



Institutional Dilemma, Intrinsic Logic and Realization Paths of Universal Maternity Insurance

Mi Xu

School of Public Administration, Northwestern University, Xi'an 710127, Shaanxi, China

Abstract: This study employs the analytical framework of "dilemma-logic-path," aims to diagnose the systemic dilemmas of China's maternity insurance system and reveal the intrinsic logic and realization path of universal maternity insurance. China's maternity insurance system faces realistic dilemmas, such as limited coverage and object exclusion, insufficient benefit payment and fragile security, and imbalanced financing responsibilities and compulsory absence. The four logics of system integration, equal treatment, fair financing, and compulsory participation support each other, constituting the theoretical foundation of universal maternity insurance. Based on this, realization paths such as universal coverage, compulsory participation, family joint insurance, fair financing, benefit package design, and fund governance can be proposed. The research concludes that universal maternity insurance is an important policy tool for alleviating the situation of population aging and low birth rate and improving the level of social security.

Keywords: universal maternity insurance, institutional dilemma, intrinsic logic, path design

1. Introduction

Maternity insurance aims to share women's medical costs and income losses during childbirth, thereby maintaining the fairness and sustainability of reproductive behavior. Globally, fertility rates are declining; in 2021, over half of countries and regions had total fertility rates (TFR) below the replacement level of 2.1. China's TFR was only 1.23 in 2021, with forecasts of 1.14 and 1.16 in 2050 and 2100[1]. Meanwhile, rising maternity-related medical costs, employment discrimination, and income losses for women are becoming increasingly prominent. The ILO's Maternity Protection Convention (No. 183) requires at least 14 weeks of leave, adequate medical care, and economic guarantees. However, the maternity insurance system is far from meeting these standards in reality.

Since China's 1994 trial measures, its maternity insurance system has gradually expanded. The 2019 consolidated implementation with basic medical insurance for employees achieved administrative integration. The number of insurance participants continued to grow significantly by 2025, reaching 259.66 million. Coverage still focuses on formal employees, excluding informal, flexible, rural, and unemployed women—leaving a gap of over 120 million compared to basic medical insurance. Benefit payments are disconnected from actual costs, financing relies excessively on employers and subsidies, and the actual benefit enjoyment rate remains low.

The main root of the above dilemma lies in the fact that the underlying logic of China's maternity insurance system still remains in the traditional social insurance model of "employment-related type." This model increasingly excludes gig workers and platform workers, violating the law of large numbers[2]. At the same time, its narrow coverage and strong voluntary participation pose a risk of adverse selection, easily leading to a vicious cycle of low participation rates and high premiums. This raises a fundamental question: How can a truly universal, equitable, and sustainable maternity insurance system be constructed beyond traditional paradigms? This article delves into the maternity insurance system and proposes a development direction that promotes universal benefits.

2. Systemic Dilemmas of China's Maternity Insurance

China's maternity insurance is undergoing a transition from employee-exclusive to universal coverage, fragmented to integrated management, and employer-only to multi-party financing. However, the current system exhibits interrelated dilemmas across three dimensions.

2.1 Limited Coverage and Exclusion of Beneficiaries

Coverage remains largely restricted to formal urban employees, excluding flexible workers, self-employed individuals, migrant workers, part-time staff, and unemployed women. By the end of 2024, maternity insurance participants accounted for only 53.4% of urban employees and 66.7% of basic employee medical insurance participants, which meaning millions

of workers with medical insurance lack maternity coverage. They rely on low fixed-amount childbirth subsidies from the urban-rural resident medical insurance, which are insufficient to cover actual costs.

2.2 Insufficient Benefit Payments and Vulnerable Guarantees

Benefit levels are low and rarely adjusted. In 2023, the average maternity medical payment was under 6,000 yuan, far below the 10,300 yuan average inpatient payment under employee medical insurance. Regional disparities are wide, with varying lump-sum subsidies and reimbursement rules. Service accessibility is restricted by waiting periods, marital status requirements, and birth number limits. Consequently, only 11% of participants enjoyed maternity benefits in 2023, which is half the hospitalization rate of employee medical insurance. This dual inadequacy directly increases family childbirth costs and undermines fertility willingness.

2.3 Imbalance of Fundraising Responsibility and Absence of Compulsion

The current funding model for maternity insurance increases labor costs for female-intensive industries, fostering employment discrimination. Although the Social Insurance Law mandates compulsory participation, enforcement is weak for informal and flexible workers, who are often allowed to enroll voluntarily. This triggers adverse selection, where high-risk individuals enroll while low-risk individuals withdraw, thus exacerbating the pressure on the fund. Some regions respond by raising contribution thresholds or extending waiting periods, reducing healthy participation. In summary, the current system has failed to adapt to diversified labor markets and smaller families, and systemic reforms are urgently needed.

3. Intrinsic Logic of Universal Maternity Insurance

A sound maternity insurance system for a fertility-friendly society must meet three conditions: universal coverage, adequate benefits, and sustainable financing[3]. Based on this, universal maternity insurance rests on four interconnected logics.

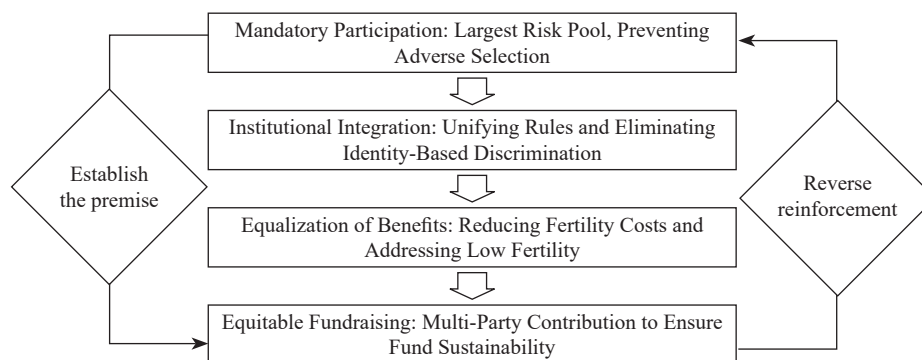


Figure 1. Intrinsic Logic of Universal Maternity Insurance

3.1 Mandatory Participation

Effective risk sharing requires a large and diverse risk pool, which hinges on mandatory participation, not voluntary choice. Universal maternity insurance legally requires all target populations (formal/informal employees, rural women, unemployed women, and male spouses) to enroll, preventing adverse selection. Low-income groups may receive premium waivers, but the mandatory principle remains.

3.2 Institutional Integration

Fairness requires uniform rules without status-based discrimination. Institutional integration means a single framework covering all eligible women[4], regardless of employment, income, residence, or marital status. This includes four unifications: coverage, payment rules, benefit standards, and handling procedures. While eliminating institutional barriers, it does not erase all differences.

3.3 Equalization of Benefits

To reduce childbearing costs and unlock fertility potential, the benefit levels for core services (prenatal care, delivery, postpartum visits) should be consistent nationwide, with reimbursement rates and caps standardized. Maternity benefits may link to income but must follow uniform replacement rates and payment periods, gradually narrowing urban-rural and

employment-based disparities.

3.4 Equitable Fundraising

Sustainability requires multi-party burden-sharing. Formally employed workers split contributions with employers; non-employed and self-employed individuals receive government subsidies. Contributions should be income-related, not flat-rate. A national risk adjustment fund balances regional differences, and the government ensures ultimate responsibility by fully funding premiums for extremely low-income groups. This guarantees stable revenue and system sustainability.

4. Realization Paths of Universal Maternity Insurance

Building on the intrinsic logic, the path to achieving universal maternity insurance involves five aspects: coverage, enrollment methods, financing, benefits, and fund governance.

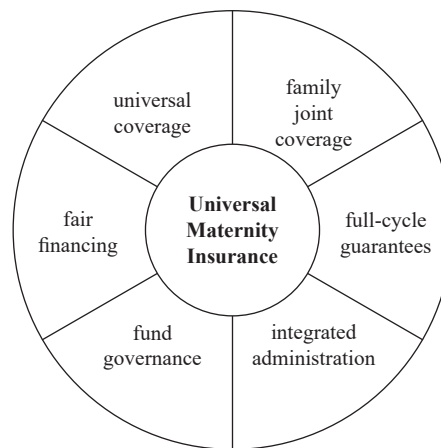


Figure 2. Realization Paths of Universal Maternity Insurance

4.1 Universal Coverage and Mandatory Participation

All women of childbearing age (typically 15–49) should be covered, regardless of employment, marital status, or household registration. Male spouses are included as dependents. National legislation should mandate participation based on citizenship or legal residence, not employment. Enrollment can be linked to national ID numbers, with automatic activation for newborns. Low-income groups receive premium waivers fully funded by government.

4.2 Family Joint Guarantees and Risk Diversification

Household-based enrollment compensates for non-employed women's lack of coverage. Spouses of employed workers automatically gain eligibility with no or nominal fees. This reduces administrative costs and strengthens shared childbearing responsibility. Family accounts may allow surplus fund transfers among members, evolving from individual to family-based risk pooling.

4.3 Reasonable Financing and Fair Burden

An income-related contribution mechanism is essential. For formal employees, employers and employees share contributions, with government backstops. Self-employed and flexible workers contribute a percentage of assessed income, supplemented by government subsidies. Non-employed individuals are fully government-financed. A national risk adjustment fund redistributes resources between low-fertility and high-fertility regions, enhancing overall sustainability.

4.4 Benefit Optimization and Allowance Design

Benefits cover medical services (prenatal care, delivery, postpartum visits, complications, family planning, and assisted reproduction) and cash allowances[5]. Maternity leave payments should be extended and close to original income. Non-employed women receive a basic maternity allowance; non-employed spouses of insured males also receive a basic benefit. Core benefits should gradually expand to integrate pregnancy, childbirth, parenting, and childcare support.

4.5 Fund Governance and Sustainable Guarantees

A pay-as-you-go model is adopted, with regular actuarial assessments and dynamic contribution rate adjustments. Maternity and medical insurance funds are accounted separately but share information systems and settlement networks to reduce costs. A unified digital platform enables one-stop enrollment, contribution collection, benefit application, and

immediate settlement. Data sharing across health, civil affairs, and social security departments prevents fraud and supports actuarial accuracy.

5. Conclusion and Policy Implications

This study diagnoses China's maternity insurance dilemmas and proposes a universal framework. Four key conclusions emerge. First, maternity insurance must shift from employment-linked to universal benefit [6], using citizenship, not employment status, as the participation basis to cover all women of childbearing age. Second, mandatory participation is indispensable. Voluntary enrollment leads to adverse selection and fund unsustainability; only legal compulsion ensures a large, diverse risk pool. Third, institutional integration and equal treatment are fairness guarantees. A unified framework with standardized coverage, contributions, benefits, and procedures reduces disparities and unlocks fertility potential. Fourth, equitable financing shared by employers, employees, and government elevates childbirth costs to the societal level, reducing employment discrimination and establishing government responsibility.

Policy implications include: short-term inclusion of flexible and migrant workers as mandatory participants; medium-term establishment of a nationally unified system; and long-term integration with public health and children's insurance to form a life-cycle maternal and child health network.

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Author Bio

Mi Xu (born June 1995), female; Han Chinese; hometown: Xi'an, Shaanxi; educational level: PhD candidate; research direction: social security.