

DRG Implementation of WH

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Overview

➤ Background

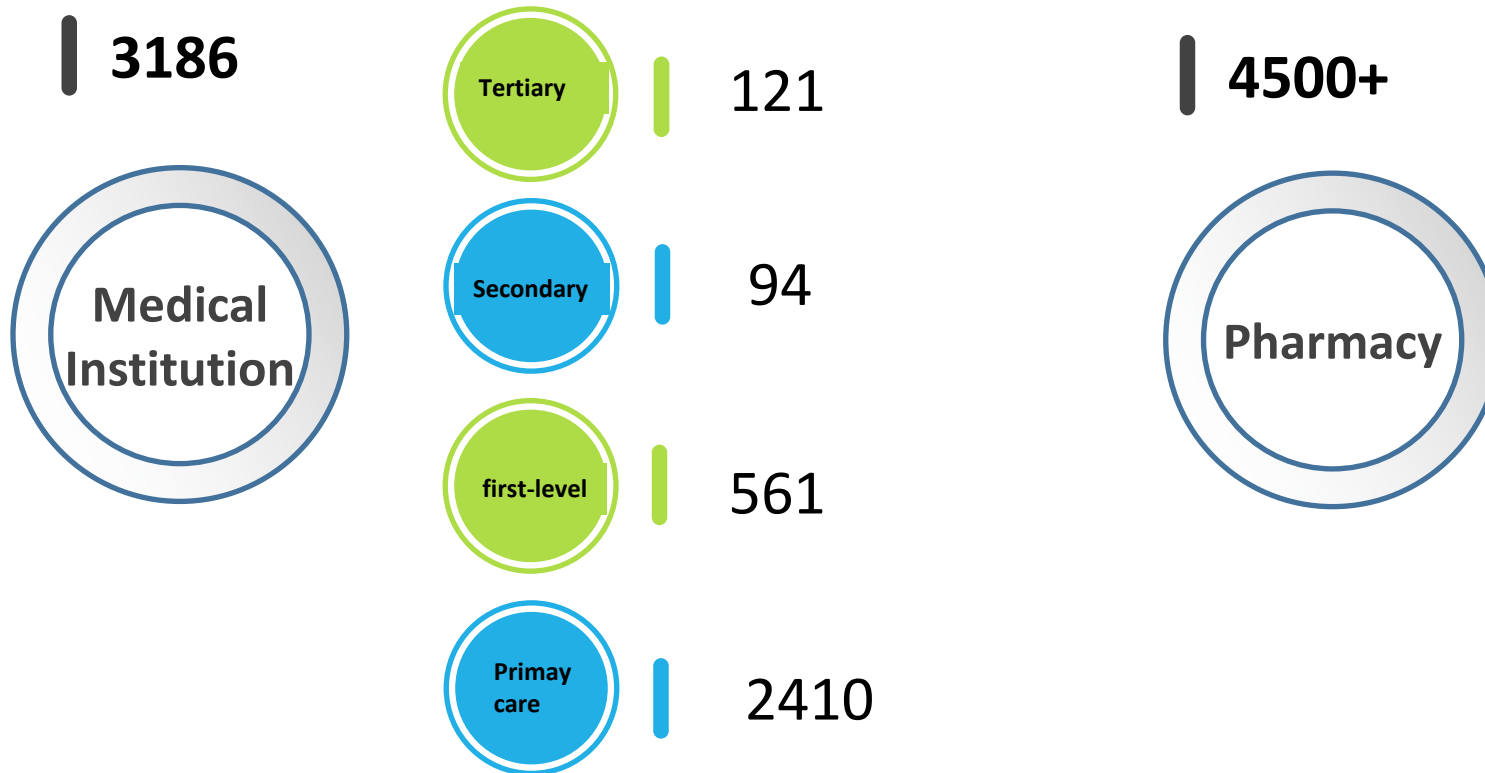
- Large scale of medical industry of WH
- Insurance expenditure of WH

➤ Timetable

➤ Characteristics

- Fully covered, Regional budget control
- Weights of case-mix groups (tipped towards critical, complex and surgical cases)
- Policy trends

Background



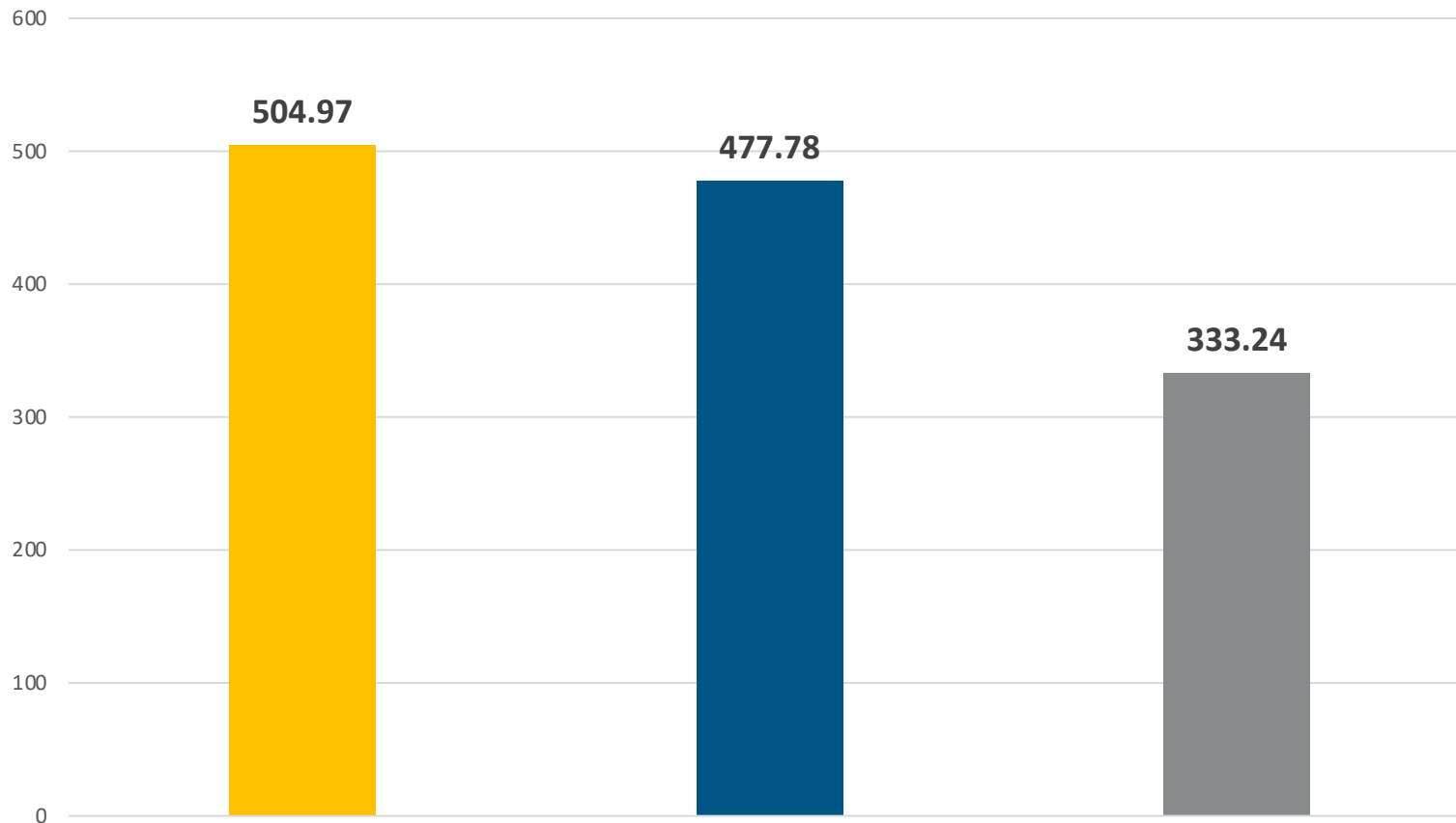
Background

The number of insured (medical insurance): 9.8+ million

- employees' basic medical insurance: 5.05 million

- rural and non-working urban residents' basic medical insurance: 4.78 million

The number of insured (birth insurance): 3.33 million



Background

Overview of Medical Insurance Expenditure

Medical Insurance

Income :
28.2
trillion

Expenditure :
22.3
trillion

Surplus :
5.9
trillion

Employees' Insurance

Income :
24.2
trillion

Expenditure :
19.1
trillion

Surplus :
5.1
trillion

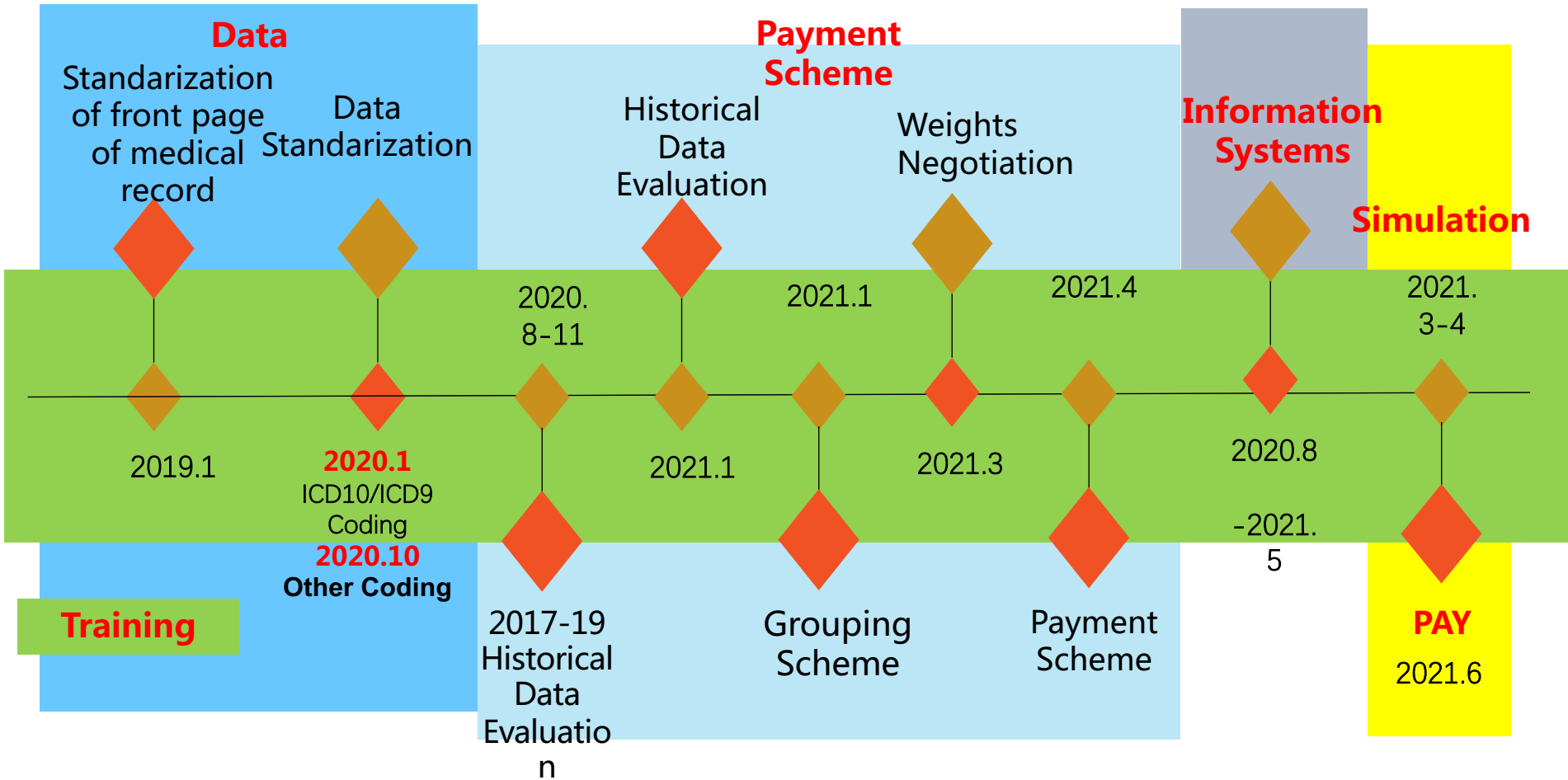
Residents' Insurance

Income :
4.0
trillion

Expenditure :
3.2
trillion

Surplus :
0.8
trillion

Timetable



Characteristics

Fully covered

1

Medical Institution

All tertiary and secondary hospital (174)

2

Member Insured

All members of employees' & residents' insurance

3

Groups

All case-mix groups, no exception

4

Expense

All medical expense, no exception

VS

Regional budget control

Regional budget

No institutional budget

Rules More Clear

Rules More competitive

Characteristics

Data evaluation

- Inpatient data of 95 medical institute from 2017.01 to 2019.12: 3.18 million cases

Grouping

- 371 ADRG groups
- 660 DRG groups. Surgical groups 252 , Non-surgical procedures groups 37 , Medical groups 371
- 5% patients fee-for-service to ensure care of critical/complex cases

Characteristics

98 physicians from 43 specialties, negotiated weights of DRG groups:

- ① Technical difficulty and Clinical resources consumed
- ② Manually elevated weights of critical, complex and surgical cases, depressed weights of common, mild cases;
- ③ Total weights not higher after manual adjustment

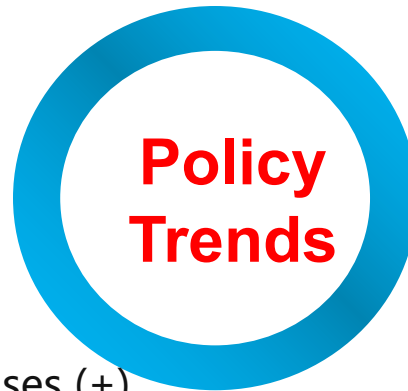
Goals

- ✓ Tiered medical services
- ✓ Actual value of medical service. Tortured reality.

Characteristics

Incentives and constraints

- Expenditure
 - Surplus (+)
 - Overspending (-)
- Cases
 - critical, complex & surgical cases (+)
 - common, mild cases (-)



Challenges to innovative therapy

- In general, Not friendly to innovative therapy
- Manully elevated groups will be opportunities
- Communication with CHS needed (cost-benefit and cost-effectiveness analysis)

THANK YOU

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