In Focus
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Information Provision and Streamlined Medical Service: Evidence from a Mobile Appointment App

Dr Yi Junjian’s research focuses on two major research problems. First, people in China are queuing for limited medical services. Second, there are huge disparities among China’s hospitals. There is no referral system and price differentials among hospitals are too small. Comparing tier three hospitals with tier two hospitals, the former is 26 times larger in staffing, 27 times more patients and 60 times higher revenue. As Dr Yi pointed out, the misalignment of health-care demand and supply is not unique to China. For example, the shortage of general practitioners and oversupply of specialists lead to both under provision and excess spending in the United States. Dr Yi indicated the ideal scenario of the health-care market where there is more transparent information leading the market to become more efficient. The research attempts to discover how the app improve hospital operations and how information provision could improve patients sorting. The speaker suggested that additional information and choice leads to more patient sorting, indicating that tier three hospitals are better at providing medical services than tier two hospitals. As Dr Yi summarised, three puzzles still remain after research. First is on the findings’ scalability, namely, in deciding what hospitals such as Beijing Union to be included. Second is the role of market structure in adopting decisions. Third is the question of whether there will be more social inequality as people become more tech-savvy.

This summary reflects the personal opinion(s) of the seminar speaker(s) and should in no way be attributed to the East Asian Institute.