

# Survey and Analysis of the Development of Medical-Nursing Integrated Industry in Rencheng District

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With the accelerated urbanization and population aging China, China has to deal with the significant issue of elderly care at this stage. According to the seventh national census data of Rencheng District, there are 1.63 million elderly people aged 60 and above in Jining City in November 2020, including 190,000 in Rencheng District, accounting for 19.51% and 18.17% of their respective total populations. The high degree of aging and rapid development mark that China is about to soon enter a moderately aging society. In this context, this survey, with the intention of discussing the difficulties during the development of integrated medical-nursing integrated enterprises, aims to provide detailed and referential statistical information for the leaders of our district to make decisions.

*Keywords:* aging, Medical-nursing integration, industry development

## Introduction

According to the data provided by Health Bureau of Rencheng District, among the existing 16 elderly care institutions in its jurisdiction, all of them can provide medical services, but seldom can be called medical-nursing integrated institution. "Medical-nursing integration" extends and expands the traditional concept of elderly care services, which provides services such as health education, life care, medical care and rehabilitation, physical exercise, and cultural entertainment for the elderly by effectively integrates existing medical and elderly care resources.

In this survey, it is planned to include a total of 4 institutions or facilities that can provide various types of elderly care services in urban and rural communities from Rencheng District. In addition, a village committee and an urban community will be randomly selected as survey points. By analyzing the overall situation of new-type medical-nursing integrated elderly care institutions and the trend characteristics of population, structure, distribution, as well the size of the elderly population, hygiene health conditions, it is hoped to provide scientific and accurate statistical information support for Rencheng District to reasonably allocate government fund input, offer provide preferential policy support, formulate scientific and reasonable cost accounting methods and systems for elderly care services.

The development environment of medical-nursing integrated industry in Rencheng District from the perspective of supply and demand

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### Demand: The Current Status of the Elderly in Elderly Care Institutions

Stratified sampling survey of the current situation of the elderly was performed by selecting 80 elderly people from institutions. The composition of the sample is shown in Table 1, showing that the elderly people over 80 years old account for the highest proportion of 43.3%, and elderly people without income account for 40%, 80% of the elderly enjoy less than 2 hours' family company per week, and only less than 14% of the elderly are accompanied by family members for more than 4 hours per week. It is also found from the survey that the loneliness of the elderly is the main psychological problem.

Regarding the income sources for the elderly, most of the elderly in Ershilipu Street Nursing Home, without children and jobs, have to depend on the minimum pension security. The elderly people from Minsheng elderly apartment are mainly supported by their children and family members, and only individuals make a living on their retirement salary. Yongkang Nursing Home, Huicuiyuan Day Care Center, and Fenghuang Yikang Nursing Home in Rencheng District, Jining City are privately-operated nursing centers, which charge higher fees. The elderly's pension depends on children in addition to their own pensions. With regard to pension expenses, Ershilipu Nursing Home is a completely free nursing home so that the elderly people do not need to pay any fees, with an expense of basically less than 300 yuan. The elderly people at Huicuiyuan Day Care Center are basically pay fixed pension cost of about 2,200 to 3,000 per capita per month. Fenghuang Yikang Elderly Nursing Home is a pilot unit of private high-end elderly care institution in Rencheng District, with the monthly per capita consumption of about 7,000 yuan.

The elderly people choose elderly care institutions out of different starting points, but 90% of them firstly consider charging standards.

Table 1

*The Composition of the Sample of the Elderly in Nursing Care Institutions (%)*

Attribute	Attribute value	Sample size	Proportion (%)
Gender	Male	48	60
	Female	32	40
Age	60-64	4	5
	65-69	11	13.8
	70-74	9	11.3
	75-79	19	23.6
	Over 80	37	46.3
Health condition	Good	27	33.8
	half-incapacitated	38	47.5
Income level	Incapacitated	15	18.7
	0-999 yuan	34	42.5
	1000-3000 yuan	5	6.2
	3000-5000 yuan	20	25
	5000-7000 yuan	7	8.8
Service satisfied or not Satisfaction degree	Above 7000 yuan	14	17.5
	Not very satisfied	0	0
	Fairly satisfied	20	25
	Very satisfied	60	75

### Supply: The Current Situation of Elderly Care Institutions

Four elderly care institutions were included in the survey, specifically shown in Table 2.

Table 2

*Name, Nature and Number of Staff Size of Institutions*

Institution name	Institution nature	Number of approved beds for elderly care	Actual number of available beds	Actual number of beds for use	Institution staff	Medical staff	Non-medical professionals	Nursing staff	Administrative staff
Ershilipu Street Nursing Home	Public-construction and operated	190	190	160	30	3	7	15	5
Huicuiyuan Day Care Center	Privately-constructed and -operated	20	20	13	6	1	0	4	1
Yongkang Nursing Home	Privately-constructed and -operated	90	90	50	78	27	34	10	7
Fenghuang Yikang Nursing Home	Privately-constructed and -operated	208	208	150	140	90	5	37	8

It can be seen from Table 2 that the ratio of the number of the elderly and the staff of four elderly care institutions is: 5.3:1; 2.2:1, 0.6:1; 1.1:1, indicating that there are less staff in Ershilipu Street Nursing Home, who work under high work pressure.

In terms of the actual bed usage of the 4 elderly care institutions, Ershilipu Street Nursing Home is 84.2%, followed by 72.1%, 65%, and 55.6%, respectively, indicating that the accommodation environment of Ershilipu Street Nursing Home is relatively crowded.

### Difficulties and Problems for Medical-Nursing Integrated Institutions

#### 1. Insufficient planning and coordination between departments

Departments cannot fully coordinate with each other to a certain extent, cannot implement relevant national policies in a timely manner, restricting the development of medical-nursing integrated elderly care institutions, and it is particularly difficult in reimbursement for medical insurance. Despite the national stipulation of “incorporating medical-nursing integrated elderly care institutions in the scope of designated institutions for basic medical insurance”, only institutions that have obtained medical practice licenses are eligible, while those depending on privately operated second-class hospitals to provide medical services are not included. However, elderly people over 80 need medical treatment, rehabilitation and health care services at any time. Because common diseases, frequently-occurring diseases, and chronic diseases can be treated in primary health care institutions, it is a waste of medical resources to receive diagnosis and treatment at top three hospitals according to the reimbursement regulations. If the elderly who are admitted join insurance in other places, the approval of the medical insurance department of the insured area must be obtained in advance, and then they can apply for reimbursement at the insured location with the invoice, making the reimbursement more difficult.

#### 2. Profitability difficulty for new-type elderly care institutions

1) Tremendous initial investment and high cost in facility maintenance. Taking Fenghuang Yikang Nursing Home as an example, the decoration fee of 16 million yuan was funded by Jining Yikang Medical Care

Co., LTD., nursing home rental suitable decoration place. It is equipped with following facilities: all kinds of nursing equipment of RMB 1.7 million; nursing beds of RMB 1.14 million and officing facilities of RMB 160,000. The nursing home has a nursing rehabilitation hall and a sunshine room on the first floor, covering an area of 870m<sup>2</sup>, a dining hall and restaurant on the fifth floor, covering an area of 410m<sup>2</sup>, and nursing rooms on the third to fifth floors, covering an area of 5120m<sup>2</sup>, and there are a total of 208 beds in 66 rooms.

2) The labor cost input is an important factor determining the charging of the new-type elderly care institutions. Compared with ordinary privately operated elderly nursing homes, medical-nursing integrated elderly nursing care institutions have a higher level of staff and bear higher labor costs.

Take Fenghuang Yikang Nursing Home as an example, there are 8 administrative staff, 97 medical and health professional and technical staff, including 20 medical practitioners with the title of attending physician or above (assistant), and special external experts are hired for the ward inspection. There are 37 nursing staff. As calculated by Fenghuang Yikang Nursing Home, if the occupancy rate is 80%, the disability and semi-disability ratio is 4:6 in terms of the nursing level of the elderly residents, the annual operating cost is estimated to reach 14.3 million yuan, the labor cost accounting for 47.6%. The high labor cost is an important reason causing high charges of medical-nursing integrated elderly nursing care institutions.

### 3. High risk and no policy guarantee

Former medical-nursing integrated elderly nursing care institutions have to deal with problems such as low profit margins, long qualification application and investment return cycles, lagging in elderly care service planning, construction land, and elderly care service standards, so that it is risky for social capital to blindly enter the medical-nursing integrated industry. Although the medical-nursing integrated services in Jining City has expanded to a variety of formats, the relevant departments lag behind in policy formulation, leading to high industry risks.

## Conclusion and Suggestions

### 1. Improve medical insurance policies

In terms of medical insurance policies, as the restrictions on market access the access are gradually relaxed, more medical-nursing integrated elderly care institutions will be included in medical insurance designated points. The expanded scope of reimbursement has helped solve the problem of reimbursement in different places and new rural cooperative medical system. In addition, in order to solve the funding issues of medical care for the elderly and satisfy the nursing demand of the incapacitated and demented elderly, a long-term care insurance system is required. Despite basic living security and care services provided by the government, the limited coverage and level of security can hardly meet the growing long-term care needs of an aging society. Therefore, the most basic and necessary long-term care costs must be guaranteed by social insurance, and a mechanism that the government, organizations, and individuals share premiums must be established; in the meantime, it is necessary to encourage the development of commercial care insurance to meet the needs of high-demand groups. A supporting relief mechanism should be offered to the poverty group and, the personal burden of long-term care insurance should be reduced or exempted.

### 2. Improve the payment system of medical-nursing integrated industry

However, according to China's medical insurance, only the medical part can be reimbursed, while it is not easy to distinguish the boundaries between "medicine" and "nursing" in medical-nursing care institutions. During "nursing", the elderly people with chronic diseases that require long-term care cannot apply for medical

insurance reimbursement. Even if they receive “medical” support, they are limited to the time of medical insurance hospitalization, which is also a tough problem for medical-nursing integrated institutions and the elderly people. Medical-nursing integrated institutions with internal medical organizations can hardly apply for medical insurance designated points due to limited conditions. If medical insurance cannot be reimbursed, it will cause inconvenience and financial burden to the elderly people.

### 3. Multi-channel promotion of the medical-nursing integrated elderly care model

Firstly, it is necessary to strengthen horizontal cooperation between elderly care institutions and medical institutions. Elderly care institutions and medical institutions, if conditions allow, can reach a cooperation agreement, allowing the elderly to receive professional and convenient treatment from the hospital in case of sudden or serious illnesses. Second, some hospitals should be encouraged to transform into medical-nursing integrated elderly care service institutions. It is necessary to fully use the existing medical resources, transform some community hospitals or other public hospitals directly into medical-nursing integrated elderly care institutions, clarify their functions and missions of providing long-term medical care and other services to elderly patients. The third is to set up medical organizations in elderly care institutions. It is feasible to guide social forces to set up medical organizations in elderly care institutions. Health and family planning department should guarantee to implement preferential policies, so that non-public and public medical-nursing integrated institutions enjoy the same treatment. Fourth, it is necessary to vigorously promote community, home-based medical care integration, construct community “home-based nursing service stations”, provide rural (general) doctors’ contract signing, home-based hospital bed setting and other services, so as to improve the medical service level for home-based elderly care.

### 4. Strengthen the cultivation of service providers

Firstly, it is urgent to strengthen personnel training, encourage qualified colleges and universities and vocational schools to set up majors in elderly care management and services, and geriatric nursing. Second, it is suggested to fully use the current first-line nursing personnel in elderly care institutions and medical organizations, establish nursing workers’ training center for systematic, professional, and standardized training. The third is to vigorously expand elderly service volunteer team, organize professional doctors and nurses to offer voluntary services such as free consultation, rehabilitation, and nursing guidance at elderly care institutions. The fourth is to establish a reasonable remuneration mechanism. Medical-nursing integrated institutions should establish a reasonable salary mechanism in harmony with the work content, attract more talents to participate in medical care and nursing. The fifth is to improve the professional qualification certification system. Employees of medical-nursing integrated institutions should be required to have vocational qualification certification and work with certificates, and receive continuing education and regular assessments, so as to help elderly service personnel become more professional and specialized step by step.

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