Executive Summary: 
China’s e-Health Market

e-Health – the delivery of health solutions from a distance using telecommunications and internetworking technologies – plays an obvious role in solving many of China’s social problems: an aging population, epidemics, the growing prevalence of "western" illnesses, an increasing gap in welfare between urban and rural, and rich and poor. China’s central government has been aware of the potential of, and experimented with, e-health for about a decade, largely using traditional telephony communications infrastructure, but e-health is not yet a widely adopted practice. The rapidly growing prevalence of wireless devices, the internet and IPTV in China opens new possibilities for more data-intense, interactive and satisfying health experiences, and may serve to reinvigorate initiatives around using e-health to solve some of China’s most pressing health problems.

In many ways, selling and implementing e-health solutions is not straightforward. Within that complexity lie challenges and opportunities. Technologically, e-health solutions can span the medical, telecommunications and internetworking industries, calling upon decision makers to be sophisticated and confident consumers of technology across all three industries. Moreover, within these three industries, China’s state of development is uneven. China’s telecommunications and internetworking infrastructure rivals and even exceeds the west in many regions, though in some poorer areas, communications infrastructure is still primitive. In the medical industry, China struggles as an impoverished country. Spending on hospital IT infrastructure substantially lags the west, though growth in most segments of the hospital IT market is forecast to be significant. There are a limited number of top tier health care institutions. Second and third tier organizations, which comprise the vast majority, can be problematic as customers to Albertan e-health solutions providers. They frequently lack infrastructure, technology sophistication, funding and good management.

The World Health Organization identifies China as having one of the most unfair healthcare systems in the world. Given that China is a communist country, it is surprising that the majority of the expense related to healthcare is paid directly by the patient. That patients are conditioned to consume healthcare directly opens the opportunity for consumer-direct selling of e-health solutions in China. That per capita incomes are extremely low compared to Canada represents a significant challenge in that scenario. Only thirty percent of the people in China have health insurance. However that 30% corresponds to more than 390 million people - more than ten times Canada’s population – representing a sizable market.

Finally, leadership and spending at a government level has been vigorous on several social programs, for example China’s Golden Health Project and the implementation of infrastructure to better identify and manage epidemics. For Alberta businesses that provide e-health solutions targeted at government-scale projects, opportunities in China might be significant.

The brief “China’s e-Health Market”, prepared by the China Office of the Government of Alberta, explores the challenges, limitations and the opportunities of this complex and relatively undeveloped market for Alberta businesses.

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