Report of the Task Force on Population Policy: Provision of Public Health Care Services

Purpose

This paper briefs Members on the recommendations relating to the provision of public health care services contained in the Report of the Task Force on Population Policy.

Background

2. The Task Force on Population Policy chaired by the Chief Secretary for Administration was set up in September 2002 to develop a population policy as pledged by the Chief Executive in his second Inaugural Speech in July 2002. The Task Force focused on analysing the demographic characteristics of the Hong Kong population, identifying the major challenges and concerns arising from these demographic trends, setting an objective which the population policy seeks to achieve and proposing a set of policy measures to be adopted in the short to medium term to achieve this objective.

Recommendations of the Task Force

3. The Task Force has reviewed the eligibility for use of subsidized public services in Hong Kong. At present, the Government heavily subsidizes many public services in Hong Kong. Because of rising public expenditure in providing various highly subsidized services, the implications for public finances have become an issue of major concern to the Government and the community. While some of the subsidized services such as public rental housing and social security benefits currently require applicants to meet a certain length of residence in Hong Kong, others do not. For public health care services, the heavily subsidized services are available not only to the general population, but also to the transient population,

•

including foreign domestic helpers, migrant workers and Two Way Permit holders who are spouses or children under 11 years of age of Hong Kong Identity Card holders. The Task Force considered that in developing the population policy, the opportunity should be taken to address this anomaly. In particular, there is a need to ensure that there is a rational basis on which our social resources are allocated, against our current austere fiscal situation when available resources are increasingly limited and demand is continually rising.

4. The Task Force considered that there is a strong case for removing the anomaly that exists in the eligibility criteria for major subsidized benefits in terms of length of residence, and for applying a uniform sevenyear residence rule for providing all heavily subsidized social services and public health care benefits. Eligibility based on a seven-year residence requirement reflects the contribution a resident has made towards our economy over a sustained period of time in Hong Kong. Recognising the considerable impact this policy would have on a large number of people in Hong Kong, including residents with less than seven years of stay in Hong Kong, One Way Permit holders and migrant workers, the Task Force proposes to initially apply the seven-year residence requirement to Two Way Permit holders and other visitors. This new arrangement will take effect from 1 April 2003. The Health, Welfare and Food Bureau will conduct an in-depth study to assess the impact of the policy on the rest of the affected population before considering when and how this policy would be applied in the longer term.

Impact of the Proposal

5. At present, visitors, including non-Hong Kong residents without close family link in Hong Kong, have to pay the full cost for use of public health care services. On the other hand, non-Hong Kong residents who are the spouses or children under 11 of Hong Kong Identity Card holders are eligible for subsidized public health care services. With effect from 1 April 2003, they will have to pay the full cost for use of public health care services. While we do not have statistics on the number of people thus affected, in terms of attendances, in 2001/02, there were 14 807 in-patient attendances (totalling 48 342 patient days) involving non-Hong Kong residents who were spouses of a Hong Kong Identity Card holder, and 15 896 in-patient attendances (totalling 71 863 patient days) involving non-Hong Kong residents who were children under 11 of holders of the

.

Hong Kong Identity Card. We estimate that about 35 000 attendances at facilities operated by the Department of Health involve this group of non-Hong Kong residents. Statistics on attendances by the affected population at specialist out-patient clinics and general out-patient clinics of the Hospital Authority are not available.

Advice Sought

6. Members are invited to <u>note</u> the content of this paper.

Health, Welfare and Food Bureau March 2003