# **Evaluation of Health and Poverty Alleviation Programs** for Yunnan, China

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#### Introduction

- · China has successfully reduced prevalence of poverty as seen in Figure 1.
- Yet, whether financial catastrophic illness is a problem need assessment.

#### "3 Batches Action Plan"

A batch of people with serious disease receiving medical assistance and treatment by pulling the resources

A batch of people with catastrophic disease receiving guaranteed financial assistance

Source: Public policy documents

#### **Objective**

· To analysis self-payment ratio and catastrophic health expenditure before and after reimbursement

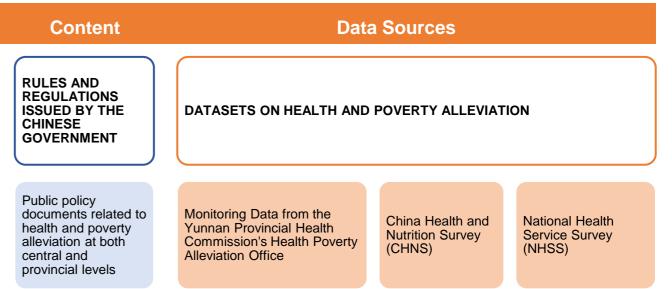
### Methodology

- Study setting: Contiguous poverty-stricken areas in Yunnan (Poverty criteria: Annual living standard below 2300 (CNY) per capita for rural residents)
- Public policy documents related to health and poverty alleviation have been analyzed at both central and provincial levels, with the evaluation incorporating data from three databases.
- Sampling: Due to data access challenges, we used a stratified random sampling method in Yunnan Province's 88 impoverished counties. Economic conditions, population size, and geography guided the selection of 3 counties from 61 less severely impoverished areas and 5 from 27 severely impoverished ones. This resulted in 8 sample counties to assess healthcare's impact on poverty reduction.
- Participants: In 2019, 441,195 individuals (238,565 males and 202,630 females) from 112,787 impoverished households were registered in the Yunnan Province Health Poverty Alleviation Monitoring System.



# Figure 1 Poverty Prevalence Rate in Yunnan

Source: National Health Service Survey



#### Results Table 1 2019 Yunnan Province—Top 10 Hospitalization 17 RA Reasons, Average Hospitalization Costs, and Self-Payment **(%)** Total Cost Self-Payme Ratios for Inpatients among Sampled Poor Households in 8 CHD HTN Selected Counties. **Ratio** (12 DM Patient Self-Disease type (according Average ayment to top 10 hospitalization Hospitalization Payment Ratio Rank 13 CVD 1. The Self-Payment Ratio for Costs (CNY) reasons) (%) COPD

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impoverished patients in Yunnan	2	SMI	17586	8.86	12				
Province ranges from 8.86% to	7	CHD	14378	14.86	<b>8</b> 11	СВ		Stroke	
	10	Asthma	14147	9.99	10				
16.19%, with the lowest ratio	6	COPD	13667	11.66	Pat	-		Asthma	SMI
observed among patients with	8	Stroke	13402	10.21	9				•
severe mental illnesses.	5	CVD	12110	12.41	8	7000 0000	44000 40	4500	0 17000
	4	DM	9886.5	14.13	5000 7000 9000 11000 13000 15000 17000 Average Hospitalization Costs (CNY)				
						AVEIAYEI	ισοριατίζατις		
	9	СВ	7988.6	10.02		0			NT)
Abbreviations Hypertension: HTN; Severe Mental IIIness: SMI; Rheumatoid Arthritis: RA; Diabetes: DM; Cerebrovascular Disease: CVD;	9 1	CB HTN	7988.6 6144.6	10.02 16.16	•	ure 2 The relatio	nship betwe	een averag	<i>,</i> e hospitaliza

Note: In 2019, China per capital GDP = 70892 (CNY), per capita disposable income of rural residents in impoverished areas = 11567 (CNY)

2. In 2019, impoverished patients in Yunnan had an average hospitalization expense reimbursement rate of 89.71%, with an average out-of-pocket expense of 556 yuan.

3. Following insurance implementation, the incidence of catastrophic medical expenditures significantly decreased from 33.25% to 2.88%, with a reduction of incidence (%) consistently exceeding 90% across various metrics.

Disease type (according to the insurance systems)	Number of Households	Catastroph Expenditur Reimbur	e - Before	Catastrophi Expenditur Reimburs	Reduction of	
		Number of Households	Incidence Rate (%)	Number of Households	Incidence Rate (%)	-incidence (%)
Common and Prevalent Diseases	15,621	3,158	20.22	116	0.74	96.3
Centralized Treatment of Major Diseases	3,020	1,004	33.25	87	2.88	91.3
Chronic Disease Contracted Services	7,327	1,671	22.82	82	1.12	95.1
Critical Illness Coverage	277	109	39.35	10	3.61	90.8
Total	26,245	5,942	22.64	295	1.12	95.1

Table 2 2019 Yunnan Province—Catastrophic Health Expenditure Incidence for 4 Treatment Categories of **Registered Impoverished Households Before and After Medical Insurance Reimbursement** 

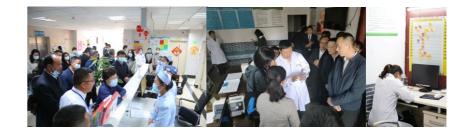
Source: Monitoring Data from the Yunnan Provincial Health Commission's Health Poverty Alleviation Office

# Policy Recommendation

- Alleviate non-merit health inequalities
  - Strengthening primary healthcare services, supporting non-traditional healthcare providers, providing economic assistance, promoting health education, and establishing monitoring and evaluation mechanisms are recommended policies to alleviate non-merit health inequalities.
- The top-down forces created a context that gave legitimacy to promoting a bottom-up approach

## Lessons Learned

- Since the implementation of the Health and Poverty Alleviation Policy in 2015, China has witnessed a reduction in payment of catastrophic illness in Yunnan.
- The transformation from "postponing minor illnesses, enduring" major illnesses, and seeking medical attention only for severe conditions" among the impoverished population to "affordable, accessible, and nearby healthcare, eliminating the link between illness and poverty."



#### **Contact Information**

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Recommended Reading:

Liang W, Tang K, Zhu J, et al. Tsinghua–Lancet Commission on health and poverty alleviation in China. The Lancet 2023; 0. DOI:10.1016/S0140-6736(23)01856-1.