Good Practices in Social Security

Good practice in operation since: 2014

Universal social security enrolment programme begins with registration

Certificate of Merit with Special Mention, ISSA Good Practice Award – Asia and the Pacific competition 2018

Ministry of Human Resources and Social Security
China

Summary

With the goal of building a social security system that covers the urban and rural residents in a comprehensive way, the Chinese government has implemented a universal social security enrolment programme that focuses on old-age insurance and medical insurance. By the end of 2017, the registration of all targeted groups across China had been basically completed through the measures of policy optimization, publicity, strict law enforcement, service improvement and registration at every doorstep. Thus, the national database for universal coverage had been basically formed, providing effective data support for the implementation of the universal enrolment programme in the next stage.

The issue or challenge

What was the issue or challenge addressed by your good practice? Please provide a short description.

The development of the Chinese social security system adopts a gradual group by group extension to urban residents followed by rural residents. For a long time, the social security system was not well implemented in rural areas where voluntary participation in social insurance schemes was permitted. Therefore, some were not able to pay for basic old-age insurance, particularly those from private establishments, urban employees engaged in flexible types of work, farmer-turned domestic migrant workers and some rural residents, etc. Some were also not able to pay for basic medical insurance. Work injury insurance coverage rate for farmer-turned migrant workers engaged in high risk occupations such as construction industry remains low. Thus, a number of people cannot fully enjoy the rights and interests of social security. In order to speed up the establishment and improvement of a social security system shared by all with fairness, the Chinese government has formulated and implemented a universal social security enrolment programme focusing on old-age insurance and medical insurance.

Addressing the challenge

What were the main objectives of the plan or strategy to resolve the issue or challenge? List and briefly describe the main elements of the plan or strategy, focusing especially on their innovative feature(s) and expected or intended effects.

- Universal enrolment registration in a comprehensive way:
    - integrate the enrolment information of all types of social insurance programmes in urban and rural areas based on basic old-age insurance and basic medical insurance;
    - collect basic information through checking at every organization, visiting key establishments and purchasing service from social organizations;
    - implement a nationwide unified social security numbering system and set up a social insurance basic database that covers all the people.
- Strong promotion of coverage extension:
    - set up an annual plan to extend the coverage in a scientific way;

- abolish various non-standard policies (often adopted by local governments) that exempt or lower certain social insurance contributions to attract investment;

- extend the coverage by focusing on the staff of micro, small and medium enterprises, people engaged in flexible types of work and farmer-turned domestic migrant workers;

- explore the social security enrolment patterns suitable to the special features of the personnel who work via digital work platforms as well as those who have just started up their own business.

- Improvement in administrative services:

  - formulate national, industrial and regional standards for social insurance administration;

  - carefully archive the information concerning payment and benefit of all the insured;

  - vigorously promote the construction of new service platforms such as online administrative operation, self-service as well as mobile inquiries and tips, etc.

- Perfection of relevant systems and policies:

  - promote the reform of old-age insurance system concerning government organs and institutions;

  - implement the policy of pension portability for urban employees across regions and policy cohesion of the basic old-age insurance for urban and rural residents;

  - improve the policy of direct settlement of hospitalization expenses across provinces;

  - enhance the mechanism for differential rates among industries and experience-based floating rates for enterprises under the work injury insurance system;

  - standardize the policies on maternity insurance.

Targets to be achieved

What were the quantitative and/or qualitative targets or key performance indicators that were set for the plan or strategy? Please describe briefly.

The implementation period of this programme was from 2014 to 2017, targeting at basically completing the registration of all targeted groups in an all-round way. By the end of 2017, the number of people insured under the basic old-age insurance exceeded 900 million; the problem of double or multiple affiliation with old-age insurance schemes was resolved, and information on those excluded from the protection was gathered, hence facilitating universal access to the basic old-age insurance.

Evaluating the results

Has there been an evaluation of the good practice? Please provide data on the impact and outcomes of the good practice by

comparing targets vs actual performance, before-and-after indicators, and/or other types of statistics or measurements.

As of the end of December 2017, the targeted task of the universal social security enrolment programme had been fulfilled. The registration of all target groups in all provinces had been completed and the national database for universal coverage was basically set up. The programme had received basic data for 1.328 billion people, accounting for more than 96 per cent of the total national census of 2016. The number of the insured and uninsured had been figured out, providing effective data support for the implementation of the universal enrolment programme in the next stage and extension of social insurance coverage.

Lessons learned

Based on the organization's experience, name up to three factors which you consider as indispensable to replicate this good practice. Name up to three risks that arose/could arise in implementing this good practice. Please explain these factors and/or risks briefly.

- Indispensable elements to replicate this good practice include:
    - setting up effective mechanisms for organizational guarantee, department coordination, working, fund input, information comparison, household surveys, publicity and training, promoting the successful registration of universal coverage programme;
    - setting up a dynamic data update mechanism, turning the database of universal coverage programme into a dynamic and updated one to secure the latest, most accurate and most complete registration data;
    - carrying out analyses concerning the reasons for the uninsured based on the registration data of the universal coverage programme so as to support the accurate coverage extension and help improve social security policies as well as macro-level decision-making.
- Risks that arose/could arise in implementing this good practice:
    - the quality of the data reported from some provinces needs to be enhanced because of some non-standard indicators for registration;
    - the inter-department information exchange mechanism is yet to be perfected, leading to the lack of dynamic management and analysis in some regions.