

Analysis on the Development Status of Pension Institutions in China

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Abstract: *With the arrival of the new era, China's pension has reached a new stage, and its development concept has also been innovated to some extent. However, there are still some shortcomings in the current pension service, the development of the pension industry is uneven, and the policies and systems related to pension need to be improved. Home-based support is still the main form of providing for the elderly in China, but due to the changes in social division of labor and family life composition, home-based support is far from being able to adapt to the current situation of providing for the elderly under the trend of aging society. Although the aging of social institutions has developed rapidly in recent years, it still cannot meet the needs of the current elderly. This paper analyzes the scale, operation, existing difficulties and present situation of enterprises in China's old-age care institutions by various ways and means. This paper analyzes various problems related to the comprehensive management of the aged care service, and provides some countermeasures to deal with the problems in the aged care service institutions.*

Keywords: *analysis of the development of old-age care institutions*

1. Research background and significance

With the rapid development of China's economy, people's living standards have been greatly improved, and China has also entered the stage of rapid development of an aging society. In 2022, the number of elderly people over 60 years old increased by 12.68 million, an increase of 0.9%; The number of elderly people over 65 increased by 9.22 million, an increase of 0.7%. Since 2022, China's population has entered a period of negative growth, while the elderly population has entered a period of rapid growth. The aging trend is accelerating, and the pension market in China has maintained a high growth. In 2022, the scale of China's pension market has exceeded 9.4 trillion. Due to the gradual expansion of the middle class's awareness of old-age care, the demand for old-age care services will further increase. It is estimated that by 2028, the scale of China's old-age care market will reach 30 trillion. This shows that the form of social pension is very severe. Because the development speed of aging seriously exceeds the national social and economic development level, the social management services such as national pension and medical care are in a state of "getting old before getting rich".

In addition, the aging and declining birthrate have weakened the function of the traditional family pension model in China, so it is necessary to establish and improve the pension service system. As a supplement to the pension system, the pension institution can provide professional, concentrated and careful services for the elderly, and it undertakes the basic social pension service. However, the development of social pension institutions is facing new challenges in the face of fierce competition, diversified market demand and huge resource gap.

2. Research content

2.1 China pension institutions statistics

With the aging of the population, the demand for pension institutions has increased. In 2020, there were 38,069 registered pension institutions nationwide, an increase of 4,000 over the previous year, and in 2021, there were 42,534 registered pension institutions nationwide. With the expansion of the scale of China's old-age care institutions, the number of beds in old-age care institutions has also increased. In 2020, there were 4.831 million beds registered in old-age care institutions nationwide, and in 2021, there were 5.016 million beds registered in old-age care institutions nationwide. Except Tibet, the proportion of elderly people aged 65 and above in other 30 provinces all exceeds 7%, among which the proportion

of elderly people aged 65 and above in 12 provinces exceeds 14%, namely Liaoning, Chongqing, Sichuan, Shanghai, Jiangsu, Heilongjiang, Jilin, Shandong, Anhui, Hunan, Tianjin and Hubei.^[1]

Judging from the situation of old-age care institutions all over the country, in 2021, the number of old-age care institutions in eight provinces and cities exceeded 2,000, namely Henan, Anhui, Sichuan, Jiangsu, Hunan, Shandong, Liaoning and Heilongjiang. Among them, Henan Province has the largest number of pension institutions, reaching 3,340.

Therefore, we can see that the demand for old-age care institutions in China is increasing day by day. The annual increase in the number of registered old-age care institutions and the number of beds shows that the demand for old-age care institutions in China should be met at present, and with the strong support of the state, the facilities of old-age care institutions should be gradually improved to increase the coverage of old-age care.

2.2 China population aging trend

The trend of population aging in China will present five characteristics:

First, the elderly population is huge. In 2020, the number of elderly people over 65 in China will reach 191 million, accounting for 13.5% of the total population, and there is one in every four elderly people in China. It is estimated that in 2057, the population over 65 in China will reach the peak of 425 million, accounting for 32.9%-37.6% of the total population.

Second, the aging speed is fast. In 2001, the population over 65 years old in China exceeded 7%, which marked the entry into an aging society. It took 21 years, that is, in 2021, the population over 65 years old accounted for over 14%, which was shorter than that in France (126 years), Britain (46 years) and Germany (40 years).

Third, the problem of aging and empty nest has become increasingly prominent. In 2020, the population of China aged 80 and over will be 36.6 million, and it is expected to increase to 159 million in 2050. The elderly may face more severe health problems, and the growth of empty nesters and elderly people living alone will weaken the function of family pension.

Fourth, the old-age dependency ratio has risen sharply, and the burden of providing for the aged has increased. In 2020, the old-age dependency ratio will be 19.7%, and it is expected to exceed 50% in 2050, which means that every two young people need to raise an old man. Raising the elderly and raising children is expensive, and young people are under pressure at both ends.

Fifth, get old before you get rich. China's GDP per capita is close to the lower limit of developed economies, but the aging degree of 13.5% has exceeded the average level of 10.8% in middle-and-high-income economies, and it will face the dual pressures of economic growth and pension burden.

2.3 The demand of elderly people choosing nursing homes in China

First, geographical location. In the distribution of old-age care institutions in China, some nursing homes are in urban areas, while others are in suburbs, each with its own advantages. You can carefully select them according to your own needs. Nursing homes in urban areas generally have smaller rooms and higher room prices, but they may be closer to home, making it more convenient for family members to visit. Nursing homes in the suburbs are generally remote, but the rooms will be bigger and the prices will be lower. Moreover, nursing homes in the suburbs generally have independent courtyards, which will be better in greening and have more room for the elderly.

Second, medical conditions. In recent years, China has also begun to implement the "combination of medical care and nursing care". The hospital environment has always been an important basis for the existence of a nursing home. At the same time, there are many nursing homes with specialized clinics, and many nursing homes have met the requirements of medical insurance reimbursement. It is very convenient for the elderly to stay in nursing homes, see doctors and take medicines, and they can directly use medical insurance cards in nursing homes.

Third, supporting safety facilities. In recent years, there have been fires in nursing homes, because the legs and feet of the elderly are inconvenient, and once a fire breaks out, they can hardly escape by themselves. Therefore, when choosing a nursing home, we must pay attention to the fire-fighting facilities in the hospital and see if the supporting fire-fighting facilities are complete. In addition to fire safety, we should also pay attention to the aging transformation in nursing homes.

Fourth, the price is charged. The fees of nursing homes are generally composed of the following parts: bed fees, nursing fees, meals, medical deposits, etc. All nursing homes are similar. Consulting nursing homes and signing contracts for these prices are also one of the most important needs for the elderly to choose their nursing homes.

2.4 Analysis on the Future Development Trend of China Pension Institution Industry

People pay more and more attention to the industry of old-age care institutions in China. On the one hand, with the increasing government support for the old-age care industry, the old-age care industry is developing rapidly; On the other hand, the arrival of an aging society and social care are in the first place, which also makes the pension industry have a healthy development space. The development of old-age care institutions in China will present a series of characteristics.

First of all, with the deepening of the rule of law in the new market and the continuous improvement of industry standards, the industry of pension institutions will be more standardized in competition. The government will implement more policy support for the industry of old-age care institutions, further improve industry regulations, standardize industry behavior, and promote the development of the industry of old-age care institutions. At the same time, the government will also strengthen market supervision, increase capital investment, and establish policies for industry investment and infrastructure construction in order to accelerate the development of the industry.

Secondly, the government will continue to strengthen digital construction, promote the construction of smart pension, establish a more perfect smart pension service system, improve the efficiency and quality of pension services. During this period, the old-age care institutions will transform the old-age care services with intelligent thinking, so that the elderly can enjoy more convenient services and help improve the illegality and institutional stability of the old-age care institutions.

At the same time, due to the implementation of social support allowance and nursing allowance for the aged, it can help the elderly to enjoy a reasonable and adequate pension policy. In 2023, the government will continue to improve the pension policy to improve the living standards of the elderly, and continue to strengthen the supervision of the pension industry, establish a complete policy system, and promote the healthy development of the industry.

In addition, public services will also actively invest in the pension industry to support the development of the industry. The government will encourage social institutions, public service institutions and all sectors of society to actively participate in the field of aged care services, invest more financial and material resources, and provide more institutional guarantees for aged care services.

Finally, the state will continue to increase its support for the aged care service industry, and continue to strengthen its policy support. It will give priority to market players and help enterprises implement the guiding principles of stable development. The old-age care industry should implement the policy of encouraging scientific and technological innovation as soon as possible, form the scale benefit of the old-age care service industry, give play to the social benefit of the old-age care service industry, effectively improve product quality and accelerate the development of the industry.

3. Study the problem

The development of the old-age care institution industry is facing multiple challenges, including problems in funds, talents and policies. At the same time, the service quality, management level, facilities and equipment of the old-age care institutions need to be further improved. In order to promote the healthy development of the industry of old-age care institutions, the government should increase its support for old-age care institutions, establish and improve relevant policies and regulations, and improve the service quality and management level of old-age care institutions.

3.1 China pension institutions invested less money

Before the reform and opening up, China was poor and weak, and people's basic needs were difficult to guarantee. For a long time, they were in the pursuit of a low-level life of "having enough to eat and wear warm clothes", which could not stimulate people's pursuit of a high-level life. After decades of reform and opening up, the wealth of the whole society has increased significantly, and people's consumption levels and habits have undergone tremendous changes.

With the development of social economy and the change of macro-social consumption atmosphere, the elderly's acceptance of old-age care services has been continuously improved, and the improvement of living conditions has made the elderly's demand for high-level old-age care services more and more vigorous. However, the supply of pension service funds can't keep up with people's demand.

At that time, the support fund management system adopted a dual-track system, and the support fund management modes of the state, administrative organs and companies were different. Although the state turned over less funds, the actual pension level received was higher than that of the company. In recent years, pensions began to merge, and the state pension fund was unable to make ends meet, which brought great financial pressure to the old-age security. When the state gives certain financial support to the pension fund, it will reduce the expenditure on social pension services, because the state finance is limited after all, which leads to the government's insufficient investment in social pension services and the phenomenon of supply shortage.

3.2 The professionals of aged care services do not match the needs of social aged care services

Nurses in community pension service institutions are also an integral part of the social pension service system in China. At present, there are many problems in nursing staff, such as low professional level, poor service quality, small number and so on.

The old-age service center also needs a large number of nursing staff to help the elderly. Postgraduates and high-level personnel in related disciplines are unwilling to enter the post in the old-age care system in terms of service ability and treatment, which leads to the need for old-age care institutions to recruit personnel by recommending acquaintances, intermediaries and social work institutions, which are different from traditional recruitment methods. There are more elderly care workers with junior high school degrees in pension institutions, and most of the staff in these institutions are middle-aged women under 40 years old. And the rate of nurses holding certificates is low. According to the relevant data, many nursing staff in China's old-age care institutions have not received systematic training before entering the job, and only 57.44% of them have employment certificates, while the rest of them have a gap in theoretical basis and operational skills compared with those with certificates.

And lack the basic conditions for providing professional services. At present, many old-age care institutions in the province are small in overall scale, and even the old-age care service institutions are limited by conditions, with no or only a small amount of medical, rehabilitation and entertainment facilities and equipment, and lack the necessary facilities and equipment to carry out professional services.

3.3 The low level of development of social pension institutions has seriously affected the gap between supply and demand

With the increasingly developed market economy, people's living environment is getting better and better, living standards are getting higher and higher, and there are more and more elderly people. Coupled with the weakening of the concept of family care for the elderly, these factors have greatly increased the demand for social care services. However, the existing social pension service institutions are few in number and poor in quality, and there is a huge gap between them and the needs of the elderly. In addition, there are still problems such as uneven development level of old-age care institutions, large gap in occupancy rate, uneven development of social old-age care institutions in different regions, and huge gap between urban and rural areas. The status quo of these old-age care institutions is an important factor affecting the supply and demand level of social old-age care services in Liaoning Province.

First of all, at present, there are fewer beds in social pension service institutions, and the gap between supply and demand is getting bigger and bigger. According to international standards, if the number of beds in social pension service institutions wants to meet the basic needs of the elderly, its proportion in the total elderly population should reach 5%, so that there will not be a huge gap. With the expansion of the elderly population, it will be an inevitable trend that the supply and demand of social pension services will be unbalanced if the supply capacity of pension facilities and medical beds is not strengthened.

Secondly, there is a big gap between social pension service institutions, and the good and the bad are mixed. At present, some social pension institutions have poor sanitary environment and low catering level, which is far from the ideal service level of the elderly. Therefore, the occupancy rate of such pension institutions is generally low and social recognition is not high.

Finally, whether the medical and health care units can formulate the assessment management system. After the establishment of the evaluation system, the occupancy rate of the old-age care institutions is

high. Because the task of old-age care institutions is to provide high-quality public services for the elderly who need to concentrate and take special care of them, developing old-age care services requires not only love and enthusiasm, but also special service standards in order to achieve high-quality services.

4. Study Countermeasures

4.1 All-round expansion of funding channels

It is far from enough to rely on the strength of the government. Therefore, to improve the socialized aged care service system, we should call on social forces to jointly improve the socialized aged care service. Perfecting the socialized old-age service system should be based on money. Without money and financial support, the development and improvement of old-age service will become a passive water without roots. The state should stimulate the strength of the people, call on private capital to flow into the socialized aged care service field, and increase support for private aged care institutions set up by the people. Private aged care institutions can also be combined with public aged care institutions, which can provide various innovative chain institutions for the elderly in society by means of contracted operation, joint venture and cooperation, encourage and support private capital to invest in aged care services, and encourage private enterprises to participate in social aged care services. For private pension institutions, banks can lower the loan interest rate, and at the same time, encourage individuals to hold shares and invest. Liaoning municipal government should do a good job of guidance, strengthen financial input, strengthen the funding guarantee of medical service facilities, and promote the improvement and development of socialized old-age service system.

4.2 Improve the attention paid to the work of employees in aged care services

The nursing staff employed by the old-age care institutions are mainly laid-off workers and rural women, who generally lack professional nursing knowledge, which makes the nursing staff work hard every day and the treatment is not high, which also leads to the extremely unstable nursing staff in private old-age care institutions. Medical institutions should also attach importance to the training of practitioners. Combined with the special action of service quality construction in nursing homes, in recent years, the civil affairs department has attached importance to the training of nursing service practitioners, and carried out business training for nursing directors and some nursing staff in batches for many years. The Civil Affairs Bureau, the Municipal People's Social Security Bureau and social training institutions have organized on-the-job nursing staff in nursing homes and those who are willing to engage in nursing care for the elderly for many years. Making full use of Internet technology, the Ministry of Civil Affairs has specially opened a website for the training of aged care workers. Old-age service institutions should mobilize managers to strengthen their own ideological and moral construction and actively participate in service skills training. Conduct service training in a cycle of three months or one year, and strive to train excellent, advanced and high-tech old-age nursing service practitioners to slow down the impact of social aging and better serve them. At the same time, sign a labor contract in an all-round way and improve the salary and welfare of front-line nursing staff.

4.3 Promote the development of diversified pension services

First of all, for the poor elderly people with low income in urban and rural areas, giving full play to the basic life-supporting functions of the assistance systems such as minimum living security, medical assistance and temporary living assistance is also conducive to stabilizing social order and increasing social unity.

Secondly, the coverage of urban and rural areas of China's social endowment insurance system and the continuous improvement of pension level have undoubtedly improved the overall level of economic welfare of the elderly in urban and rural areas of China. However, at present, there is a big gap between urban and rural areas, between systems and between regions. Some of these gaps are reasonable and some are unreasonable. Therefore, the fairness of pension system distribution needs to be further improved, which will help to form a just and fair social environment and improve the overall social evaluation and mental health level.

Finally, from the perspective of improving the welfare of all the elderly, distributing welfare allowances for the elderly, improving welfare facilities for the elderly, carrying out a variety of service activities for the elderly, strengthening the preferential treatment for the elderly in the whole society, and

creating a fair policy environment for the elderly will help enhance the social integration of the elderly and enhance the overall welfare of society. The government can also set up capital enterprises to operate, implement cooperation between government and enterprises, and at the same time, encourage private forces to set up pension institutions, increase the number of pension institutions and expand coverage. The supply of old-age care services also depends on the power of public welfare. For example, some old-age care institutions set up by Christians do not have any government subsidies, but rely entirely on donations from Christians to operate, which also meets the needs of many elderly people^[2]

4.4 Open a new situation of intelligent aged care service

The aging of China's population is increasing. By the middle of this century, the elderly population will grow from one in nine to one in three, and the "empty nest" of aging is becoming more and more serious. In recent years, with the rapid development of the Internet, the topic of old-age care has also caught up with the express train of science and technology. All parties expect smart technology to bring new ideas for "old-age care" and let smart devices accomplish things that are beyond human power. With the development of science and technology, a series of high-tech products, such as orange bean TV boxes designed only for parents, have emerged in society. Remote sharing can make family ties zero distance, improve the quality of life of the elderly in their later years, and solve the lonely problem of empty nesters to the greatest extent, which is a new form of Chinese-style pension. With the inevitable trend of population aging, opening a new pattern of intelligent old-age service can be mainly divided into four aspects: humanization of service products, integration of health management with offline, integration of medical care and maintenance, and product aging. The specific analysis is as follows:

4.4.1 Humanization of service products

The demand for the aged includes not only material life, but also medical care, spiritual comfort, self-respect and value realization. At this stage, China's old-age care service is still difficult to fully meet the diversified needs of the elderly. There is little understanding of the needs of the elderly, and they often pay attention to the satisfaction of the elderly in material and medical care, ignoring the needs of spiritual comfort. Entrepreneurs in the smart pension industry should not only treat the elderly as customers, but also inject emotions so that more elderly people can get spiritual comfort.

4.4.2 Health management combined with offline

With the increase of age, the physical function of the elderly is declining, and the demand for home service is increasing. At present, the old-age care service provides less on-site medical services. The health management platform is still dominated by online consultation, which can not form a good interactive model, and the recognition of Internet medical products by the elderly is still at a low stage. However, the elderly group has a high recognition of the mode of home consultation, mainly because of their compliance with doctors themselves, and doctors can pass this compliance influence to the platform, and then the compliance will develop into recognition, and the continuous internalization of products by the elderly group will further expand the influence of products. Therefore, the interaction between health management product formation platform, doctors and patients, including testing hardware, is more valuable than simply online health management.

4.4.3 Combination of medical care and nursing care

With the aging and the extension of life expectancy, the requirements for health care and prevention and medical care for health maintenance are becoming more and more urgent. The combination of medical care and nursing is an old-age care model that integrates medical care, nursing, rehabilitation, basic old-age care facilities, life care and barrier-free activities. Its advantage lies in that it can break through the separation of general medical care and old-age care, realize timely, convenient and accurate medical services for the elderly, and finally integrate medical services, life care services, health rehabilitation and hospice care to provide integrated medical care and nursing services, so as to meet the overall old-age needs of the elderly.

4.4.4 The product is suitable for aging

With the increase of aging, people's cognitive ability and acceptance of things are declining, and the elderly have great difficulties in learning new things. Due to the low degree of "aging adaptability" of some intelligent products and services for the aged, a "digital divide" has formed between the elderly and modern society. Therefore, in order for the elderly to truly integrate into the information society, the key lies in strengthening the information barrier-free construction and designing a number of intelligent products that are really suitable for the elderly to help them acquire, interact and use information equally,

conveniently and safely.

5. Conclusion

Generally speaking, the pension market is a huge industrial chain, and the number of pension institutions is increasing year by year with the growth of the elderly population. The industry of old-age care institutions will gradually move towards the development direction of scale, specialization, intelligence, diversification and branding.

Since 2023, it has cast a bright future for the industry of old-age care institutions in China in terms of national policies, technical support and public recognition. More perfect policies, technological progress and public recognition will accelerate the development of old-age care institutions in China. In addition, with the expansion of old-age care institutions and the emergence of new formats, the comprehensive service system for the elderly is becoming more and more mature and perfect; The fine classification of the old-age care service has gradually become clear, giving more care to the elderly, reducing the burden on the majority of families and creating a good foundation for the development and improvement of China's healthy old-age care system.

In the new century, it is an effective way to solve the current dilemma that the supply of old-age services is in short supply by actively exploring social old-age services that are more suitable for China's national conditions and China's aging characteristics. The elderly population in Liaoning Province is increasing day by day. Faced with such problems, we should strive to improve the social pension service system, so that the last mile of the elderly can be more practical and happy. We need the support of the government and the help of society to jointly promote the improvement of the pension system.

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