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Panel on Health Services

Background paper prepared by the Legislative Council Secretariat

Hospital Fees and Charges -Non-eligible Persons

Purpose

This paper gives an account of the past discussion by the Panel on Health Services (the Panel) on hospital fees and charges for non-eligible persons (NEPs).

Background

2. Under the existing system of medical charges, only holders of Hong Kong Identity Card and children who are Hong Kong residents and under 11 years of age are entitled to use public medical services at heavily subsidised rates. NEPs are allowed to access public medical services in Hong Kong, but they are required to pay higher fees, which are set on a cost recovery basis.

3. Over the past two years, there has been a substantial increase in the number of non-residents accessing public medical services in Hong Kong. About 95% of such patients are female visitors from the Mainland and a large proportion of them use obstetric services in public hospitals. The number of non-resident Mainland women who gave birth in public hospitals in Hong Kong increased from 8 727 in 2002-03 to 12 293 in 2004-05. These women currently account for over 30% of live births in public hospitals.

4. As the fee level for NEPs is much higher, the amount of bad debts arising from cases of NEPs defaulting payment is also much higher. The amount of NEPS fees outstanding and written off by the Hospital Authority in 2002-03 and 2003-04 were \$21.9 million and \$59.5 million respectively, representing a default rate between 25% and 35%.

Previous discussion on possible measures to address the problem

5. At the meeting of the Panel on 13 December 2004, members' views were sought on a number of possible measures under consideration by the Administration to address the increasing use of public medical services by non-residents of Hong Kong. The possible measures included raising NEPs' charges at public hospital and clinics to above costs, introducing a minimum package charge for obstetric admissions, increasing the deposit for hospital admissions and imposing a surcharge on outstanding fees.

6. Members were very concerned that the increasing use of public medical services by NEPs had created very heavy pressure on the frontline staff of the obstetrics and gynaecology departments of public hospitals and agreed that it was necessary to address the problem. However, members expressed doubts about the effectiveness of some of the proposed measures, such as increasing medical fees and imposing a surcharge on outstanding fees. Members urged the Administration to explore other more effective measures, such as not to issue a birth certificate to a newborn or to forbid a defaulter from leaving Hong Kong until the relevant medical charges had been settled. Other suggestions included enlisting the assistance of Mainland authorities in recovering the outstanding fees and forbidding Mainland women in a late stage of pregnancy from entering Hong Kong unless they could produce proof of arrangements made for admission to private hospitals in Hong Kong.

7. Members shared the view that it would be necessary for the Health, Welfare and Food Bureau (HWFB) to collaborate with the Security Bureau (SB) in tackling the problems of an increasing number of Mainland women coming to Hong Kong for childbirth and bad debts arising from such cases.

8. The Administration responded that HWFB had been liaising with SB in tackling the problems in question. The Administration would need more time to carefully consider the legal implications of the suggested measures and legislative amendments would be necessary for their implementation. The Administration undertook to provide a progress report on the Administration's deliberations on these issues in due course.

Motion passed by the Panel

9. At the conclusion of the discussion, members unanimously supported a motion moved by Hon Mrs Selina CHOW that the Chief Secretary for Administration should set up an inter-bureau working group to address the problems brought about by non-Hong Kong residents coming to Hong Kong for childbirth.

10. In his letter responding to the request, the Administrative Assistant to the Chief Secretary for Administration pointed out that HWFB and SB had been

working closely together in addressing the problems and would continue to do so. The two Bureaux would also consult the Department of Justice as necessary. As such, the Administration saw no need for the proposed working group at this point in time.

Recent development

11. The Administration has provided a paper for discussion at the Panel meeting on 17 May 2005 to seek members' view on a new proposed minimum package fee for NEPs giving birth in public hospitals and a proposed revision of private service consultation fees (LC Paper No. CB(2)1530/04-05(05)).

Relevant papers

12. Members are invited to access the LegCo website (<u>http://www.legco.gov.hk</u>) to view the minutes of the meeting of the Panel held on 13 December 2004 and the paper provided by the Administration on measures to address the increasing use of public medical services by non-residents of Hong Kong (LC Paper No. CB(2)337/04-05(04)).

Council Business Division 2 Legislative Council Secretariat 13 May 2005