

## China Health Bibliography Update

July 2004

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EASHD---China Rural Health AAA  
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\*\*\*Contents in this update are from the following database: [PubMed](#), [EconLit](#), [Social Science Citation](#) and [Factiva](#).

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- [Xinhua: China CDC head resigns over SARS lab leaks](#)
- [Xinhua: More than 843k Chinese suffer from schistosomiasis](#)
- [Asia Pulse: China to ban high-tar cigarettes](#)
- [AFX Asia: China to close deal with GlaxoSmithKline for affordable AIDS drugs](#)
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Note: Below are selected results from PubMed using EndNotes (search terms:  
2004/07/14:2004/07/30, China)  
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\*\* Lim, M. K., H. Yang, et al. (2004). "China's evolving health care market: how doctors feel and what they think." Health Policy **69**(3): 329-37.

This paper reports on a questionnaire survey and 12 focus groups conducted among doctors in three provinces of China, namely Guangdong, Shanxi, and Sichuan. The survey ( [Formula: see text] ) and focus group participants were drawn from both rural and urban areas, as well as public and private sectors, in equal numbers. The aim was to gauge how Chinese doctors feel about themselves and what they think of the Chinese health care system. We found low satisfaction levels with own income (8%), job (27%), skill (30%), and other important aspects of their professional life. The health care system received only 32% approval rating. Quality of care and patient safety issues were major concerns, especially in the growing but poorly regulated private sector. The public sector came under criticism for its high fees and bad service quality. The feedback points to the need for an appropriate regulatory framework to guide the development of China's evolving health care market. A revitalized medical profession that is fully engaged in the reform process could also significantly impact the success of ongoing health care reform efforts.



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Wu, Z., K. Rou, et al. (2004). "The HIV/AIDS epidemic in China: history, current strategies and future challenges." AIDS Educ Prev **16**(3 Suppl A): 7-17.

This article reviews the epidemic of HIV infection and AIDS, the Chinese national policy development in response to the epidemic, and disparities between policies and the need for AIDS prevention in China. The HIV epidemic in China has gone through three phases, and it is now at the rapid expansion phase. Since 1988, HIV/AIDS has been addressed from a legal perspective, but in the early stages laws and regulations actually hindered HIV control efforts. Since 1995 efforts have been made to improve policy decisions. Two major strategic plans were issued in 1998 and 2001, with increased government funding for implementation. Although the challenges facing HIV/AIDS control in China are many, the Chinese government is making a stronger commitment for implementing effective AIDS control measures in the country.

Zhang, X., X. Li, et al. (2004). "Attitudes of Chinese medical students toward the global minimum essential requirements established by the Institute for International Medical Education." Teach Learn Med **16**(2): 139-44.

Background: The Institute for International Medical Education has published "Global Minimum Essential Requirements (GMERs) in Medical Education." Purpose: This study examined attitudes of a sample of Chinese medical students toward the GMERs. Methods: Matriculating and graduating West China School of Medicine Sichuan University medical students were administered parallel surveys during the 2001 to 2002 academic years. Results: Both cohorts produced similar response profiles. The majority in both groups rated the 7 GMER domains as either important or very important for their medical education. Matriculating students rated professional values, attitudes, behavior, and ethics as most important, whereas graduating students valued clinical skills highest. Population health and health systems received the lowest importance ratings from both groups. Please note that this study was conducted before the SARS outbreak. As a result of the SARS experience, attitudes toward population health and health systems might have changed. Conclusion: Although medical students ascribe importance to the GMERs, efforts are needed to increase the perceived importance of the population health and health systems domain.

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Note: Below are selected results from EconLit using EconLit Advanced Search (search terms: China, 2004, rank by date)  
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Dorn, J. A. A. T. U. and I. Cato "Pension Reform in China: A Question of Property Rights."

Full-text: <http://www.cato.org/pubs/journal/cj23n3/cj23n3-10.pdf>

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Note: Below are selected results from Social Science Citation using EndNotes (search terms: 2004, China, health)

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\*\* Akin, J. S., W. H. Dow, et al. (2004). "Did the distribution of health insurance in China continue to grow less equitable in the nineties? Results from a longitudinal survey." *Social Science & Medicine* **58**(2): 293-304.

This paper examines changes in the distribution of health insurance across socioeconomic groups in China over the 1989-1997 period. The analysis is based on the China Health and Nutrition Survey (CHNS), a unique micro-level longitudinal survey of households in eight Chinese provinces. Findings indicate that while aggregate insurance coverage rates in the sample changed little over this period, certain previously noted differences in coverage rates across socioeconomic groups narrowed significantly. These findings bring into question the presumption that continued market-oriented reform would lead to increased differences in coverage across those groups. The results, in fact, suggest exactly the opposite, that as the market oriented changes have occurred important disparities in health insurance coverage have been reduced. If these reductions are occurring there are important implications for policy. The groups normally targeted for equity reasons seem to be making progress over time but continued improvements are needed for these groups to reach the levels of coverage enjoyed by more fortunate subgroups. (C) 2003 Elsevier Ltd. All rights reserved.

Full-text:



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\*\* Anson, O. and S. F. Sun (2004). "Health inequalities in rural China: evidence from HeBei Province." *Health & Place* **10**(1): 75-84.

The purpose of this study was to examine the degree to which commonly used social class indicators-education, income, and occupation-are associated with health in the context of rural China. Data were collected from 10,226 individuals of working age (16-60) living in HeBei Province, the PRC. The association between education and income observed resembles the patterns documented in industrial societies, but the health status of farmers is quite similar to that of white collar employees. Persons in other than mainstream occupations report the poorest health status. Social selection and the costs of relative deprivation appear to be useful to the understanding of health inequality in rural China, though in a manner shaped by the particular social context. (C) 2003 Elsevier Ltd. All rights reserved.

Beland, D. and K. M. Yu (2004). "A long financial march: Pension reform in China." *Journal of Social Policy* **33**: 267-288.

In the context of rapid economic and demographic change, the People's Republic of China has attempted to reshape its public pension system. Although China's current pension system has drawn the attention of many policy analysts, no theoretically informed account on the politics of Chinese pension reform has yet been published. Grounded in a broad institutionalist perspective, this contribution analyses contemporary pension politics in China through the interplay of four main factors: (1) decentralisation and limited administrative capacity, which make it difficult to rationalise and transform the existing pension system; (2) feedback effects from previously enacted pension schemes that further complicate policy change; (3) liberalisation and

economic reforms, which have created 'vested interests' in the newly established private sector, but which have lacked the strength to generate a mature financial system; (4) finally, the apparent dominance of the neo-liberal financial paradigm commonly associated with the World Bank. While this financial paradigm favours the adoption of new reform proposals, the economic and institutional factors mentioned above complicate their implementation.

Cook, I. G. and T. J. B. Dummer (2004). "Changing health in China: re-evaluating the epidemiological transition model." *Health Policy* **67**(3): 329-343.

This paper reviews the changing health Situation in China, which has shown remarkable improvement in the 50 years since the founding of the People's Republic of China (PRC) in 1949. At first sight this improving health Situation follows the classical epidemiological transition model. Just three decades ago health in China was characterised by high rates of infectious disease and early mortality (diseases of poverty) in a mainly peasant society. More recently infectious disease rates have decreased, with corresponding and extended morbidity and mortality associated with an aging population in a rapidly Urbanising society. This process has given rise to new health problems, including chronic and degenerative diseases (diseases of affluence). Nonetheless, while there is some validity in the application of the epidemiological transition concept, further analysis demonstrates that China faces a new epidemiological phase, characterised by increasing life expectancy and diseases of affluence Coupled with the emergence and re-emergence of infectious diseases. We demonstrate that China's state policy plays a major role in defining the parameters of health in a Chinese context. We conclude that, today, China is faced with a new set of health issues, including the impact of smoking hypertension, the health effects of environmental Pollution and the rise of HIV/AIDS; however, state policy remains vital to the health of China's vast population. The challenge for policy is to maintain health reform whilst tackling the problems associated with rapid Urbanisation, widening social and spatial inequalities and the emergence of HIV/AIDS and other infectious diseases. (C) 2003 Elsevier Ireland Ltd. All rights reserved.

**\*\* Dong, W. Z. (2003). "Healthcare-financing reforms in transitional society: A Shanghai experience." *Journal of Health Population and Nutrition* **21**(3): 223-234.**

Since the 1950s, China has had a very wide coverage of healthcare service at the local level. In urban areas, the employment-based healthcare-insurance schemes (Government Insurance Scheme and Labour Insurance Scheme) worked hand in hand with the full employment policy of the Government, which guaranteed basic care for almost every urban resident. However, since the economic reforms of the early 1980s, China's healthcare system has met great challenges. Some came from the reform of the labour system, and other challenges came from the introduction of market forces in the healthcare sector. The new policy of the Chinese Government on the Urban Employees' Basic Health Care Insurance is to introduce a cost-sharing plan in urban China. Like other major social policy changes, this new health policy also has a great impact on the lives of the Chinese people. Affordability has been the major concern among urban residents. Shanghai implemented the cost-sharing healthcare policy in the spring of 2001. It may be too early to assess the pros and cons of the new policy, but evidence shows that the employment-based health-insurance scheme excludes those at high risk and in most need. It is argued that the cost-sharing healthcare system will limit access by some people, especially those who are most vulnerable to the consequences of ill health and those in low-income groups' unless the deductibles vary according to income and unless low-income groups are exempt from paying premiums and deductibles.

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Lee, L. M. (2004). "The current state of public health in China." *Annual Review of Public Health* **25**: 327-339.

In the past 50 years, China has made great achievements in controlling infectious diseases and improving the public's health and hygiene. However, in the twenty-first century, owing to the negative effects brought on by aging of the population and the burdens of diseases, urbanization, industrialization, and globalization, Chinese public health officials are encountering

greater difficulties than ever. Old operating models of public health cannot meet present requirements. The main problems are poor capacity to respond to public health emergencies, severe inequality of health care services, and lagging development of public health information systems. Public health in China can gradually meet the requirements of social development and the increasing public demand for health care services only when the public health is directed by informatization, globalization, technification, and humanization.

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**\*\* Liu, Y. L. (2004). "Development of the rural health insurance system in China." *Health Policy and Planning* 19(3): 159-165.**

Ever since the collapse of the once successful Rural Cooperative Medical System (RCMS) in the early 1980s, when China transformed its system of collective agricultural production to private production, many rural communities, especially the poorer residents, have faced several major problems. In 1993, insurance coverage for rural residents was already low, at 12.8%. By 1998, only 9.5% of the rural population was insured. User charges have effectively blocked access for many rural residents who lack adequate income to purchase basic health care when needed. Impoverishment due to medical expenses is also a serious problem, which begs the question: why has there been no vigorous development of the rural health insurance system in China despite the country's rapid economic growth? This paper analyzes the major underlying reasons for the lack of rural health insurance in China. We found that lack of demand for the voluntary community financing schemes and inadequate government policies are the two major hindrances. Recently, the Chinese government announced a new rural health financing policy that relies on 'matching-funds' by the central and local governments as well as household contributions. The potential for success of this new model might be inferred from China's past experiences, as well as from the pilot projects that are underway.

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**\*\* Meng, Q. Y., C. Rehnberg, et al. (2004). "The impact of urban health insurance reform on hospital charges: a case study from two cities in China." *Health Policy* 68(2): 197-209.**


During the transition from a centrally planned to a market economy, China's urban health insurance system is being reformed. The control of the rapidly increasing hospital expenses will be a major determinant of the success of the reform. This study aims to examine the impact of the reform on hospital charges by comparing changes between two cities with different insurance systems and identifying determinants for those changes. Data was collected from six hospitals in two cities, one city implemented an urban health insurance reform, the other did not. Acute appendicitis and normal childbirth were used as tracers for calculating hospital charges. Methods included the retrospective review of medical records, interviews with health policy makers and hospital staff, focus group discussions, and the review of hospital and health insurance documents. The results showed that hospital charges per case of acute appendicitis and childbirth increased 101 and 94%, respectively, in the city without reform, and 41 and 34% in the city with reform, between 1995 and 1999. Health insurance arrangements and average LOS were the major determinants for hospital charges. Drugs and non-pharmacological treatments were the major service categories for charge containment. The combined measures of a single insurer, selective contracts, a new payment system, and use of an essential drug list, is regarded as the key features for an effective hospital charge control, and would appear to be successful measures for hospital expenditure containment within health insurance reform. (C) 2003 Elsevier Ireland Ltd. All rights reserved.

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**\*\* Mocan, H. N., E. Tekin, et al. (2004). "The demand for medical care in urban China." World Development 32(2): 289-304.**

The link between health and productivity on the one hand, and the growing demand for health services and the shortage of funds to finance the health care system on the other hand pose a major challenge for developing countries. This paper uses a data set that consists of detailed characteristics of 6,407 urban households from People's Republic of China to investigate the determinants of the demand for medical care. A two-part model and a discrete factor model are used in the estimation. Income elasticity is around 0.3, indicating medical care is a necessity. Medical care demand is price inelastic, and price elasticity is larger in absolute value for poorer households. This suggests that while total revenue from provision of health care can be increased by raising the price of care in the inelastic segment of the demand curve, this would increase the inequality in access to medical care. (C) 2003 Elsevier Ltd. All rights reserved.

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**Su, Z. (2003). "Occupational health and safety legislation and implementation in China." International Journal of Occupational and Environmental Health 9(4): 302-308.**

This article reviews the current statistics of employment and work-related injuries and illness in China, as well as the history of occupational health and safety legislation in the country. Comprehensive, newly promulgated workplace health and safety legislation is described, and the specific responsibilities of employers, government agencies, trade unions, and employees are detailed. The government's implementation plan for this and prior legislation is also outlined. Key words: China; legislation; occupational health and safety.

**\*\* Yip, W. and K. Eggleston (2004). "Addressing government and market failures with payment incentives: Hospital reimbursement reform in Hainan, China." Social Science & Medicine 58(2): 267-277.**

This paper examines the role of provider payment policy as an instrument for addressing government and market failures and controlling costs in the health sector, particularly in developing countries. We empirically evaluate the impact of provider payment reform in Hainan province, China, on expenditures for different categories of services that had been subject to distorted prices under fee-for-service. Using a pre-post study design with a control group, we analyze two years of claims data to assess the impact of a January 1997 change to prospective payment for a sub-sample of the hospitals. This difference-in-difference empirical strategy allows us to isolate the supply-side payment reform effects from demand-side policy interventions. We find that prepayment is associated with a slower increase in spending on expensive drugs and high technology services, compared to fee-for-service. The fact that payment reform is associated with reduced growth in spending on the most expensive drugs is particularly encouraging, given that drugs account for a remarkably high percentage of both the level and growth of aggregate health expenditure in China. Payment reform can be an effective policy instrument for correcting market failures and adverse side effects of government health sector interventions (such as distorted prices to assure access to basic services), both of which can lead to excessive health care expenditure growth. Such health spending growth can have a particularly high opportunity cost for developing countries. (C) 2003 Elsevier Ltd. All rights reserved.

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Zimmer, Z. and J. Kwong (2004). "Socioeconomic status and health among older adults in rural and urban China." Journal of Aging and Health **16**(1): 44-70.

Objectives: The association between socioeconomic status (SES) and health, which has proven to be quite robust, is rarely tested in societies where levels of economic development and systems of stratification differ from those in Western developed countries. This article examines associations in rural and urban China. Method: Techniques include logit equation estimates of separate and pooled samples. The latter employ interaction terms to test rural and urban effects. Socioeconomic indicators include those more customarily used in these types of studies (e.g., education) and several that are less traditional (e.g., pension eligibility). Results: Results indicate associations exist in China. Bank savings is the strongest predictor. Some unexpected results are also found, including a positive association between socioeconomic status and chronic conditions (e.g., cardiovascular disease) among older adults in urban China. Discussion: Use and access to a health care professional might explain part of this anomaly.

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Note: Below are selected search results from Factiva using search builder for news dated in last 3 months. Search terms: China and health, All sources, All companies, Subject: Analysis or Audio-visual links or Commentary/opinion or Country profile or Dow Jones/Reuters Top Wire News or Economic News or Editorial or Intl Pol-Econ Organizations or Interview or Letter or News Digest or Political/General News or Review or Routine General News or Transcript, Region: China, All industries, Language: Chinese simplified or traditional or English, Sort results by: publication date, most recent first  
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### **China's cover soars to \$170bn**

Colleen Ryan SHANGHAI

620 words

30 July 2004

Australian Financial Review

English

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China's insurance sector has hit the 1 trillion yuan mark (\$170 billion) in total assets, according to the latest figures from Beijing. And it is a sector on the edge of major regulatory change.

This market has captivated foreign insurers for decades. But this year it is more alluring than it has ever been. Not a week goes by that another giant insurance group doesn't announce a move on the Chinese market.

For example, four of the world's insurance giants Britain's Prudential, Citigroup, Allianz and Liberty Mutual have each announced expansion plans in the Chinese market in the past fortnight.

The big private equity group Carlyle has been negotiating to buy 25 per cent of China Pacific Life Insurance the third-largest Chinese life insurer.

And foreign companies that are already established, such as American Insurance Group and Canada's Manulife, have been enjoying strong growth.

China's insurance regulator, the China Insurance Regulatory Commission, commented as it released the latest industry statistics that "foreign insurers have expanded at high speed in the first half".

General insurance premium revenue for foreign insurance companies was up 47 per cent in the first half of this year to 650 million yuan (just under \$110 million). Life insurance premium growth for foreigners was up 51 per cent to 3.8 billion yuan (\$630 million).

Foreign companies have just 2 per cent of China's life insurance market. But in some areas they have really taken hold. For example, in the city of Guangzhou, foreign companies have 41.5 per cent of the life market.

One of the reasons for foreign companies getting set in the Chinese market is that under World Trade Organisation regulations, China must treat all local city licences as province-wide licences from the start of next year. At present, it is necessary to get a separate licence for each city.

In addition, the government has just opened the market further to foreigners by allowing them to operate a wholly owned subsidiary if they have had a branch office in place for just one year.

General insurance has been performing better than life insurance of late, in terms of growth. And the big sectoral winner has been car insurance. Once again, it is a direct result of China's entry into the WTO it freed up the vehicle sector and in turn this meant a greater need for car insurance.

There are still some sectors that have minimal penetration in the Chinese market for example, liability insurance. This accounts for 45 per cent of the American general insurance business but just 4 per cent in China.

The insurance regulator urged insurers to develop liability insurance, medical health cover, agricultural insurance and company pension schemes.

The insurance sector in China is also undergoing major change on another front in its role as a major investor in the country.

At present, more than half of 1 trillion yuan in total assets is sitting in bank deposits.

China's insurance companies are banned from investing directly in the stockmarket and are not permitted to invest more than 15 per cent of their assets in securities investment funds or mutual funds.

This narrow investment scope has impeded companies' growth over the years. Average investment returns in 2002 were just 3.14 per cent (later figures are not available).

Beijing is preparing new rules for the insurance sector. It is widely tipped that companies will be permitted to invest up to 5 per cent of assets in the stockmarket.

Offshore investments by Chinese insurance companies are not on the drawing board, at present.

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## **China To Open Hospitals To Private Investment**

101 words

29 July 2004

22:40

Dow Jones Chinese Financial Wire

English

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BEIJING (Dow Jones)--China's Ministry of Public Health plans to allow private investment in the country's state-owned hospitals, the Beijing Morning Post reports.

The ministry is working out new regulations that would allow private investment in state-run hospitals to reach up to 49%, the newspaper reports, without citing sources.

The new policy is expected to be implemented in the next few months, the report says.

Newspaper Web site: <http://www.morningpost.com.cn>

-By China Bureau, Dow Jones Newswires; (8610) 6588-5848;  
djnews.beijing@dowjones.com

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Document DJCFWE0020040730e07u001gt

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## **China clamps down on illegal hospital charges, kickbacks**

VY

358 words

29 July 2004

05:38

Agence France Presse

English

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BEIJING, July 29 (AFP) - China has warned of a clampdown on unethical practices such as bribery and kickbacks in the health profession, where millions of dollars changes hands every year, state media said Thursday.

Gao Qiang, executive vice minister of health, said illegal charges in the country's health system in the first six months of 2004 topped 33.9 million yuan (4.01 million dollars) and more than 340 people were disciplined, the China News Service reported without providing comparative figures.

Gao told an ethics conference health workers had handed over four million yuan worth of "red packets" -- a euphemism for bribery money -- to their hospitals in the first half of this year.

In the same period, hospital staff submitted to authorities more than 12.9 million yuan in kickbacks received from pharmaceutical and medical instrument companies.

Officials found 184 cases of illegal or unethical practice in purchase of medicine, which involved 6.6 million yuan.

Some workers would hand in bribes or kickbacks to their employers to show their loyalty but many others would just pocket the gains.

The official figures provide only an indication of how widespread the corruption problem is in China's health system.

The health ministry has this year regulated against unethical practices such as receiving kickbacks, commission charges and bribes as well as making illegal charges, the report said.

"For health authorities or personnel who have violated the regulations, depending on the seriousness of the offence, they will face warning, closure of their businesses or will have their licences revoked," it said.

The ministry is also urging health organisations across the country to streamline service charges according to national regulations and to stop making additional charges for standard materials needed in operations such as disinfectants, saline, gloves and cotton wool.

Gao said the ministry would carry out further investigations this year. Public hospitals in China started making charges for treatment and consultations in the early 1980s, following the country's market reform. It has since become common practice for patients to bribe health workers in return for better treatment.

vy/mp/dv

Document AFPR000020040729e07t006su

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## **Migrant workers to get injury insurance**

529 words

26 July 2004

Business Daily Update

English

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Migrant labourers are going to get work-related injury insurance.

The Ministry of Labour and Social Security said priority will be given this year to millions of migrant workers in construction, mining and other sectors where employees are more likely to sustain industrial injuries or vocational damages. The practice, to protect migrant workers' legitimate rights, will be expanded to all sectors in the future.

Chen Gang, a departmental director of the ministry, said the government's efforts to expand an occupational injury insurance system will offer labourers, or their kin, fair compensation if they are injured or killed while working.

Chen said migrant workers who suffered work injuries and vocational damages in those sectors often found themselves in a hopeless position as their employers refused to pay compensation for severe work injuries, vocational diseases or loss of lives.

Employers will be expected to pay occupational injury insurance fees and tell their employees about the policy.

The insurance will cover various types of injuries, including casualties suffered during business trips, vehicle accident injuries occurring on the way to or back from work, as well as injuries during emergency rescues undertaken to protect State or public interests.

He said all employers in those sectors are required to buy industrial injury insurance for farmers turned employees if they signed labour contracts, or face punishment.

Zhu Changyou, a labour expert of the Beijing Bureau of International Labour Organization praised the move to protect the legitimate rights and interests of the underprivileged migrant workers.

Together with existing measures - such as pensions, medical insurance, child birth insurance and unemployment insurance; the new industrial accident insurance is expected to help create a more reliable working environment and better protect residents' interests, Zhu told China Daily.

According to official statistics, there are now 130 million migrant workers in Chinese cities, which is almost equivalent to half of the United States' population. This means that the country has more migrant than urban workers, and that they constitute the main Chinese industrial workforce. Urban workers were the dominant industrial workforce two decades ago.

"An overall social security system will play an important role in bolstering China's economic development, keeping social stability and protecting workers' rights," said Zhu.

The issue has become extremely important as accidents at work take the lives of more than 100,000 people in China every year and injure several hundred thousand.

Wang Xianzheng, director of the State Administration for Safe Production Supervision said the trend was worsening in recent years as the numbers of China's occupational accidents have soared in recent years.

"The new system will be much more fair and effective for employees and employers to deal with health hazards," said Wang.

The new system, which was started in the late 1990s, and on the basis of a number of trials in several cities, now covers a total of 45 million employees nationwide.

"But it is far from our goal, which is to cover all the employees in the country," said Wang.

Wang said commercial insurance services, including foreign companies, could also be allowed to join the queue for a stake in the industrial injury market.

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## **MORE MONEY TO BE SPENT ON TB**

By Zhu Baoxia

531 words

23 July 2004

China Daily

English

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The central government may be considering a large increase in funding to fight tuberculosis (TB).

Ministry of Health officials said several hundred million yuan will be used to provide TB patients with DOTS (directly observed treatment, short course) therapy. DOTS is a universally applied treatment recommended by the World Health Organization (WHO).

The funds will also be used to reward medical workers who find new patients and ensure patients take medicines regularly, officials said.

Presently, the central government allocates some 40 million yuan (US\$4.8 million) each year mainly for medical treatment.

It is one of the central government's major programmes to meet global targets for TB control. China has committed to meet the targets, which call for at least 70 per cent of new smear-positive (infectious) TB cases to be detected timely by 2005. At the same time, all patients must be provided with DOTS treatment and a cure rate of 85 per cent must be achieved, said Wang Wenjie, division chief in charge of TB with the Disease Control Department of the Ministry of Health.

Wang Longde, vice-minister of health, made the commitment during the Second Stop TB Partners' Forum held in March in New Delhi.

Presently, the case detection rate of TB patients in China stands at about 45 per cent, while DOTS coverage is approaching 100 per cent and the cure rate is over 85 per cent, said Wang.

Tuberculosis is the leading infectious cause of death in China. The country ranks second in the world in terms of the number of TB patients. India is first. WHO has listed China as one of 22 countries with a high TB-burden. Of China's 4.5 million people suffering from TB, 1.5 million are infectious. The country sees 1.45 million new cases every year and 130,000 deaths. To achieve the TB control goals, the Ministry of Health, with assistance from experts from WHO and other international agencies, have sent out several supervision teams to several provinces and municipalities, said Wang Wenjie. A notice has been issued by the Ministry of Health, asking local health institutions, especially those at county and township levels to tighten monitoring, reporting and management. The ministry is also considering using mobile medical vans to provide basic medical care services for people in remote and rural areas to find more new patients and treat them in time. The TB project in China has received extensive support from the international community.

The World Health Organization, World Bank, the Department for International Development (DFID) of the UK, Damien Foundation, the Government of Japan, Global Fund to Fight AIDS, Tuberculosis and Malaria and other national and international non-governmental organizations played important role in the projects.

One ongoing project with the World Bank/DFID, UK, a loan of US\$104 million has been committed to China over seven years from March 2002 to treat TB patients in China. About 680 million people in 16 provinces and autonomous regions will benefit and more than 2 million patients are expected to get access to free medical treatment.

(Copyright 2001 by China Daily)

Document CHNDLY0020040723e07n00003

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## **LEGISLATOR CALLS FOR NEW SPENDING ON HEALTHCARE**

By Chen Qide

396 words

23 July 2004

China Daily

English

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SHANGHAI: A senior Chinese legislator yesterday called for priority to be given to public healthcare and fighting epidemic disease.

China's health expenses in 2000 increased by seven times compared with 1990, accounting for 5.7 per cent of its gross domestic product that year.

"But the percentage, much lower than an average 8.5 per cent spent in developed countries, made it difficult to meet the growing demand for health care," said Han Qide, vice-chairman of the Standing Committee of the National People's Congress.

"More money is needed for health projects," said Han, who came to Shanghai to attend an international symposium on fostering city images and spirit.

He stressed that public health is closely related to economic development.

His words were echoed by Sergio Spinaci, an expert from the World Health Organization (WHO), who said China's economic reforms have yielded impressive results in development in the past several years.

The forces unleashed by those reforms have brought unintended negative impacts and a growing gap between the rich and the poor.

"As a result, health standards, particularly among the poor have been affected and low public spending on health is considered to be a major reason for the lowered health status of the poor," Spinaci said.

Statistics in the first three months of this year showed that China had 937,237 epidemic patients, a number that is expected to grow, according to Han.

The country has 840,000 people carrying HIV, the virus that causes AIDS, in 31 provinces and municipalities. Of them, 80,000 have been diagnosed AIDS patients.

At present, the country has 120 million Hepatitis B virus carriers including 20 million patients, some of whom will develop liver cancer.

Contagious diseases that are spreading in China include snail fever, venereal disease and pulmonary tuberculosis (TB).

Current active TB patients in China have reached 4.5 million. The country is expected to have 1.3 million new TB patients yearly with 10 per cent dying from the disease.

"About 80 per cent of the TB patients are in the rural areas and lack money for treatment," he said.

Drug addicts nationwide have risen to 1 million, with most aged 15 to 35.

Spinaci also suggested China should increase spending on the health of the poor.

(Copyright 2001 by China Daily)

Document CHNDLY0020040723e07n0000h

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## **China's Ranks Of Poorest Poor Swelled By 800,000 In 2003**

330 words

20 July 2004

05:33

Dow Jones International News

English

(c) 2004 Dow Jones & Company, Inc.

SHANGHAI (AP)--The number of Chinese surviving on less than 21 U.S. cents a day rose by 800,000 in 2003, state media reported Tuesday - the first such increase since the country began loosening state controls on the economy in the early 1980s.

Natural disasters were a major reason behind the rebound in the number of people living in dire poverty, the official Xinhua News Agency cited Liu Jian, director of the government's Poverty Alleviation and Development office, as saying.

The government puts the number of people lacking adequate food, clothing or shelter at 29 million, or less than 3% of China's 1.3 billion people.

China's official poverty line is 637 yuan (US\$77) per person a year, or 1.75 yuan (21 U.S. cents) a day, far below the average annual rural income, which was 2,622 yuan last year.

In Shanghai, one of China's richest cities, economic output per person surpassed US\$5,000 last year.

In 1978, before China began moving toward a market economy and allowing foreign investment, some 250 million people, or 30% of the population at the

time, were classified as poor. Since then, many millions have benefited from China's swift economic growth and newly created jobs in the private sector. But progress in poverty alleviation has slowed in recent years as farm incomes lagged behind those in the cities and millions once employed by state-run factories lost their jobs. Widespread drought and perennial flooding have added to the miseries of those scraping by in the vast, underdeveloped countryside. While the vast majority of Chinese are far more affluent than they were 20 years ago, many lament the widening gap between rich and poor and the end of cradle-to-grave social welfare benefits that families once counted on for health care, housing and education.

-Edited by Ven Ram [ 20-07-04 1033GMT ]  
Document DJI0000020040720e07k000fy

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## **NGOS ACTIVE IN CHINA'S FIGHT AGAINST AIDS**

By Ma Guihua  
1,060 words  
20 July 2004  
China Daily  
English

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Never before has the international community seen such a diversified Chinese team at a world gathering for AIDS. But in Bangkok, Thailand, where the 15th International AIDS Conference was held from July 11 to 17, the 200 Chinese participants, including government officials, researchers, representatives of non-government organizations and non-profit agencies, volunteers and people living with HIV/AIDS (PLWA), were a noticed presence.

Chinese delegations to previous conferences on the pandemic "were composed of only two or three dozen officials and academicians," observed Song Pengfei, a 22-year-old PLWA from the China chapter of Positive Art Workshop, an NGO dedicated to using art to present and address AIDS/HIV issues in China and globally.

This time, however, Song himself met 20 HIV carriers from China, where an estimated 840,000 people are HIV positive. The young man, whose organization aims to express the voice and emotions of PLWA, became a media figure in November 2003 when former US President Bill Clinton shook hands with him at a symposium held at the prestigious Tsinghua University in Beijing.

Song went to the conference to present about 20 pieces of the art work done by fellow PLWAs from the workshop. "We want to get the voices of China's HIV-positive people heard," he said, adding that he is very much impressed by the exhibition from China. "Thanks to negotiations by the China STD & AIDS Foundation, one of the largest NGOs in the country, the display booths of Chinese NGOs, which previously were scattered around the hall, were put together, creating a much stronger visual impact."

In the first few days after the conference started, Song kept busy attending to visitors from around the world and selling the artworks he had brought along. As all the paintings, T-shirts and postcards were in the hands of those who care for Chinese AIDS patients, he was able to concentrate on the treatment and medication sessions.

"I'm also keen on learning how foreign NGOs or NPOs operate, and will look for possible co-operation with the Chinese Government," he said, adding that his organization has so far trained about 100 PLWAs in China.

"PLWAs in China are under great psychological pressure. They worry about their work, treatment, financial problems and ways to keep a positive attitude towards themselves. Life is particularly difficult for those living in cities. Discrimination is still the biggest problem in China," he says.

Another activist at the Bangkok conference from China was Li Xiang, director of the Mangrove Support Group, a network organization created for people living with HIV/AIDS.

Li, also HIV positive, is glad to see more and more NGOs are active now in China. "The NGOs are good at delivering care to HIV-positive people. They have their own personal experience to share in peer education. They also have a complementary role to play in working with prostitutes and drug abusers, because they are closer to these people than government workers, who often feel awkward working with these people."

Mangrove Support Group, whose main purpose is to improve the quality of life for PLWAs through life-skill training and undertaking activities to publicize messages relating to HIV/AIDS prevention and control, has so far been involved in a number of beneficial events. Its programme has now reached Guangdong in the south, Sichuan in the southwest and Henan in Central China, where there are thousands of cases of HIV infection stemming from the operation of sub-standard blood collection stations in the early 1990s.

Voices of NGOs

Wang Longde, vice-minister of health and head of the Chinese delegation to the Bangkok conference, said that the government welcomes NGOs' involvement in China's battle with AIDS. But Li Xiang notes that the complicated procedures for NGOs to get officially registered and acknowledged are still blocking the way.

"Without proper registration, NGOs' survival and financial support cannot be guaranteed," he said, adding that the voice of NGOs is still minimal. Even though the central government is trying to ensure free treatment and medication for certain groups, such treatment and medication might not reach the end receiver in some cases because of impediments in between.

Statistics indicate that in China, as 64 per cent of HIV cases are caused by injecting drug use, and infections through sexual transmission are slowly picking up to a two-digit rate, prostitutes and drug addicts are getting increasing attention from researchers and decision makers. In the meantime, however, male homosexuals, a group with high-risk behaviour have been somewhat neglected in the government intervention measures.

"Small NGOs like ours have the advantage of dealing face-to-face with HIV prevention day in and day out," says Guo Yaqi, executive director of the Beijing Gender Health Education Institute.

Chung To, an officer of the Hong Kong-based Chi Heng Foundation, which brought a 25-minute documentary film on orphans in Henan for screening during the conference, knows the great difficulty of working at the grassroots level. The foundation has helped 1,200 children orphaned by the death of their AIDS-infected patients to go back to school.

"Chi Heng was lucky to get accepted by the local government to work in Henan, because we've always maintained a low profile," says Chung.

The local government recently announced that it would build orphanages to provide a home for children whose lives have been disrupted by HIV/AIDS. Yet Chung fears living in orphanages may result in long term psychological damage to the children.

"It's better to put the children in foster families, where they can get parental love and care," Chung suggests.

His other concern is that meanwhile, "it takes multi-sectoral efforts from the health, public security and civil affairs authorities" to translate the good intentions and strong political will demonstrated by the central government into proper action.

Wan Yanhai, director of Beijing Aizhixing Institute of Health Education, which has been in the forefront in promoting the rights of PLWA in China, is very proud of the "revolutionary" role played by NGOs in drawing attention to corners largely unknown or neglected by society.

In addition, he says, there should be transparency in government-led programmes to ensure those in need actually benefit from the programmes.

(Copyright 2001 by China Daily)

Document CHNDLY0020040720e07k0000q

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### **Chinese firm offers AIDS insurance for children**

170 words

19 July 2004

05:46

BBC Monitoring Asia Pacific

English

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Text of report in English by official Chinese news agency Xinhua (New China news agency)

Nanjing, 1 July: A Chinese insurance company has launched a new health insurance programme for children which covers severe diseases including AIDS contracted through blood transfusion.

"The new programme for the first time provides insurance for transfusion-incurred AIDS," a spokesperson for the Nanjing branch of China Taiping Life Insurance Co. Ltd. told Xinhua on Monday [19 July] in this capital city of east China's Jiangsu Province.

The new programme, named "Sunny Angel", covers 21 kinds of severe diseases and is available for children between 60 days and 17 years old.

In the past, children's health insurance programmes offered by Chinese insurers were mostly affiliated with the health insurance of their parents. The new programme can be joined independently, and the premium is refundable when the child reaches 25 years old, the spokesperson said.

Source: Xinhua news agency, Beijing, in English 0830 gmt 19 Jul 04

Document BBCAPP0020040719e07j00234

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### **Cheaper medicines expected for Chinese AIDS patients**

310 words

16 July 2004

Xinhua's China Economic Information Service  
English  
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BEIJING, July 16 (CEIS) -- Chinese AIDS patients are expected to get much cheaper medicines following the signing of an agreement between China and US-based pharmaceutical giant GlaxoSmithKline (GSK), the Beijing-based China Economic Times reported recently. In last April, China's ministries of health and finance jointly issued a policy document pledging free treatment to poor AIDS patients in both urban and rural areas. Six anti-virus medicines including epivir, zidovudine and stavudine, all needed in the so-called "cocktail therapy" for AIDS patients, were picked as officially- designated medicines to be purchased by the government and distributed free. The Chinese government had negotiated for years with foreign companies holding the patent and sales right. As a result, China started its home production of the anti-AIDS medicines last year, and currently there are several domestic pharmaceutical companies in Shanghai and northeast China manufacturing all of the government-endorsed medicines except epivir. According to the latest deal with the Chinese government, GSK will sell the epivir on the Chinese market at a "preferential price" for the period between 2004 and 2006, sources with GSK China Investment Co. Ltd. said. GSK is considering launching epivir production in China, which will help further reduce the cost and price, the sources added. Anti-virus medicines used to cost Chinese AIDS patients 30,000 to 50,000 yuan (around 36,00 to 6,000 US dollars) a year as the country had no capability to produce such medicines and had to rely on imports. Medical experts here are optimistic that the prices of medicines for AIDS, which have already dropped in recent months, will continue to fall. In the near future, they say, each AIDS patient might only have to pay 3,000 to 5,000 yuan (around 360 to 600 dollars) a year for treatment.  
Document XNHA000020040716e07g000ta

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### **Mental health website for Chinese young people launches**

110 words  
16 July 2004  
Xinhua's China Economic Information Service  
English  
(c) 2004 Xinhua News Agency. All Rights Reserved

BEIJING, July 16 (CEIS) -- A website designed to help young people in China with mental illnesses has launched in Beijing recently. The site provides psychological consultations through on-line forums, chatting, email and expert columns. Statistics show that suicide and self-injury are on the rise among Chinese primary and middle school students. Chinese psychologists have acknowledged that an increasing number of Chinese youth suffer from some form of mental illness. The site launched is sponsored by the Central Committee of the Communist Youth League of China (CYLC) and other relevant departments under the Central Committee of the Communist Party of China.  
Document XNHA000020040716e07g000t9

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## **Many of China's rural poor "ignorant" about AIDS.**

252 words

14 July 2004

23:29

Reuters News

English

(c) 2004 Reuters Limited

BEIJING, July 15 (Reuters) - A state newspaper criticised China's track record on stopping the spread of AIDS on Thursday, pointing out that lack of education meant many of the millions of rural poor were still in the dark about the disease. China reported its first AIDS case in 1985 and currently claims 840,000 patients, though experts estimate the actual number is most likely between 1 million and 1.5 million. Health agencies predict that China could have as many as 10 million cases by 2010 without proper precautions.

"While the 15th International AIDS Conference is being held with great fanfare in Bangkok, many residents in China's rural areas still have no idea what AIDS really is," the English-language China Daily said.

"Until very recently, the government had largely adopted a passive posture to the burgeoning epidemic, failing to tackle the problem head-on in the early stages.

"The government's low-profile approach resulted in much of society being inadequately informed."

The bulk of HIV/AIDS infections in China are blamed on intravenous drug use and botched blood-selling schemes of the 1990s, which in some cases ravaged entire villages.

Testifying to increased government awareness, Premier Wen Jiabao met with widespread acclaim last December when he became the first top Chinese leader to shake hands with an AIDS patient.

Newspapers also published a signed article by Wen last weekend warning that AIDS was spreading to all levels of society.

Document LBA0000020040715e07f000bo

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## **Blood bank loses lawsuit**

325 words

14 July 2004

Shanghai Daily

English

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The Huangpu District People's Court yesterday ruled the Shanghai Health Bureau was within its rights to shut down an umbilical-cord blood bank run by Shanghai Zaishengyuan Cell Engineering Company.

It was one of four such blood banks shut down by the bureau in January.

The company argued that China has no law covering the collection of umbilical-cord blood, so the move was illegal.

Umbilical-cord blood contains stem cells that can be used to grow new bone marrow cells, which can be used if the baby contracts leukemia later. The company collects the blood from mothers and stores it for use by their children. It can't be used by anyone else.

The bank only stores the blood samples as stem cells for young parents, not for clinical use, the company's attorney told the court.

"So our operation doesn't involve blood donation and blood sale," he said.

He also noted that the bureau approved company plans to open the blood bank last year.

But the health bureau insisted the company's operations were illegal.

"The company was collecting blood illegally," a representative of the bureau told the court.

Any organization that wants to collect blood must get a license first, he said, but Zaishengyuan didn't have one.

Although the court ruled against the company, it told the bureau to give back any equipment it had confiscated.

Shanghai Cytoresource & Cryoreset Inc, another of the companies shut down by the bureau in January, has also filed a lawsuit against the bureau.

Fang Yifang, Cytoresource's president, said in the lawsuit that the bureau had no legal ground to shut down the company's operations since China has no specific laws about the collection and storage of umbilical cord blood.

The verdict in that case will be announced this afternoon, court officials said.

None of the four banks had a license from the Ministry of Health.

Document SHND000020040714e07e0000i

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## **China Appeals For Help In Fighting Emerging AIDS Epidemic**

220 words

13 July 2004

07:55

Dow Jones International News

English

(c) 2004 Dow Jones & Company, Inc.

BANGKOK (AP)--China appealed Tuesday for outside help in its fight against HIV, with one of its top health officials telling the International AIDS Conference that his country lacks the resources to properly deal with its emerging epidemic.

"At present China is still facing challenges and difficulties in the fight against AIDS," Wang Longde, the vice minister of health in China, said during a session on the role of Asian leaders in fighting the virus.

China lacks enough resources for prevention and control, and faces problems for traditional reasons and because of "discrimination against people living with AIDS," he said, without elaborating.

"We would like to strengthen our collaboration and cooperation with all countries and international organizations, and we welcome assistance and support from multilateral as well as bilateral organizations," he added.

China says it currently has 840,000 people infected with HIV - 80,000 of whom have full-blown AIDS. But the AIDS agency of the UN has warned that China could see 10 million HIV cases by 2010 if it doesn't act quickly.

China had long denied that it had an AIDS problem. But it has changed its stance recently, announcing measures such as the free, voluntary testing and free medication for the poor. [ 13-07-04 1255GMT ]

Document DJI0000020040713e07d000kl

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## **China says TB remains most infectious disease**

186 words

13 July 2004

05:33

BBC Monitoring Newsfile

English

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Text of report in English by official Chinese news agency Xinhua (New China News Agency)

Beijing, 13 July: China's Health Ministry revealed here Tuesday [13 July] that tuberculosis retained the highest incidence rate during the second quarter on the Chinese mainland among all reported infectious diseases.

Rabies remained the top killer among all 27 infectious diseases listed in the report, the ministry said.

Tuberculosis, hepatitis B, dysentery, gonorrhoea and measles were the top five most common infectious diseases, the ministry said in a regular surveillance report.

Rabies, tuberculosis, hepatitis B, AIDS and infant tetanus were the major causes of death, the ministry said.

The ministry said a total of 937,273 cases of infectious diseases, including 1,464 deaths, were reported during the past three months on the Chinese mainland.

Infectious diseases in China are classified into three categories by the country's law on prevention of communicable diseases. Among the three categories, 27 types of disease are included in the ministry's regular surveillance report.

Source: Xinhua news agency, Beijing, in English 0844 gmt 13 Jul 04

Document BBCMNF0020040713e07d00231

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## **STUDENTS TO ASSIST RURAL AIDS EDUCATION**

By Zhang Feng

532 words

12 July 2004

China Daily

English

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More than 1,300 volunteers from China's medical universities will join a campaign to strengthen rural education on HIV/AIDS prevention.

During their summer vacation, the students will go to rural and remote areas, where nearly 80 per cent of the country's HIV/AIDS sufferers are.

The students are part of a campaign to teach villagers how to prevent the spread of the deadly HIV virus.

With technical help from United Nations institutions, including the World Health Organization, the Ministry of Health found about 840,000 HIV carriers in China, including 80,000 AIDS patients, mainly in rural areas.

Thousands of farmers were infected in the early 1990s due to a lack of awareness about the virus and laggard blood collection management. Many sold blood to illegal blood collection stations.

The latest education activity is part of a massive project initiated on Saturday by 12 government departments, ministries and organizations, to sharpen public awareness of AIDS, especially among rural residents, youths and women.

Volunteers will travel to 127 pilot zones, where the AIDS epidemic is particularly serious.

In these pilot areas, the government's policies including free anti-retroviral drugs and free counseling are being practiced, said Vice-Health Minister Wang Longde during a kick-off ceremony over the weekend.

Meanwhile, millions of AIDS prevention posters will be distributed to villages, urban communities, universities and high schools across the country.

Wang said the posters are different for each target group.

Those for rural and urban residents mainly focus on prevention and government policies while posters for university students include information on drug abuse as well as AIDS information.

The project also includes "face-to-face" education plans for women aged between 15 to 49 in the 51 counties.

Wen urges monitoring

In an article issued prior to the 15th International AIDS Conference which opened yesterday in Bangkok, Premier Wen Jiabao called on Chinese people to prevent and control the disease, saying AIDS is a major health and social issue facing the international community.

Wen's article was read by Wang Longde at the ceremony in Beijing on Saturday.

The premier said for China, this is a key moment in the fight against AIDS. The disease is spreading from high-risk groups to ordinary people in some areas, and the impact on social and economic development has begun to emerge.

"Governments at all levels and the whole society should attach great importance to AIDS prevention and control," he said.

In the revised Law on Infectious Diseases Prevention Control which is expected to take effect later this year, officials are asked to report and control HIV/AIDS and other infectious diseases. Or, they will be punished according to the law.

All AIDS prevention and control efforts should be made in accordance with the law while relying on science and technology, said the premier.

Wen called for effort to strengthen monitoring of the epidemic, as well as widely spreading information about HIV/AIDS.

Wen promised the Chinese Government would offer more help to HIV/AIDS victims, such as free medicines for poor sufferers, while protecting their rights and interests.

(Copyright 2001 by China Daily)

Document CHNDLY0020040712e07c0000p

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## **Taxes, fees no longer to target farmers**

467 words

7 July 2004

Business Daily Update

English

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China plans to abolish taxes and fees specific to farmers and build a public finance system that covers both rural and urban areas.

Speaking at a high-profile meeting that ended in Beijing yesterday, Premier Wen Jiabao said the country will also improve the efficiency of rural grassroots governments and forge a lasting mechanism to sustain farm income growth while capping financial burdens.

The efforts will help deepen the landmark tax-for-fees reform initiated four years ago, Wen said at the two-day national conference.

The tax-for-fees experiment began in East China's Anhui Province in 2000. Under the scheme, a standardized tax system was created to replace the range of taxes, fees and levies previously imposed on farmers.

Before the reform, Chinese farmers often had to pay charges in addition to legally raised taxes. Local administrations have used various pretexts to set up exorbitant fees, fund-collection programmes and fines.

"For the past four years, the reform has drastically lightened the burden on farmers, standardized rural tax and fee charging system, and improved relations between rural officials and farmers," Wen said.

Stressing the importance of continuing the reforms to strengthen co-ordinated development between urban and rural areas, Wen said the central authorities have decided to abolish the agricultural speciality product tax and begin agricultural tax reduction or exemption programmes this year.

In his government work report to the country's top legislature - the National People's Congress - in March, Wen promised the centuries-old agricultural taxes - which stood at around 8 per cent of farming income last year - will be scrapped in five years.

Wen asked for conscientious efforts to ensure transfer payments from the central government are made in time to help local revenues, which in the past derived partly from agricultural taxes.

"To further the rural tax-for-fees reform and alleviate farmers' burden at the root level, it is crucial to push forward the accessory reforms in a proactive and steady way," the premier said.

These reforms include: streamlining township governments, improving the rural educational system and increasing financial input in rural social undertakings.

"The reforms will see to it that grassroots governments operate efficiently, that the rural compulsory education and other social undertakings proceed in a sound fashion, and the burden on farmers will not bounce back up," Wen said.

As the tax-for-fees reform deepens, it is vital for public finance to play a bigger role in rural areas, said Han Jun, a senior researcher with the State Council Development Research Centre - a key government think-tank.

The operation of rural governments, development of infrastructure in townships and villages and health care systems all need financial support, as grassroots governments can not collect funds directly from farmers, Han said.

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## **Fear and ignorance barriers to China's AIDS fight.**

By Tan Ee Lyn

701 words

6 July 2004

04:43

Reuters News

English  
(c) 2004 Reuters Limited

HONG KONG, July 6 (Reuters) - China belatedly acknowledged the country's exploding HIV/AIDS problem when Premier Wen Jiabao shook hands with a victim in 2003, but there is still a long way to go before the deadly virus can be countered.

Arthur Pang, a doctor with humanitarian group Medecins Sans Frontieres and who treated AIDS patients in China's central Hubei province this year, said expensive drugs and stigma associated with the disease were still keeping sufferers from the treatment they needed.

"Wen Jiabao may have shaken hands with an AIDS patient, but it will take a long time to get the awareness down to the ground," Pang told Reuters in an interview.

Pang, who treated some 150 Chinese patients from December 2003 to June 2004 in an AIDS treatment clinic in Hubei's Xiangfan city, said Chinese doctors and nurses he worked with had little or no knowledge at all of the disease.

"At first they donned full gear, like the way they would with SARS patients," said Pang. "Many of them are very scared, they think they may be infected simply by touching."

"Once a patient is confirmed with the disease, they will send the person to an infectious disease hospital, they don't want to touch them. They don't want to deal with AIDS patients."

That attitude began to change at the Xiangfan clinic when staff observed the way Pang worked, and saw that such precautions were unnecessary.

#### STIGMA AND FEAR

But while attitudes among healthcare workers may be changing, ignorance and fear among the populace is a serious problem.

Those with disease symptoms who suspect they may be infected with the HIV virus do not seek help for fear of being stigmatised by their friends and family, or even sacked by their employers. There is also widespread ignorance that drugs can be used to treat the disease, said Pang.

He recalled a heart-wrenching case of a 29-year-old farmer who could not even stay to have his blood tested because he had to catch the last bus ride home.

The farmer contracted the disease selling blood. He tried to resist being hospitalised for fear nobody would take care of him after his family ran away. He died in hospital in May.

"Some are just too poor, they may even have to borrow money to get to the clinic some three to four hours away from their farms. Sixty or 70 percent of the people who sought treatment at our clinic already had full-blown AIDS," Pang said.

Although China has an estimated 1-1.5 million HIV/AIDS cases, it is ranked alongside India and Russia as countries most at risk from AIDS outside Africa. Health agencies say China could have 10 million victims by 2010 if it fails to take the threat seriously.

Activists hope the world's attention will focus on the epidemic again from next week when experts gather for an international meeting from July 11-16 in Bangkok, Thailand.

For years, China has faced international condemnation for disguising the scale of its AIDS epidemic, neglecting patients and arresting activists and journalists.

But last year, Wen became the first Chinese leader to shake hands with an AIDS patient and the government then sent health workers to the central province of Henan where many villages were hit by botched blood selling schemes in the 1990s.

Hubei is just south of Henan, where activists estimate that more than a million people are infected.

The disease spread there after clinics offered to pay farmers for blood. Plasma was extracted from the donor's blood and then the farmers were reinjected with blood from a pool of donors that was unwittingly infected with the HIV virus.

AIDS treatment is also very expensive in China. The cocktail of three anti-retroviral drugs needed are available only from pharmaceutical giants, which charge huge sums of money for them.

It takes, for example, US\$3,800 to treat a patient for a year in China, compared to just US\$250 to US\$280 in Thailand, where there are now lower cost, generic drugs available.

Document LBA0000020040706e076001ez

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## **Health system in potential AIDS hotspot China struggles to treat patients**

CS

882 words

5 July 2004

20:14

Agence France Presse

English

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BEIJING, July 6 (AFP) - When farmer Cheng Guangshan went to his village clinic for treatment of two nagging symptoms of AIDS the doctor told him there was no medicine for his receding nails, and no needles for his anti-itch injections.

"A reporter who went with me couldn't believe it. He immediately went into town to buy the needles for me," said Cheng, 35, who was able to sleep that night, but has forsaken his nails.

Cheng's experience is not unusual in China, where nearly 80 percent of HIV/AIDS patients live in the countryside.

The health care system there has long been neglected and underfunded. Now it is struggling to deal with one of the world's fastest spreading AIDS epidemics.

Finally acknowledging it has a serious HIV/AIDS problem after years of denial, the Chinese government is pushing ahead with a program to provide free drugs to farmers like Cheng who contracted the disease from selling blood, and eventually, to other poor AIDS sufferers.

But patients, doctors and NGO workers say there is a serious problem with China's lack of quality drugs, its inexperienced medical workers and poor infrastructure.

The government says so far it can only afford to provide four AIDS drugs -- ddI, d4T, AZT and nevirapine -- to patients, but they are older versions of antiretroviral medicine with expired patents. These are the only ones China is allowed to manufacture.

"The drugs used by China are found to be effective in treating only 50 to 60 percent of the patients when used in other countries," Wu Hao, a leading Chinese AIDS doctor, told AFP.

"Hospitals in China are not as good as those overseas, so the effective rate here could be even lower."

Almost 20 percent of Chinese patients given the free drugs have stopped taking them due to the strong side-effects and the lack of qualified doctors to help keep them on the painful regimen, health officials said.

The program, begun last July, has reached only 7,000 people -- a fraction of the estimated hundreds of thousands infected, most of whom have not been tested and do not know they have the disease.

While providing AIDS drugs, the government is not supplying medicine for a host of AIDS related diseases, leaving poor patients suffering.

"I have patients who have symptomatic illnesses who cannot afford to pay (for medication)," said Yves Marchandy, head of Medecins Sans Frontieres' China office, which runs a treatment program.

The clinic in Cheng's village of Wenlou provides 81 types of medicine free of charge, but the drugs are not regularly stocked and medicine for many symptoms is not provided.

"Sometimes they don't have this drug. Sometimes they don't have that drug. Each day they're short on 10 to 20 different types of medicine, even basic supplies like needles," said Cheng, whose stubby fingers have practically no nails. Medicine for receding nails is considered too expensive, so the government does not provide it.

Doctors in rural clinics set up to treat HIV/AIDS patients also do little more than dispense medicine, patients complain.

"There are doctors, but the problem is their standards," acknowledged Wu, who is part of a government effort to train 85 percent of China's estimated six million medical workers by 2005 to provide AIDS care.

"Few doctors in rural China are trained to deal with infectious diseases. They are mostly general practitioners."

Health officials estimated China last year had no more than 100 doctors equipped to administer AIDS drugs and give follow-up care.

Even at Cheng's village clinic, which the government rebuilt as a showcase of its efforts to help the AIDS-infected farmers, the doctor had no clue what medicine to prescribe to Cheng to relieve the side effects of the AIDS drugs, which caused him to faint, vomit, and run a fever.

"The clinic is new, but the doctors haven't changed," said Cheng. "Last year, she was our nurse. This year, she's our doctor."

Only in April did the government send a doctor who seemed to know what he was doing, Cheng said.

"It's worse in other villages," said Hu Jia, a well-known Beijing-based activist who frequently travels to Henan province, where Wenlou and many villages hardest hit by the AIDS outbreak caused by blood selling is located.

"In other villages, a patient goes in to ask for something as simple as headache medicine, and the staff would bark 'No medicine!'"

Infrastructure is also lacking.

Few laboratories able to test HIV/AIDS exists in the countryside and most farmers have to travel as far as provincial capitals to get tested.

Countryside hospitals and clinics also are unequipped to test treated patients for CD4 white blood cells, an important way to measure whether the drugs are working.

The government is making efforts to improve care, including negotiating with pharmaceutical companies to reduce prices of better antiretroviral drugs, but some villagers are losing hope.

"The media has reported all the good work the government has done, but it doesn't reflect reality," one Wenlou villager said. "It's the same as before. The only difference is the clinic is larger."

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## **Australia announces funding for Tibet health programme**

304 words

5 July 2004

04:40

BBC Monitoring Asia Pacific

English

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Excerpt from media release, dated 2 July, carried by Australian Department of Foreign Affairs and Trade web site on 5 July

An Australian government-funded initiative aimed at improving the health of people living in the Tibet Autonomous Region of the People's Republic of China will be launched tomorrow.

The five-year, 17.3m dollar [approximately 12.4m US dollar] health sector support programme will improve the delivery of health services, particularly to those in greatest need, by providing technical assistance, training, materials and equipment. [passage omitted]

This new Australian programme will strengthen regional health sector management and planning, support existing rural health services and increase the effectiveness of the Tibet region's response to HIV/AIDS.

While prevalence of HIV/AIDS in the region is low, the risk of epidemic is high. The programme will focus on raising knowledge and awareness of HIV/AIDS to help reduce high-risk behaviour among vulnerable groups. People handling blood supplies will also receive instruction in safe handling practices.

The programme will deliver improvements in primary health care by helping improve management practices, clinical family health care, referral systems and support for effective health promotion. Options to make health services more affordable and accessible will also be identified.

Australia has contributed more than 6m dollars since 1997 to health-related initiatives in the Tibet Autonomous Region to programmes that are improving maternal and child health, providing better and safer access to drinking water and helping eliminate iodine deficiency and providing multi-sector HIV/AIDS planning. The health sector support programme is further evidence of the Australian government's strong commitment to tackling HIV/AIDS, a commitment that stands at 250m dollars over six years.

Source: Department of Foreign Affairs and Trade web site, Canberra in English 5 Jul 04

Document BBCAPP0020040705e075001jl

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## **China's disease control chief resigns for SARS lab infection**

197 words  
2 July 2004  
Xinhua's China Economic Information Service  
English  
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BEIJING, July 2 (CEIS) -- Li Liming, director of Chinese Center for Disease Control and Prevention, has resigned after a laboratory in the center was confirmed as the source of the country's severe acute respiratory syndrome (SARS) outbreak earlier this year, official sources said recently. Four of Li's colleagues were also disciplined due to the SARS virus infection of some staff members earlier this year, and a total of nine people were declared as SARS patients during April and May. Poor management of the virus triggered the SARS outbreak in Beijing and Anhui Province in east China. The SARS recurrence has been determined as a case of major accident due to negligence, sources with the Chinese Ministry of Health said. A 26 year-old girl surnamed Song was declared a diagnosed SARS patient in late April, and was presumed to have contracted the disease when serving as an intern at the Beijing-based Research Institute of Virus Diseases under the center from March 7 to 22.

Later on, Beijing and Anhui Province reported eight more SARS cases. The outbreak was contained at the end of May.

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### **843,000 Chinese suffering from schistosomiasis**

181 words  
1 July 2004  
Xinhua's China Economic Information Service  
English  
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BEIJING, July 1 (CEIS) -- China's schistosomiasis patients reached 843,000 at the end of 2003, and 24,000 of them were at the late stage, according to the Ministry of Health. The disease was once brought under control in China, but a growing number of new patients has been recorded over the last few years, said Vice Health Minister Wang Longde. The number of people contracted acute and contagious schistosomiasis jumped 59 percent in 2002 over the previous year, and the figure for 2003 was 22 percent more than 2002, said the official. The Chinese government has mapped out a national program to control the spread of the disease in 4-5 years and basically root it out in 7-8 years, Wang said. There were 11.6 million schistosomiasis patients in 1949 when the People's Republic of China was founded, and the figure dropped sharply to some 840,000 before a rebound was witnessed a few years ago, especially in areas along the lower reaches of the Yangtze River in east China.

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### **CHINA TO BAN SALE OF CIGARETTES CONTAINING OVER 15 MG TAR**

348 words  
30 June 2004  
Asia Pulse  
English  
(c) 2004 Asia Pulse Pte Limited

BEIJING, June 30 Asia Pulse - China is stepping up efforts to produce low-tar cigarettes for the sake of consumers' health, as the country's tobacco industry watchdog has ordered that cigarettes manufactured after July 1, 2004 and containing over 15 milligrams of tar each should not go on the domestic market. "Those cigarettes that fail to meet the standards will be sealed up and destroyed," said the State Tobacco Monopoly Administration, adding that the move was adopted to better satisfy the needs of the market and consumers, to further lower the tar content in cigarettes, and to further reduce the harm brought by cigarettes.

However, the administration noted, tobacco producers can still sell their cigarettes with over 15 mg tar content if the cigarettes were manufactured before July 1. To ensure that cigarettes on the market meet the standards, the administration requires all local tobacco quality supervising authorities to enhance check over the quality of cigarettes manufactured after July 1.

One cigarette contains 2,000 different chemicals, of the type that can be found in exhaust pipes, including tar, which causes addiction, and nicotine, which in turn can cause darkening of the lips, according to health experts.

As the world's biggest tobacco producer and consumer, China has approximately 300 million tobacco smokers, statistics show.

Every year, nearly one million Chinese die of diseases related to tobacco smoking, exceeding the total death tolls from tuberculosis, HIV/AIDS, pregnancy and childbirth, traffic accidents and suicide.

In November last year, China signed the Framework Convention on Tobacco Control (FCTC), the first public health treaty ever negotiated under the auspices of the World Health Organization (WHO), and in which China undertook to lower the tar content in cigarettes to 12 mg per stick.

Actually, the tobacco administration first set forth the requirement of limiting tar content in cigarettes four years ago.

In 2003, the tar content in a single cigarette was reduced to 14.3 mg on average, while in 1983, the content was 27 mg, statistics show.

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### **China to ink deal with GlaxoSmithKline to make AIDS drug affordable**

219 words  
29 June 2004  
AFX Asia  
English  
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China to ink deal with GlaxoSmithKline to make AIDS drug affordable

BEIJING (AFX-ASIA) - China is close to signing a deal with pharmaceutical giant GlaxoSmithKline PLC which will make a key AIDS drug available to poor patients in the country this year, a top health official said.

The drug 3TC, considered a key component of the most effective cocktail therapies used in AIDS-stricken developing countries, is currently too expensive for patients in China, which is battling a fast-spreading AIDS epidemic. But Vice Minister of Health Wang Longde told reporters that Glaxo had agreed to sell the drug to the Chinese government at a reduced price.

"We will soon sign an agreement with GlaxoSmithKline. We estimate the drug will be put into use in the third quarter," said Wang, also director of the State Council's office of AIDS prevention committee.

"As for the price of the drug, I'm sorry I can't reveal it. It's a trade secret."

The agreement between China and Glaxo will be the first major successful attempt by Beijing to convince pharmaceutical companies to reduce the price of their drugs for China, said Mao Qunan, deputy director general of the health ministry's department of general administration.

cs/mp/cas

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### **China industry: Private medical insurance providers target China**

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858 Words

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#### COUNTRY BRIEFING

#### FROM THE ECONOMIST INTELLIGENCE UNIT

International health insurance providers are working to overcome regulatory hurdles to build customer bases in China

The steady flow of expatriates who have moved to China and demand international standards of healthcare has drawn the interest of international insurance firms and insurance brokers looking to offer private medical insurance (PMI) to them. The limitations placed on foreign insurers by China's regulations for the industry have forced firms to adopt a range of approaches to tap the market.

AIA, a subsidiary of the US-based American International Group, is the only foreign insurance company licensed to sell health insurance in China. The company has developed strong brand equity in the major coastal cities, thanks to its long presence in the market and unique wholly foreign-owned status. Most international PMI providers have been operating on the periphery of the China market, however. Many are now trying to increase their market penetration through partnerships with local companies, insurance brokers, private medical centres and even expatriate-oriented chambers of commerce.

Trade policy

Most international PMI providers now rely on a patchwork of insurance brokers to find customers. John Pritchard, the regional director of international business development for UK-based InterGlobal likens the activities of an insurance broker to outsourcing -- offering PMI companies access to the market without on-the-ground investment. Partnering with industry giants Lloyd's and Munich Re has helped InterGlobal to sell in China, Mr Pritchard says, because of the reassurance their established names give to clients about the reliability and standard of service -- a vital factor in a market where strong brands can drive sales. "Insurance is relatively new in Asia and is a concept that people are getting used to", says Dennis Marmion, managing director of BUPA Health Insurance, Hong Kong, so many potential customers therefore benefit from the advisory services of a broker rather than having to deal with the insurer directly.

Most medium-sized health insurance firms utilise around a dozen different brokers to sell policies in China. Ideally, these would be professional appointed brokers and agents -- such as international brokerage houses, local companies and independent financial advisers. Larger health insurers often rely on tied agents, so called because they operate exclusively for the PMI provider in question. This strengthens the relationship and guarantees better business for the health insurance firm. Most international brokers are not licensed to deal in health policies in China, lack local market knowledge and offer medical insurance as an "add-on", warns Chris Hughes, managing director at Healthline Asia, the only China-based specialist healthcare brokerage with a local licence through its partnership with the Foreign Enterprise Service Corp (FESCO).

#### Moving in

After several years of circling the China market by conducting its business through brokers, InterGlobal now plans to follow major insurance companies and set up a joint venture or partnership with a local company to provide cover to both expatriates and locals -- as it has done successfully in Thailand and Indonesia. "You need to go in belt and breeches," Mr Pritchard. "You can't just dip toes and expect things to happen."

Smaller PMI providers have established partnerships with private hospitals and clinics. Healthcare providers typically negotiate partnerships with selected international hospitals and clinics to provide a dedicated direct settlement network for outpatient treatment within China. Some medical centres that have participated in such partnerships include Beijing United Family Hospital and Clinics in Beijing and Worldlink Medical and Dental Centres in Shanghai. Both offer top-quality medical care and cashless payment options -- even for some outpatient treatment. Worldlink, which set up its first clinic in Shanghai in 1996, will open its third medical and dental clinic in Pudong later this year -- and is planning a full-range tertiary care hospital in the near future, according to general manager Paula Hsu. Medical centres such as Worldlink can choose the PMI providers with which to operate direct settlement arrangements for outpatient treatment.

One significant problem faced by PMI providers targeting expatriates is identifying such highly mobile clients. Some PMI providers rely on word-of-mouth to market their services, though some have started to promote themselves through partnerships with expatriate associations. For the past year, US-based Aetna --

which already dominates the international schools insurance market -- has offered a special healthcare policy to members of the American Chamber of Commerce, providing global benefits to US and other nationals, according to Sophie Xu, medical officer at the American Chamber of Commerce in Shanghai. Similarly, BUPA is the preferred supplier of health insurance to members of Britain in Asia Pacific (BIAP), a federation of more than 50 chambers of commerce and business groups across the region.

The high mobility of such policyholders can also complicate the administration of an international PMI policy. Healthcare policies are often purchased at the expatriate's point of origin. A Dutch expatriate may buy his policy in Amsterdam before relocating to Hong Kong, Tokyo and eventually Beijing -- all without the healthcare company knowing until he makes a claim.

SOURCE: Business China

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