

Legislative Council Panel on Welfare Services

Re-engineering Community Support Services for Elders

Purpose

The purpose of this paper is to update Members on the development of new integrated elderly day projects launched from 2001-02 and to seek Member's advice on a plan to re-engineer existing community support services for elders.

Background

2. The Health and Welfare Bureau commissioned the Centre on Ageing of the University of Hong Kong in 2000 to review the provision of community care and support services for elders living in the community, with a view to improving service integration, cost-efficiency and accessibility to elders. As observed by the consultants, over the past few decades, different types of elderly services have been developed at different time to meet the needs of the elderly living in the community. Over 400 separate service units, including multi-service centres (M/E), social centres (S/E), day care centres (D/E), and home help teams (HHT) under the administration of more than 100 NGOs are in operation throughout the territory. The consultants have observed a number of problems, namely service fragmentation, inadequate co-ordination, confusing and complex service boundaries, diseconomy of scale, large service gaps, service duplication and system rigidity, etc. To address these problems, the consultants have specifically recommended integration of the various elderly service components to form a larger service unit and where opportunities arise, integration of community elderly services with other welfare services such as family and youth as well as with health services.

Recommendations are also put forward for improving the role and functions of S/Es and M/Es to better respond to the needs of the elderly living in the community.

3. The Administration agrees with the consultants that the current community elderly care infrastructure is fragmented and we should put in place a planning and care service infrastructure that is responsive to the changing needs of elders and facilitates flexible use of manpower and resources. The Elderly Commission and the Legislative Council Panel on Welfare Services had endorsed in their meetings respectively held on 22 April 2001 and 14 May 2001 the recommendation to develop integrated care facilities and services for elders.

4. In implementing the recommendations of the Consultancy Study, we have adopted a strategy of leveraging with *new* planned community services projects for elders. The intention is to encourage NGOs running existing community care and support services to come up with proposals for operating those new service units that would achieve synergy and collaboration with their own elderly service units or with other agencies' units in the vicinity. No concrete plan has been drawn up to rationalise or re-engineer all existing elderly centres¹. This is partly because the consultancy was conducted and completed at a time when there was, in the words of the consultants, "a general suspicion and the lack of trust (amongst the service operators and service users) towards the intention of the Government". Against this backdrop and amidst other welfare reform, we consider it more prudent to adopt a gradual approach.

Development of the new integrated elderly projects

5. Since acceptance of the Consultancy Study recommendations, the Social Welfare Department (SWD) has launched a total of 15 new *integrated* elderly day projects over the territory. They include projects of day care centres with varied capacities of 20, 40 and 60 places to meet different district demands, district elderly community centres (DECCs),

¹ There are in existence 213 S/Es, 35 M/Es (excluding home help service) and 35 D/Es in traditional form. The total subventions for these services amount to \$443 million in 2001-02.

neighbourhood elderly centres (NECs), and provision of sub-base for existing S/Es or M/Es. A list of these projects is at the Annex.

6. To facilitate rationalisation of services, despite a general policy direction to subject elderly services to competitive bidding open to the private sector, all the invitations of proposals for operating new community elderly services to date are confined to non-governmental organisations (NGOs), normally those operating elderly services of day or residential services in the locality of the projects. The selection is based on fixed price quality assessment. Not only are the agencies expected to integrate the new projects with their existing service units and adopt a flexible use of manpower and resources, they are also required to form strategic alliance with local stakeholders such as medical and health care professionals, welfare agencies, local organisations, schools etc. to provide a holistic care and support to elders and their family members.

7. The vetting process of the proposals is open and transparent. The Department has invited external members such as medical practitioners and related professionals who have knowledge in elderly care to each of the Vetting Committees to give their expert advice and comments on the proposals. We are delighted to note that the proposals submitted by NGOs are of high quality with offers of value-added and innovative service components, examples of which are as follows --

- (a) collaboration with the tertiary institutes to conduct evaluation on the effectiveness of the project;
- (b) alliance with private elderly care homes in the locality to provide residential respite service to needy elders;
- (c) integration of day care centre service with agency's multi-service centre for the elderly or home help teams to provide one-stop services for elders and their carers; and
- (d) provision of extra services to the elders e.g. dental care, clinical psychological service, information technology (IT) corner, home modification service to day care centre users,

visits by private medical practitioner to elders of day care centres etc.

Briefing and debriefing sessions are held for each exercise and results are clearly communicated to the participating agencies. By and large, we believe that we have struck a right balance between competition and co-operation.

8. In addition to these new integrated community service projects, we have plans to integrate day care services into new residential care homes for the elderly (RCHEs) wherever the care facilities are practicable and with proven service demand in the districts. Projects in hand include the RCHEs in Tsz Ching Estate (which will also accommodate a 20-place day care unit) in Wong Tai Sin District, Tak Tin Estate (which will also accommodate a DECC and a 20-place day care unit) in Kwun Tong District and Fu Cheong Estate (which will also accommodate a 20-place day care unit) in Sham Shui Po District all of which are targeted for competitive bidding in 2002-03. The integration of day service in elderly homes has two advantages. It will improve accessibility to day care services and reduce the commuting requirements necessitated by the limited number of day care centres in each district. It will also facilitate extension of service hours of the day services. Similarly, the requirement of elderly homes to provide respite and carers support services will also improve accessibility to these services.

9. Looking beyond the welfare sector, we are actively exploring with the Department of Health on identifying a new project for co-location of elderly health facilities and community elderly services.

Re-engineering plan of community support services for elders

Drivers for Change

10. With the changes that have taken place in the welfare sector over the past two years, we consider it necessary to re-visit the strategy to implement the consultants' recommendations as mentioned in paragraph 4 above. These recent developments include --

- (a) the extensive implementation of Lump Sum Grant (LSG) since January 2001, which provides NGOs the ability and experience to manage their own resources. At present, 150 NGOs are operating on LSG. Together they account for 96% of total welfare recurrent subventions;
- (b) the strengthening of district co-ordination amongst service providers as a result of the SWD re-organisation which enhances the role of the Department's District Social Welfare Officers (DSWOs);
- (c) the successful experience of proposing and running integrated community support services for elders which increases agencies' readiness to change and confidence to manage change;
- (d) the overall fiscal stringency which means that service operators are eager to address any diseconomy of scale in their current operations with a view to improving their financial position;
- (e) the impact created by the Elderly Commission's Healthy Ageing Campaign which gives the sector the drive for expanding the functions of their existing service units; and
- (f) the extensive integration of services that has taken place in the family and youth setting².

11. On the other hand, the introduction of the Enhanced Home and Community Care Services (EHCCS) has proven to be an effective mode in meeting the needs of the frail elders residing in the community. This has accelerated the need to review the existing HHTs. SWD has secured

² In April 2002, 15 pilot Integrated Family Services Centers (FSCs) were set up through transformation of existing FSCs and strategic alliance, in line with the recommendations of a consultancy undertaken by the HKU team completed almost a year later than the elderly consultancy. In the youth area, a blueprint has been mapped out for re-engineering the traditional, fragmented youth services into Integrated Teams (the number will increase from 64 in 2001-02 to 128 by 2003-04) and rationalizing existing outreaching services into district outreaching teams.

additional resources in 2002-03 to upgrade at least half of the 139 existing HHTs to better meet the needs of the frail elders.

12. Separately, in light of declining funds raised by the Community Chest (the Chest) due to the economic downturn, the Chest has planned to reduce its total annual allocation to member agencies from \$180 million to \$120 million within a couple of years. Specifically, the Chest has indicated that elderly services would be an area targeted for funding withdrawal on the grounds that these are subvented services and the Chest's allocation is a mere "topping up"³. The Chest has conveyed to the Director of Social Welfare such an intention and hoped that SWD would come up with alternative arrangements to assist the concerned NGOs to face this eventuality.

13. The annual amount of the Chest's allocation to S/Es and M/Es of their member agencies is about \$27 million, made up of 89 S/Es amounting to \$14.4 million and 20 M/Es and 1 integrated service centre amounting to \$12.6 million as at 2001-02 price level. However, more than half of existing S/Es and some ten M/Es run by NGOs that are not the Chest's member agencies are meeting the shortfall through their own sources. If the Department were to devise alternative arrangements to address the funding shortfall of S/Es and M/Es, we do not think that we should draw a distinction between Chest members and non-Chest members who might likewise be facing similar problems in fund raising under the current economic climate. We estimate that full subvention to all M/Es and S/Es would require an additional annual injection of \$62 million by SWD.

Turning adversity into opportunity

14. Given that there is a readiness for change and better trust between SWD and NGOs in the welfare sector, we would like to implement

³ Under previous subventions policy, welfare services were classified into Category I and Category II. Only services under Category I would be provided with full subvention. S/Es and M/Es are Category II services and accordingly are subvented at 80% of the standard cost. To be exact, in respect of M/E, only the social and recreational component is subvented at 80% and the administration and miscellaneous component at 85%. Its home help and support team components are fully subvented.

a plan to rationalize and re-engineer the wider spectrum of community support services for elders including all existing S/Es, M/Es, home help, home care and meal services⁴.

15. We appreciate that given the Chest's withdrawal of funding to S/Es and M/Es and the Enhanced Productivity Programme (EPP) gains that have been delivered (2002-03 being the final year of the three-year EPP plan), it would be very difficult for NGOs concerned for the proposed re-engineering exercise to be undertaken on a cost-neutral basis. We therefore propose to leverage with the new and existing resources available to SWD for improving elderly community services to prime pump this exercise.

Guiding principles in re-engineering community support services

16. On re-engineering existing community support services for elders, we have drawn reference to recommendations of the two consultancy studies, namely, "Study of the Needs of Elderly People in Hong Kong for Residential Care and Community Support Services" conducted by Deloitte Touché Tohmatsu International in 1997 (Deloitte Study) and the above-mentioned Consultancy Study on the Review of Day Care Centres, Multi-service Centres and Social Centres for the Elderly and Development of Integrated Care Service for Elders by the Centre on Ageing in 2000 (HKU Study). The guiding principles to be adopted are as follows --

- (a) the re-engineering should be driven by the needs of users, not the providers. Sensitivity to the service needs of elders based on demographic mix and geographical spread should be taken into full consideration. District-based planning should be practised;
- (b) M/Es should be developed into DECCs with expanded functions and S/Es should be developed into NECs with expanded functions based on recommendations in the HKU Study;

⁴ Home care and meal services were contracted out as an alternative to traditional home help teams in 1999 and 2000. These contracts will expire by end March 2003.

- (c) accessibility to users should be maintained and enhanced, and continuity of service provision to users should be upheld;
- (d) more efficient use of resources should be considered;
- (e) rationalisation of service boundaries should be encouraged as far as possible and serious service duplication should be addressed; and
- (f) service operators should be allowed to opt for change. In other words, a bottom-up rather than top-down approach should be adopted. If the agencies concerned could reach mutual agreement between themselves in forming strategic alliances or swapping service units across districts to achieve better synergy and economy of scale, these initiatives should be welcome.

By drawing reference to the above principles and the resources available, we would like to propose the following planning parameters for each type of service:

Re-engineering of S/Es

17. There are 79 agencies operating 213 S/Es. We will invite them to consider transforming into NECs to perform the following expanded functions --

- (a) educational and developmental services
- (b) volunteer mobilisation
- (c) outreaching and networking
- (d) health education and healthy lifestyle promotion
- (e) serving mildly frail elders
- (f) mini-canteen
- (g) information and referral centre
- (h) counselling
- (i) carer support

18. We are prepared to allocate additional resources for

community care and support services for elders, which will also be deployed to facilitate the evolution of S/Es into NECs with expanded functions but these are unlikely to make up in full the current shortfall in subvention to these centres. This re-engineering process will enable the service operators to re-deploy resources to partly meet the shortfall arising from the Chest's withdrawal of funding. The exact amount of additional funding would depend on the final outcome of the various re-engineering proposals received. For example, if some districts with an over concentration of S/Es and duplication in boundaries could be closed as part of the re-engineering, this would improve the overall financial situation of the plan. For those S/Es relying on the Chest for funding, any remaining outstanding shortfall arising from the Chest's withdrawal will have to be met by the agencies through fund-raising and other channels.

19. We are aware that amongst the current S/E operators, 24 agencies are single-service NGOs operating one to two S/Es. Among these single-service NGOs, six are Chest members and they are operating eight S/Es. They are standing alone with limited resources to manoeuvre.. We have requested the Chest to consider these cases sympathetically if the Chest's withdrawal would mean severe impact on the service or staff concerned.

Re-engineering of M/Es

20. There are 18 NGOs operating 35 M/Es. We may consider re-engineering existing M/Es to DECCs, providing one-stop and community-based support to elders in the catchment and serves as the co-ordinator of elderly services at the sub-district level, complementing the role of SWD's DSWOs. We will invite M/Es to deliver expanded functions similar to those performed by the new DECCs so as to address the needs of both healthy and frail elders, carers and the community at large. These expanded functions include --

- (a) co-ordination role
- (b) support role
- (c) case management
- (d) community education

- (e) carer support
- (f) linkage with health services

21. If the M/Es are ready and willing to revamp as DECCs, SWD will be prepared to deploy additional resources to assist them in the evolution process. Again, these are unlikely to make up in full the current shortfall in subvention to these centres. For those M/Es relying on the Chest for funding, any remaining outstanding shortfall arising from the Chest's withdrawal will have to be met by the agencies through fund-raising or other channels.

Upgrading of home help teams

22. The 2001 Policy Address on 'Care for Elders' pledged that a minimum of 70 home help teams (HHTs) will be upgraded in 2002-03 in order to provide enhanced care services to the frail elders living in the community. SWD will allocate additional resources for upgrading these teams for them to serve a certain number of frail and disabled clients of moderate and severe impairment level. Our intention is to invite upgrading/expansion amongst existing HHTs at a pre-determined unit cost for each EHCCS case to be taken on by the team. The scope of services should be similar to those provided by EHCCS, so that the clients can choose to live in an environment they are familiar with for as long as possible. Another benefit of upgrading HHTs is the provision of one-stop services to cases ranging from no impairment to severe impairment, which actualises the concept of "continuum of care".

Re-vamping of home care and meal services

23. As at 28 February 2002, the total cases served by home care and meal teams amounted to 3 262. A projection of about 3 500 cases consisting of elders (88%), disabled (9%) and family (3%) cases will continue to receive services when the home care and meal contracts expire on 31 March 2003. A rough estimation indicates that about 880 elders and disabled persons using home care service are suffering from moderate and severe impairment levels.

24. Although home care teams are obliged to strengthen home care and nursing care services to needy clients, the scope of service is still limited since they neither provide centre-based service such as day care programme, nor address the clinical issues of frail elderly clients.

25. As a matter of fact, these home care and meal teams procured through contracts and tendering were stop-gap measure in 1999 when the implementation of the various welfare subventions reforms was uncertain. In order to provide holistic care and support to clients, home care and meal teams should be re-vamped. One alternative is to invite existing HHTs with their established infrastructure and catchment area to take over cases being served by home care and meal teams in the nine contract districts through upgrading and in-situ expansion. The invitation may also be extended to all existing home care contractors although all except one are in fact providers of HHTs, albeit not in the same district. As for districts without home care and meal teams, namely Central & Western, Eastern & Wan Chai, Yau Tsim Mong and Tuen Mun, the HHTs may also seek upgrading to undertake some EHCCS cases or in situ expansion to increase capacity to serve elders without impairment. Additional resources will be allocated to these expanded HHTs (which may at the same time apply for upgrading to undertake some EHCCS cases) to provide a well co-ordinated package of home and community care services according to individual care needs. Taking advantage of the economy of scale and this being an in situ expansion, the additional resources to be made available for doing more HHT cases would be modest. This would also help to thin out the unit cost of each home help/meal case, which has been the concern leading to the 1999 contracting out exercise.

Consultations

26. We consulted the Elderly Commission (EC) at its meeting held on 13 June 2002 and have received the Commission's full support of our proposals to re-engineer community support services for elders. Some Members were of the view that the process should be conducted with full co-operation between the Department and the NGOs concerned and as such, suggested that the Department should initiate early discussions with the sector. Also, more time should be allowed for individual NGOs to draw

up their own plans for rationalising their services. Others proposed that the opportunity should be taken to develop more self-help services and programmes by the elders themselves. For example, where some under-utilised social centres for the elders had to be closed, consideration could be given to allowing elders to manage these premises to run various programmes for their peers.

27. After the EC meeting, the Department has conducted a series of sharing sessions with the Hong Kong Council of Social Service (HKCSS), which has put forward some initial proposals for the re-engineering work, and with groups of NGOs involved in the delivery of community elderly services. On 25 June 2002, the Director of Social Welfare personally conducted a briefing session for the NGOs concerned, attended by about 100 agency heads and elderly service co-ordinators. We have received encouraging feedback from NGOs and achieved a general consensus that the exercise should be conducted with mutual respect and understanding. The common concerns are practical issues such as the level of additional funding to be provided by SWD, the scope for re-engineering, the requirements of the new Funding and Services Agreement, etc. Smaller single-service NGOs are concerned about their ability to rationalise or pool resources with their limited operation. We undertook to consult further and provide clear guidelines to assist NGOs in putting together rationalisation proposals.

Timetable of the re-engineering plan

28. The Social Welfare Department will hold briefings for the concerned NGOs and issue the guiding principles and parameters for this exercise in July /August 2002. NGOs will be required to submit detailed proposals working amongst themselves and with SWD's DSWOs by October / November 2002. We have invited the HKU consultancy team to provide continued advice to this exercise. We would reduce the need for detailed vetting of agencies' proposals as far as possible. Our aim is to announce the results in December 2002 / January 2003 so that the expanded and new services may commence in February 2003 to ensure a smooth transition of the home care and meal teams clients to the upgraded / expanded teams before expiry of contracts by end March 2003.

Advice sought

29. Members are requested to note the development of new integrated elderly projects and provide comments on the proposed re-engineering plan of community support services for elders.

Social Welfare Department
June 2002

New Elderly Day Service Projects from 2001-02 onwards

No.	Name of Project	District	Target Operation Date	Service Operator	Examples of innovative proposals of the successful bids
1.	Tung Chung Area 30 & 31 Integrated Service Project [M/E cum 20-place DCU integrated with family and youth services]	Island	October 2001	Neighbourhood Advice-Action Council	<ul style="list-style-type: none"> • An integrated mode to provide services for youth, elderly and family through flexible use of premises, manpower and resources.
2.	Ka Wai Man Road (40-place D/E)	Central & Western	March 2002	Sheng Kung Hui Welfare Council	<ul style="list-style-type: none"> • Alliance with Fung Yiu King Hospital for medical support, e.g. tele-medicine system, early medical appointment at Elderly Assessment Clinic. • Additional clinical outcome indicators, e.g. control of infectious diseases, management of nutrition and incontinence, etc.
3.	Tseung Kwan O Area 22 (DECC cum 20-place DCU) [integrated with RCHE]	Sai Kung	March 2002	Sheng Kung Hui Welfare Council	<ul style="list-style-type: none"> • To conduct risk assessment and home modification for elders of day care unit to facilitate ageing in place.
4.	Austin Road West, Tsim Sha Tsui (Sub-base for S/E)	Yau Tsim Mong	March 2002	Yang Memorial Methodist Social Service	<ul style="list-style-type: none"> • Dental service at the sub-base • 2 places of day respite service at the allied day care centre for the elderly • Clinical psychological service for elders in need.

No.	Name of Project	District	Target Operation Date	Service Operator	Examples of innovative proposals of the successful bids
5.	Fortune Estate (20-place D/E)	Sham Shui Po	June 2002	Hong Kong Christian Service	<ul style="list-style-type: none"> • Rationalization of S/E service in So Uk Estate: <ul style="list-style-type: none"> ➤ HKCS takes the project premises to re-provision one S/E whose service boundary is overlapping with another S/E. ➤ the vacated S/E premises is used to operate the D/E. ➤ the D/E provides 4 additional places on top of 20 places. • Integrate with its own home help teams to provide meal service and staff support.
6.	Belcher Gardens (20-place D/E)	Central & Western	June 2002	Po Leung Kuk	<ul style="list-style-type: none"> • PLK operates the D/E in its Chan Au Big Yan Home for the Elderly (a care and attention home) in the vicinity. • The project premises at Belcher Gardens will provide health education, carer support service and volunteer mobilization, etc.
7.	Choi Hung Estate (20-place D/E)	Wong Tai Sin	August 2002	Yang Memorial Methodist Social Service	<ul style="list-style-type: none"> • The 20-place D/E will integrate with its own M/E within the same estate. • Social work support and nursing care service can be shared between the 2 units.
8.	Lok Wah Estate (60-place D/E)	Kwun Tong	September 2002	Hong Kong Christian Service	<ul style="list-style-type: none"> • The D/E will integrate with its own M/E nearby.

No.	Name of Project	District	Target Operation Date	Service Operator	Examples of innovative proposals of the successful bids
					<ul style="list-style-type: none"> The centre has allied with HK Chinese Women’s Club Madam Wong Chan Sook Ying Memorial Care and Attention Home for the Aged to provide extra places of respite service on Sundays and public holidays. The D/E also provides meal service for elders in the community.
9.	Chung On Estate (NEC)	Sha Tin	August 2002	Evangelical Lutheran Church Social Service – HK	<ul style="list-style-type: none"> Agency will integrate the 3 new units with its existing M/E and self-financing D/E in Sha Tin.
10.	Yu Chui Court (NEC)		August 2002		<ul style="list-style-type: none"> Agency has developed extensive networks with medical sector and local stakeholders (such as private aged homes, residents’ committees in Ma On Shan and District Council members) to provide holistic care to elders, carers and community.
11.	Kam Tai Court (DECC cum 20-place DCU)		November 2002		<ul style="list-style-type: none"> It also allies with CUHK to perform a service evaluation study.
12.	Man Nin Street (Sub-base for S/E)	Sai Kung	December 2002	Caritas – Hong Kong	<ul style="list-style-type: none"> 6 places of centre-based day respite service will be provided for needy elders. The centre will also provide outreach service to elders living in rural area of Sai Kung.
13.	Tin Yuet Estate (NEC)	Yuen Long	November 2002	Invitation of proposals issued on 10 May 2002	<ul style="list-style-type: none"> 18 proposals for the 3 projects received.
					<ul style="list-style-type: none"> Vetting Committee meetings to be held in August 2002.

No.	Name of Project	District	Target Operation Date	Service Operator	Examples of innovative proposals of the successful bids
14.	Fu Tai Estate (NEC)	Tuen Mun	November 2002		
15.	Shan King Estate (DECC cum 20-place DCU)	Tuen Mun	March 2003		

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