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The surprising impact of COVID-19 on domestic healthcare migration in China

0 comments

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During the COVID-19 pandemic, China adopted one of the world's most restrictive policies on human mobility. Though largely effective at controlling the pandemic's spread, these policies also created new pressures for 'healthcare migrants', citizens who need to travel to access better medical care within the country.



Long before the pandemic, patient choice in China was nearly impossible because Social

Health Insurance (SHI) coverage was limited to the geographic region where participants registered their household, commonly known as 'hukou' status.



As such, the national SHI system (which covers over 95% of the population) consisted of numerous local programs operating independently from one another. If a citizen couldn't receive quality treatment in their hukou location, they would either have to pay out of pocket to 'buy' services elsewhere—which could result in financial destitution—or forego it altogether.

Since 2016, China implemented new policies to allow cross-regional SHI reimbursement and improved local policy coordination to oversee it so citizens can receive full healthcare services while away from their hukou location. But have pandemic restrictions created new barriers to healthcare migrants in China? Drawing on newly available administrative data published by the National Health Security Bureau, we have constructed a novel dataset of cross-provincial SHI claims. This allows us to provide a first-of-its-kind analysis of the pandemic's impact on the behaviour and experience of healthcare migrants. Initial findings from our ongoing research reveal a more complicated situation than expected.



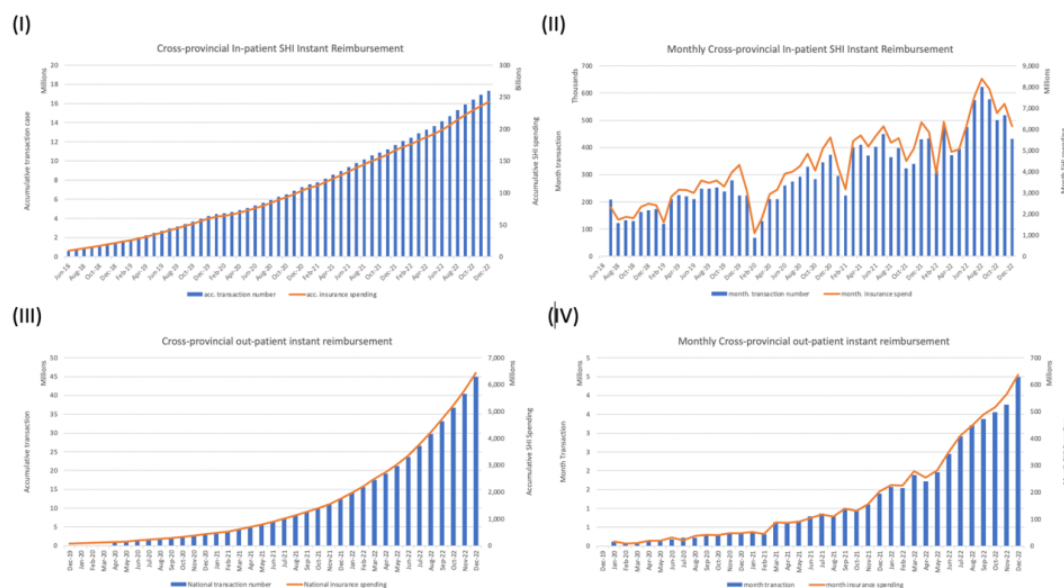
Surprisingly, growth in the number of cross-provincial SHI claims by healthcare migrants

that started before the pandemic actually continued during it.



Figure 1 displays cumulative and monthly claims, as well as SHI spending on settling cross-provincial reimbursements. As demonstrated in Panel I, the growth trends for cross-provincial claims were steady. Between June 2018 and December 2022, cross-provincial SHI claims increased from roughly 500,000 to 17 million for inpatient care, resulting in a 26-fold growth in associated SHI spending. Panel III also shows an enormous rise in outpatient claims, with a jump in insurance spending from 83 million to over 6 billion RMB.

Figure 1. Cumulative and monthly claim numbers and SHI spending on settling cross-provincial claims.



Data source: monthly bulletins published by the National Health Security Bureau between June 2018 and December 2022.

However, a more nuanced picture emerges when we examine monthly claim numbers and SHI spending. Panel II shows that exogenous shocks, such as COVID-19 and seasonal factors, had an impact on the intensity of cross-provincial SHI reimbursement. The most significant drop occurred in February

2020, soon after the lockdown of Wuhan City on January 23, 2020, and the subsequent lockdown of all provinces the following month.

But this drop is not solely attributable to the pandemic. Rather, it is a seasonal effect that was *magnified* by COVID-19. Looking at the year before, a noticeable downturn occurred in February 2019. This coincided with Chinese New Year when migrants typically return to their hometowns to spend time with their families, resulting in a natural decrease in the need for cross-provincial SHI claims. Nevertheless, the size of this decrease is small compared to the drops experienced during the pandemic when policy restrictions on domestic travel severely limited population mobility and, consequently, the intensity of cross-provincial SHI claims.

Although the number of cross-provincial SHI claims fluctuated from month to month during the pandemic, they never stopped completely. The continued trend of healthcare migrants making cross-provincial SHI claims during COVID-19 is facilitated by three factors.

First, contrary to common understanding, the entire population of China was not immobilized during the pandemic. [Previous research](#) on provincial-level pandemic responses reveals how restrictive COVID-19 policies were highly localized following the initial nationwide lockdown between January to April 2020. [Other work](#) shows how citizens in some locales were unable to travel due to local flare-ups of cases, others were able to travel relatively freely—and continued to make cross-provincial SHI claims.

Second, a drop in the number of claims due to restrictive COVID-19 policies was likely balanced out by changes to the policy. While cross-provincial SHI claims were initially limited to inpatient expenses, in 2022 it was expanded to cover costs at outpatient facilities and pharmacies, contributing to nearly-linear monthly growth (shown in Panel IV).

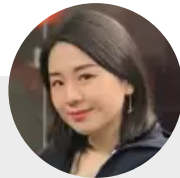
Third, initiatives to ease the reimbursement process likely increased claims during the pandemic. A dedicated app and online self-service option were launched in 2020 and 2021, bringing the pre-approval time frame down to 24 hours. Such e-governance mechanisms were especially crucial during lockdowns when public offices were closed and business was done remotely.

In short, while COVID-19 introduced or magnified temporary drops in cross-provincial SHI claims through limiting domestic travel, it did not reverse the long-term trend of Chinese healthcare migrants enjoying more choices and improved financial protection. That a global pandemic did not derail these policy reforms is heartening. But it remains to be seen if China's healthcare provision is truly becoming more accessible to all.

The views expressed in this post are those of the authors and in no way reflect those of the Global Health Initiative blog or the London School of Economics and Political Science.

Photo by [Kian Zhang](#) on [Unsplash](#)

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