

**Replies to written questions raised by Finance Committee Members in  
examining the Estimates of Expenditure 2002-03**

**Bureau Secretary / Controlling Officer : Secretary for Health and Welfare  
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Examination of Estimates of Expenditure 2002-03  
**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

S-HWB001

Question Serial No.

S058

Head : 149 Government Secretariat: Health and Welfare Bureau      Subhead(No. & title) :

Programme : (2) Health

Controlling Officer : Secretary for Health and Welfare

Bureau Secretary : Secretary for Health and Welfare

Question :

The consultancy study headed by the health care economist from the University of California, Berkeley, will cost about \$1.6 million. Would SHW please explain the criteria for choosing this university and the mechanism for setting the cost of the consultancy study at \$1.6 million?

Asked by : Hon. MAK Kwok-fung, Michael

Reply :

The objective of our consultancy study on fees and charges is to develop the tool and mechanism in assessing the relationship between revision of fees and utilization of services, so that we can revise our fees structure to target our subsidy in the most appropriate manner. To undertake this work, we require an experienced health economist who is familiar with Hong Kong's health care system and has the expertise in developing econometric models associated with fees and charges regimes.

The consultant we have engaged for the consultancy study is currently the Professor of Health Economics at the University of California at Berkeley. His specialty is in applied econometrics and health economics. Previously, he has conducted consultancy works for the World Health Organization, the World Bank, US National Institute of Health, the Ministry of Health in China, and the Department of Health in Taiwan, etc. In addition, his team members are experts in health economics, particularly specialized in health care financing such as pricing, costs and market analysis. They also have an empirical econometrics background, with experience in demand analysis, willingness-to-pay analysis, and policy analysis for government agencies. Given the experience in conducting similar studies and their knowledge about the local health care system, we are of the view that the consultant and his team are fully qualified to undertake the fees and charges review.

The consultancy study, in the amount of \$1.87 million, was approved by the Subsidiary Tender Board of the Hospital Authority under a restricted tendering arrangement. The cost of the consultancy, which includes mainly a review of the

current fee structures, development of econometric models, design of revised fee structures and monitoring instruments, was considered fair and reasonable by an Assessment Panel comprising representatives of the Hospital Authority and Health and Welfare Bureau.

Signature \_\_\_\_\_

Name in block letters Dr E K YEOH

Post Title Secretary for Health & Welfare

Date April 2002

Reply Serial No.

S-HWB002

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Question Serial No.

S035

Head : 177  
Hospital Authority

Subhead (No. & title) : 514 and 979

Programme :

Subvention : Hospital Authority

Controlling Officer : Secretary for Health and Welfare

Bureau Secretary : Secretary for Health and Welfare

Question : Regarding the gratuity of up to 15% paid to Hospital Chief Executives or Cluster Chief Executives, would the Secretary for Health & Welfare provide a comprehensive list of the awards for the years since the taking over of public hospitals by the Hospital Authority.

Asked by : Hon. MAK Kwok-fung, Michael

Reply :

Annual performance incentive award is part and parcel of the total remuneration package of Hospital Chief Executives (HCEs) and Cluster Chief Executives (CCEs). Granting of the award to each HCE / CCE is subject to an annual assessment of performance by an assessment panel comprising members of the Hospital Authority Board, members of the Hospital Governing Committee and the Chief Executive of Hospital Authority. As for the total amount of annual award granted to HCEs / CCEs, collated data for 2000-01 and 2001-02 only were readily available. The annual award granted for both years was in the region of \$11.5 million.

Signature \_\_\_\_\_

Name in block letters \_\_\_\_\_ Dr E K Yeoh

Post Title \_\_\_\_\_ Secretary for Health & Welfare

Date \_\_\_\_\_ April 2002

Reply Serial No.

S-HWB003

Question Serial No.

S059

Examination of Estimates of Expenditure 2002-03  
**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Head : 177 Subhead (No. & title) : 514 and 979 Hospital Authority

Programme : Subvention : Hospital Authority

Controlling Officer : Secretary for Health and Welfare

Bureau Secretary : Secretary for Health and Welfare

Question:

As at late March 2001, the Hospital Authority's general reserves amounted to \$1.1 billion. Please provide us with updated information on the reserves and the conditions under which the reserves can be used.

Asked by : Hon. MAK Kwok-fung, Michael

Reply :

With a projected budget deficit of approximately \$230 million in 2001-02, the Hospital Authority (HA) estimates that its general reserves of \$1.1 billion would be reduced to \$870 million by end 2001-02.

The general reserves of HA are set up to cater for contingencies and may be used to offset budget deficit of the HA in any particular financial year in order to ensure that the provision of public hospital services will not be affected. Approval has to be sought from the HA's Finance Committee and the HA Board before HA could make use of its general reserves. Where the use of the general reserves would create a commitment on Government funds, HA is expected to seek prior approval from the Secretary for Health and Welfare.

Signature \_\_\_\_\_

Name in block letters \_\_\_\_\_ Dr E K Yeoh

Post Title \_\_\_\_\_ Secretary for Health & Welfare

Date \_\_\_\_\_ April 2002

Reply Serial No.

S-HWB004

Examination of Estimates of Expenditure 2002-03

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Question Serial No.

S060

Head : 177-Subventions: Non-Departmental Public Bodies      Subhead(No. & title) : 514 and 979 Hospital Authority

Programme : Subvention : Hospital Authority

Controlling Officer : Secretary for Health and Welfare

Bureau Secretary : Secretary for Health and Welfare

Question :

The Hospital Authority is collaborating with the private sector for better interface and there are respectively 3 working groups to study the issue for recommendations. Would the Secretary for Health and Welfare advise the detail of the 3 working groups – titles of the groups, their terms of reference, membership and how the membership comes up.

Asked by : Hon. MAK Kwok-fung, Michael

Reply :

**(A) Working Group with Insurance Industry**

Terms of Reference:

To co-ordinate with the insurance industry and to facilitate the industry in developing new insurance products in the context of the proposed Health Protection Account, through a regular dialogue among the Health & Welfare Bureau, Hong Kong Federation of Insurers, and the Hospital Authority.

Membership:

- Deputy Secretary for Health and Welfare (Convenor)
- Representatives from the Hong Kong Federation of Insurers
- Representatives from the Health and Welfare Bureau
- Representatives from the Hospital Authority

## **(B) Working Group on Private/Public Interface on Hospital Service**

### Terms of Reference:

1. To explore and identify areas which allow better collaboration between the private and public hospital sectors, and enhancement of choice for patients in the range of services provided
2. To devise viable implementation plans for the areas identified, supported by data and statistics provided by the public and private hospital sectors
3. To explore ways and means to facilitate smooth transfer of patients and patient records between public and private sectors
4. To solicit input from relevant professions and organizations as and when necessary
5. To consider other issues relevant to the interface deemed appropriate by the Working Group

### Membership:

- Secretary for Health and Welfare (Chairman)
- Deputy Secretary for Health and Welfare
- Director of Health
- Representatives from the Health and Welfare Bureau
- Representatives from the Hospital Authority
- Representatives from the private sector are as follows: -
  - Dr Susan CHAN (Hong Kong Baptist Hospital)
  - Dr CHIU Hin-kwong (Hong Kong Baptist Hospital)
  - Dr Christina CHOW (St Teresa's Hospital)
  - Dr David FANG (Hong Kong Academy of Medicine)
  - Dr LEE Kai-yiu (Union Hospital)
  - Dr Walton LI (Hong Kong Sanatorium & Hospital)

The membership comprises representatives from both the public and private sectors. Members from the private sector were appointed by the Secretary for Health and Welfare to represent the major private hospitals.

## **(C) Working Group on Interface between Medical Practitioners in the Public/Private Sectors**

### Terms of Reference:

1. To explore and identify areas which allow better collaboration between medical practitioners in the public and private sectors. Such collaboration should aim at improving the interface between the public and private sectors and enhancing choice for patients in the range of services provided
2. To devise viable implementation plans for the areas identified, supported by data and statistics provided by the public and private medical practitioners
3. To explore ways and means to facilitate smooth transfer of patients and patient records between public and private sectors
4. To solicit input from relevant professions and organizations as and when necessary
5. To consider other issues relevant to the interface deemed appropriate by the Working Group

### Membership:

- Secretary for Health and Welfare (Chairman)
- Deputy Secretary for Health and Welfare
- Director of Health
- Representatives from the Health and Welfare Bureau
- Representatives from the Hospital Authority
- Medical practitioner representatives are as follows: -
  - Dr CHOI Kin
  - Dr CHU Kin-wah
  - Dr Michael HO
  - Dr LEE Kin-hung
  - Dr LEUNG Ka-lau
  - Dr Raymond WU
  - Dr TSE Tak-fu
  - Dr YEUNG Chiu-fat
  - Dr George T J AU



The membership comprises representatives from both the public and private sectors. The private practitioners were appointed by the Secretary for Health and Welfare to represent different groups of doctors within the sector.

Signature \_\_\_\_\_

Name in block letters Dr E K YEOH

Post Title Secretary for Health & Welfare

Date April 2002

Reply Serial No.

Examination of Estimates of Expenditure 2002-03

S-HWB005

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Question Serial No.

Head : 177 Subhead (No. & title) : 514 and 979 Hospital Authority

S061

Programme : Subvention: Hospital Authority

Controlling Officer : Secretary for Health and Welfare

Bureau Secretary : Secretary for Health and Welfare

Question :

The 366 additional beds will require additional nurses of 128 and allied health professional of 20, please advise the sources of these 2 groups of additional staff.

Asked by : Hon. MAK Kwok-fung, Michael

Reply :

The Hospital Authority (HA) will deploy, where appropriate, the manpower savings achieved under the Enhanced Productivity Programme to commission the 366 additional beds, taking into account the service and staff mix requirements for opening the new beds in the respective hospitals. Any shortfall will be filled by staff newly recruited by HA.

Signature \_\_\_\_\_

Name in block letters \_\_\_\_\_ Dr E K Yeoh

Post Title \_\_\_\_\_ Secretary for Health & Welfare

Date \_\_\_\_\_ April 2002

Examination of Estimates of Expenditure 2002-03  
**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

S-HWB006

Question Serial No.

S062

Head : 177 Subhead (No. & title) : 514 and 979 Hospital Authority

Programme : Subvention : Hospital Authority

Controlling Officer : Secretary for Health and Welfare

Bureau Secretary : Secretary for Health and Welfare

Question :

Please explain in detail what the terms “medical income” and “non-medical income” mean.

Asked by : Hon. MAK Kwok-fung, Michael

Reply :

Medical income includes fees and charges for the provision of medical services, including in-patient and out-patient fees; and other miscellaneous income arising from direct medical services such as fees for the issue of medical reports.

Non-medical income includes interest income, rental income from quarters and other miscellaneous income not arising from direct medical services.

Signature \_\_\_\_\_

Name in block letters Dr E K Yeoh

Post Title Secretary for Health & Welfare

Date April 2002

Examination of Estimates of Expenditure 2002-03

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

S-HWB007

Question Serial No.

Head :177 Subhead (No. & title) : 514&979 Hospital Authority

S063

Programme : Subvention : Hospital Authority

Controlling Officer : Secretary for Health and Welfare

Bureau Secretary : Secretary for Health and Welfare

Question :

Regarding his answer saying that 20 nurses will be recruited to TCM clinics to be operated by the Hospital Authority, I would like to be advised by SHW the legitimate qualifications of the nurses to be recruited, quoting the exact section of the Ordinance. In addition, would SHW advise how their salaries are to be formulated, i.e., reference and yardsticks.

Asked by : Hon. MAK Kwok-fung, Michael

Reply :

Health care professionals, including nurses, recruited to serve in the Chinese medicine clinics are required to meet the registration requirements of the respective professions as appropriate. In the context of the nursing profession, the sections of the Ordinance are 8 and 14. The Hospital Authority is in the stage of planning the detailed requirements and remuneration packages.

Signature \_\_\_\_\_

Name in block letters \_\_\_\_\_ Dr E K Yeoh

Post Title \_\_\_\_\_ Secretary for Health & Welfare

Date \_\_\_\_\_ April 2002

Examination of Estimates of Expenditure 2002-

03

**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY QUESTION**

Reply Serial No.

S-HWB008

Question Serial No.

S036

Head: 48 Government Laboratory

Subhead(No. & title):

Programme: (2) Advisory and Investigative Services

Controlling Officer: Government Chemist

Bureau Secretary: Secretary for Health and Welfare

Question :

Since accurate and timely monitoring of radioactivity by the relevant Government departments is crucial to the people of Hong Kong, an appropriate performance target set by the departments for this service is very important. The present target is "a target reporting time averaging 12 working days". Can the time be shortened so that when the level of radiation is excessively high, the departments can take immediate action to protect public safety?

Asked by: Hon. WU King-cheong, Henry

Reply:

Radiation monitoring work undertaken by the Government Laboratory covers the following three areas :

Preparing the Government Laboratory in discharging radiation monitoring duties under Day Contingency Plan (DBCP) (Policy Area 9 : Internal Security);

Monitoring of gamma emitting radionuclides in food samples submitted by the Food and Environmental Hygiene Department (Policy Area 2 : Agriculture, Fisheries and Food Safety); and

In collaboration with the Hong Kong Observatory, monitoring background levels of alpha and beta emitting radionuclides under the Environmental Radiation Monitoring Programme (Policy Area 15 : Health; with Health and Welfare Bureau being the housekeeping policy Bureau).

Item (a) involves training of staff in preparation for the execution of DBCP and no routine analysis is involved. The actual average turnaround time for item (b) is 4 working days which is much shorter than the target of 12 working days. The average turnaround time for item (c) is about 8 working days. In this connection, Government Laboratory has already planned to shorten the pledged target of average turnaround time for radiation monitoring work from 12 working days to 8 working days through process re-engineering and streamlining of work procedures. When warranted, the turnaround time can be flexibly altered to meet the need arising from exigencies.

Signature \_\_\_\_\_

Name in block letters Dr. D. G. CLARKE

Post Title Government Chemist

Date 4.4.2002

Reply Serial No.

S-HWB009

Question Serial No.

Oral

Examination of Estimates of Expenditure 2002-03  
**CONTROLLING OFFICER'S REPLY TO  
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head : 170 - Social Welfare Department

Programme : (2) Social Security

Controlling Officer : Director of Social Welfare

Bureau Secretary : Secretary for Health and Welfare

Question : How many places under the Intensive Employment Assistance Fund (IEAF) projects (under both first and second batches) are available in 2002-03 to assist unemployed Comprehensive Social Security Assistance (CSSA) recipients?

Asked by : Hon. LEE Cheuk-yan

Reply : In addition to an Active Employment Assistance Programme operated by the Department, various employment assistance programmes run by non-governmental organisations on project-based funding are provided to able-bodied CSSA recipients in the unemployment, low earnings and single parent categories. These include IEAF projects and Special Job Attachment Programme projects. In 2002-03, the IEAF projects will be able to serve a total of 4 850 target CSSA recipients. Among these places, 3 500 came from the 13 projects of the first round allocation of the Fund, and another 1 350 places are from eight projects of the second round allocation.

Besides, NGOs running the Special Job Attachment Programme will also provide job attachment opportunities and a series of job related services to 1 070 unemployed CSSA recipients.

Signature	_____
Name in block letters	Mrs Carrie LAM
Post Title	Director of Social Welfare
Date	11 April 2002

