BMJ -
Decision on
Manuscript
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Body: 16-May-2019

Dear Dr. Meng

BMJ-2019-049503 entitled "BMJ China collection: Health System Reform: Experiences and Lessons from China"

Thank you for sending us this paper and giving us the chance to consider your work. We sent it out for external peer review and discussed it on the editorial committee. We hope you are able to amend it in the light of our and/or reviewers' comments, we would be happy to read the revision.

The reviewers' comments are at the end of this letter.

The editors' comments are listed below:

1. The paper would benefit from language edits

2. When revising the paper, please consider following the structure. Please feel free to use different subtitles and make sure they are succinct
Context/background
What was proposed in the 2009 reforms
What has been achieved since 2009 (with a discussion on why things have turned as they have)
What should be done now to further progress
Conclusion

Specific:
1. Introduction:
Please better inform why China needed 2009 reform? What were the main problems it tackled? Could you please brief the main changes in the reform? It will help the general and international readership get the big picture of the reform.

2. "Design and implementation of the reform strategies and policies"
It is good to describe each policy. Please consider shortening the set up of reform office and their responsibilities and working plan.

3. "Achievement and the challenges"
It has good contents. Please pay attention to reviewer 2's comments. Growing input in health is important to increase access and improve the quality, but outpatient visit per capita and hospitalization rate increase may also demonstrate the existence of overutilization, so figure 2 may cause misunderstanding without a balanced discussion on the trend.

It is good that the authors provided other indicator changes over time, such as MMR and U5MR (figure 3 and 4) to show quality improvement.

When talking about the challenges, the authors discussed the three key components of healthcare: access, quality, cost. Please also clarify on the remaining problems and making recommendations accordingly.

We hope that you will be willing to revise your manuscript and submit it by May 20. When submitting your revised manuscript please provide a point by point response to our comments and those of any reviewers. We also ask that you keep the revised manuscript within the word count of 1800-2000 words.

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efore completing the submission.

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I hope you will find the comments useful. Please don't hesitate to contact me if you wish to discuss this further.

Yours sincerely

Daoxin Yin
dyin@bmj.com

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Reviewer(s)' Comments to Author:

Reviewer: 1

Recommendation:

Comments:
Manuscript ID BMJ-2019-049503
BMJ China collection: Health System Reform: Experiences and Lessons from China
Reviewer: Viroj Tangcharoensathien, IHPP, MOPH, Thailand
Review date: 04 April 2019

General comments
This is an interesting paper describing reform input, outcome and impact in China, a very diverse and largest populated country. The government had invested hugely in health reform towards UHC. It's opportune time for this paper to review its progress, achievement, challenges and draw lessons for the next phase of policy adaptation. Paper is well written where specific messages were generated.

Specific comments

Key Point
Bullet 1: enhancing social health insurance coverage: specify if this is population and/or cost coverage.

Bullet 3: Please specify which reform components out of five: PHC strengthening, increase insurance coverage, equalization of public health services, reforming public hospital and improving medicine policy, are lagging behind and why. Comment any resistances to reform such as provider payment methods, or mainly due to lack of effective coordination?

1. Introduction
2nd paragraph, should the purpose of this article be.. to assess the achievements of major reform between 2009-2019, identify gaps and propose future reform strategies for the next decade.

2. Design and implementation
Table 1
- This table provides a good opportunity to add another column, commenting on achievement and challenges for each of the five reform components.
- On social health security systems, comment why policy does not intend to integrate Urban employee scheme with RCMS and Urban Resident scheme
- On essential medicine policy; when the government remove drug markups as a source of financing health providers, comment what incentives or funding are used to replace the medicine markup.
- Basic public health package: comment what does it mean by equalization provision of basic public health for all; is it provision or financing? If all provinces receive the same package but the poorer region/province received higher government's subsidies, or the poorer province had larger package (as they have higher need) and also higher subsidies?

3. Achievement and challenges

Increased government financial accountability
- Comment if the CNY 10-20 billion and CNY 100-150 billion are mostly operating expenditure or capital investment, if data is available
- In addition to government spending in monetary term, there is a need to provide additional figures for in 2000 and 2015 (data from WDI), in particular a) out of pocket payment as % of current health expenditure (reduced from 59.9% to 32.4% though still high); b) general government health expenditure as % of Current Health Expenditure (increased from 22.1% to 59.8%) and c) general government health expenditure as % of general government expenditure (increased from 6.2%% to 10.1%),

Improved access to healthcare and decreased disparities in health status

- The unmet need for hospitalization in 2003 and 2008 (29.6% and 25.1%) was due to cost… clarify which cost, transport cost due to geographical distance to facilities or medical care cost due to lack of insurance coverage or both?
- Comment the unmet healthcare need for hospitalization in 2013 17.% is still high?
- If data is available, please provide reduced rich poor gaps of IMR and urban-rural gaps of MMR.

Challenges

- Comment if the protracted problems of having doctors (5 year trained) at village clinics and township health centers in rural areas can be solved by task shifting policy. Comment the 7% reduction (specify from X% of total outpatient visits in 2005 to Y% in 2015) in the proportion of PHC service between 2005 and 2015 is not only the low quality of care but the frequent appointment and repeated visits at hospitals, as hospitals are paid on a fee for services. Then it can be a dynamic between push (poor quality PHC), and pull (from incentive to have more patients from fee for service payment); hence future reform strategies need comprehensive approaches which address both push (incentive for rural retention) and pull phenomena (reforming provider payment methods and align incentives towards efficiency).
- From CNY 6,526 in 2010 to
- If data is available, please provide changes in medical expenditure per visit between these period (2005-2008 and 2010-2013); as outpatient visits are much higher volume than hospitalization.
- Explanation of Figure 4 is unclear, the China's rank out of all UN member states? The higher the rank the better or vice versa. And how these three indicators reflect efficiency of China health systems?

Fragmented health care delivery and financing systems

- Comment the insurance portability for the rural migrants who are covered by RCMS, are they eligible to RCMS coverage in urban areas where they work?
- …. With separate financing for different health program: please unpack this? Are these vertical diseases specific programs or are they the three insurance schemes?

4. Recommendations

Primary care centered and integrated health systems

- Health workforce, cadres and competency mix is as equal important as organization of care model. The financial survival and functioning of PHC depends on how they PHC are paid and how hospitals are paid. Fee for service pushes hospitals to make more appointment and repeated visits. A collaborative relationship between PHC and hospital are important success factor, and should replace the current competitive relationship for resources. This also happens in Vietnam.

Consolidating health financing systems

- In this section, there is a need to address reform of provider payment methods which align incentives towards efficiency and health promotion, keeping people healthy rather than curative orientation. Provider payment reform at hospitals and PHC should be design to enhance the role of PHC.
- Comment on the current public health services, as most of them are personal preventive and health promotion services, which do not adequately address the determinants of NCD epidemics. Effective implementation of FCTC in particular the best buys are important. The review of WHO report on the global tobacco epidemic, 2017, see https://www.who.int/tobacco/surveillance/policy/country_profile/chn.pdf?ua=1 seems tax is quite low, and tobacco are still affordable between 2008 and 2016; and smoke free public spaces are not well enforced. The smoking prevalence among male was high, and slow progress was noted, prevalence reduced from 56% in 2000 to 48.4% in 2016.

Figure 2

- Comment the admission rate of almost 18% in 2017 is quite high. Please clarify if the per capita outpatient visit cover prevention and health promotion services, such as immunization, antenatal care and family planning services or not; or it is only curative visits. A comment is useful on the proportion of these outpatient visits are provided by PHC (village clinics and township health centers) versus hospital level outpatient services.

Figure 3

- Clarify if the MMR by income level of province is per capita income of province?

Conclusion

This is an interesting paper, most of the comments aims to strengthen the text and its arguments. I recommend to accept with minor correction.

Additional Questions:

Please enter your name: Viroj Tangcharoensathien

Job Title: Senior Advisor

Institution: International Health Policy Program, MOPH, Thailand

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Reviewer: 2

Recommendation:

Comments:

The authors review the contemporary landscape of healthcare in China, including a brief assessment of its impact on access, costs, and utilization. I believe that this manuscript could be substantially improved.

1. Major Points

a. There is no account, or mention, of the legacy and current ramifications of the rapid privatization of the Chinese healthcare system (For instance, see: Blumenthal and Hsiao 2005, Privatization and its discontents--the evolving Chinese health care system, New England Journal of Medicine; Blumenthal and Hsiao 2015, Lessons from the East — China's Rapidly Evolving Health Care System, New England Journal of Medicine; Hsiao 2014, Correcting Past Policy Mistakes, Daedalus). Some of the current flaws of the Chinese healthcare stem relate to a privatized health delivery. Consider this: in Figure 1, the authors show that health expenditures as a proportion of health spending rises from around 15% to almost 30%. Yet that is essentially where health spending as a proportion of national health spending was in 1978! (Blumenthal and Hsiao, 2005). The push to privatize the hospital sector continues today (see: https://www.bloomberg.com/news/articles/2012-06-28/chinas-rx-foreign-owned-hospitals). This issue needs to be addressed in the article.

b. The article does not always lucidly describe how the Chinese healthcare system functions, especially for a reader unfamiliar with the topic. I understand that it part of a series, and perhaps some of this is covered in other articles. For the "design and implementation" section, I might consider focusing on the legislative reforms in chronological order, briefly summarizing their impact. Also, I'd be curious how the authors would characterize the Chinese healthcare system, if possible, using typical health system typologies. Finally, and again this may be covered in other articles, but the article does not describe what the system actually covers, both in terms of benefits and cost-sharing.

c. "Improved access" section: This section is very much needed, but I think it could be expanded upon. I was curious that 25% of people who needed to be hospitalized weren't, predominantly because of cost. What about outpatient care? Prescription drugs? Are there other figures on unmet medical needs, and trends? How about economic disparities in use or access?

2. Minor Points

a. Describes rises in government health spending between 2000 and 2017. The absolute amounts in Chinese currency will not mean much to most readers. Year-to-year changes in the text should be expressed as percentages. Also, it might be worth mentioning figures on changes in national health expenditures over time, specifically as a proportion of the Chinese GDP, which has also risen sharply over this period. That would provide a more accurate sense of the actual societal costs of the reforms.

b. Cost escalation (page 4 line 58): Again, increases in hospital spending / discharged patients are expressed in Chinese currency; I recommend at least including percentage changes (and possibly dropping amounts expressed in currency)

c. "Moral hazard" remains a contentious framing, and for a good reason. Do people obtain more needed care when you remove or lessen financial barriers? Yes. But that it is not necessarily "overutilization." If there is evidence of overutilization, it has to be identified more specifically.

d. Figure 2: Is the source for the healthcare utilization figures population-based surveys, or insurance administrative records? If it is the latter, the figure risks giving a misleading sense of the expansion in utilization (i.e. in that case some, or even all, of the increase may represent the transition from self-pay to insurance-funded utilization, not *new* utilization).

e. There are several places where the prose is awkward, and needs to be rewritten. For example, the phrase: "for supporting implementation of the reform policies" is awkward; recommend rewriting as "to implement the reform." (Page 1, line 17).

Additional Questions:

Please enter your name: Adam Gaffney

Job Title: Instructor in Medicine

Institution: Harvard Medical School

Reimbursement for attending a symposium?: No

A fee for speaking?: No

A fee for organising education?: No

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