

For information

LEGCO PANEL ON HEALTH SERVICES

Comparison of Harvard Report recommendations and Proposals in the Consultation Document on Health Care Reform

Purpose

This paper sets out a comparison of recommendations in the Harvard Report*, published on 12 April 1999, with the proposals in the Consultation Document on Health Care Reform (Consultation Document), released on 12 December 2000 by the Health and Welfare Bureau.

Background

2. At its meeting on 8 January 2001, the LegCo Panel on Health Services requested the Administration to provide a paper setting out the proposals which the Harvard consultants had recommended and how they had been followed up by the Administration in the Consultation Document.

The Comparison

3. The comparison of proposals as recommended in the two documents is set out below.

A. Guiding Principles

4. The Harvard Consultants recommended that the following guiding principle should be adopted for any reform to the health care system –

“Every resident should have access to reasonable quality and

* “Improving Hong Kong’s Health Care System: Why and For Whom?” Consultancy Report Prepared by the consultants from the School of Public Health, Harvard University, 1999

affordable health care. The government assures this access through a system of shared responsibility between the government and residents where those who can afford to pay for health care should pay.”

5. In the Consultation Document, the government fully acknowledged this guiding principle and elaborated it into five objectives of the health care system and nine principles that should guide the formulation of our reform proposals (paragraphs 11 and 12 of the Consultation Document, now reproduced at Annex).

B. Service Delivery System

6. To address the compartmentalisation of services currently existed in the public and private health care sectors, the Harvard Consultants recommended that –

- (a) The Department of Health should be strengthened to conduct patient assessment and to promote quality assurance and patient education;
- (b) Pilot projects should be conducted to promote integration between primary and tertiary care and the public and private sectors; and
- (c) Family-medicine-based practice should be introduced.

7. These recommendations received wide support during the last consultation exercise. The proposals in the Consultation Document are closely in line with the Harvard recommendations and are expanded to further improve the service delivery system. We proposed to strengthen preventive care by enhancing the role of the Department of Health as a health advocate; to re-organise primary care through the transfer of general out-patient service from the Department of Health to the Hospital Authority whereby the training and practice of family medicine can be facilitated; and to develop a community-based integrated service delivery model to improve continuity of care by enhancing public/private interface and use of information technology. To provide holistic care and better choice for patients, we also proposed to facilitate dental care programmes through the Department of Health and to promote Chinese medicine in the public health care system. These last two proposals were not addressed in the Harvard Report.

C. System of quality assurance

8. To tackle the issue of variable quality of health care services, the Harvard Consultants recommended that –

- (a) External quality audits should be conducted; a Committee on Quality Assurance with participation from the medical school faculty should be established; and inter-hospital outcome comparisons should be conducted;
- (b) An Office of Quality Assurance should be established in the Department of Health to develop practice guidelines, conduct regular independent patient surveys, and disseminate useful information to the public;
- (c) An Ombudsman Office should be set up to handle patient complaints (but without elaboration on its status and scope of duties and powers); and
- (d) The establishment of an Institute for Health Policy and Economics to conduct analyses of health policies and to monitor the system's performance.

9. The recommendations of the Harvard Consultants enlisted wide community support. We have taken the proposals further by proposing all health care professionals to undertake continuing professional education and development to ensure that their knowledge, practice and skills are up-to-date; various systems support mechanism to be put in place to facilitate continuous quality improvement. These include the use of clinical protocols, a system of clinical supervision, regular peer review and clinical audit, and risk management.

10. We have also looked into the existing price gaps and difference in practice between public and private health care providers. As such, we proposed that medical practitioners should make it clear to their patients that they have the liberty to choose and are not bound to purchase drugs from the clinics that they attended. We also encouraged the private sector to take proactive steps to make the pricing transparent so that consumers can exercise their right to choose before receiving the services.

11. On regulatory and monitoring aspects, we also proposed to carry out a comprehensive review of the licensing requirements for private hospitals and of the existing controls over the sale of drugs, and of the present

statutory regulations in relation to the operation of clinics, use of medical facilities/equipment, and provision of medical services.

12. To address the need for a transparent, unbiased and credible complaint system, we proposed to set up a Complaint Office in the Department of Health. This Complaint Office will investigate into complaints and mediate between the complainant and the complained; while the power to deliver a verdict and to award discipline will remain with the professional regulatory body. This function of the Complaint Office is independent of the health care professions and, since it is under the operation of a government department, is more transparent and accountable. Meanwhile, professional self-regulation is respected and enforced as practised in other professions and in countries overseas.

D. Financing Options

13. The Harvard Consultants recommended the following financing options to achieve long-term sustainability of our health care system –

- (a) The increase of user fees for “new” health care products;
- (b) The phasing in of the Health Security Plan (HSP) which is a social insurance system; and
- (c) The implementation of the long term care savings account (MEDISAGE).

14. Having regard to the fact that the proposed HSP did not receive support among different sectors of the community, we have looked into other viable alternatives and proposed the following financing options.

15. We proposed to start looking for resources from within the organisation. We will therefore continue with the effective cost-containment measures currently in practice in the Hospital Authority. To better target government subsidy in health care services, the existing fee structure will be reviewed to better prioritise the subsidy to services of major financial risks and to the lower income groups.

16. As a long-term supplementary source of funding, we proposed to introduce the Health Protection Accounts, a savings scheme whereby people save for their future medical expenses during their working lives. This proposal has the advantage of inter-temporal risk pooling, i.e. spreading the risk over one’s lifetime, and of avoiding passing the financial burden onto the next generations. This proposal is considered to be more in tune with the societal values of the Hong Kong community and avoids inter-generation

subsidy.

17. In view of the general consensus that we need to look into the long term care needs of the aging population, we agreed with the MEDISAGE proposal and will undertake further studies.

18. Members are requested to note the contents of this paper.

Health and Welfare Bureau
April 2001

Extract From "Consultation Document on Health Care Reform", 2000

Objectives

11. Based on the values we believe that should guide the transformation, the objectives of our health care system should be:-

- (a) To protect the health of the population, prevent diseases and disabilities, promote lifelong wellness, and support continuous health sector development.
- (b) To provide comprehensive and lifelong holistic health care which is humane, where care and comfort to the individual is as valued as medicine and technology-based interventions.
- (c) To provide accessible, equitable and quality services to members of the community on the basis of health needs.
- (d) To remain cost-effective, sustainable and affordable both to the individual and the community.
- (e) To reinforce the notion that the pursuit for better health is a shared responsibility among the individual, the community and Government.

Principles

12. We believe that the following set of principles are fundamental to meeting the objectives of the health care system envisioned, and they should guide the formulation of our reform proposals:-

- (a) We believe that good health stems from health-sensitive, health-protecting and health-promoting public policies and infrastructure and an environment conducive for people to make health-enabling personal choices.
- (b) We believe that the best health care system is community-focused, patient-centred and knowledge-based, comprising an appropriate balance of promotive, preventive, curative and rehabilitative services, delivered in a seamless, humane manner in a collaborative network, over an individual's lifetime.
- (c) We believe that health is also a personal responsibility, and individuals should be enabled to take more responsibility for their own health, through better information and understanding and more active involvement in decisions about their health.
- (d) We believe that patients have the right to information and freedom to choose their providers if they so wish. The existing dual public and private systems, serving complementary roles, should be maintained, with better collaboration between them.

- (e) We believe that the community is entitled to consistent delivery of a high standard of health care services, ensured by a dual system of accountability, comprising regulatory, accreditation and monitoring mechanisms by Government and quality assurance by health care providers.
- (f) We believe that everyone should have equitable access to quality health care for comparable needs. Any reform measures should maintain our existing strengths of accessibility, equity and affordability, and enhance quality. There must be a safety net for the financially vulnerable.
- (g) We believe that the community is entitled to expect that public resources are used efficiently, and that public subsidies are targeted at areas of greatest needs. Those who have the means should bear an affordable share of the medical expenses they have incurred.
- (h) We believe that a commitment to long term financial sustainability of the health care system is crucial, which can best be achieved through risk-pooling and pre-funding. Care should be taken not to pass on an unnecessary burden to our future generations.
- (i) We believe that changes to the system should be evolutionary to allow time for acceptance and adoption by different stakeholders, but positive steps should be taken early to demonstrate our commitment to changes.