

立法會
Legislative Council

LC Paper No. AS206/05-06

Ref: AM 12/01/19

**Subcommittee on Members' Remuneration
and Operating Expenses Reimbursement**

Provision of corporate insurance scheme for senior officers

Enquiries have been made with an insurance broker, and a statutory organization where medical benefits are provided to senior officers through a corporate insurance scheme. The following findings are worth noting -

- (a) The premium of a medical insurance scheme is generally affected by factors, such as the age, sex, habit and medical history, and number of persons to be insured.
- (b) Renewal premium may be fluctuated, subject to the claim ratio in the previous years.
- (c) It is common to exclude pre-existing medical conditions in a brand new policy without an established claim history. However, waiver of such conditions may be negotiated with the insurance company if the claim history has been low over a couple of years.

(In the insurance broker's quotation to the Secretariat, only pre-existing medical conditions receiving medical treatment within three months preceding the commencement date of a new member's coverage are excluded from insurance coverage, and in the case of the statutory organization, the pre-existing medical conditions for existing members have been waived in its latest policy on negotiation with the insurance company, after presenting its claim history).

- (d) The maximum age limit is normally 65 or below.
- (e) The cost of corporate insurance package for senior officers, which comprises out-patient benefits, hospitalization benefits, supplementary major medical benefits and dental benefits, ranges from \$8,000 to \$8,500 per head per annum, depending on the scope, terms and amount of coverage. Annual check-up plan, with an average cost from \$3,000 to \$4,000 per senior officer per annum, is usually not included in the package.

2. Taking into account the above, the financial implication of offering senior officers medical benefits similar to those in the civil service (as summarized in LC Paper No. AS205/05-06) will be in the range of \$11,000 to \$12,500 per head per annum, being the costs of the corporate insurance package and annual medical check-up plan mentioned in the preceding paragraph. The quotation in LC Paper No. AS207/05-06 generally illustrates the coverage of corporate insurance packages available in the market.

* * * * *

Legislative Council Secretariat
May 2006