

Date: 23rd March, 2006

To: Panel on Health Service, Legislative Council of Hong Kong

From: Practising Estate Doctors' Association

Subject: Regulation of Health Maintenance Organizations (HMOs)

(1) Medical Practitioners in Hong Kong are bound by a very strict code of practice issued by the Medical Council which prevent them from advertising, canvassing and approaching companies or individuals to solicit business. This disadvantage is fully utilized by HMOs who can employ a big team of salespeople to help to expand their business. Most of us must have been disturbed by salespeople who approach us by phone or in the streets to sell their medical discount cards or medical insurance policies. Clinics operated by HMOs can put up gigantic, colorful signboards to attract clients. They can also advertise their service in newspapers and magazines.

We sincerely hope that some form of laws or regulations can be introduced so that HMOs and solo medical practitioners can compete fairly in the free market of HKSAR.

(2) HMOs in Hong Kong are engaging in fierce, cut-throat competition. It will be very hard for them to maintain a high quality of medical care with minimal charge to corporation or individuals. The public must be educated to select their medical plans carefully.

(3) To cut expenses, HMOs are starting to issue very harsh guidelines to urge their panel doctors to help them to maximize profits. This is very unfair to the panel doctors and their patients.

The public must demand more transparency in the operation of the HMOs.

(4) Most HMOs offer very limited choice of doctors and limited supply of medicine and paramedical services. The public must take note of these points in selecting their medical plans.

Sincerely,

Dr. Ling Chui Pui, Frank
Chairman
PEDA