Academic Journal of Management and Social Sciences
ISSN: 2958-4396 | Vol. 7, No. 2, 2024

The Feasible Way of Public Hospital Reform from "Sanming Medical Reform"

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Abstract: As the main provider of current medical services, public hospitals bear the medical and health tasks of various cities and make important contributions to protecting the health of residents. Since the implementation of China's new medical reform in 2009, promoting the pilot reform of public hospitals has been one of the important tasks in the medical system. Sanming medical reform dares to be the first, to the people first, from the reform to the present, the reform achievements have been affirmed many times. Sanming medical reform can be summarized as three stages, namely, to cure confusion and stop waste; To establish articles of association and systems; Cure disease, practice the concept of great health. This paper attempts to review the reform process of Sanming medical reform, summarize the feasible experience of medical reform, and point out the feasible road for public hospital reform.

Keywords: Sanming Medical Reform; Public Hospital Reform; Public Welfare.

1. Introduction

According to the data of the seventh National Census, the number of people aged 60 or above in China reached 264 million, accounting for 18.7% of the total population, an increase of 8.4 percentage points over that of 2000, when China entered the aging society. China is rapidly entering the "silver hair society", and the pressure of health work is increasing day by day. In 2009, the executive meeting of The State Council adopted the Opinions on Deepening the reform of the medical and Health System and the Recent Key Implementation Plan for the Reform of the Medical and Health System (2009-2011), and a new round of medical reform plan was formally introduced and implemented. The plan clearly promotes the reform of public hospital management system. Since the 18th National Congress of the Communist Party of China, the reform of public hospitals has organically connected with the reform of the grass-roots medical and health system, the reform of the pharmaceutical system and the reform of the medical insurance security system, and the reform of public hospitals has made breakthrough progress in strengthening basic medical and health services by improving the basic urban and rural medical security system. In 2021, policy documents such as "Opinions on Promoting High-quality Development of Public Hospitals" and "Actions to Promote High-quality Development of Public Hospitals (2021-2025)" have been issued intensively, and high-quality development has gradually become the main theme of comprehensive reform of public hospitals in China. The General Office of the State Council issued the Key Tasks for Deepening the Reform of the Medical and Health System in 2022, pointing out that it is necessary to further promote the experience of Sanming medical reform, promote the expansion and balanced distribution of high-quality medical resources, deepen the linkage reform of medical care, medical insurance and medicine, and continue to promote the transformation from the focus on disease treatment to the focus on people's health. We will continue to promote solutions to the problems of difficult and expensive medical care. When Sanming medical reform frequently appears in policy documents, it is necessary for us to systematically learn what Sanming medical reform has changed. How to change? And why is it successful? How can other cities learn from this?

2. Literature Review

2.1. Public Hospital Reform

China is one of the earliest countries to establish hospitals. During the Western Han Dynasty, the Yellow River was plagued by epidemics. Emperor Wu of Han, Liu Che, set up medical facilities in various places, equipped with doctors and medicines, and provided free treatment for the people. The basic requirements for general hospitals in China include compliance with national laws and regulations, norms of diagnosis and treatment behavior, management systems and pricing policies, and ensuring medical safety and quality [1]. Public hospitals are medical institutions funded by the state and the main body of China's medical and health service system. Their operation goal is to improve people's health level and health equity at an appropriate cost and ensure life safety [2]. The biggest difference between it and the general hospital is its public welfare. From the beginning of the establishment of the system, along with the promotion of the reform of the market economy system, public hospitals gradually changed from the original government-led mode to the mode of "self-financing", resulting in the gradual loss of public welfare of public hospitals and the welfare loss of the whole society [3].

The development of the market, the deviation of policies, and the attack of major national disasters later made the reform of public hospitals imminent. As for the reform of public hospitals, it is not difficult to find that the popularity of the topic is always linked to the strength of policy support. According to the search on the knowledge network (subject %=' Public hospital reform 'or title %=' Public hospital reform '), a total of 15,952 articles were published by 2023, of which the most published year was 2010, reaching 1552 articles. That is, the release of the new medical reform plan in 2009 marked a new era of China's medical reform, and the policy always attracted a large number of scholars to discuss and study at the initial stage.

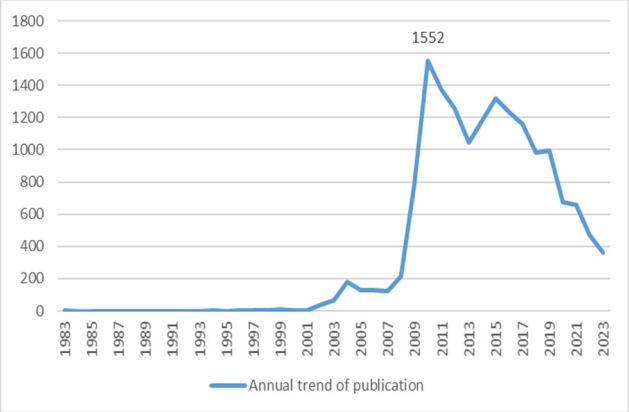

Figure 1. The annual trend of CNKI

Most scholars are trying to answer the specific policies and problems encountered in the medical reform. The reform of public hospitals has been doing three major things from the beginning of the reform: first, the construction of the management system, second, the reform of the operating mechanism, and third, the construction of the service system.

2.1.1. Construction of Management System

The hospital management system is the key and bottleneck of hospital reform. Only when the hospital management system is broken through, the reform of the hospital operating mechanism can adapt to it [4]. Qian Mangrui (2023) [5] clarified the development process of China's hospital management system by analyzing the historical changes in the laws and policies of China's hospital organization and management system since the reform and opening up, and believed that only by strengthening the leadership and intervention of Party committees in the governance of public hospitals' corporate organizations with full integration could the de-administration of public hospitals be realized. Fu Hang (2023) [6] paid attention to the external supervision of public hospitals, found that there are currently problems such as lack of effective coordination between different regulatory measures, supervision model to be optimized, lack of initiative in supervision of large public hospitals, and the degree of multi-department collaboration to be strengthened, and proposed optimization plans.

2.1.2. Reform of Operation Mechanism

Operation mechanism refers to the internal function and operation method of enterprise survival and development, that is, a series of policies, methods and measures made by public hospitals on the basis of ensuring public welfare, Daily production and life of the hospital and development cooperation among staff. In the reform of operation mechanism, public hospitals in various regions still have insufficient attention [7]. The means and methods of implementing performance appraisal in public hospitals need to be improved; Problems such as uneven level of information construction.

The reform of the salary system of public hospitals is a key link to deepen the reform of public hospitals [8] Scholars focus on the reform of the salary system. Wang Jinshen (2020) [9] et al. sorted out the evolution process of the performance salary distribution method of public hospitals. It is pointed out that the mode of salary distribution has gradually realized the transformation from single method, work quantity and economic benefit mode to comprehensive method, work quality and social benefit mode. With comprehensive budget management as the implementation path, we will promote performance appraisal work, strengthen the integration of budget management and performance management, and form a virtuous circle in which performance is integrated into budget and budget promotes performance. Liu Yun (2016) et al. also found that in the reform process of public hospitals, there was a problem of "unbalanced development", that is, hospitals at different levels had different development conditions due to reform. It not only increases the economic burden of patients, but also intensifies the tension between doctors and patients [10].

2.1.3. Construction of Service System

Because of its public welfare, the ultimate goal of public hospitals is to realize public interests. In order to realize the construction of high-quality public hospitals, the construction of service system is indispensable. Improve the service system, generally from the following aspects to improve the logistics outsourcing service quality supervision [11]; Building an Internet hospital relies on big data to provide better services for patients [12]; Establish a service quality evaluation index system for public hospitals [13]. China's public hospital reform has lasted for 13 years, and has made great achievements through the unremitting efforts of leaders at all levels, experts and scholars, and the public. The report of the 20th National Congress of the CPC pointed out that China has built the largest medical and health system in the world. We will comprehensively push forward the comprehensive reform of public hospitals, continue to improve the county medical and health service capacity, complete the hierarchical diagnosis and treatment system, and truly make "supporting medicine with medicine" a history. Of course, we must also see that at present, public hospitals are still facing a series of institutional bottlenecks in performing their public health duties, to this end, we must increase efforts to deepen the public-oriented public hospital reform.

2.2. Sanming Medical Reform

In the beginning of the implementation of medical reform, Sanming City was not in the first batch of pilot list, in 2012, Sanming City resolutely towards the road of reform, more than ten years of reform results are obvious to all. Many scholars have also sought experience in Sanming medical reform, in order to better realize the local medical and health reform. The research on Sanming Medical reform as a case can be generally divided into three categories:

First, extract the theoretical framework from the medical reform, so as to enrich the theoretical basis of China's medical reform and realize the theoretical model that can be promoted.

Tian Meng (2021) [14] proposed a two-dimensional logical model of incremental medical reform and stock medical reform. Taking medical reform in Sanming City and Xiamen City as typical cases, he pointed out the practical logic for clarifying the internal reform logic of China's medical reform and how to formulate appropriate medical reform policies. Wang Chunxiao (2021) [15] found that the effective path of China's health governance is system integration, which is the basis of health governance and promotes system integration in health governance.

Second, starting from the actual medical reform, summarize the experience of medical reform and extract the experience that can be promoted.

Fu Wei (2019) [16] believes that the most important thing to promote the Sanming reform is to learn the concept; Shen Changpei (2022) [17] found that the effective supervision system in Sanming played an important role in solving the

problems of "difficult to see a doctor" and "expensive to see a doctor"; Li Ling (2022) [18] concluded that in order to promote the Sanming experience, it is necessary to break through the blocking point of the governing concept, the blocking point of the governance system, the blocking point of the cadre incentive and assessment, and the blocking point of the medical and health system.

Third, use various tools to summarize and explain the policy effect and reform achievements of Sanming medical reform.

Based on the policy tool analysis of Sanming medical reform policy [19] and the specific analysis of the three medical linkage comprehensive reform policy [20], text analysis was applied from the level of policy release to grasp the policy trend of Sanming medical reform as a whole, evaluate the feasibility and tendency of Sanming medical reform policy, so as to put forward certain optimization opinions and promote the policy to be more scientific. Using empirical analysis and facts and data to speak, I can intuitively feel the achievements since Sanming medical reform [21] As a typical experience in medical and health reform, there are not many literatures related to Sanming medical reform, and most of them remain in the specific experience stage, learning Sanming rather than striving for Sanming. In today's modernization, Public hospital reform towards the stage of high-quality development, we should stand in the overall perspective, review the history of Sanming reform, from the overall grasp of what to learn Sanming, what to change?

3. Sanming Medical Reform Process

Sanming City, with a population of less than 3 million, used to have a weak foundation for development. Sanming is prosperous because of industry, the proportion of retirees is high, and the phenomenon of "old before rich" is prominent. Sanming medical insurance once stood on the "cliff edge", the fund loss of more than 200 million yuan, the financial inability to cover the bottom. At the same time, because of the overall inadequate medical resources and the imbalance of urban and rural allocation, the problem of difficult and expensive medical treatment for the masses is very prominent. Medical reform concerns people's livelihood, but it also touches on the huge grey interests of the existing system. In order to effectively implement the reform and solve the problem of difficult and expensive medical treatment for the public, Sanming City integrates the functions and management mechanisms of health-related government departments, and the Party and government leaders personally grasp the medical reform. At the same time, a person with coordination ability and the courage to take responsibility as the specific responsible comrade of the government is in charge of medical care, medical insurance and medicine. The medical reform work will be included in the government's target management performance assessment and cadre assessment, effectively and effectively promote the reform of the medical and health system, break through the "Kowloon water control" dilemma, and let public institutions return to the nature of public welfare, doctors return to the role of doctor, and drugs return to the function of treatment.

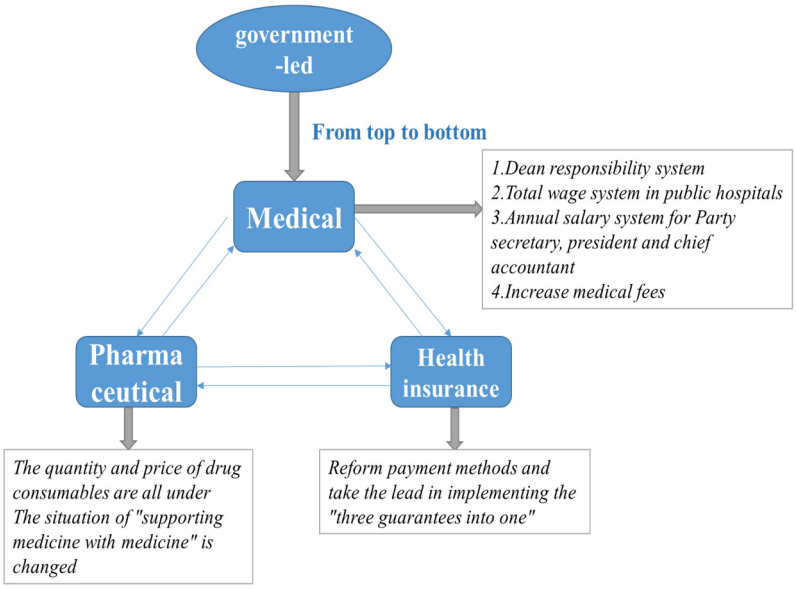

Figure 2. Sanming reform framework

In January 2012, Sanming City set up a leading group to deepen the reform of medical sports system, with 15 member units, and the municipal Party Committee and municipal government fully trusted, fully supported and fully authorized the leading group of medical reform. On this basis, Sanming medical reform began. In 2012, Sanming City launched the "three medical linkage" reform of medicine, medical insurance and medical care. Integrate the functions of health-related government departments, establish a medical security fund management center, and uniformly take charge of promoting medical reform and supervision and security work in the field of medicine and health. In medicine, through the "two-vote system", the regular development of drug consumables joint limited price procurement, cutting down the virtual high prices, Improve the price of medical technical services, explore the implementation of the target annual salary system for all hospital staff, improve the funding mechanism of public hospitals, strengthen the supervision and management of medical institutions, cut off the grey interest chain in the medical field, and improve the efficiency of the use of medical insurance funds. At the same time, in order to promote the implementation of the people's health as the center, from "treatment of disease" to "treatment of disease", Sanming City explored the construction of a tight

county medical and health care community, with the reform of medical insurance payment method as the starting point, the medical insurance funds and financial investment are packed to the medical community on a per capita basis, and the total amount is guaranteed, the overspending is not covered, and the balance is retained. Strengthen the health performance assessment of the medical community, promote medical and preventive cooperation, and promote the service model from the disease as the center to the health as the center.

Looking back on the ten years of medical reform, Sanming City has mainly experienced three stages: the first stage is to cure chaos, stop waste, and rectify "money-making as the center", the main measures are to rectify kickbacks and incorrect medical behavior; The second stage is to establish regulations, establish a system, return to the "treatment as the center", the main measures are the government to assume the responsibility of medical management, reform the system, build a mechanism; The third stage is to cure disease, practice the concept of big health, advocate "health as the center", the main measure is to build a health security system. At present, Sanming medical reform has initially achieved a win-win situation for patients, hospitals, doctors, medical insurance and medicine. In the future, it will make efforts in the integrated management of chronic diseases, improving the health literacy of residents, improving the prevention mechanism of major diseases, and the health control of key groups, and continue to deepen reform.

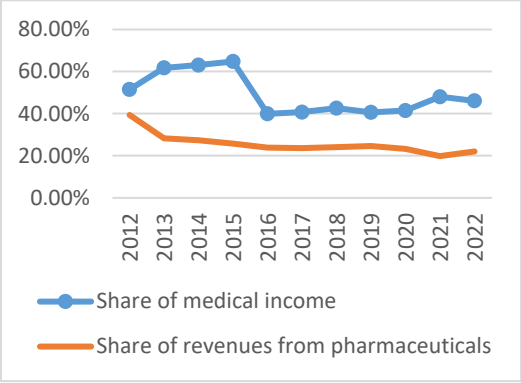

Figure 3. The proportion of pharmaceutical and medical income in Sanming from 2012 to 2022

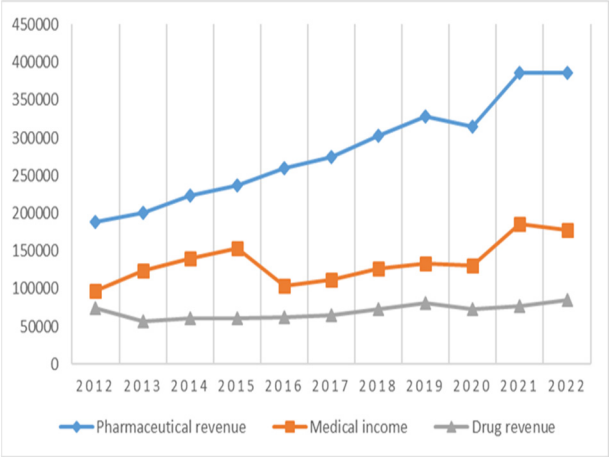

Figure 4. 2012-2022 Sanming pharmaceutical income
Data source: 2012-2022 Operation of public medical institutions in Sanming City

Through the medical reform, from 2012 to 2022, the proportion of drug income in Sanming City is generally decreasing. Drug income has increased by more than two times from 744.5109 million yuan in 2012 to 850.4881 million yuan in 2022, and drug income can still maintain little fluctuation. It can be seen that the "escape cage change bird" is very successful; The proportion of medical income rose sharply at the beginning of the reform, and then tended to rise steadily with the deepening of the reform, from 972,70,600 yuan in 2012 to 177,8119,200 yuan in 2022, an increase of nearly two times; The per capita income of hospitals has increased significantly, and the total salary of secondary and above public hospitals in Sanming City has increased by 3.08 times from 382 million yuan in 2011 to 1.557 billion yuan in 2020. The burden of medical treatment has been significantly reduced; people's health continues to improve. From 2011 to 2020, the average hospitalization expenses of urban employees in 22 public hospitals in Sanming City remained flat; Individual out-of-pocket expenses decreased from 1,818 yuan to 1,664 yuan, and the reimbursement ratio increased from 72.26 percent to 74.61 percent. The average cost of medical insurance and hospitalization for urban and rural residents only increased by 29.7 percent. Individual out-of-pocket expenses decreased from 2,194 yuan to 1,712 yuan, and the reimbursement rate increased from 46.25% to 70.53% [22]. At present, Sanming medical reform has achieved the "four can", that is, the people can accept, the finance can bear, the fund can run, and the hospital can continue.

4. In the Final Analysis

Sanming medical reform is a medical reform forced by the form of medical reform, the valuable thing is that I met a group of people who understand medical reform and insist on reform, and formulated a set of methods that are most suitable for local medical reform according to local conditions, without the leadership of the Party Committee at that time from the top down, sweeping medical reform will not succeed; Reform wouldn't have worked without a bunch of wealthy, loving entrepreneurs; Without the vigorous promotion and repeated emphasis of the national superior leadership, medical reform will not be vigorously promoted. When a policy innovation spreads from the point to the surface, the acceptance of some areas actually depends more on the publicity and the "face" of superior leaders, and in order to promote the "Sanming model" faster, find the reform road suitable for most public hospitals, all over the active learning of reform measures, seriously implement the reform of the constitution is the key, but the more critical should implement the following:

4.1. The Public Welfare of Public Hospitals Should Not Be Shaken

The orientation of public hospital reform is to adjust the allocation of medical resources, promote the transformation of medical service value and optimize hospital management as the main goals, and promote the transformation of public hospitals into modern, standardized, informationized and humanized medical institutions.

The mission of public hospitals is to serve public health and provide high-quality, effective, safe and accessible medical services. Only on the premise that public hospitals remain steadfast in public welfare, can public hospitals strengthen medical and health quality management in medical reform, increase grassroots medical and health work, improve the utilization efficiency of medical resources and other aspects

of reform, promote the patient-centered medical model, pay attention to the quality and efficiency of medical services, and promote medical ethics. Improve physician literacy and service awareness, and give full play to the important role of public hospitals in the field of social public health services and medical safety.

4.2. To establish a National Assessment and Supervision and Reward and Punishment Mechanism

To learn the Sanming medical reform, we must first grasp it, and the reform of public hospitals involves the interests of all aspects, which is a game process with all interest groups. Government policymaking can point the way and regulate the behavior of the people involved. Research has pointed out that in non-economic fields, "meeting the standards tournament" is the main approach of government officials to deal with the problem. In order to make the effect not only reach the standard, it requires the strict requirements of the upper-level leaders, attach great importance to it, and cooperate with the corresponding rewards and punishments to improve the enthusiasm of the participants. To this end, it is necessary to establish a national-level assessment, supervision and reward and punishment mechanism, bring the medical reform into the right course, link it with the appreciation and salary of local officials, and gradually prevent correction.

4.3. To Adapt to Local Conditions, the Sanming Model for Their Own Use

Medical reform should be adapted to local conditions, cannot simply "follow the example", Sanming medical reform for more than ten years, there have been a variety of medical reform models, and finally only "Sanming model" has been fully affirmed and vigorously promoted, which is inseparable from the Sanming dare to be the first, to the people first reform principle, learning Sanming is to learn the "art" of Sanming, Learn the "Tao" and "potential" of Sanming. "Art" is the method, technology, "Tao" is the direction, the fundamental, "potential" is the situation, the environment.

4.4. To Change the Traditional Concept of Policy Implementor and the Masses

The most critical reform of Sanming is to build a dynamic adjustment mechanism for medical service prices and realize a change in the structure of hospital revenue and expenditure. Reducing medical income and increasing service income can really benefit the people and realize the positive incentive of medical personnel. A major problem in the current reform is the change of patients' concept, people have long been stereotyped for the worthless labor force, making it difficult for patients to pay for medical services, but more inclined to high-end equipment and imported medicinal materials. To this end, it is necessary to increase publicity efforts, change the traditional concept in people's minds, reasonably raise the price of medical services, so that patients can better understand the difficulties of medical personnel, which can not only change people's traditional concept, but also ease the relationship between doctors and patients.

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