ADB-ADBI Elderly Care System Development Forum
September 26-28, 2022

Innovative Features of the World Bank's Aged Care Lending Operation in China

Dewen Wang

Senior Economist

Social Protection and Jobs Global Practice

World Bank Group

Key messages

- Importance of setting the system foundation and piloting in parallel through learning by doing to develop and refine the aged care system

- Innovations from the project interventions such as the government purchase of basic aged care services, zero-based budget reform, and integrated information system/could platforms provide new knowledge for sharing and best practices for scale-up

Outline

- Design of the ongoing World Bank Aged Care Projects in China

- Innovative features of the project design

Anhui Aged Care System Demonstration Project
(WB loan US$118 million with counterpart fund US$ 80 million)

The first project of the World Bank on aged care

Anhui is one of less developed provinces located in the central China

PDO (Project Development Objective)：To support the government of Anhui in developing and managing a diversified, three-tiered aged care service delivery system for the elderly, particularly those with limited functional ability

Project components:
- Component 1: Supporting the Development of Government Stewardship Capacity
- Component 2: Strengthening Community-based and Home-based Care Services
- Component 3: Strengthening the Delivery and Management of Nursing Care
- Component 4: Project Management, Management and Evaluation

Lending modality

- Investment Project Financing, focusing more on inputs, outputs and results

Implementation agency

Guizhou Aged Care System Development Program for Results
(WB loan US$350 million, and AFD loan 100 EURO)

The first PforR project of the World Bank lending operations on aged care

Guizhou is one of the poorest provinces located in southwest China

PDO (Program Development Objective)：To increase equitable access to a basic package of aged care services and to strengthen the effectiveness of the aged care system in Guizhou

Results Areas:
- RA1:Expanding coverage of basic aged care services for the elderly
- RA2:Enhancing quality of aged care services for the elderly
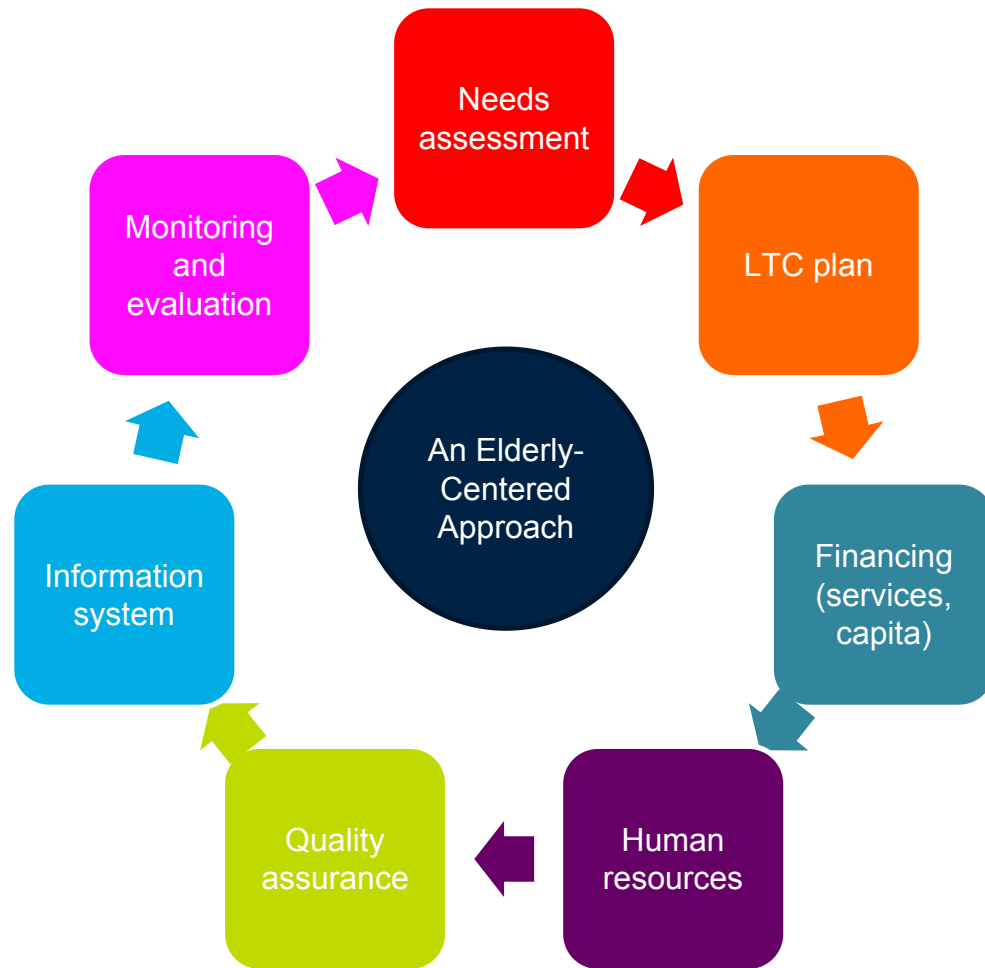- RA3:Strengthening efficiency of aged care financing for the elderly

Lending Modality
- Program for Results: supporting a subset of the government program, focuses more on results and outcomes
- A top-level design with policy interventions on the aged care system

Implementation Agency
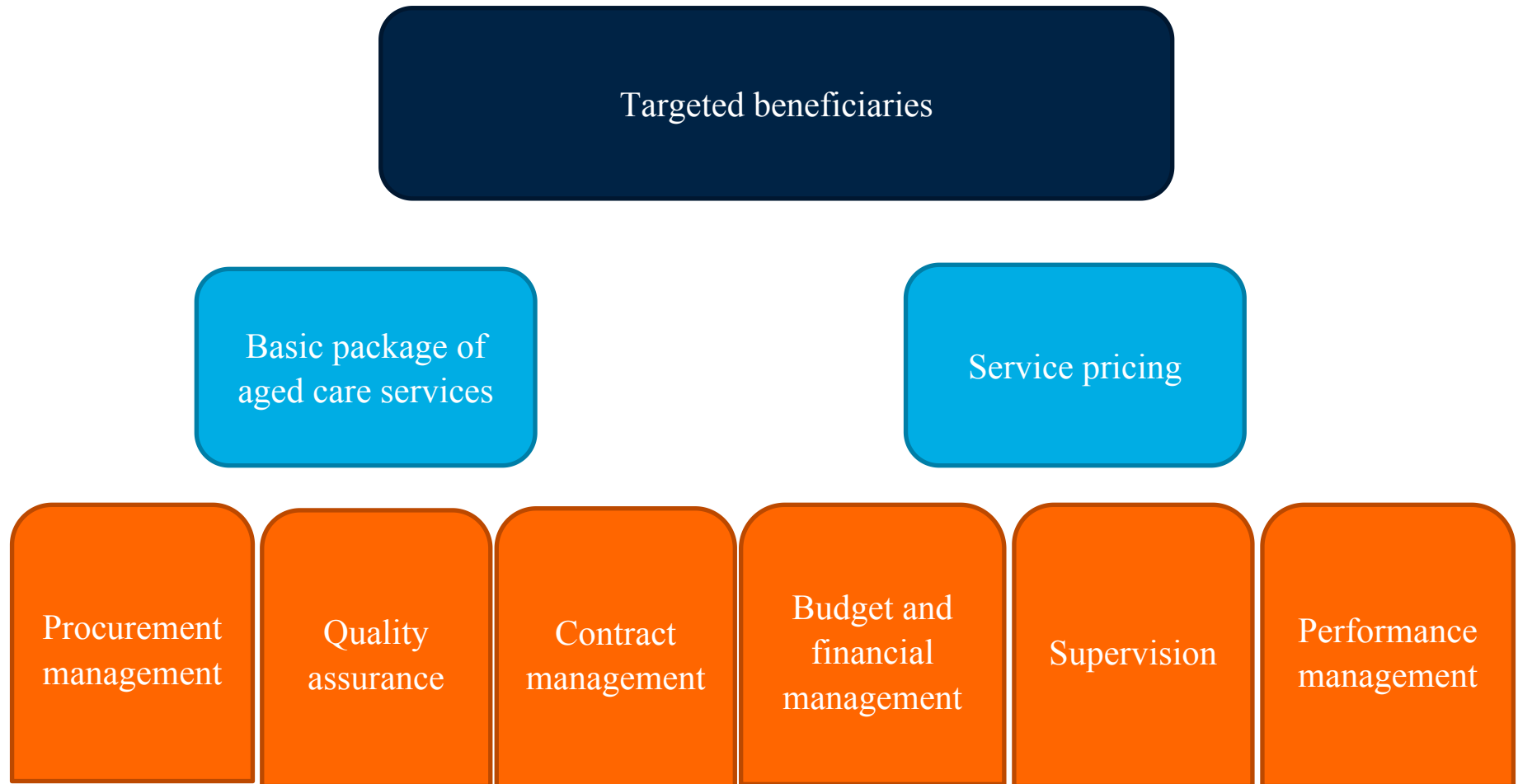- Department of Civil Affairs, Guizhou Province

Innovative Features: A systematic approach is crucial for the design and implementation of aged care reforms
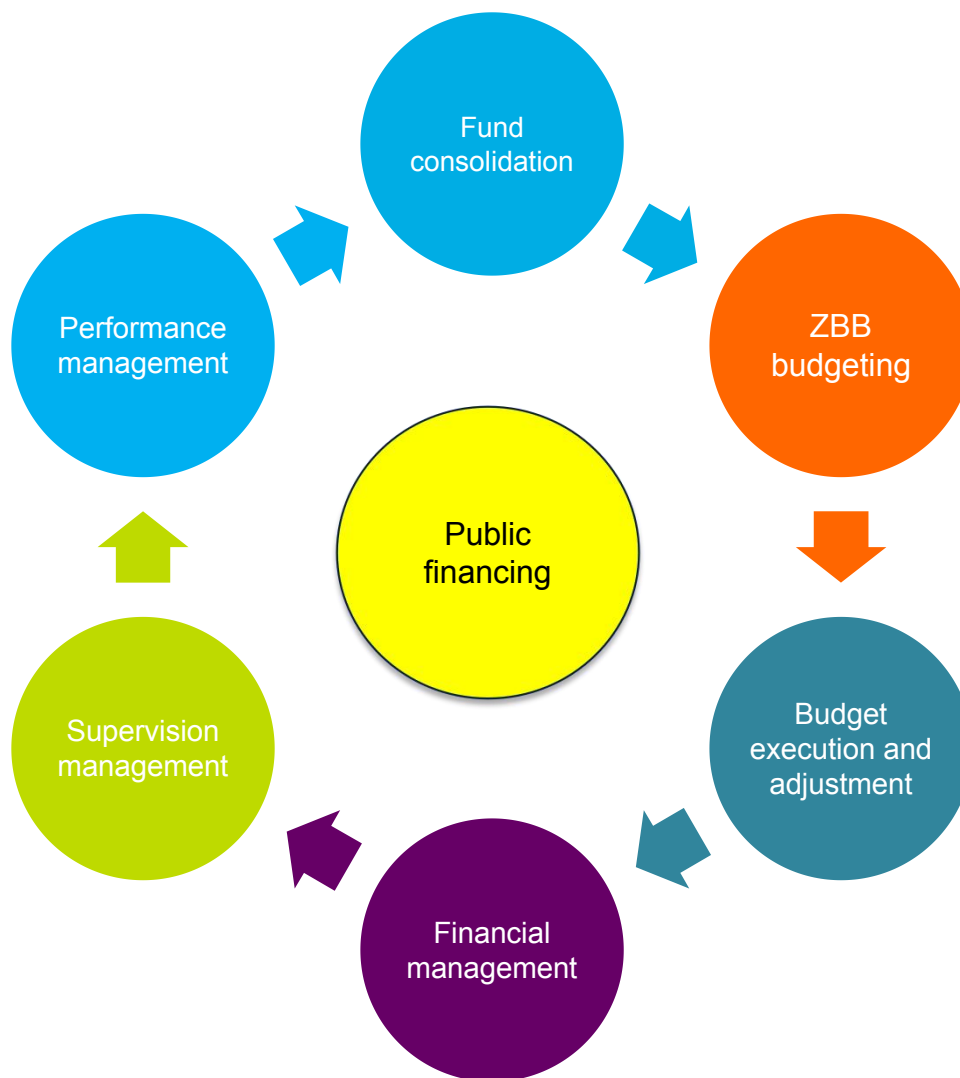
Innovative Features: service delivery, investment and financing, and disruptive technology

- Introduce a basic package of aged care services, and the supporting system of needs assessment, as well as contracting models for partnerships with the private providers to deliver the package for the eligible elderly

- Pilot a new model of aged care and health care coordination/integration and promote a continuum of care with focuses more on home– and community–based care

- Support introduction of investment and budgeting guidelines to manage aged care infrastructure and enhance budget performance management of the sector

- Utilize disruptive technology such as big data and cloud–computing to support service delivery, quality enhancement, and public financial management
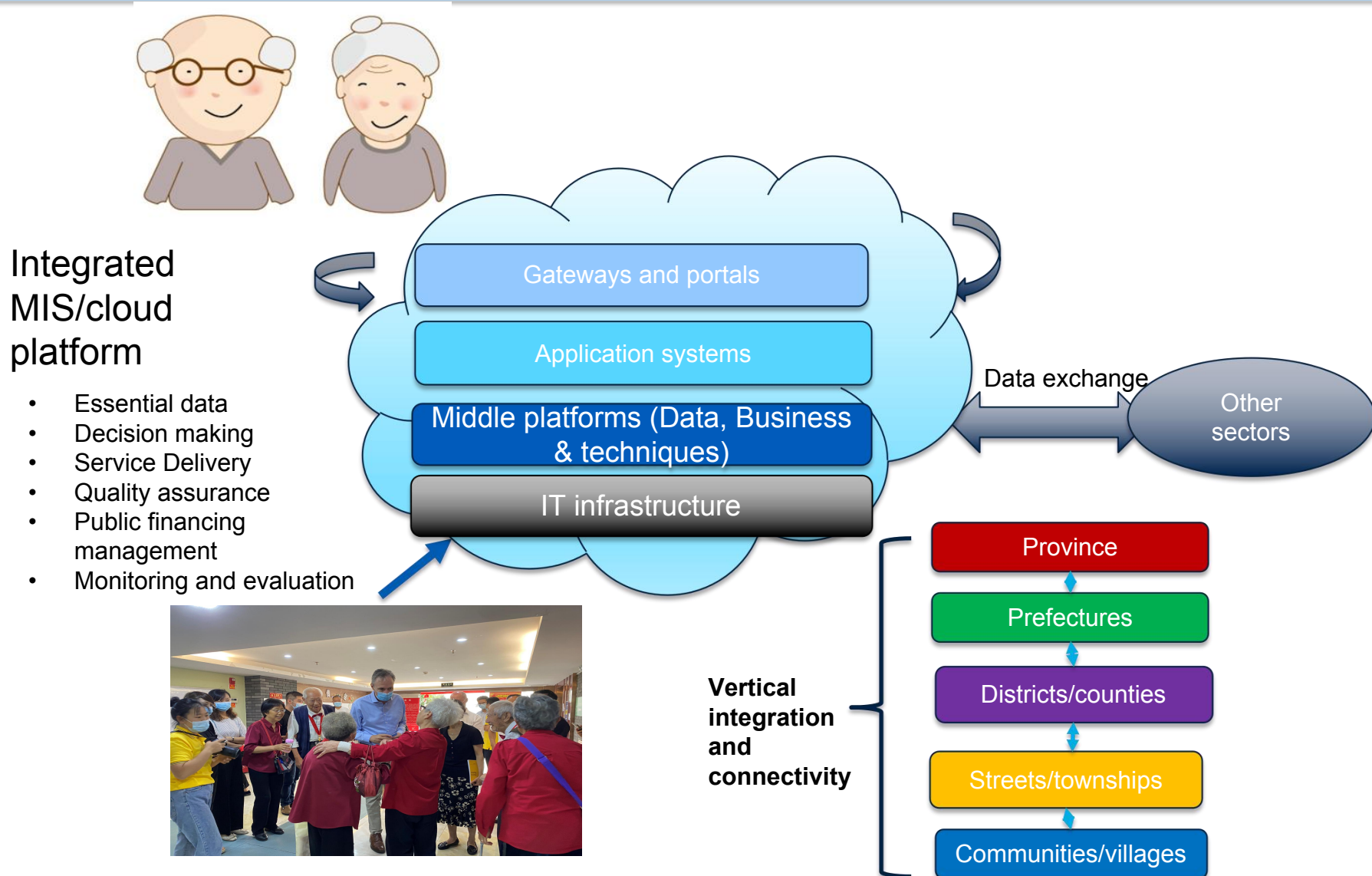
Example 1: Streamlining and standardizing the government purchase of aged care services to foster the private sector participation

Targeted beneficiaries

Basic package of aged care services

Service pricing

Procurement management

Quality assurance

Contract management

Budget and financial management

Supervision

Performance management

Example 2: Enhancing the performance of public financing through introducing a zero-based budget (ZBB) reform

Example 3: Integrated information system/could platform plays a critical role in enhancing service delivery and public financing

Integrated MIS/cloud platform

- Essential data
- Decision making
- Service Delivery
- Quality assurance
- Public financing management
- Monitoring and evaluation

Gateways and portals

Application systems

Middle platforms (Data, Business & techniques)

IT infrastructure

Data exchange

Other sectors

Vertical integration and connectivity

Province

Prefectures

Districts/counties

Streets/townships

Communities/villages

Thank you