, Vice Premier of the State Council of China: "*The report's recommendations, built on robust, comprehensive research and close collaboration by five agencies representing three partners, will contribute positively to the formation of the 13th Five-Year Plan on health reform. We look forward to carefully studying and applying the report's findings, so it will help us push ahead on health reform.*" [C2] Although not referenced directly, many of its recommendations, including on governance issues, over-expenditure and social health insurance sourced in the report to Dr He's work, went on to be included in the State Council's Five Year Plan (2016-2020) rolled out to intensify medial reform starting from 2016 [C3].

Shortly after the World Bank report was released, Dr He was invited to address a key government-supported think-tank in Beijing to share knowledge on healthcare system financing reform in Hong Kong and Singapore, and was asked to turn one speech, delivered to the National Academy of Development and Strategy [C4], into a memo for delivery to the State Council. The report estimates it will take China about a decade to fully implement the proposed reforms, improving the healthcare system for all Chinese people — or one in six people in the world. In May 2018, he was invited to give a talk to Guangdong Provincial Hospital on public hospital reforms in China and lessons that could be learned from Singapore, Taiwan, and Hong Kong. This seminar was attended by more than 20 hospital administrators and medical practitioners who highly valued Dr He's research.

In Hong Kong, Dr He's studies informed policy debate, having an impact on government and industry understanding of public attitudes to health finance reform, and informing policy making. A senior policymaker at the Food and Health Bureau (FHB) invited him to present and discuss the findings of his research on voluntary health insurance. Chris Sun, Deputy Secretary for Food and Health, acknowledged the value of the briefing: "*It is a pleasure talking to you.... You have certainly provided me with much food for thought. Perhaps we could meet again when your second survey is near completion so that I could update you on the development on our side and get a glimpse of the findings of your research.*" [C5]

The FHB contacted him following the release of his second survey, on health financing. In email communication a member of Mr Sun's staff wrote: "*We notice from the press that the results of the second round telephone survey have just been released, and wonder if you mind sharing the*

findings with us? It will be a very useful reference for us in analysing public views.” [C6] Mr Sun also acknowledged his interest in a subsequent article written by Dr He: “Your finding that those most satisfied with the public system here are more inclined to subscribe to supplementary private health insurance is interesting, and offers a glimpse of the uniqueness of our health system and why we have to knock out our own solution.” [C5]

Dr He was invited to brief the Hong Kong Federation of Insurers, a key stakeholder in health financing reform. Peter Tam, its Secretary General, acknowledged the significance of the survey findings for the industry: “Thanks to you for sharing with me your survey findings attached. More than 60% of the respondents have no intention to join the voluntary scheme. So providing sufficient incentives is the key.” In a subsequent email, Mr Tam wrote: “This morning we presented our industry’s views on the proposed VHIS to the Hon Cheung. I mentioned about you and your expertise [C7].

(ii) Impacts on public discussion and debate

Dr He contributed to improving public awareness of health-reform options through extensive media engagement in Hong Kong and China. His research on the doctor-patient relationship and broader health policy reforms options achieved local and international media impact, including coverage by China Radio International China Daily, CBS, FT, SCMP, and Phoenix TV, reaching audiences of at least 1 billion. [C8, C9-10]

In Hong Kong his findings on public attitudes towards voluntary health insurance were shared extensively with the public, with the EdUHK press conference covered by the major television and radio channels and two mainstream newspapers, and the focus of Dr He’s op-ed articles for South China Morning Post and Ming Pao [C11]. This resulted in wider understanding of health insurance options, as evidenced by subsequent media discussion as well as further government interest in his findings as described above [C5].

(5) Sources to corroborate the impact

[C1] China Joint Study Partnership: The World Bank Group, the World Health Organization, the Ministry of Finance, the National Health and Family Planning Commission, and the Ministry of Human Resources and Social Security of China (2016). *Deepening Health Reform in China, Building High-Quality and Value-Based Service Delivery*

[C2] The World Bank Group, Press Release: “Study makes case for “people-centered” integrated health care, return to China’s pioneering practice of primary health care to improve services, cut costs”. July 22, 2016,

[C3] State Council of the PRC. Press release: “State Council rolls out plan to intensify medical reform” 17.1. 2017.

[C4] National Academy of Development and Strategy, RUC Programme.

[C5] E-mail communications: Chris Sun, Food and Health Bureau, Government of the HKSAR. 25.1.2015, 3.2.2015, 28.8.2017

[C6] E-mail: Food and Health Bureau, Healthcare Planning and Development Office, 16.3.2015

[C7] E-mail: Peter Tam, Hong Kong Federation of Insurers. 21.1.2015

[C8] Financial Times. 18 February, 2018

<https://www.ft.com/content/59e947ba-d4cf-11e7-8c9a-d9c0a5c8d5c9>

[C9-10] China Radio International - 2016-05-13 News Plus - Doctor-Patient Tensions in China

[C9] News <http://english.cri.cn/7146/2016/05/13/3641s927498.htm>

[C10] Audio

[C11] Newspaper Clippings: South China Morning Post (Op-ed article 28.12.2014) and Hong Kong Economic Times (3.13. 2015)