

Analysis on the Causes of Inequality of Essential Healthcare Services Between Urban and Rural in Sichuan Province

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Abstract: Essential healthcare services in Sichuan province has problem with inequality. And it prevents the balanced development of economic and people's health. In order to improve the current situation of the inequality of essential healthcare services between urban and rural areas in Sichuan province, this paper focus on the main reasons. There is the hindrance of the dual economic structure between urban and rural areas to the development of rural economy, the large income gap between urban and rural residents, and the imbalance of expenditure. At the same time, for improving the inequality of medical and health services in urban and rural areas in Sichuan province, the paper puts forward some suggestions. Government should accelerate the abolition of the urban-rural dual system, increase the government transfer payment, strengthen the exchange and cooperation between urban and rural medical establishment, and guide the market mechanism to play a better role.

1. Introduction

Equalization of public services is the embodiment and requirement of contemporary equity and justice theory in the field of public services [1]. Essential healthcare services play a benchmark role in realizing the equalization of basic public services [2]. The equalization level of essential healthcare services can be used to measure the social equity status and economic development level of a region. All countries implement essential healthcare services according to their own understanding. In the United States, health care access and health insurance are often synonymous. Once an individual has insurance, they will enjoy a degree of parity in the use of health care services [3]. In Canada, people have a reasonable and uniform right to basic health care. And no one can be discriminated against based on income, age, health status and other factors [4]. Acheson D believes that the main causes of health inequalities are not medical health quality, changes in service availability and health services such as wealth, lifestyle, genetics and environment [5]. Through long-term research, Van Dooralaer concluded that income status affects the utilization of medical services, and income is positively correlated with health level [6][7]. In China A long period of obstruct in urban-rural dual system cause difference in the level of equalization of essential healthcare services between urban and rural areas. Yang Yinxue believes that the dual economic structure between urban and rural areas make the difference in the supply of essential healthcare services between urban and rural areas. Thereby it prevents the equalization of essential healthcare services between urban and rural areas [8]. Sun kai believes that the current fiscal health expenditure in China is insufficient and the urban-rural structure is unreasonable, which restricts the rights of vulnerable groups to enjoy essential healthcare services [9]. Zhang Dongyu analyzed the difference between urban and rural in the supply process of medical and health resources. He believes that government pay more attention to urban medical and health resources. Cities can get more high-quality health resources, while the vast rural areas are insufficient. It results the low-level technical of township health centers, and is not enough for farmers' basic health needs [10]. Aim to promote the development of essential healthcare services in Sichuan province, the paper analyzes the

reasons of the inequality of essential healthcare services between urban and rural areas in Sichuan province and makes some suggestions.

2. Causes

2.1. The Dual Economic Structure of Urban and Rural Areas

The urban-rural dual economic structure is the product of the urban-rural dual system. It's the coexistence economy structure combined the urban economy characterized by socialized production with the rural economy characterized by small production. There are main manifestations. First, urban economy is dominated by modern large industrial production, while rural economy is dominated by typical small-scale peasant economy. Second, the roads, telecommunications, health and education are advanced in city. The infrastructure is behind in countryside. Third, per capita income and consumption level in city is much higher than rural, etc. It makes a profound influence on rural economic development of Sichuan province. Sichuan is a big agricultural province. At the beginning of the founding of the People's Republic of China, according to the development path that agriculture supporting industry, surplus agricultural profits were used to support industrial development. It has some bad results including insufficient accumulation of agriculture itself and inadequate investment in agricultural development. As a result, rural infrastructure was weak, and it not effectively support the development of rural economy. Since the reform and opening-up, Sichuan province has made great progress in the output value of the primary industry and the secondary industry, but the gap between the primary industry and the secondary industry shows a growing trend (see table 1).

Based on table 1, it can be seen that the gross product in Sichuan province was 1,056.239 billion yuan in 2007, 3,268.05 billion in 2016. During 10 years, it added 2,211.811 billion yuan. Output value of the primary industry increased by 189.208 billion yuan compared with 2007, and output value of the secondary industry increased by 927.594 billion yuan compared with 2007. However, the output value of the primary industry is always lower than the secondary industry. The gap between the primary industry and the secondary industry has shown a trend of gradual expansion in the past 10 years. It reached 1,000.065 billion yuan in 2016. The growth rate of the primary industry is also lower than the secondary industry. It shows that the gap between the rural economy dominated by agriculture and the urban economy dominated by industry is constantly widening. At the same time, owing to the high cost of rural labor transfer, the development of rural economy is further hindered. The difference between urban and rural economic development is enlarged.

Table 1 GDP of Sichuan province from 2007 to 2016 (unit: 100 million yuan)

Year	GDP	The primary industry	The secondary industry	The gap between the primary industry and the secondary industry
2007	10562.39	2032.00	4648.79	-2616.79
2008	12601.23	2216.15	5823.39	-3607.24
2009	14151.28	2206.53	6123.53	-3917.00
2010	17185.48	2443.20	7902.18	-5458.98
2011	21026.68	2937.70	10045.72	-7108.02
2012	23872.80	3245.94	11240.02	-7994.08
2013	26392.07	3368.66	12378.71	-9010.05
2014	28536.66	3531.05	12839.6	-9308.55
2015	30053.10	3677.30	13248.08	-9570.78
2016	32680.50	3924.08	13924.73	-10000.65

2.2. The Income and Expenditure are Unbalanced

2.2.1. The Income Gap between Urban and Rural Residents is Large

The income gap between urban and rural residents is also an important reason for the urban-rural gap in essential healthcare services. Income gap affects residents' consumption habit and level, and then leads to the non-equal supply of essential healthcare services in urban and rural areas. At present, the

industrial structure of urban industry and rural agriculture have been relatively stable. Rural residents mainly rely on agricultural economic income. Even today, many farmers will out for work, but the generally work in the middle and low-end enterprise and service industry in city. Their income is far from urban residents. Table 2 is the statistical situation of annual disposable income and gap statistics for the urban and rural residents of Sichuan province from 2007 to 2016.

Based on table 2, It shows that in Sichuan province, during the 10 years, the per capita disposable income of urban residents increased from 11,098.28 yuan to 28,335 yuan from 2007 to 2016. It increased by 17,236.72 yuan. The per capita net income of rural residents rose from 3,546.69 yuan to 11,203 yuan. It increased by 7,656.31 yuan. The per capita disposable income of urban residents has always been higher than the per capita net income of rural residents. The per capita disposable income gap between urban and rural residents has risen from 7,551.59 yuan to 17,132 yuan. In the past 10 years, the per capita income gap between urban and rural residents in Sichuan province has been continuously widening.

Table 2 Residents income gap between urban and rural areas of Sichuan province in 2007-2016 statistics (unit: Yuan)

year	Per capita disposable income of urban residents	Per capita net income of rural residents	The per capita disposable income gap between urban and rural residents
2007	11098.28	3546.69	7551.59
2008	12633.00	4141.21	8491.79
2009	13839.00	4462.05	9376.95
2010	15461.00	5086.89	10374.11
2011	17899.00	6128.55	11770.45
2012	20118.00	7430.00	12688.00
2013	22228.00	8380.69	13847.31
2014	24234.00	9347.74	14886.26
2015	26205.00	10247.00	15958.00
2016	28335.00	11203.00	17132.00

2.2.2. The Consumption Expenditure of Urban and Rural Residents is Unbalanced

There should be 3-8 keywords in the paper. The first letter of all keywords should be capitalized and the keywords should be separated by commas. Resident consumption expenditure refers to the total expenditures of urban and rural residents for personal and family consumption as well as collective consumption. It comprehensive reflect the living consumption level of urban and rural residents through the annual per capita consumption expenditure index. The contents of consumer expenditure mainly include eight parts including food, clothing, medical care, etc. The expenditure level of health care expenditure reflects the level of essential healthcare services between urban and rural residents. The medical and health care expenditure between urban and rural in Sichuan province between 2007 and 2016 is shown in table 3.

Based on table 3, the annual expenditure on healthcare of urban residents in Sichuan province is 911.22 yuan in 2007. And It's 1,423.00 yuan in 2016. During the 10 years, it increased by 911.22 yuan. Healthcare expenditure of rural increased by 174.75 yuan in 2007 to 973.00 yuan in 2016. The gap between urban and rural healthcare costs has increased by 112.97 in the decade. Healthcare costs for urban residents and rural residents in Sichuan province continue to grow, and the gap in healthcare costs for urban and rural residents has fluctuated. In general, it has been moving towards expansion.

Table 3 Statistics on the gap of healthcare expenditure between urban and rural residents in Sichuan Province from 2007 to 2016 (Unit: Yuan)

year	Urban healthcare costs	Rural healthcare costs	Healthcare expenditure gap between urban and rural residents
2007	511.78	174.75	337.03
2008	591.00	209.22	381.78
2009	648.31	258.13	390.18
2010	661.00	276.06	384.94
2011	735.00	413.12	321.88
2012	773.00	498.29	274.71
2013	1019.00	557.40	461.60
2014	1283.00	724.00	559.00
2015	1369.00	840.00	529.00
2016	1423.00	973.00	450.00

3. Measures to Improve the Inequality

3.1. Dual System should be Abolished

To break up the urban-rural dual system, it should be implemented on system arrangement and policy orientation in the whole country. In 2014, the state council issued the opinions on further promoting the reform of the household registration system. Under the guidance of the opinions, 31 provinces in China have issued the reform plan of household registration. They generally eliminate the distinction between agricultural household registration and non-agricultural household registration. Farmers can enjoy the same rights, it is an important step to break the urban-rural dual system in China. However, there is no corresponding change in education, medical treatment, insurance and other fields. After the abolition of the household registration system, the state should gradually establish a unified medical service system. While stabilizing the medical service level of the original urban residents, the state should focus on improving the medical security level of the original rural residents.

3.2. Government's Transfer Payment should be Increased

Government healthcare expenditure plays a role to realize the equalization of essential healthcare services. The level of essential healthcare services in urban and rural areas is positively correlated with the level of fiscal expenditure of urban and rural government. In urban area, economic development is good. Financial revenue is high. So corresponding financial expenditure for basic healthcare service is high. Rural area is vice versa. Due to the uneven economic development in Sichuan province, the fiscal levels of various local government have a large gap. They should transfer fiscal payment to narrow gap in the equalization of essential healthcare services. The Sichuan provincial government should strength of general transfer payments to local government, especially to the rural government. They general transfer payments by giving priority to, government should standard the special transfer spending object and process. Special transfer payment is auxiliary means to ensure that rural medical and health services will get enough financial guarantee. Sichuan provincial government fiscal transfer funds for the gap can be meet them by issuing local government bonds to meet them.

3.3. Medical Establishment should be Strengthened Exchange in Two Places

Now, there is gap in the level of healthcare. The government should strengthen the exchanges and cooperation between urban and rural medical establishment for greater equity by trading fewer resources. We will formulate policies on targeted assistance for urban and rural medical establishment. So that urban medical establishment can identify who they will help and whom they will communicate with. Second, a complete set of cooperation mechanism between urban and rural medical establishment should be established. Urban hospitals can support designated township hospitals by providing surplus medical equipment. The urban and rural joint training system is

adopted for medical personnel. The urban and township hospitals jointly undertake the training of medical staff. After 3 to 5 years, the medical personnel who are serve in the township can deploy to the medical and health care in urban areas by assessment.

3.4. Market Mechanism should be Guided to Play a Better Role

The public welfare of essential healthcare services is strong. The main purpose of introducing market mechanism into the field of essential healthcare services is fairness and efficiency. In order to avoid the profit-driven and blindness of the market mechanism, it is necessary to correctly guide the market mechanism to play its role and avoid the adverse effects of excessive marketization in the non-perfectly competitive market. First, government should be a main supply subject. The market can undertake the supply duty in where the government couldn't supply effectivity. Second, due to the influence of marketization, the supply subject has strong profit-seeking. In terms of policy, it provides continuous subsidies and support to rural medical establishment to attract and stabilize rural medical establishment.

4. Conclusion

This paper analyzed the main causes which profoundly influenced the inequality of essential healthcare service between urban and rural areas in Sichuan province. From the GDP, resident income to the healthcare expenditure, the gap between urban and rural is obviously. And these gaps are the main causes. We need the government show its functions to change this situation. Therefore, I put forward some suggestions as a theoretical reference for the government to fulfill its responsibilities. Including abolishing dual system, increasing the government's transfer payment, enhancing exchanges and cooperation between urban and rural medical establishment and guiding market mechanism to play a better role. I hope my subsequent research can make innovation in the way of government management.

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