

# Elderly Care System Development Forum

A Case Study of Yichang City and International Experience  
Exchange  
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## Results of the Development of Elderly Care Services in China Supported by ADB Technical Assistance Project -- Yichang Case Study in Hubei Province, China

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# Executive Summary



- 1. Aging Situation in Yichang City**
- 2. ADB TA and Loan Projects**
- 3. Strategic Plan for the Development of Elderly Care Services in Yichang City (2016-2030) and Its Implementation**
- 4. Main Achievements and Factors in the Development of Elderly Care Services in Yichang City**
- 5. Experience of Success of ADB TA Projects**



# Aging Situation in Yichang City



- Yichang is a prefecture-level city in Hubei Province, China. In 1997, it had more than 10% of the population aged over 60 years old, entering an aging society; according to the Seventh National Census, by 2020, Yichang City had more than 1 million people aged over 60 years old, accounting for nearly a quarter of the total population, higher than the national and Hubei provincial averages.



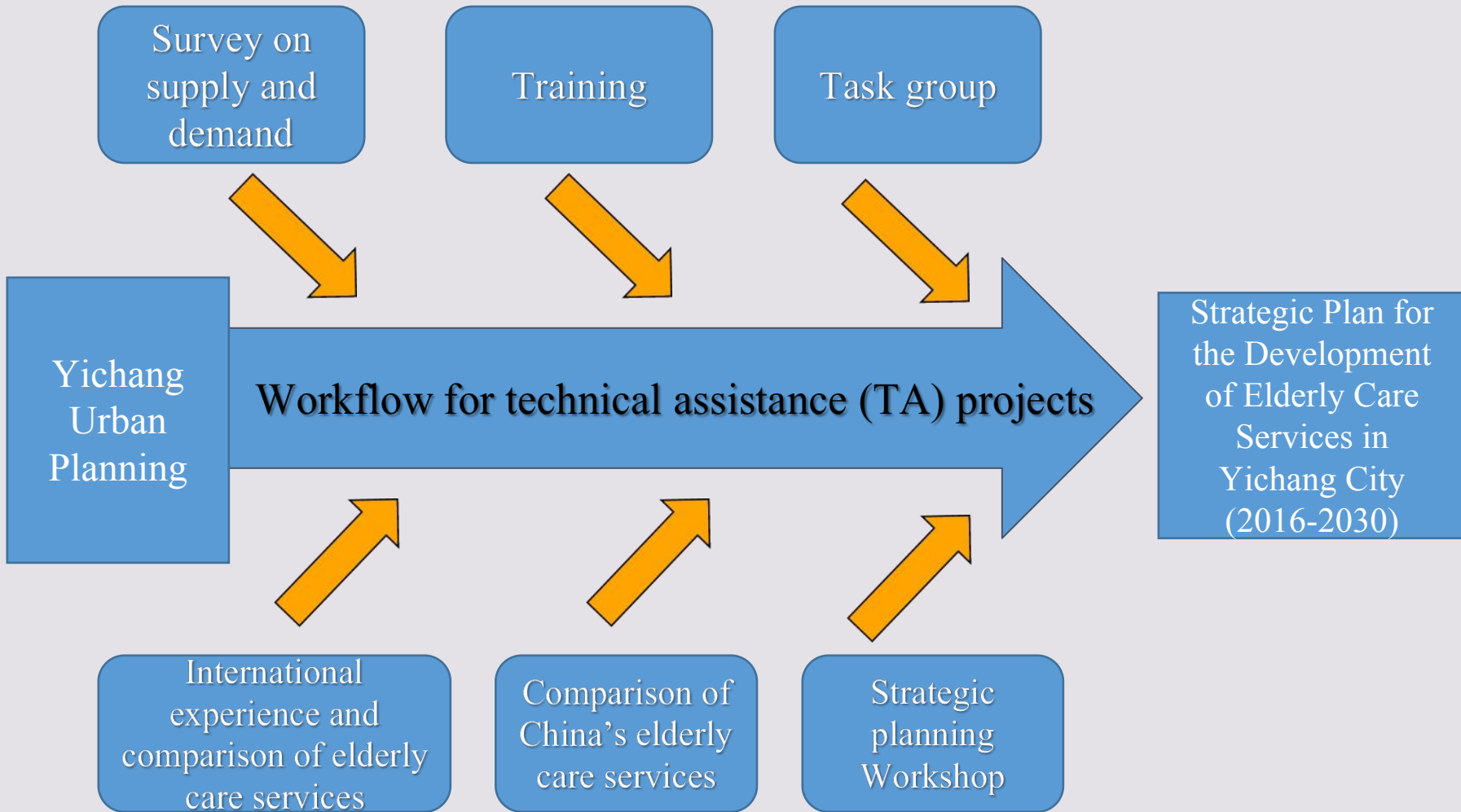
# ADB TA and Loan Projects



- In 2014, Asian Development Bank (ADB) implemented the “Yichang Elderly Care Service Development Strategy Technical Assistance Project of ADB” in Yichang, producing a total of four outcomes:
  1. Report on international experience and national best practices;
  2. Survey report on supply and demand of elderly care services in Yichang City;
  3. Capacity development, including training for government officials and business leaders in the elderly care service sector, and international visits;
  4. The *Strategic Plan for the Development of Elderly Care Services in Yichang City (2016-2030)* was developed and adopted by Yichang Municipal Government.



# ADB TA Projects





# ADB TA and Loan Projects



- In 2015, building on the results of ADB TA projects, Yichang City designed and applied for two ADB loan projects:
  - For the **Hubei Yichang Comprehensive Elderly Care Demonstration Project (Demonstration Project)**, the agreement was signed in May 2019; the outputs of this project include:
    - ❑ Facility construction: building community service centers for the elderly, nursing homes for the dementia aged, geriatric hospitals, geriatric nursing homes, elderly care service information platforms and professional personnel training bases;
    - ❑ Capacity development: establishing elderly care service systems and enhancing the management capacity;
  - For the **Yichang Public Private Partnership Project (PPP Project)**, the agreement was signed in November 2018; the outputs of this project include:
    - ❑ Facility construction: one comprehensive demonstration base for medical and health care integration and one comprehensive demonstration base for home- and community-based elderly care services;
    - ❑ Capacity development: the design and management of PPP projects, including facility design, service standards, financing mode, project bidding management, service performance evaluation, etc.



# Strategic Plan for the Development of Elderly Care Services in Yichang City (2016-2030) and Its Implementation

- **Strategic Plan for the Development of Elderly Care Services in Yichang City (2016-2030)**
  - Based on the analysis on the current situation of supply and demand of elderly care services in Yichang City by the expert team of TA project, it is formulated with the participation of multiple departments;
  - Four basic principles for the development of elderly care services are introduced, namely, in situ elderly care, age-friendly society, effectiveness and efficiency, and active aging.
  - It puts forward the objective of establishing a fair, efficient elderly care service system that features medical and health care integration and fiscal sustainability in Yichang by 2030.
  - Five strategic development directions and a number of specific objectives are proposed, including:
    - Service supply: building a management structure for elderly care services; establishing a demand evaluation system; facility construction including the establishment of geriatric hospitals, geriatric nursing homes, geriatric rehabilitation facilities and community-based elderly care service centers; age-appropriate transformation; and construction of elderly care service information platforms;
    - Fiscal sustainability: establishing a financing and payment system for elderly care services; integrating medical and health care resources; encouraging private sector participation; and exploring long-term care insurance
    - Service quality: establishing a quality and risk management system for elderly care services; implementing a performance-linked payment mechanism; and leveraging market mechanisms (“finance linked to people”)
    - Development of informal care networks: advocating active aging; and supporting family caregivers, volunteers and neighborhood mutual aid;
    - Human resource development and training: planning the human resource needs for elderly care services; providing subsidies and support for elderly care and nursing staff; and establishing training centers for nursing staff



# Strategic Plan for the Development of Elderly Care Services in Yichang City

## -- Five Strategic Directions

### Service supply

To establish the management system, demand evaluation and information system of elderly care services

To build geriatric hospitals

To pilot nursing homes for the elderly

To pilot rehabilitation facilities for the elderly

To develop comprehensive home- and community-based elderly care services for the incapacitated and dementia aged

To promote universal design and age-appropriate transformation of home-based services

### Financial sustainability

To set up special funds and service fee standards

To refine the subsidy system for elderly care services

To promote medical and health care integration

To encourage the participation of private capital

To establish a long-term care insurance system

### Service quality

To establish a service quality and risk management system

To develop elderly care service standards

To pilot standard projects in social elderly care institutions

To set performance payment standards

### To develop informal care networks

To carry out active aging activities

To support informal caregivers

To promote volunteer services

To encourage mutual aid between neighborhoods

To highlight the ability and role of community grid workers in the provision of elderly care services

### Human resource development and training

To make human resources planning for elderly care services

To provide subsidies, training and career development support to frontline staff

To formulate innovative recruitment and incentive policies for elderly care talents

To establish a demonstration project for training of nursing staff for the elderly





# Strategic Plan for the Development of Elderly Care Services in Yichang City (2016-2030) and Its Implementation

## • Implementation of the Strategic Plan

- It is mainly implemented by two systems: the project aimed at implementing national policies under the leadership of the civil affairs department and health commission and the ADB loan project to be undertaken by “Yichang Jiantou Kangyang Industrial Investment Co., Ltd.”; most of the project objectives have been basically achieved, with some of them not carried out yet in the process of preparation.
  - Service supply: The management system, demand evaluation and age-appropriate transformation have been implemented; the facilities, including an information platform for elderly care services, are under construction, of which 16 community-based elderly care service centers, 1 geriatric hospital (500 beds), 1 geriatric nursing hospital (310 beds), 1 nursing home for the dementia aged (210 beds), 1 smart elderly care information platform, 1 comprehensive demonstration base for medical care, nursing and treatment (892 beds), and 1 comprehensive demonstration base for community elderly care services (365 beds) are built under the support of ADB loan projects.
  - Fiscal sustainability: The Three Gorges Elderly Care Industry Development Fund and its service subsidies and charging standards have been established and developed; full coverage of medical and health care integration has been basically realized; subsidies and preferential policies have been introduced for private elderly care facilities; and long-term care insurance pilots have been launched
  - Service quality: Quality standards and performance evaluation systems for elderly care services have been introduced, of which the capacity development component of ADB loan projects supports the design of facilities, the development of standards for elderly care services and the system for performance monitoring and evaluation; government subsidies have been linked to performance; and subsidy recipients can independently choose service institutions
  - Development of informal care networks: Active aging mainly includes health management by the health department as well as cultural and recreational activities organized by the community; policies to support family caregivers have not been implemented; a dedicated volunteer management department has been set under the civil affairs department; mutual aid between neighborhoods has been carried out mainly in rural communities
  - Human resource development and training: Human resources planning for elderly care services has not been made; subsidies for elderly care and nursing staff and incentive policies for skill development have been introduced; with support from the ADB loan project, a training base for geriatric nursing staff has been established, including the training center (Hubei Three Gorges Polytechnic) and the training base (the newly-built Yichang Children Welfare).



# Main Achievements and Factors in the Development of Elderly Care Services in Yichang City

- **Main Achievements in the Development of Elderly Care Service System in Yichang City**
  - Service capacity has been greatly improved to meet care needs at different levels
    - Increase in the number of nursing beds: The city has more than 3,500 beds for the elderly, 35 for every 1,000 senior citizens, more than half of which can provide care services for the incapacitated elderly
    - A total of 186 integrated home- and community-based elderly care service centers are built to provide short-term nursing care, day care, catering services and on-the-spot services
    - Four models of medical and health care integration are fully implemented
  - Service quality and management capability have been significantly enhanced
    - The development of elderly care services has shifted from facility construction to system development
    - By employing consulting firms and experts to design facilities, and formulate service standards and performance evaluation systems, the elderly care service system has been lifted to a higher level
    - The service management capacity of civil affairs and healthcare companies has been significantly strengthened
  - Fiscal sustainability has improved
    - Diversified financing channels have been created, including special funds, government investments at all levels, public welfare lotteries, state-owned enterprise investments, government supply and demand subsidies, and long-term care insurance
  - Private institutions participate more in elderly care services
    - Diversified operation modes have been developed, including the public and government financing with private operation, private operation and purchase of services and other forms
  - The system of human resource development and training has been established
    - A system for the development and construction of elderly care service personnel has been initially established, including academic education, training/practical training, and economic and career incentives



# Main Achievements and Factors in the Development of Elderly Care Services in Yichang City

- **Key Factors Driving Achievements in the Development of Elderly Care Service System in Yichang City**
  - The result of three factors: National policy, active efforts of Yichang Municipal Government, ADB Projects
  - National policy: Since the “13th Five-Year Plan”, the state and local governments have implemented a series of projects to address weaknesses and improve service accessibility, and provided special funds, including the “Pilot Reform of Home- And Community-based Elderly Care Services” (2016) by the Ministry of Civil Affairs, the “Special Action of City-Enterprise Linkage for the General Benefit of the Elderly” (2019) by the National Development and Reform Commission, Yichang “Five in One” Demonstration Project for Elderly Care Service, etc., which all played a great role in developing and improving the comprehensive capacity of Yichang’s elderly care service system.
  - Yichang Municipal Government: It has played a strong leading, planning and organizational role, and input significant financial and organizational resources. A steering group with members from different departments has been established at the municipal level, which promoted division of labor and cooperation among departments and made the elderly care service system transform from the original departmental action to integrated action;
  - ADB Projects: The TA project introduced advanced concepts and international experience, trained a number of backbone talents, and promoted a shift of the elderly service development in Yichang from facility construction to system development with its “strategic planning”; the loan project pursued facilities and capacity development and provided financial and technical support for the implementation of strategic planning in Yichang City, and created favorable conditions for the implementation of national policies and projects.



# Experience of Success of ADB TA Projects



- **Experience of Success of ADB TA Projects**

- With a strong desire for TA projects, local governments are willing to accept and adopt project suggestions and implement them;
- The objectives of the project are aligned with the priorities of central and local governments;
- Local governments and other stakeholders are actively involved in the implementation process of TA projects;
- The contents of project outputs are specific and operable, and continuous guidance and management have been conducted in the implementation process;
- With expertise and competence, the expert team is competent for project tasks, which has been recognized by the local government.

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