

China sets timetable for public hospital reforms

China is set to launch a comprehensive medical reform process in order to cancel the drug markups in public hospitals nationwide before September 30.

Local authorities will ensure to publish guidelines and plans on comprehensive medical reforms before July 31 ahead of starting to carry out reforms on September 30, according to a guideline jointly released by seven government organs including the National Health and Family Planning Commission.

China has launched medical reform pilot projects in a number of cities and provinces and based on the previous pilot programs, the country aims to deepen the reform nationwide, in which canceling drug markups has been the priority.

The guideline set by the end of this year, will see pilot hospitals reduce the income of drug sales to 30% of revenues, and in every 100 yuan cost of medical fees, the medical materials should be under 20 yuan.

On April 8, Beijing implemented a new reform to end high drug markups and high fees for medical materials in order to provide patients with better services and lower-cost medicine.

According to the guideline, reforms at the county level would also be put forward aiming to lower the cost for patients by decreasing the price of medicine and increase the percentage of charges in medical services.

Public hospitals have relied heavily on markups on drugs, high fees for examinations and sales of materials such as bandages, creating an incentive for doctors to over-prescribe and advise unnecessary check-ups.