# Public Health Service Management is Characterized by 3 Pillars of Innovation

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#### ABSTRACT

Traditional political science and public administration literature have long held the belief that the innovation in public service management is primarily contingent on the level of financial resources available. However, recent developments in China challenge this assumption, as they raise questions about why certain regions, despite having limited financial resources, are selected as pilot areas for "treatment first" reforms, and why some of these less affluent regions demonstrate superior implementation of specific pilot measures compared to their wealthier counterparts in the eastern regions.

This article introduces a comprehensive theoretical framework for understanding the innovation in public service management, positing a three-pronged approach that considers the interplay of finance, supply-side factors, and demand-side dynamics. It argues that the innovation in public service management within a given region is the result of a complex interaction among these three key elements.

Drawing on empirical data, this article conducts a comparative analysis of the factors influencing "treatment first" reforms in four distinct regions of China: Wuhan, Shanxi, Chongqing, and Hunan. By exploring the unique dynamics at play in each of these regions, the study sheds light on the nuanced relationship between finance, public service supply, and demand. Additionally, it elucidates how these factors jointly determine the success and trajectory of public service management innovation in different locales, challenging conventional wisdom and providing valuable insights into the contemporary governance landscape in China.

Keywords- Public Health, Management, 3 Pillars, Innovation, treatment priority.

# I. INTRODUCTION

Classic literature in political science and public administration posits that innovations in public service management are constrained by the fiscal capacity of local governments. The foundation of public services lies in the fiscal revenue of local governments, and the more abundant the fiscal resources of local governments, the more proactive their response tends to be in meeting the demand for high-quality public services that enhance the well-being of citizens [1] [2]. They are also more likely to be at the forefront of implementing innovations in public service management [3] [4]. In China, scholars commonly hold the view that the more financially robust a government is, the greater the quantity and scope of public services it can provide [5] [6] [7]. Particularly, due to the fiscal decentralization system between the central and local governments, three critical factors affecting disparities in the level of basic public services are local government-level tax revenue, transfer payment income, and off-budget income. The differences in local tax capacity resulting from uneven economic development are the primary cause of regional disparities in the provision of basic public services [8].

Residents' access to public services can be categorized into two types. One type is nationally provided public services by the central government, and these services exhibit relatively low regional disparities, with a high degree of nationwide uniformity. The other type consists of locally provided public services by various local governments. The innovation and supply level of these services depend on the fiscal capacity and expenditure willingness of local governments. Significant differences in financial resources ultimately lead to disparities in the provision of public services among local governments [9]. In China, local governments bear the responsibility for providing the majority of basic public services, and differences in the fiscal capacity of local governments have become the primary cause of disparities in basic public services in different regions [10]. Since the fiscal reform of 1994, fiscal disparities among regions in China have continued to widen. Regions with weaker fiscal capacity have faced severe deficiencies in basic education, healthcare, social security, and other public services, exacerbating inequalities in residents' access to public services among regions.

In comparison to the western regions of China, the eastern regions have experienced faster economic development, relatively higher fiscal capacities of local governments, and a more proactive response to public service management innovations aimed at improving residents' well-being. In recent years, the eastern regions have indeed taken the lead in implementing a series of public service management innovations in areas such as urban community health services, citizen smart card services, and community sports public services.

However, concerning the innovative medical insurance system proposed by the Ministry of Health, known as "Treatment first, Pay Later," which is conducive to improving the level of public services, the provinces and cities that have taken the lead in piloting this system are not limited to economically developed areas. For instance, in March 2012, some areas in Guizhou Province began a trial run of the "Treatment first, Pay Later" system. Taiyuan City in Shanxi Province initiated the "Treatment first, Pay Later" service model for new rural cooperative medical scheme participants in medical institutions at the city, county, and township levels starting in August 2012. Meanwhile, Hunan Province was the first to comprehensively implement the "Admission Before Payment" system in public medical institutions at the provincial, prefectural (city), county, and township levels starting in September 2012. The main innovative aspect of the "Treatment first, Pay Later" system is that medical institutions advance the medical expenses, and this requires a certain level of financial support to cover the cash flow gap.

So, why have some less financially affluent western regions also initiated pilot projects for public service management innovation, and in some cases, even taken the lead over their eastern counterparts? https://doi.org/10.55544/ijrah.3.5.18

In this regard, this paper proposes a threedimensional framework for public service management innovation based on finance, providers, and demand. It emphasizes that these three factors collectively determine the innovation in public service management within a given region. In terms of empirical research, this study employs a comparative case study approach, taking four regions, namely Wuhan, Shanxi, Chongqing, and Hunan, as examples. It analyzes the impact of finance, public service providers, and public service demand on the pilot implementation of the "Treatment first, Pay Later" system in these regions. The framework presented in this study not only serves to explain the selection of pilot regions for the "Treatment first, Pay Later" system but also contributes to a better understanding of the dynamics and mechanisms driving public service management innovation by local governments in China.

# **II. THEORETICAL FRAMEWORK**

# 2.1 Fiscal Resources

The fiscal resources of a region, including its fiscal capacity and expenditure structure, significantly constrain the ability to innovate in public service management. In China, public finance remains the primary source of investment in public services, and fiscal revenue must also support numerous other government functions. Moreover, it is influenced by traditional public expenditure structures and the local government's focus on specific functions. Different regions have varying capacities for innovation in and the cost of providing various public services, driven by differences in focus and expenditure preferences. These preferences determine the willingness of the government to initiate innovations in a particular public service system [11]. Less economically developed regions can rely on central government transfers to supplement their fiscal resources, thereby enhancing the capacity of local governments to innovate in public service management.

# 2.2 Public Service Providers

Narrowly defined, the actual providers of public services have a direct impact on public service management innovation. Based on the way they acquire resources and deliver services, organizations involved in providing public services can be categorized as public sector, private sector, and third sector [12].

The public sector primarily includes government entities, public enterprises established and operated by the government, and international organizations. Their operational funds come entirely or partially from national public finance allocations [13].

The private sector refers to individuals, households, and privately-owned enterprises and institutions.

The third sector comprises no governmental organizations or non-profit organizations that volunteer to provide public services [14].

Apart from public responsibility and public interest, many public service providers also aim to maximize profits. In the process of public service management innovation, the pursuit of public interest does not always align with profit maximization. If the cost of implementing a particular public service management innovation is prohibitively high, and the provider is unable or hesitant to bear the cost due to concerns about its own interests, this may delay, partially implement, or even lead to the abandonment of public service innovation and provision.

#### 2.3 Public Service Demand

Public service demand refers to the direct beneficiaries of public services, and the direction of public service management innovation should be guided by the actual needs of these demand-side stakeholders. Residents in different regions have significantly varied demands for public services in terms of their geographical locations, natural conditions, and stages of economic and social development. These differences encompass the structure, types, quantity, priority, and quality of public service demands. Residents express their demands to various levels of government and government organizations, enabling governments and public service providers to adjust fiscal expenditures and directions of public service management innovation accordingly. This adjustment aims to provide public services that align with the needs of residents.

Finance constrains the public service innovation behavior of service providers: For public service providers to engage in management innovation, they first need to secure sufficient resources and funding. In China, public services are primarily funded through fiscal investments, even in cases where non-profit organizations are the primary service providers. Fiscal policies can have a significant impact by adjusting the tax base of the funding sources, even when non-profit organizations are the primary service providers.

There exists a relationship of assurance and adjustment between finance and public service demand. On one hand, regions with higher fiscal capacity tend to have more comprehensive public services and are more proactive in public service management innovation, ensuring that residents' demands for public services are better met. On the other hand, residents' demands for public services continually influence the expenditure structure and willingness to spend in the region. Moreover, their actual demands significantly affect the direction and magnitude of transfer payment policies. In economically underdeveloped regions where there is insufficient capacity to provide essential public services to local residents, the central government establishes general transfer payments and special transfer payments as responses to meet specific regional public service demands.

Public service demand guides the direction of innovation for service providers. According to the theory of effective demand, demand determines supply, and public services that satisfy residents' demands are considered effective supply. Understanding residents' preferences for public service demands is a prerequisite for service providers to deliver effective public services and engage in effective public service management innovation.

three-dimensional Within the theoretical framework, public service providers directly influence the supply of public services and the capacity for public service management innovation. Finance indirectly impacts the supply of public services and the capacity for public service management innovation by providing financial support to public service providers. Public service demand indirectly influences the provision and management innovation of public services through its impact on finance and public service providers. In the process of providing public services, all three elementsfinance, public service providers, and public service demand must simultaneously meet the conditions for provision to ensure the delivery and management innovation of public services. The mechanism of this three-dimensional framework is illustrated in Figure 1.

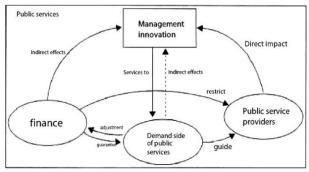


Figure1. mechanism of this three-dimensional framework

## **III. COMPARATIVE CASE STUDY**

"Treatment first, Pay Later" is a new medical system implemented as a pilot project in some regions of China to facilitate residents' access to healthcare and improve the level of medical insurance. Under this system, medical institutions initially cover the medical expenses, and patients only need to pay the portion of the cost that they are responsible for. The remaining expenses are directly reimbursed to the medical institutions by the health insurance department. Patients can be admitted for treatment without paying a substantial deposit; they only need to sign an "Inpatient Treatment Expense Settlement Agreement" upon admission.

The Ministry of Health has advocated for the pilot implementation of the "Treatment first, Pay Later" model in areas with the necessary conditions, as it recognizes limitations such as the absence of a comprehensive social credit system and the inability to provide free healthcare for all citizens due to the level of medical insurance reimbursement. The ministry has

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emphasized a gradual and voluntary approach, rather than mandating nationwide implementation through administrative orders.

Since the second half of 2011, several regions in China, including Wuhan, Hunan and others, have successively introduced provincial or municipal pilot projects for the "Treatment first, Pay Later" system. Currently, more than 20 provinces across the country are exploring this system.

We will employ the three-dimensional framework for public service management innovation constructed in this study to explain the dynamics and mechanisms of the pilot implementation of the "Treatment first, Pay Later" medical insurance system by local governments in China. This research adopts a multi-case study approach, following the principles of replication. The selected cases for study must either yield the same results (direct replication) or produce different results from the previous study due to foreseeable reasons (differential replication) [15].

Since the pilot implementation of the "Treatment first, Pay Later" system, each pilot region has defined the scope and specific measures of the pilot based on its own development situation, leading to differences in the content and outcomes of the pilot. It can be anticipated that varying levels of development, fiscal conditions, medical insurance system statuses, hospital capabilities, and differences in demand for this system by local residents have resulted in regional variations in whether or how the pilot is implemented. Therefore, the case selection for this study adheres to the principle of differential replication. Among the pilot regions of the "Treatment first, Pay Later" system, Wuhan Province, Shanxi Municipality, Chongqing Municipality, and Hunan Province were ultimately chosen as the research subjects as shown in Table 1.

Table 1: Similarities and differences in the design of the "Treatment first, Pay Later"	' system in four provinces and
cities	

cities.				
	finance	Public service provider		
Wuhan province	<ol> <li>Raising Medicare Subsidy Standards</li> <li>Establish a special fund to cover the losses of medical institutions</li> <li>Advance Medical Insurance Settlement Amount as Working Capital</li> </ol>	The province's medical institutions at and below the county level are piloted		
Shanxi city	<ol> <li>Improve the new rural cooperative medical system</li> <li>Weak promotion through transfer payments</li> <li>Financial resources of districts and counties</li> </ol>	Carry out trials of diagnosis and treatment in primary medical institutions in some areas		
Chongqing city	It is proposed that the reimbursement expenses of medical institutions be allocated in advance. But it has not yet been implemented.	An advance payment of less than 2000 yuan is required		
Hunan Province	<ol> <li>Special subsidies and general transfer payments from the national public finance</li> <li>Full coverage of the basic medical insurance system and increased subsidy standards</li> </ol>	Provincial, state (city), county, township level of public medical institutions to fully implement the pilot		

#### 3.1. Wuhan Province

Since December 2010, Wuhan Traditional Chinese Medicine Hospital in Wuhan City, Hubei Province, has been at the forefront of implementing the "Treatment first, Pay Later" system reform. This pioneering initiative allows economically disadvantaged residents to establish agreements with medical institutions for deferred or installment payments, granting them the flexibility to settle their out-of-pocket medical expenses within one to two years. Patients facing extreme financial hardship may also qualify for reductions or complete exemptions from hospital fees. Beginning in June 2012, all county-level and lower-level medical institutions across Wuhan Province adopted this innovative service model. The local government of Wuhan Province has been proactive in providing financial support to facilitate the pilot implementation of the "Treatment first, Pay Later" system.

Wuhan Province ranks among the top provinces in China in terms of total economic output, and it has

consistently allocated over 50% of its fiscal expenditure towards livelihood investments for five consecutive years. In recent years, the provincial government of Wuhan has made significant strides in enhancing both urban and rural medical and health service systems. They have also increased subsidies for the New Rural Cooperative Medical Scheme (NRCMS) and basic medical insurance for urban residents. To alleviate the economic pressures on medical institutions pioneering the "Treatment first, Pay Later" system in Wuhan City, the healthcare insurance management organization proactively allocates 15% of the previous year's settlement amount for medical insurance and NRCMS as revolving funds annually. Additionally, they have partnered with charitable organizations to jointly establish a special medical security fund of 1 million RMB (Chinese Renminbi) to compensate medical institutions for losses incurred while exempting extremely impoverished patients from fees.

The success of this innovative system in Wuhan Province can be largely attributed to the willingness and

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capability of medical institutions. Over the years, the reimbursement rate for medical expenses in Wuhan City has steadily increased, resulting in reduced out-of-pocket expenses for residents and a significant reduction in the risk of arrears. This development has ensured the financial sustainability of medical institutions. The healthcare insurance and New Rural Cooperative Medical Scheme (NRCMS) management departments have maintained a close working relationship, promptly disbursing the expenses that should be reimbursed to patients. This collaborative effort has empowered medical institutions to support their growth and has underpinned the viability of their financial operations.

financial Facing historical deficits and operational challenges, Wuhan Traditional Chinese Medicine Hospital proactively embraced the innovation of the "Treatment first, Pay Later" system as a strategic marketing approach to attract residents. The strong willingness of the supply side, represented by medical institutions, has proven to be the driving force behind this policy innovation. Residents in Wuhan Province, particularly those in rural areas, have been expressing a pressing need for the pilot implementation of the "Treatment first, Pay Later" system. Wuhan Province, while economically robust, still grapples with significant income and living standard disparities between urban and rural regions. Rural residents shoulder a disproportionate burden of medical expenses compared to their urban counterparts, primarily due to their limited ability to repay substantial medical bills. This critical demand from residents, combined with substantial financial investments in improving livelihoods and the presence of capable and willing medical institutions, collectively shaped the decision to pilot the "Treatment first, Pay Later" system in county-level and lower-level medical facilities across Wuhan Province.

#### 3.2. Shanxi Municipality

Shanxi Province, situated in northern China, has not yet fully implemented the "Treatment first, Pay Later" system on a large scale, similar to Shanxi Municipality. However, there have been localized trials and innovations in certain grassroots medical institutions. These trials predominantly focus on community-based outpatient medical payment models that target residents holding medical insurance cards. In these pilot programs, there is a limited self-payment proportion, and services primarily cover basic diagnosis and essential medication treatments. Residents in these areas tend to have less motivation to evade payments, and medical institutions face relatively lower financial risks.

From a fiscal perspective, the local government of Shanxi Province possesses the financial capacity to support the innovation of the "Treatment first, Pay Later" system. Shanxi, although not among the wealthiest provinces in China, has seen consistent economic growth. The allocation of fiscal expenditures in the province, particularly in the realm of livelihood investments, including healthcare, has been on the rise. The provincial government actively supports initiatives like the New Rural Cooperative Medical Scheme (NRCMS) and maintains a financial system for the NRCMS fund to ensure equitable access to healthcare services, particularly in disadvantaged regions. In recent years, the role of fiscal transfers in sustaining basic public services has gained prominence in Shanxi.

The primary challenges to implementing the "Treatment first, Pay Later" system innovation pilot in Shanxi revolve around the willingness and ability of medical institutions to provide such services. Shanxi, being a developing region, faces varying degrees of economic disparities among its residents. Medical institutions often encounter cases with moderate to high medical expenses, especially in tertiary hospitals, where expenses can reach significant amounts. Additionally, the presence of patients from out-of-town with complex medical insurance coverage leads to longer settlement times for their medical expenses. In situations where medical costs are high and insurance reimbursement rates are relatively low, the risk of patients incurring debts becomes a significant concern. Consequently, medical institutions grapple with substantial financial risks, face difficulties in maintaining financial liquidity, and may struggle to provide effective services.

While there is some demand among residents in Shanxi for the "Treatment first, Pay Later" system innovation pilot, the province's residents generally have a lower per capita disposable income compared to more developed regions in China. This situation results in a higher prevalence of excessive medical burdens for the local population. Shanxi does have the financial capability to support the innovation of this system, and there exists a degree of public demand for it. However, due to the challenges associated with the willingness and capacity of higher-level medical institutions to provide this service, the "Treatment first, Pay Later" model is currently only piloted in specific areas and grassroots medical facilities within the province.

## 3.3. Chongqing Municipality

In Chongqing, a notable effort has been made to implement the "Treatment first, Pay Later" system across all 3,000 designated medical institutions under the medical insurance system. However, it's important to note that patients are still required to make a prepayment when seeking medical care. When inpatients register for admission using their medical insurance cards, they are asked to pay a modest self-payment of less than 2,000 yuan as a deposit. During the course of treatment, additional payments are generally not required. Upon discharge, the hospital calculates the patient's selfpayment based on the received treatment, and the medical insurance center handles the remaining payment to the hospital.

The success and extent of this innovation in Chongqing are influenced by various factors, particularly the region's government finances, expenditure priorities, and economic development. Chongqing has experienced rapid economic growth in recent years, with its GDP reaching the national average level. However, its fiscal strength remains somewhat limited. Historically, the focus of the Chongqing government has primarily been on social, developmental, and economic functions, with issues related to people's livelihood, including healthcare, receiving less attention. For instance, in 2012, healthcare expenditure accounted for only 5.46% of total fiscal expenditure.

The ability and willingness of medical institutions in Chongqing to provide "Treatment first, Pay Later" services play a critical role in shaping the extent of institutional innovation. While regulations stipulate that the Chongqing Medical Insurance Center should prepay approximate annual expenses to medical institutions for reimbursement to insured patients, this practice has not been fully implemented due to various reasons. As a result, medical institutions often bear these expenses themselves, creating financial challenges. The lack of timely allocation of medical insurance revolving funds as a safety net has hindered the innovative capacity of medical institutions in Chongqing. Consequently, patients still need to make prepayments when seeking treatment at pilot medical institutions under the "Treatment first, Pay Later" system.

The demand for the "Treatment first, Pay Later" system among Chongqing residents serves as a strong driver for institutional innovation by medical institutions. Chongqing residents face economic challenges, ranking relatively low in terms of living standards nationwide. This context highlights the necessity for comprehensive healthcare services. Both urban and rural residents in Chongqing have expressed a demand for the "Treatment first, Pay Later" system. However, due to the economic pressure on medical institutions resulting from the lack of actual implementation of reallocated revolving funds, there is currently a need for a system where a certain amount of prepayment is still necessary for the "Treatment first, Pay Later" system to function effectively in Chongqing.

## 3.4 Hunan Province

Since September 2012, Hunan Province has embarked on an ambitious "see a treatment first, pay later" system innovation pilot in public healthcare institutions spanning from the provincial and prefectural (city) levels down to county and township facilities. Under this groundbreaking system, hospitalization no longer requires an upfront deposit, and patients only need to settle their self-payment fees upon discharge. This innovative approach extends its benefits to both urban employees and farmers covered by medical insurance, as well as participants in the New Rural Cooperative Medical Scheme. Notably, it also serves "three without" patients who lack formal identification documents. Hunan's provincial government has offered robust financial backing for the development of this pioneering "see a treatment first, pay later" system. Despite facing economic challenges and relatively low fiscal revenue, Hunan Province has managed to substantially improve its financial situation in recent years, largely attributed to increased central government subsidies and general transfers to the region.

In response to the lower standard of living in Hunan Province, fiscal authorities at all administrative levels have fervently championed initiatives aimed at enhancing the quality of life for their residents. These initiatives encompass improvements in education, healthcare, housing, urban and rural employment, and social security. Over the period from 2007 to 2012, Hunan Province allocated a remarkable cumulative investment of 278 billion yuan toward improving the well-being of its populace, demonstrating an impressive average annual growth rate of 35.1%. These investments accounted for an average of 75.4% of fiscal expenditure during this period.

Hunan Province's public healthcare institutions are well-prepared to implement the "see a treatment first, pay later" system innovation, reflecting their capability and dedication to embracing this transformative approach. The province has also played a pioneering role in achieving comprehensive coverage of the basic medical insurance system at a national level. Additionally, it has increased per capita subsidies for medical insurance and basic public health services. By initiating significant medical insurance programs for urban and rural residents, Hunan Province has succeeded in reducing the personal healthcare expenses of its residents from 45% to a more manageable 27.7% This substantial reduction significantly mitigates the risk of patients accumulating debt due to unaffordable medical costs, offering a solid financial foundation for the successful implementation of the "see a treatment first, pay later" system in healthcare institutions, thereby relieving economic pressure from the providers' standpoint.

The residents of Hunan Province exhibit a strong demand for the innovative "see a treatment first, pay later" system, driven by the region's lower standard of living and limited capacity to bear the costs of medical treatment compared to more affluent regions. Moreover, the relatively limited accessibility of healthcare services in Hunan adds to the challenges residents face when seeking equivalent healthcare options. This increased economic pressure, in terms of healthcare expenses, underscores the urgency of implementing the "see a treatment first, pay later" system among Hunan's residents.

The unwavering attention from both central and local financial authorities, coupled with the robust demand from residents and the support of medical insurance programs for public healthcare institutions, have collectively paved the way for the successful province-wide launch of the "see a treatment first, pay later" system innovation in public healthcare institutions across Hunan Province. This transformative system not only eases the financial burden on healthcare institutions but also ensures that residents receive equitable healthcare access, ultimately contributing to the overall well-being of Hunan's population. ISSN (Online): 2583-1712 Volume-3 Issue-5 || September 2023 || PP. 195-202

Table 2: Similarities and differences in the roles of three parties in the provision of "Treatment first, Pay Later" in
four provinces and cities.

	finance	Public service providers	Demand side of public services
Wuhan province	Strong support; Provision of adequate working capital	Sufficient funds, strong innovation pilot capacity	The proportion of rural population is high, the per capita net income of farmers is low, and the demand is urgent
Shanxi city	Strong financial strength; Health insurance reimbursement rate is low	The cost of medical treatment is high, and patients are likely to escape. Medical institutions take a lot of risk.	Residents have a strong ability to pay medical expenses and more patients in different places
Chongqing city	The financial strength is not strong enough, and the livelihood expenditure is less; Working capita not implemented	Large funding gap, weak pilot capacity	Urban and rural dual structure prominent residents living standards are low
Hunan Province	Vigorous support from the national public finance: The proportion of local public finance expenditure on people's livelihood is high; Wide coverage and high reimbursement rate	The risk of patient arrears is reduced and the medical institution takes less risk	Per capita disposable income is low, and the solvency of medical expenses is weak. Demand is strong

# **IV. CONCLUSION**

This study presents a three-dimensional theoretical framework for explaining innovation in public service management. It posits that fiscal factors, public service providers, and public service demand collectively determine the innovation in public service management in a given region. The framework also emphasizes that the three-party roles in the process of public service provision do not constitute a linear relationship of "government public service providers public service demand," nor are they simply parallel entities. Instead, they interact with one another, as illustrated in Table 2, with mechanisms of mutual influence. In the analysis of the pilot areas of the "treatment first, pay later" system in China, this framework proves to be highly explanatory. Within this framework:

1. Fiscal measures, such as raising medical insurance subsidies and establishing special funds, ensure the pilot level of medical institutions and alleviate the financial burden on residents.

2. Medical institutions are willing and capable of piloting the system when they face lower risks of patient debts and have better financial turnover.

3. Strong demand from residents for the "treatment first, pay later" system serves as the driving force for medical institutions to pilot the system and also influences the direction of fiscal expenditure and transfer payments.

All three factors need to be simultaneously present to ensure the successful implementation of the pilot program. For instance:

- Wuhan Province actively pilots the "treatment first, pay later" system in county-level and lower-level medical institutions with strong support from local government. - Shanxi City's limited pilot scope is mainly due to the lack of a nationwide interconnected medical insurance system, low reimbursement levels for out-of-town medical treatment, complex settlement procedures, higher risk of patient debts in higher-level medical institutions, and financial constraints.

- Chongqing City, with limited fiscal capacity and lack of fiscal support, requires a certain prepayment for the "treatment first, pay later" system at this stage due to a significant funding gap.

- Hunan Province, despite its low living standards and heavy medical burdens on residents, has a strong demand for the innovative "treatment first, pay later" system. With strong support from various levels of fiscal authorities, Hunan Province actively promotes public service management innovation and became the first province to implement the "treatment first, pay later" system in public medical institutions province-wide, aiming to improve medical service quality and meet the public service demands of local residents.

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