



U.S.-CHINA TRACK II DIALOGUE ON HEALTHCARE

CONSENSUS AGREEMENT

July 20-21, 2021 Zoom meeting

The National Committee on U.S.-China Relations and the National School of Development at Peking University convened the sixth Track II Dialogue on Healthcare virtually through Zoom on July 20 and 21, 2021 (July 20 and 22, 2021 in China). The dialogue brought together American and Chinese experts (attendee list below) from academia, think tanks, and industry for off-the-record discussions on healthcare issues pertaining to both countries.

The meeting took place at a time when both countries, and the world, are still struggling with the COVID-19 pandemic. The fraught relations between the United States and China have made cooperation on the pandemic and other health issues challenging. Recognizing this situation, the dialogue participants focused on ways Americans and Chinese can collaborate on the pandemic, as well as other health issues, and on scientific, technological, and implementation developments that may improve public health and the delivery of healthcare to their respective societies and around the world.

KEY POINTS DISCUSSED

The Pandemic and Global Health Concerns. Despite much success in dealing with the virus, including the rapid development of effective vaccines, many areas have experienced an increase in infections, particularly of the more infectious Delta variant. As the globe's two largest economies, China and the United States can achieve much by working together to combat COVID-19 and make progress on other opportunities to promote global health. Such collaboration can serve as a form of soft diplomacy, emphasizing areas where cooperation can provide mutual benefit and collateral contributions to the world community. The participants noted several areas for collaboration.

Sharing of Data. At a time when scientists and medical experts need as much data as possible to deal with issues like vaccine development, vaccine hesitancy, medical treatment, and healthcare delivery inequities, both governments should be and can be more collaborative in scientific data sharing. Particularly with the onset of dangerous variants, it is important that scientists have access to real-world data on population testing and gene sequencing as well as on the effectiveness and safety of vaccines and therapeutics. As a first step, each country could cultivate a new culture of data stewardship within its borders that includes more standardized data management. In addition, this data should be shared with the World Health Organization (WHO) as well as between the United States and China, as data transparency will help all nations address the pandemic.

There is currently a lack of trust and transparency around areas of emerging science and technology and what they represent; both nations can address this distrust and facilitate greater transparency and data exchange. Many aspects of science can be separated from national security issues, especially with so many areas related to global health where the interests of both countries align. Both countries should work together to develop transparent and fair data sharing protocols.

Global Supply Chains. The pandemic put enormous strain on the international medical products supply network. Some companies have not been able to manufacture key items, such as masks and vaccine syringes, to meet the demand, and some countries hoarded materials and products. Efforts to localize the production of medical and ancillary health supplies have also resulted in inefficiencies and waste. It is therefore critical that both nations recognize that multiple sources of supplies across countries, combined with international agreements, including but not limited to those related to customs clearance, to share those supplies during crises, are needed to help make global supply chains more resilient and reliable. Additionally, there remain common misunderstandings about how supply chains are working and could be strengthened. Both nations need to address these challenges to strengthen the integrity, functionality, and transparency of supply chains.

Global Vaccine Needs. Controlling COVID-19 requires a coordinated global effort. The United States and China have a strong interest in helping distribute vaccines globally by augmenting the work of COVAX, the Access to COVID-19 Tools (ACT) Accelerator, and helping companies, including those in the Developing Country Vaccine Manufacturers Network (DCVMN), produce more vaccines to share through WHO and COVAX. They can also encourage other nations to support increasing vaccine access and strengthening vaccination capabilities in countries that need assistance.

<u>Future Pandemics</u>. Dialogue participants agreed that other pandemics or biological threats will likely occur, possibly soon. To prepare for such threats, there can be an increase in U.S.-China cooperation in basic science, with the goal of advancing a wide range of new medical countermeasures, including vaccines, for broad protection against a variety of pathogens of pandemic concern. Both governments should deepen cooperation between their national health administrations (such as the U.S. Food and Drug Administration (FDA) and the China National Medical Products Administration (NMPA), encourage joint authorship of scientific papers, particularly those in public health, and work together on global health governance.

Origins of the Virus and Laboratory Safety. The search for COVID's origins is a complex scientific issue that has become highly politicized, making an already difficult scientific puzzle even harder to resolve. What is important is to address biosecurity and biosafety in research facilities studying pandemics through, for instance, sharing of best practices in laboratory safety. More cooperation is essential in a post-COVID world as more laboratories seek to study dangerous pathogens, potentially without assurances of adequate safety and transparency. Greater transparency and information sharing will enhance safety while also reducing avoidable frictions between countries.

COVID-19 Resilience in Healthcare Systems and Healthcare Delivery. The pandemic has presented major challenges to the healthcare systems of China and the United States, changing how and where healthcare is delivered. Challenges include expanding effective use of telehealth, digital technologies, and community-based care, and also addressing worsening health disparities across socioeconomic, racial and ethnic groups, reduced use of primary care and services needed to help control chronic disease risk factors, and critical increases in mental health conditions.

In the United States and China, large tech companies and startups are investing in healthcare technology, including digital therapeutics, telehealth, medical devices, and new models for delivering

care. More treatment is being done remotely so people do not have to go to hospitals or be near a specialist or other patients (in waiting rooms, for example).

Local governments in China have experimented with building regional health data warehouses that can be used by local hospitals and healthcare providers to monitor trends and implement initiatives to improve population health. The central government has also approved medical pilot zones, such as in Bo'ao, Hainan, that allow hospitals to use medical devices, technology, and new medicines that have been approved by foreign health authorities, but not yet by the NMPA, as a means to assist patients with urgent needs.

Dialogue participants recognized that new technologies, such as artificial intelligence (AI) and telehealth, have great potential to improve disease diagnosis and healthcare delivery in the United States, China, and the world. At the same time, technology also presents a variety of issues. For instance, it has not yet been demonstrated that all of these new techniques will be cost effective. There are also concerns that technologies could exacerbate inequities in care since some populations are not internet literate or lack access to the necessary devices, including people who are poor, elderly, and/or in remote locations. Additionally, new technologies underscore the importance of protecting data privacy. Because of the rapid advances in AI and telehealth in China and the United States during the pandemic, it is particularly important that emerging evidence about limitations and solutions for population health be shared as well. The two countries can work collaboratively to optimize the potential of the digital transformation in healthcare and the advances in computational science and technology to improve health and healthcare.

RECOMMENDATIONS

At a time of heightened tensions between the United States and China, it is essential that the two nations find ways to work together constructively to address the COVID-19 pandemic and other global health issues. There are numerous ways for both countries to collaborate to improve the health of their respective populations as well as the global population and, as a result, build social capital between the countries. This task requires both nations to recognize health as a key national priority, and that protecting and promoting health is essential to our national interests and a safer, healthier world. This also requires both nations to share scientific data, build open scientific collaborations, and seek opportunities to build trust and make progress together. Building off these principles, Dialogue participants identified the following important areas of collaboration:

- 1. Encourage vaccine development and effective use. There is much that China and the United States can do collaboratively to advance the research, development, production, distribution, and analysis of vaccines. Both countries can work jointly to develop evidence and systems to understand the safety, efficacy, and durability of protection of different vaccines and the need for booster shots. Both nations should align their regulatory approaches to vaccines, such as how to encourage better and more efficient clinical trial platforms that can develop evidence relevant globally, and how to approve manufacturing systems that could form the basis of a more rapid "plug-and-play" response to adapting vaccines to new variants of the virus.
- 2. Work with COVAX and WHO. Both nations should share data that is provided to WHO, and should coordinate and augment efforts to achieve COVAX goals in the acquisition and distribution of vaccines to other nations. Both governments should assist other countries, especially low- and middle- income countries, to enhance their technical capacities of vaccine evaluation and authorization, in order to speed up adoption of quality vaccines when available.

- 3. Increase ties between healthcare agencies. China and the United States should re-establish relations between the U.S. FDA and the China NMPA, including sending representatives from each to work in the other country on opportunities to improve regulatory science and promote efficient and effective global regulation.
- 4. Improve supply chains. In an increasingly globalized world, the United States and China must work together to bolster global supply chains. There needs to be better analysis to inform initiatives to improve supply chains and supply chain management as it relates to the healthcare sector. Both nations should also fund studies on the pharmaceutical supply chain to avoid the damaging effects of decoupling, in such areas as digitizing supply chains and utilizing blockchain technology to further improve safety and allow for greater data sharing.
- 5. **Re-establish cross-border exchanges**. As nations closed borders to prevent the spread of the virus, people-to-people exchanges and joint research programs stopped. To ameliorate this situation, both nations, in coordination with WHO, should establish an expert-guided process to assess when and how countries can safely open borders without lengthy quarantine periods. Both countries should also re-establish joint research programs and invigorate collaboration between Chinese and American organizations and experts.
- 6. **Develop new technologies and approaches to improve population health.** The United States and China should work collaboratively on ways to integrate new population healthcare tools such as big data, telehealth, and digital treatments into healthcare delivery systems safely and equitably, improving healthcare outcomes in both nations and in the developing world.
- 7. **Invest in new treatments.** The United States and China have made great progress in treatments that utilize emerging technology such as gene therapy, robotics, and personalized medicine. With massive investments from the private and public sectors in both nations, we should support joint initiatives to identify effective research, regulatory, and payment reforms to achieve more benefits from these investments.
- 8. Cooperate on non-communicable diseases. The urgency of COVID led to the development and utilization of new health indicators to assess critical trends in the pandemic, while in some cases overlooking existing health issues such as non-communicable diseases, which have been exacerbated by the pandemic. Both nations should use these new indicators to create new early diagnosis indicators for other shared healthcare challenges in areas like non-communicable diseases, which can also help better integrate public health initiatives, such as reduced smoking, physical exercise, healthy eating, and the elimination of environmental toxins, with healthcare.

The spread of COVID-19 has demonstrated that global efforts are needed to control a pandemic, and whether and how China and the United States work together will have a major impact on global public health. As with the climate change crisis, it is a critical time for both China and the United States to work together to address the COVID-19 pandemic and prevent the rise of future pandemics, both at home and abroad, and to set the stage for broader collaboration in areas related to health and healthcare. This requires collaboration across a range of institutions and government agencies. The Dialogue participants will continue to work together to identify specific projects that can help achieve this goal.

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