## 立法會 Legislative Council

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## **Panel on Health Services**

## Minutes of special meeting held on Tuesday, 5 November 2002 at 2:30 pm in Conference Room A of the Legislative Council Building

**Members** : Dr Hon LO Wing-lok (Chairman)

**Present** Hon Michael MAK Kwok-fung (Deputy Chairman)

> Hon Cyd HO Sau-lan Hon CHAN Kwok-keung Hon CHAN Yuen-han, JP

Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP

Hon Andrew CHENG Kar-foo

**Members** : Hon Albert HO Chun-yan **Absent** 

Dr Hon YEUNG Sum

Dr Hon LAW Chi-kwong, JP Dr Hon TANG Siu-tong, JP

Hon LI Fung-ying, JP

**Members** : Hon Fred LI Wah-ming, JP Hon NG Leung-sing, JP **Attending** 

> Hon Andrew WONG Wang-fat, JP Hon Emily LAU Wai-hing, JP Hon TAM Yiu-chung, GBS, JP

Hon Henry WU King-cheong, BBS, JP

Hon WONG Sing-chi

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**Public Officers**: Dr E K YEOH, JP

**Attending** Secretary for Health, Welfare and Food

Dr William HO, JP

Chief Executive, Hospital Authority

Dr Constance CHAN

Assistant Director of Health

Mr Eddie POON

Principal Assistant Secretary for Health, Welfare and Food

Mr Nicholas CHAN

Assistant Secretary for Health, Welfare and Food

**Clerk in** : Ms Doris CHAN

**Attendance** Chief Assistant Secretary (2) 4

**Staff in** : Miss Mary SO

**Attendance** Senior Assistant Secretary (2) 8

## I. Briefing by the Secretary for Health, Welfare and Food on the restructuring of fees and charges for public health services

Before inviting the Secretary for Health, Welfare and Food (SHWF) to brief Members on the restructuring of fees and charges for public health services, the Chairman asked what the Administration would do if Members did not support the new arrangements. SHWF responded that he could not give an answer to a hypothetical question. However, the Administration would give careful consideration to any strong views raised by Members about the new arrangements.

- 2. <u>SHWF</u> then proceeded to give a power point presentation on the restructuring of fees and charges for public health services, details of which were set out in the relevant Legislative Council (LegCo) Brief tabled at the meeting.
- 3. Mr TAM Yiu-chung asked whether consideration would be given to granting all elderly who were not recipients of Comprehensive Social Security Assistance (CSSA), say, those aged 60 or 65 and above, partial or full exemption

of public medical fees.

- 4. <u>SHWF</u> responded that there was no need to grant all elderly not on CSSA partial or full exemption of public medical fees as not all of them had difficulty in paying the fees. Moreover, the Hospital Authority (HA) already had a fee waiver system in place for non-CSSA low income groups, chronic patients and elderly with limited income/asset to apply for partial or full fee exemption. To ensure the Government's fundamental philosophy that no one would be denied adequate medical care due to lack of means would be upheld after the revamp of the fee structure and that the fee revision would not impact disproportionately on low income groups, the existing non-CSSA mechanism would be maintained and further enhanced into a medical fee assistance scheme. In determining a patient's eligibility for exemptions, factors like financial condition, clinical condition, age and other social factors would be considered under the new scheme.
- 5. Responding to Mr TAM's further enquiry as to whether the medical fee assistance scheme would operate like the CSSA Scheme in that patients would not need to apply for financial assistance every time they needed to use HA service, <u>SHWF</u> said that the Administration was also thinking along this line.
- 6. Mr Andrew CHENG and Miss CHAN Yuen-han were of the view that given the current economic downturn, the introduction of the new \$100 charge for accident and emergency (A&E) service should be postponed from 29 November 2002 to 1 April 2003 when the new medical fee assistance scheme would come into operation. Mr CHENG further asked the following questions -
  - (a) Whether the reason for introducing the new A&E charge was to address the deficit problem; and
  - (b) Why the elderly were refused entry to the compound of the Central Government Offices (CGO) that morning to hand in their petition letters to Executive Council (ExCo) Members on the fees revision for public health care services, whereas people from the entertainment business were allowed to hold a public meeting inside the CGO compound on 4 November 2002 with the Secretary for Commerce, Industry and Technology attending.
- 7. <u>SHWF</u> responded that there was no need to postpone the introduction of the new A&E charge to 1 April 2003 to tie in with the implementation of the medical fee assistant scheme, as the existing fee waiver system was adequate to help patients who could not afford the A&E fee. The reasons being that firstly, not everyone would need to use A&E service, which was designed for patients in emergency and life-threatening conditions. Secondly, CSSA recipients would

continue to be exempted from the A&E charge. Thirdly, patients who had difficulty to pay the A&E fee could seek financial assistance from the medical social workers (MSWs) under the existing fee waiver system. And fourthly, patients who might use more A&E service, namely, chronic patients and the elderly with low income, had already been granted exemption from paying public medical fees either partially or in full and such exemption would also cover the A&E fee. SHWF assured members that treatment would be given to patients regardless of whether they had paid the A&E fee.

- 8. SHWF clarified that fees revision of public health care services was not meant to address the deficit problem. The idea was conceived several years ago, when the deficit problem had not vet emerged, to ensure the long-term financial sustainability of the public health care system. As to Mr CHENG's second question, SHWF explained that it was the Government's practice that individuals and groups would not be allowed to enter the CGO compound during working days for public meeting/procession to prevent disturbance to the offices located there. However, an area outside the CGO West Gate near Battery Path had been designated as a public activity area to stage petitions or demonstrations during working days. Furthermore, special arrangements had been put in place for ExCo meetings held on Tuesday mornings. In general, groups gathering at the public activity area outside the CGO West Gate would each be allowed to send two representatives to the designated area outside the main entrance of the CGO Main Wing to voice their opinions or hand in their petition letters to ExCo Members direct. For instance, he himself had personally received several petition letters from the elderly that morning.
- 9. Both Mr Andrew CHENG and Miss CHAN Yuen-han said that they could not support the fees revision unless more information on the eligibility criteria of the medical fee assistance scheme was provided by the Administration. As the Panel would next meet on 11 November 2002, the Chairman requested the Administration to provide more information on the fee wavier system then. SHWF agreed.
- 10. Mrs Sophie LEUNG expressed support for the implementation of the new A&E charge on 29 November 2002 and the revised fees and charges for hospital services on 1 April 2003, which was integral to ensuring the long-term financial sustainability of the public health care system. Mrs LEUNG requested the Administration to give an assurance that it would make adjustments to the fee waiver system and other mechanisms, where appropriate, so that no one would be denied adequate medical care after the revamping of the fee structure. SHWF assured members that this would be done.
- 11. Ms Cyd HO and Ms Emily LAU expressed support for revamping the fee

structure to target public resources to patients most in need, but were disappointed that the Administration had failed to provide a second safety net to assist those who had insufficient earnings or who had difficulty to pay for even the highly subsidised services because of serious or chronic illnesses. To prevent the occurrence of a situation of a non-CSSA person in emergency conditions refraining from using A&E service, Ms HO asked whether consideration could be given to exempting low income groups, chronic patients, the disabled and elderly not on CSSA from the new A&E fee. Ms HO also asked whether the additional revenue generated from the revised fees and charges could be kept by HA.

- 12. <u>SHWF</u> responded that it would not be a prudent use of public resources to waive low income groups, chronic patients, the disabled and elderly not on CSSA from paying the A&E fee across the board, as not every one of them had difficulty to pay the fee. Moreover, these patients could apply for assistance from MSWs if they had difficulty in paying the public medical fees, including the A&E fee. SHWF further said that the new medical fee assistance fee scheme would be a more simplified and user-friendly version of the existing fee waiver system. Some of the suggestions being considered for the new scheme were that applicants did not have to apply for assistance from MSWs every time they needed to use a different HA service and that patients aged 65 and above would only need to undergo a simple income and assets test. On the question of whether the additional revenue generated from the revised fees and charges could be kept by HA, <u>SHWF</u> said that all income received by HA was kept by HA. The question was whether the Government would deduct its funding to HA in proportion to the additional income received by HA from the revised fees and charges, and no decision in this regard had been reached.
- 13. Mr WONG Sing-chi was of the view that the Administration should, instead of imposing a \$100 charge for A&E service, strengthen its general outpatient (GOP) service and specialist out-patient (SOP) service so that patients determined not to be in emergency conditions by triage nurses at the A&E Department of a public hospital could be asked to go the GOP or SOP clinics nearby. Mr WONG asked SHWF whether he would step down from office if a patient died because he/she refrained from using A&E service for lack of means.
- 14. <u>SHWF</u> responded that if stepping down from office could solve the problem, he would gladly do so. <u>SHWF</u> pointed out that reasons for patients refusing to seek medical treatment were complex, and he requested Mr WONG to provide evidence to support his saying that a patient in emergency conditions would refrain from using A&E service for lack of means. <u>SHWF</u> reiterated that no one would be denied adequate medical care for lack of means. HA would step up its efforts to apprise non-CSSA patients that they could apply for partial or full exemption from public medical fees if they had difficulty in paying the fees.

- 15. On the suggestion of asking A&E patients not in emergency conditions to use GOP/SOP service, SHWF said that this would not be workable as evidenced by the failure of the United Christian Hospital and Kwong Wah Hospital in luring such patients to use their GOP clinics. Moreover, it would not be reasonable to put the responsibility on frontline staff in determining which A&E patients to turn away in order to force these patients to use GOP or SOP service. To his knowledge, A&E staff would also not agree to such an arrangement which would invariably create numerous conflicts with patients. SHWF added that international studies revealed that most developed economies imposed a user charge for A&E service and that there was no evidence that such a charge would lead to delayed health seeking by patients or higher eventual costs due to delayed treatment.
- 16. Mr Fred LI said that the findings of the three tracking surveys commissioned by the Administration, which indicated majority support for charging \$100 for A&E service, were no longer valid as these surveys were conducted some 18 months ago when the economy was not as bad as now. Mr LI pointed out that a survey conducted by the Democratic Party last month showed that a majority of the respondents opined that the new A&E charge should be in the range of \$40 to \$50. In the light of this, Mr LI was of the view that the Administration should commission another tracking survey to assess the degree of public acceptance of fee increases before implementing the new A&E charge. He shared the view that the new A&E charge should be postponed since the new medical fee assistance scheme was not in place. Mr LI further said that if the imposition of the A&E charge was not to address the deficit problem, there was no need to implement it on 29 November 2002 for the reasons given. Moreover, the Administration had never consulted the Panel on the matter.
- 17. <u>SHWF</u> responded that he did not see the need to commission another tracking survey to assess the degree of public acceptance of the new A&E charge, as the findings of the three tracking surveys conducted in May 2000, January 2001 and May 2001 respectively consistently indicated majority support for charging the use of A&E service at \$100 per attendance. <u>SHWF</u> reiterated that there was no need to postpone the implementation of the new A&E charge for the reasons given in paragraph 7 above. <u>SHWF</u> further said that the Administration had all along kept LegCo Members informed about its intention to charge a fee for A&E in the region of \$90 to \$150 in reply to questions at Council meetings and in this Panel.
- 18. <u>Mr Michael MAK</u> declared that he was an HA employee. <u>Mr MAK</u> expressed support for the new charge A&E and did not see the need to postpone its implementation to 1 April 2003. <u>Mr MAK</u>, however, expressed doubt as to whether the new A&E charge could reduce misuse of A&E service, since the fee

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was generally affordable and many people would treat the A&E Department as a GOP clinic. In the light of this, Mr MAK asked about the measures which would be taken by HA to ensure that the implementation of the new A&E charge could achieve its desired effect of reducing misuse of A&E service. Mr MAK further asked about the Administration's position on introducing a Health Protection Accounts (HPA) scheme, and the reason for levying a charge of \$10 per drug item for medication prescribed at the SOP clinics. Mr MAK shared members' concern that some people in emergency conditions might refrain from using A&E service when it was no longer free of charge, and urged the Administration and HA to step up efforts to apprise patients that no one would be denied adequate medical care for lack of means, and that they could apply for partial or full exemption from public medical fees if they had difficulty in paying the fees.

- 19. SHWF reiterated that both the Administration and HA would step up efforts to apprise patients that no one would be denied adequate medical care for lack of means, and that they could apply for partial or full exemption from public medical fees if they had difficulty in paying the fees. SHWF further said that the Administration was currently examining the feasibility of introducing a medical savings scheme to ensure the long-term financial sustainability of the public health care system, and should be in a position to report to members on the outcome in the latter half of 2003. On charging SOP patients for medication, SHWF said that the objective of doing so was to discourage overuse and reduce wastage. SHWF pointed out that the lack of a charge for medications in the public health care system had given rise to wastage due to unnecessary requests for medication and poor compliance with medication intake instructions was not uncommon. To address these problems, almost all developed economies had some cost sharing mechanism on medications to discourage overuse and reduce wastage. As regards long term complementary measures, two Working Groups on Public/Private Interface, one on hospital services and the other on medical practitioners, had been established by the Administration in 2001 to explore ways to promote better collaboration between the public and private sectors.
- 20. <u>Ms Emily LAU</u> commended SHWF for coming to LegCo to brief Members on the fees revision of public health care services before announcing the matter to the media, and hoped that more Directors of Bureau would follow his example in this regard. <u>Ms LAU</u> also hoped that the Administration would not give different treatments to different people for using the CGO compound for public meeting/procession. <u>Ms LAU</u> then referred to a public survey which showed that the public were most satisfied with medical and health services. In addition to expressing the Frontier's concern about the impact of A&E charge on the four vulnerable groups, <u>Ms LAU</u> asked about the procedures for collection of unpaid A&E fees and the fee income written off by HA in the past three years.

Chief Executive, HA responded that upon registration for treatment at the 21. A&E Department of a public hospital, patients or their family members would be asked to pay the A&E fee. If the patients or their family members were unable to settle the payment immediately, a debit note would be issued to them for payment later. A leaflet introducing the fee waiver system for non-CSSA recipients would also be given to the patients or their family members upon the issuance of the debit note if they indicated that they had difficulty in paying the A&E fee. If a patient failed to pay the A&E fee afterwards and did not approach a MSW to seek assistance to settle the fee, HA would first telephone the person concerned or his or her family members to remind them to settle the outstanding payment. If the person concerned failed to settle the outstanding payment within two weeks thereafter, a fee collection letter would be issued. And if the person concerned still failed to respond to the collection letter within three weeks, a registered letter would be issued. All these procedures were in line with the existing procedures for other hospital charges. As regards the fee income written off by HA in the past three years, Chief Executive, HA undertook to provide the information.

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- 22. <u>The Chairman</u> asked about the amount of money which would generate from the fees revision, and whether the Administration planned to further reduce the level of subsidy to public health care services.
- 23. <u>SHWF</u> responded that based on econometric estimation, about \$350 million per annum would be generated from the revised fees, and this figure had already taken out the amount of fees which might be waived under the new medical fee assistance scheme.
- 24. <u>Ms Cyd HO</u> asked about the measures which could be taken by the Administration to prevent the situation of an insurance company only compensated its policyholders public hospital fees spent, which was tantamount to the Government subsidising the company. <u>SHWF</u> responded that as an insurance policy was a private contract between the policyholder and the insurance company, the Government was therefore not in a position to intervene with its terms and conditions.
- 25. Mr Michael MAK expressed concern that the workload of the staff of the A&E Departments of public hospitals would be increased as a result of the implementation of the new A&E charge, and asked about the measures which would be taken to alleviate their increased workload, say, by allowing patients to pay the A&E fee by Octopus card. Chief Executive, HA responded that the implementation of the new A&E charge would not impact on the workload of healthcare personnel, save that of the staff at the registration counter which should be minimal. Chief Executive, HA further said that HA would consider allowing

patients to pay the A&E fee by Octopus card.

26. As the Administration refused to postpone the implementation of the new A&E charge, Mr Andrew CHENG proposed the following motion which was submitted to the Chairman in written form -

「基於衞生福利及食物局未能就醫療收費減免措施提交完備機制,本會要求醫管局轄下公營醫院急症室服務的新收費由2003年4月1日才開始實施。」

- 27. <u>The Chairman</u> put the motion to vote. The motion was passed by a majority of members present at the meeting.
- 28. There being no other business, the meeting ended at 4:24 pm.

Council Business Division 2
<u>Legislative Council Secretariat</u>
19 December 2002