



China Health Reform Program (P154984)

EAST ASIA AND PACIFIC | China | Health, Nutrition & Population Global Practice | Requesting Unit: EACCF | Responsible Unit: GHN02
IBRD/IDA | Program-for-Results Financing | FY 2017 | Team Leader(s): Dinesh M. Nair, Shuo Zhang

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Program Development Objectives

Program Development Objective (from Program Appraisal Document)

To improve the quality of healthcare services and the efficiency of the healthcare delivery systems in Anhui and Fujian provinces.

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory

Implementation Status and Key Decisions

In alignment with the national government's guidance, both Anhui and Fujian have been moving forward with the health reform implementation on the ground. Some of the key results include

- Public Hospital Reform.** Both Anhui and Fujian have continued to push forward reforms to improve the efficiency and quality of the hospital services. In Fujian, public hospital management committees have been established at all levels and a performance assessment of hospital directors is being carried out in all provincial, prefectural, and over 70% of county-level public hospitals and the results linked to salaries. In Fujian the share of medicine expenditure out of total expenditure was reduced to 29.37% (a 12.06% reduction compared to that of 2014). Clinical pathways are being implemented (66% and 34% of discharges followed clinical pathways in Anhui and Fujian respectively). Prospective payment methods (case-based payment/diagnostic related grouping-DRG) are being increasingly used for insurance payments in both Provinces (Fujian 18%, Anhui 42%).
- People-Centered Integrated Care:** Both Provinces have continued to build a tiered delivery system, with primary care at the center, to deliver efficient, high quality and accountable care. Medical alliances have been formed in both Anhui and Fujian and they are an important strategy to improve care coordination and align incentives. In Anhui, over 137 medical alliances have been established in urban and rural areas. Both Provinces have issued the protocols for the integrated management for type II diabetes and identified pilot prefectures. Further, to address the shortage of health workforce at primary levels and improve the efficiency of human resources allocation within the medical alliances, based on the pilots in 3 prefectures, Anhui has been scaling up a Senior Nurse Practitioner Program to more prefectures. Fujian has made progress on the Family Doctor empanelment and nearly 7,000 family doctor groups have been established with the coverage rate of 40%; and 100% for poverty-stricken populations. While these reforms have improved the utilization of primary care services, the impact of these have yet to be seen on the overall share of outpatient visits in primary health care (PHC) institutions to total visits. Going forward a new focus on the quality of clinical care will be required especially improving clinical practice.
- Addressing cross cutting dimensions:** Following the establishment of the National Healthcare Security Administration similar institutional arrangements have been established in Anhui and Fujian at Provincial and sub-Provincial level. Fujian now has established integrated medical security administration at prefecture level. Comprehensive human resource reforms to strengthen primary care have been introduced, including expanding the numbers of general practitioners, deploying senior nurses to PHC, introducing standardized training for resident doctors, and providing incentives for key positions. Both Provinces have prioritized the building up of health information systems: In Fujian 202 primary care institutions have set up a primary health information system. Anhui has been making tremendous efforts to promote the use of technology in health care delivery, with the establishment of a population health information system, a health service platform, electronic patient cards, cloud for medical imaging, and the Hefei big data center. On the learning agenda, progress is being made on the three-level knowledge generation and learning framework. An international workshop on "Building Value-based Quality Service Delivery System" was held in Fuzhou between November 11-14, 2018. The workshop, targeted at an international and domestic audience, drew 133 participants comprised of senior government and project officials from Vietnam, and Ukraine, health program implementers from 11 reform pilot Provinces in China, as well as domestic and international



experts. Aimed at both sharing and learning from People-Centered Integrated Care (PCIC) reforms, the workshop provided a platform for health care practitioners to discuss the practicalities of implementing the PCIC around the four building blocks: governance, service model, quality and payment reforms.

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P154984	IBRD-87440	Effective	USD	600.00	600.00	0.00	59.25	540.75	9.9%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P154984	IBRD-87440	Effective	09-May-2017	30-Jun-2017	11-Sep-2017	31-Dec-2021	31-Dec-2021

Program Action Plan

Action Description	Technical: Make steady progress on the integration of the three health insurance schemes (such as starting with the integration of urban and rural resident schemes), so as to ensure unified provider payment policies across the different schemes.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
		Client	Due Date	31-Dec-2018	Completed
Completion Measurement					
Comments					

Action Description	Technical: Strengthen the National Health and Family Planning Statistics online reporting system with a new data cleaning and data verification function, so as to improve the quality of M&E system of health reform.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
		Client	Due Date	31-Dec-2018	In Progress
Completion Measurement					
Comments					

Action Description	Fiduciary: CPSM and two provinces issue clear instructions to the implementing agencies in charge of procurement at all levels with regard to the compliance with the PforR anticorruption guidelines.				
Source	DLI#	Responsibility	Timing	Timing Value	Status



		Client	Due Date	28-Sep-2017	Completed
Completion Measurement					
Comments					

Action Description	Fiduciary: Report in the progress report on any allegation of fraud or corruption, which has confirmed to be a major issue after a due investigation.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
		Client	Recurrent	Semi-Annually	Completed
Completion Measurement					
Comments					

Action Description	Environment & Social Development: Design and provide periodic training for hospital management, health workers and the hospital Infectious Disease Control Unit to ensure adequate awareness and skills across all levels healthcare facilities.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
		Client	Recurrent	Semi-Annually	Completed
Completion Measurement					
Comments					

Action Description	Environment & Social Development: Strengthen the supervision & enforcement capacity of responsible agencies to ensure adequate supervision of the chain of custody that covers whole medical wastes classification, storage, collection, transport.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
		Client	Due Date	29-Dec-2017	Completed
Completion Measurement					
Comments					

Action Description	Environment & Social Development: Report in the progress report any land acquisition under this PforR including relevant evidence (land use certificates, compensation agreements, land price payments, and land lease agreements with affected parties).				
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Source	DLI#	Responsibility	Timing	Timing Value	Status
		Client	Recurrent	Semi-Annually	Completed
Completion Measurement					
Comments					

Action Description	Environment & Social Development: Develop a public participation plan to increase the awareness of and the support on the health reform based on successful experience of pilot cities, which include more proactive public participation.				
Source	DLI#	Responsibility	Timing	Timing Value	Status
		Client	Recurrent	Semi-Annually	Completed
Completion Measurement					
Comments					

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	● Moderate	● Moderate	● Moderate
Macroeconomic	● Moderate	● Moderate	● Moderate
Sector Strategies and Policies	● Moderate	● Moderate	● Moderate
Technical Design of Project or Program	● High	● Substantial	● Substantial
Institutional Capacity for Implementation and Sustainability	● High	● Substantial	● Substantial
Fiduciary	● Substantial	● Substantial	● Substantial
Environment and Social	● Moderate	● Moderate	● Moderate
Stakeholders	● Low	● Low	● Low
Other	--	--	--
Overall	● High	● Substantial	● Substantial

Comments
Remain same rating as previous ISR.

Results

PDO Indicators by Objectives / Outcomes

PDO Indicators				
▶Proportion of hospital discharges paid through case-based payment for all county-level public general hospitals and TCM hospitals (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 12 FJ: 3	AH:48.5; FJ:9.8	AH:42.6; FJ:17.93	AH: 32 FJ: 50
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
▶Proportion of inpatients to be treated through standardized clinical pathways at county level public general hospitals (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 4 FJ:0	AH:56.6 : FJ:0(developed 125 standardized clinical pathways that can be adapted at county level hospitals)	AH:66.6; FJ:33.78	AH:50 FJ: 50
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
▶Proportion of outpatient care delivered by primary care facilities (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 61 FJ: 51	AH:59.1; FJ: 52.5	AH:59.1; FJ: 52.5	AH: 61.8 FJ: 55
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
▶Number of prefectures that manage Type II diabetes patients using the integrated NCD service package (Threshold value for a prefecture to qualify as using the integrated service package is 25% of tota (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0 (AH: protocol drafted and under the consultation FJ: protocol issued)	0 (AH: protocol issued; FJ: protocol issued)	AH: 6 FJ: 4
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				

Intermediate Results Indicators by Results Areas

Intermediate Results				
►Growth rate of medical service revenue of public hospitals in the entire province (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 8% FJ: 8.88%	AH:12.8% FJ:6.01%	AH:9.27%; FJ:13.77%	<10%
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments	Fujian performance on this indicator has been unsatisfactory and is being followed up			
►Average length-of-stay for county level public hospitals (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 8.82 FJ: 7.41	AH: 7.56 FJ:7.3	AH: 7.31; FJ:7.18	AH: 8 FJ: 7.37
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
►Number of counties that have public disclosure of quality report (e.g. ALOS, drug revenue as a proportion of hospital revenue, expenditure per visit for outpatient, expenditure per admission for inpatient (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 55 FJ:10	AH:61 FJ:35	AH:61; FJ:68	AH: 61 FJ: 68
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
►Proportion of labor based service revenue in total service revenue for all public hospitals in the province (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 25 FJ: 24.58	AH:26.9; FJ:31.58	AH:32.9; FJ:29.98	AH: 30 FJ: 30.00
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
►Out-of-pocket payment as portion of the total inpatient services expenditure (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 42 FJ: 50.83	AH:33.3; FJ:49.21	AH:32.5; FJ:46.49	AH: 37 FJ: 48.83
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021

Comments				
▶Proportion of patients hospitalized within county (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 69 FJ: 63	AH:76.51; FJ:67.13	AH:76.51; FJ:66.78	AH: 73 FJ: 80
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
▶Proportion of total Registered Physicians (assistant physician) and Registered Nurses practicing at the primary care facilities (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 26.80 FJ:29.09	AH:27.24; FJ: 29.6	AH:27.24; FJ: 29.6	increase
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
▶Number of hypertension patients that are under standardized management (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 4500 000 FJ: 1250 000	AH:4593 992; FJ:1817 000	AH:4862437; FJ:1671218	AH: 4700 000 FJ: 1300 000
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments	Fujian uses the updated protocol resulting in lower numbers and hence not comparable with previous year.			
▶Number of counties that have established a county-township-village population health information system [Anhui] (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	3.00	9.00	20.00
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
▶Number of THCs / CHCs that have established primary care health information systems [Fujian] (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	138.00	202.00	500.00
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				



▶Number of prefectures achieving integration (at least of the management) of the health insurance schemes, thereby allowing unified payment arrangement for all providers (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	AH: 0 FJ: 2	AH:3;FJ:9(excluding Xiamen)	AH:3;FJ:9 (excluding Xiamen)	AH: 12 FJ: 9
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
▶Program experience sharing and dissemination (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	NA	Achieved and verified	2018 results is being verified	NA
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
▶The county IDS system has been scaled up to at least 50 counties/districts in Anhui (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	NA	Achieved, verified, confirmed	Achieved, verified, confirmed	NA
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				
▶The integration of the management of the three health insurance schemes at the provincial level in Fujian is undertaken (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	NA	Achieved and verified, confirmed	Achieved and verified, confirmed	NA
Date	09-May-2017	10-Aug-2018	31-Jan-2019	31-Dec-2021
Comments				

Disbursement Linked Indicators

▶DLI 1 The County IDS system has been scaled up to at least 50 counties/districts in Anhui (Output, 15.00, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	end Dec 2017
Value	NA	66.00	NA	Acieved and verified, confirmed
Date	09-May-2017	10-Aug-2018	31-Jan-2019	--
Comments	IDS system has been scaled up			



►DLI 2 The integration of the management of the three health insurance schemes at the provincial level in Fujian is undertaken (Process, 40.00, 100%)				
	Baseline	Actual (Previous)	Actual (Current)	end Dec 2017
Value	NA	integration of the management of the three health insurance schemes at the provincial level completed	NA	Achieved and verified, confirmed
Date	09-May-2017	10-Aug-2018	31-Jan-2019	--
Comments				

►DLI 3 Proportion of hospital discharges paid through case-based payment for all county-level public general hospitals and TCM hospitals (Intermediate Outcome, 27.15, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	end Dec 2017
Value	AH: 12 FJ: 3	AH: 48.5; FJ: 9.8	AH:42.6; FJ:17.93	--
Date	09-May-2017	10-Aug-2018	31-Jan-2019	--
Comments 2017 results achieved, verified and confirmed				

►DLI 4 Proportion of inpatients to be treated through standardized clinical pathways at county level public general hospitals (Intermediate Outcome, 60.73, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	end Dec 2017
Value	AH:4 FJ:0	AH: 56.6; FJ: developed 125 standardized clinical pathways that can be adapted at county level hospitals	AH:66.6; FJ: 33.78	--
Date	09-May-2017	10-Aug-2018	31-Jan-2019	--
Comments 2017 results achieved, verified and confirmed				

►DLI 5 Proportion of outpatient care delivered by primary care facilities (Intermediate Outcome, 20.00, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	end Dec 2017
Value	AH: 61 FJ: 51	AH:59.1; FJ:52.5	AH:59.1; FJ:52.5	--
Date	09-May-2017	10-Aug-2018	31-Jan-2019	--
Comments Both provinces did not achieve 2017 targets.				



►DLI 6 Number of prefectures that manage Type II diabetes patients using the integrated NCD service package (Threshold value for a prefecture to qualify as using the integrated service package is 25% of total (Intermediate Outcome, 30.02, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	end Dec 2017
Value	No minimum	(AH: protocol drafted and under the consultation FJ: protocol issued)	AH: protocol issued; FJ: protocol issued	--
Date	09-May-2017	10-Aug-2018	31-Jan-2019	--
Comments	FJ result achieved, verified and confirmed; AH's result is under the verification			

►DLI 7 Number of counties that have established a county-township-village population health information system [Anhui] (Output, 7.50, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	end Dec 2017
Value	No minimum	3.00	9.00	--
Date	09-May-2017	10-Aug-2018	31-Jan-2019	--
Comments	2017 result achieved, verified, and confirmed			

►DLI 8 Number of THCs / CHCs that have established primary care health information systems [Fujian] (Output, 20.00, 0%)				
	Baseline	Actual (Previous)	Actual (Current)	end Dec 2017
Value	No minimum	138.00	202.00	--
Date	09-May-2017	10-Aug-2018	31-Jan-2019	--
Comments	2017 result achieved, verified, and confirmed			

►DLI 9 Program experience sharing and dissemination (Process, 1.50, 100%)				
	Baseline	Actual (Previous)	Actual (Current)	end Dec 2017
Value	NA	Three learning groups are established for three key reform areas (e.g., on clinical pathways, case-based payment, and integrated NCD service management)	Launched operational research on three key reform areas; and organized two national workshops on the health reform in China	--
Date	09-May-2017	10-Aug-2018	31-Jan-2019	--
Comments	2018 result is being verified			