

Abstract of the Japanese text of the paper	
Subject of the paper	The battle between the public and private sectors in medical security in China -Focusing on the emergence of new medical security by IT platformers
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<p>As economic growth and social change continue in China, the risks to people's lives in society have diversified, and the way in which guarantees are provided has also undergone a major transformation. One area where this is particularly evident is in the field of medical guarantees. Risks surrounding health care, such as disease, longevity and health maintenance, are generally covered by the government through public health insurance in developed countries. However, the approach taken by the Chinese government is not to guarantee government finances but to make active use of the private insurance market. The government is encouraging private insurance companies to include online services such as online medical care and health care in their insurance products, indirectly expanding the scope of benefits and services by responding to diversifying risks.</p> <p>However, this kind of collaboration between the public and private sectors is led by the public sector (government side), and it can not be said that the public and private sectors are on equal power balance. Nevertheless, private insurance companies are working with and expanding local governments. The purpose of this paper is to clarify the reasons for the disproportionate collaboration between the public and private sectors in the field of medical security from the perspective of the private sector.</p> <p>Until now, research on the collaboration between the public and private sectors in the field of medical security in China has focused on the transition of policies and systems announced by the government and their evaluation and market size trends within the framework of the economic transition theory of "from plan to market." Most analyses have been conducted from the viewpoint of the government (or the government), and there have not been sufficient analyses from the viewpoint of the private sector, such as private insurance companies and consumers, which complement the analysis. On the other hand, the development of private insurance and the role of private insurance has also received attention as the medical insurance market has grown. However, it is mostly analyzed as part of the public-private mix in the East Asian welfare regime, and is only taken up in clarifying the state-market-family relationship. In other words, in the field of medical</p>	

security in China, analysis and research on the form of public-private collaboration from the perspective of private insurance companies has been regarded as a "blind spot" in a sense (Li 2014: 1121).

Therefore, the author considered it necessary to analyze the nature of collaboration with the government and its impact from the point of view of the people. The methods were (1) to scrutinize past cases of public-private cooperative insurance management from the point of view of insurance companies, and (2) to ascertain the insurance demand from the point of view of consumers. (1)The public-private cooperative insurance in is a type of insurance that is jointly managed by local governments and private insurance companies that have expanded into the area. In this paper, three examples of public-private cooperative insurance are presented. They are the "small-value insurance" for rural and low-income people, the "major illness medical insurance" that provides benefits for high-cost medical expenses under the public medical insurance system (equivalent to Japan's high-cost medical care benefit system), and the "emin health insurance" that is specialized for citizens. With regard to (2), we focused in particular on the "Net Mutual Assistance Plan," a medical insurance program provided by major Chinese platformers for customers. We investigated how private insurance coverage via the net, which newly emerged with the digitization of society, covered insurance demand, and how it was intended to link with and divide roles between existing public and private medical insurance.

The results of the above survey revealed the following facts and reasons for public-private partnerships.

First, public-private insurance was underwritten mainly by major state-owned insurance companies. Information on insurance income and expenditure was not disclosed in the companies' disclosure materials or in the financial and performance materials released to investors. For this reason, it was not possible to confirm whether the management of public-private insurance itself was in the red. However, a new finding was that private insurance companies were trying to absorb the costs of public-private insurance by positioning it as a corporate social responsibility business.

The first reason why insurance companies were forced to undertake "collaboration" with the government in such a way was that the insurance market was a government-regulated market with strong government control and supervision, and public-private insurance operated in a path-dependent manner. In addition, a possible new reason is participation in the insurance business by platformers. Platformers have huge customers under their umbrella and instant access to them. Existing insurance companies are newly exposed to this "economy of scale" competition. Therefore, we believe that while we were prepared to lose money in the management of public-private insurance, we aimed to gain an advantage in market competition by working with local governments.

In order to compete with platformers, we aimed to improve the reliability of products, expand sales, and lock in information and customers (citizens of the city in question) about health and other matters with the backing of local governments. Even for local governments, there are administrative advantages, such as the indirect expansion of cash and service benefits and the availability of health information for citizens, in a situation where funds are not being contributed from local finances. These "invisible" public-private collaborations between local governments and private insurance companies are working, the authors believe, to strike a balance, albeit disproportionately, and therefore to expand the collaboration.

On the other hand, what platformers took advantage of economies of scale to spread was the "Net Mutual Assistance Plan." As a result of conducting a questionnaire on this Net Mutual Assistance Plan, it was found that the rapid spread of Net Mutual Assistance Plan was due to the high out-of-pocket cost of medical expenses paid by medical examinees as a problem of the existing public health insurance, and the high barrier to enrolling in private insurance to reduce the out-of-pocket cost (high premium at the time of contract). In other words, it was found that as a management policy, the Net Mutual Assistance Plan aimed to position itself as the most basic medical coverage to complement public and private insurance. In other words, I believe that the Net Mutual Assistance Plan sought to avoid competition in the market and seek ways to coexist by distinguishing itself from existing insurance products sold by private insurance companies (providing generous coverage and services with premiums). If it had continued to grow, it could have been positioned as private coverage that would have broadened the base of a multilayered health insurance system in the form of public health insurance - private insurance - Net Mutual Assistance Plan. But after 2020, as the government tightened controls on online financial markets, Net Mutual Assistance Plan was shut down, and the initiative never materialized.

Suggestions from the analysis include that China's use of private markets could be one clue to solving the dilemma of developed and other countries based on the welfare state system. In Japan, for example, the dilemma is that the government finances many of the current systems and therefore reforms involving the private market do not progress. In China, on the other hand, private insurance is not only a new risk to emerge, but also a quick response to the diversifying way of working and values to cover flexibly the risks that emerge due to social changes. At times, private insurance companies underwrite government policy to support modern life and to include people who are furthest from public coverage. The increasing risks faced by society, such as job mobility and the emergence of new infectious diseases such as the novel coronavirus, are common challenges for both the East and West. If the goal is to create a sustainable health insurance system, I believe the utilization of the private insurance market in China could be an example. However, the collaboration between the government and private insurance companies in the health insurance sector in China is

a product of the imbalanced power balance between the public and private sectors. Therefore, when adopting in developed countries, the challenge is how to ensure market fairness and competitive neutrality.

This paper is organized as follows.

In the introduction, research objectives and research subjects are presented, prior research is presented, and verification methods for research objectives are presented. Chapters 1 and 2 examine the actual state of the social security system from the perspective of the system and policies, population and finance. First, Chapter 1 organizes the framework of the "multilayered social security system," which is the pillar of the entire paper. While China's social security system is based on state social security benefits, it also actively incorporates the functions of middle groups, such as private insurance, which are carried by the market, as one of its social security systems. In particular, under the Xi Jinping administration, the role of the private insurance market is expanding as economic growth slows, the working population shrinks, the fiscal deficit widens, and social security-related expenses increase. However, the formation of private insurance markets is different from that in democratic countries, with strong government intervention and control. In response to this, Chapter 2 organizes the Chinese medical insurance system covered in this paper. Furthermore, it is pointed out that the redistribution function of the Chinese medical insurance system has a structure that is difficult to operate. The reason for this is that because the redistribution function has a small structure, it is necessary to adopt a multilayered medical insurance system, and therefore private insurance has a high presence. In particular, the present administration of President Xi Jinping has become increasingly severe in terms of population and finance, and the role of the market, such as private insurance, has greatly contributed to reducing the burden on individuals. Following the analysis of the social security system in Chapters 1 and 2, Chapter 3 addresses the private insurance market in China. It also analyzes three examples of public-private cooperative insurance from the point of view of the private sector, and analyzes the background and reasons behind the government's ability to expand benefits and services through private insurance companies. It precipitates the point that there is another "invisible" cooperation between the public and private sectors. In Chapter 4, we examine the new possibilities of a multilayered health care coverage system and its back-and-forth as digitization advances. Platformers have made inroads into the insurance sector, and in particular, we take up mutual assistance plans on the Internet, which took advantage of economies of scale, a characteristic feature of such plans, to promote their use. The characteristics of mutual online assistance plans are captured by highlighting the "mutual treasures" that have the largest number of subscribers. The paper also summarizes the battles with the competent government agencies over the definition, rise and fall, and supervisory control regulations of mutual online assistance plans, and presents the role that the mutual online assistance plans were intended

to play in the medical insurance system. Chapter 5 analyzes consumer insurance demand from the perspective of why mutual online assistance plans have become so popular so rapidly, based on the results of the questionnaire survey. It also analyzes the impact on public and private insurance and its relationship, considering the construction of a multilayered medical insurance system. It also shows that the net mutual aid plan reduces the out-of-pocket cost of public medical insurance and leads to sales to private insurance with better coverage. In the final chapter, the discussion and research issues based on this paper are presented. As issues to be considered in the future, the paper presents points that should be further examined in terms of the burden balance between the public and private sectors and how to bear the burden in the pursuit of a multilayered medical security system. The paper also shows how the progress of digitalization has brought about changes in China's medical security system and how to evaluate the transformation of risk coverage.