

立法會
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(These minutes have been seen
by the Administration)

Panel on Health Services

**Minutes of special meeting held on Tuesday, 17 July 2007, at 8:30 am
in Conference Room A of the Legislative Council Building**

- Members present** : Dr Hon Joseph LEE Kok-long, JP (Chairman)
Dr Hon KWOK Ka-ki (Deputy Chairman)
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon CHAN Yuen-han, SBS, JP
Hon Bernard CHAN, GBS, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Dr Hon YEUNG Sum, JP
Hon Andrew CHENG Kar-foo
Hon Audrey EU Yuet-mee, SC, JP
Hon LI Kwok-ying, MH, JP
Dr Hon Fernando CHEUNG Chiu-hung
- Members attending** : Hon Emily LAU Wai-hing, JP
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat
Hon Alan LEONG Kah-kit, SC
Hon TAM Heung-man
- Members absent** : Hon Fred LI Wah-ming, JP
Hon LI Fung-ying, BBS, JP
Hon Vincent FANG Kang, JP
- Public Officers attending** : Items I & II
Mrs Ingrid YEUNG
Deputy Secretary for Food and Health (Health)

Item I only

Ms Ernestina WONG
Principal Assistant Secretary for Food and Health
(Health)

Dr Lily CHIU
Cluster Chief Executive (Kowloon West)
Hospital Chief Executive, Princess Margaret Hospital
Hospital Authority

Attendance by invitation : Item II only

Bauhinia Foundation Research Centre

Dr Donald LI
Convenor, Health Care Study Group

Dr Geoffrey LIEU
Consultant, Health Care Study Group

Professor Peter YUEN
Consultant, Health Care Study Group

Mrs Anna NGAI
Head, External Affairs

Mr Perry LOU
Manager, External Affairs

Clerk in attendance : Miss Mary SO
Chief Council Secretary (2)5

Staff in attendance : Ms Amy YU
Senior Council Secretary (2)3

Ms Sandy HAU
Legislative Assistant (2)5

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I. Further discussion on medical services in Tung Chung

(LC Paper Nos. CB(2)2064/06-07(01), CB(2)2381/06-07(04) and CB(2)2515/06-07(01))

Deputy Secretary for Food and Health (Health) (DSFH(H)) briefed members on the medical services in Tung Chung, including the existing services and the latest progress of the preparatory work for the planned North Lantau Hospital (NLH), details of which were set out in the Administration's paper (LC Paper No. CB(2)2381/06-07(04)).

Construction of NLH

2. Dr YEUNG Sum said that one of the biggest concerns of Tung Chung residents was the absence of accident and emergency (A&E) services in Tung Chung. Dr YEUNG pointed out that the nearest hospital for Tung Chung residents to get A&E services was the Princess Margaret Hospital, which generally required some 30 minutes travelling time to reach. Dr YEUNG asked whether NLH could be commissioned by phases in 2011-2012, as indicated by the Administration in its reply to an oral question raised by Hon WONG Kwok-hing at the Council meeting on 23 November 2005.

3. Principal Assistant Secretary for Food and Health (Health) (PAS/FH(H)) responded that when the Administration indicated in November 2005 that NLH would be commissioned by phases in 2011-2012, it was based on the premise that the hospital would be funded and constructed entirely by the Government and run by the Hospital Authority (HA). Since then, the Administration had also been exploring the feasibility of public-private collaboration for the NLH project. Although no concrete timetable for the early commissioning of the hospital by phases could be set at this stage due to the fact that no potential partner had yet been identified, 2011-2012 was still the target to strive at. According to past experience of the Government in entering a partnership with the private sector in the design, build, finance and operation of public facilities, it was believed that the some four to five years normally required for constructing and commissioning an acute hospital run by HA, after completion of site formation and obtaining funding from the Finance Committee of the Legislative Council, might probably be compressed if a public-private partnership (PPP) mode for the NLH project was adopted.

4. Responding to the Chairman's enquiry on the reasons for adopting a PPP mode in the NLH project, PAS/FH(H) said that this was to give the private sector, with the requisite expertise, an opportunity to participate in public service delivery on the one hand and reduce public expenditure on the other. PAS/FH(H) further said that the adoption of PPP mode in the construction and operation of public facilities, as well as in the provision of public services, was in line with international trend, and had been used by the Government on

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numerous occasions whereby win-win outcomes for all parties concerned had been achieved.

5. Mr WONG Kwok-hing said that the Administration should not renege on its undertaking to operate NLH by phases in 2011 and in full swing by 2012 in its reply to his oral question raised at the Council meeting on 23 November 2005.

6. Mr LEE Wing-tat said that the adoption of PPP mode for developing NLH should not be the reason for delaying the commissioning of the hospital by phases in 2011-2012. Ms Audrey EU expressed similar view. To address the imminent needs of Tung Chung residents for A&E care, Mr LEE requested the Administration to at least give an undertaking that A&E services would at least be provided at NLH by 2011-2012. Mrs Selina CHOW and Mr Andrew CHENG expressed support.

7. DSFH(H) responded that the Administration was optimistic about completing the construction of NLH in 2011-2012, albeit no concrete date on completing the construction of the hospital could be provided at this stage because planning was still underway. As mentioned earlier at the meeting, although the time that would be required for hammering out the details for implementing a PPP project was generally longer than a conventional project, the construction time of the former was often shorter than the latter.

8. On the early commissioning of A&E services at NLH, DSFH(H) said that the Administration would certainly look into whether, and if so, how NLH could be commissioned by phases to better serve the residents of Tung Chung. DSFH(H) further said that to merely set up an A&E department in NLH would not be useful, if other supporting medical facilities were not ready for operation.

9. The Chairman said that setting up a stand-alone A&E department in Tung Chung prior to the commissioning of NLH was not unprecedented. For instance, prior to its relocation to Ruttonjee Hospital, emergency care was provided by the A&E department in Tang Shiu Kin Hospital to residents of Hong Kong Island East before transferring them to Queen Mary Hospital for follow-up treatment where necessary. Mr Andrew CHENG concurred.

10. DSFH(H) responded that with the advancement in medical development, the setting up of a stand-alone A&E centre was no longer adequate. Moreover, the setting up of such might result in delayed proper treatment to patients requiring critical care which could only be aptly provided at an acute hospital.

11. Mr LEE Wing-tat remained adamant that the Administration should come up with a concrete timetable for developing the NLH. Mr LEE suggested that the Administration should set down a deadline for constructing and

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completing the NLH if it could not find a suitable private sector partner by a certain date.

12. Dr KWOK Ka-ki said that it was reported in the newspapers some time ago that half of the services provided by NLH would be targetted at private patients. Dr KWOK asked whether this was the case.

13. PAS/FH(H) responded that the Administration was currently studying the scope of services and operational mode for the NLH. Should the PPP mode be found feasible for the development of NLH, views of this Panel and the District Council concerned would be sought before deciding on the way forward. PAS/FH(H) assured members that irrespective of the mode of operation adopted for NLH, public medical services would not be undermined.

14. Mrs Selina CHOW asked when the Administration would complete its policy review on adopting a PPP mode in the NLH project.

15. DSFH(H) responded that the Administration was no longer at the policy review stage with regard to the development of NLH, and had already embarked on the preliminary preparation work for developing the hospital as a PPP project. PAS/FH(H) further said that the Administration had been in active dialogue with the private sector on developing NLH as a PPP project. In this regard, a large-scale seminar on adopting the PPP approach in the development of NLH had earlier on been organised by the Efficiency Unit.

Existing medical services in Tung Chung

16. Dr Fernando CHEUNG demanded that -

- (a) service hours of the general out-patient (GOP) clinic in the Tung Chung Health Centre (TCHC) be extended to 24 hours a day, seven days a week;
- (b) subject to priority usage by civil servants, Tung Chung residents be allowed access to the dental services at the Government dental clinic for civil servants in Tung Chung; and
- (c) more consultation slots for GOP service in TCHC be set aside for elderly patients without a booking, having regard to the fact that many elders had much difficulty in using the automated Telephone Booking Service.

17. Mr Andrew CHENG expressed support for extending public GOP services in Tung Chung to 24 hours a day, seven days a week. Mr CHENG was of the view that cost-effectiveness of services should come secondary when human lives were at stake.

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18. DSFH(H) responded as follows -

- (a) HA would re-run from this summer the "special evening out-patient service" from 10 pm to 11:45 pm on Mondays to Fridays in the GOP clinic in TCHC on a trial basis for six months. HA would conduct a review after the trial period to determine if the service should continue;
- (b) the fact that the public GOP service in Tung Chung was not operating 24 hours a day, seven days a week, should not be construed as disregarding the health of Tung Chung residents at the expense of saving costs. First, GOP services were targetted at patients with episodic illnesses, and not patients requiring emergency care. Second, no public GOP clinics in the territory at present operated 24 hours a day, seven days a week. Third, resources being not infinite, it was incumbent upon the Administration to use them at areas most in need. Fourth, apart from one GOP clinic, one chest clinic, one elderly health centre and one maternal and child health centre were in place within Tung Chung providing public medical services. For private medical services, there are 10 out-patient clinics operated by private practitioners. As for hospital and specialist out-patient (SOP) services, the Kowloon West cluster under HA provided comprehensive medical services, including, amongst others, A&E services, in-patient services, SOP services, extended care, community care and mental health series, for Tung Chung residents. In terms of the service-to-population ratio, the level of medical services for Tung Chung residents was comparable with, if not better than, most other districts in the territory at present;
- (c) the Administration had no plan to open the dental services at the Government dental clinic in Tung Chung for use by local residents. Nevertheless, consideration would be given to see whether; and if so, how emergency and pain relief dental care services could be made more accessible to Tung Chung residents due to the district's distinctive factors; and
- (d) to better facilitate the elderly to access public GOP services, a certain number of consultation slots had been set aside for the elderly. Furthermore, booking for a consultation slot with the GOP clinics for the following 24 hours could now be made anytime, instead of from 3:00 pm, through the Telephone Booking System.

19. Ms Audrey EU said that the fact that the proportion of the chronically ill and the elderly in Tung Chung was much lower than the territory-wide average

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should not be a reason for the Administration not improving the medical services, as infants and young children were also vulnerable groups.

20. DSFH(H) responded that in view of the demographics of Tung Chung, a higher proportion of consultation slots at the GOP clinic in Tung Chung was set aside for younger patients with episodic illnesses. DSFH(H) further said that there were currently a number of clinics operated by private practitioners in Tung Chung, providing out-patient services till late hours in the evening for seven days a week.

Motion

21. Dr Fernando CHEUNG proposed to move the following motion -

"鑒於東涌地位偏遠，而人口日漸增長，加上附近機場、愉景灣及主要旅遊設施對醫療服務的需求，本委員會認為政府應從速興建北大嶼山醫院，並於 2011 年 - 2012 年逐步投入服務。在醫院落成前，應推行下列措施：

- (一) 提供廿四小時門診服務；
- (二) 增加門診籌額，並改善預約服務，撥出部分名額讓病人親身輪候，以方便長者；
- (三) 在公務員優先的原則下，開放牙科服務給市民使用；
- (四) 提供七天門診服務；及
- (五) 盡快提供急症過渡服務。"

(Translation)

"That, given the remote location of Tung Chung and its growing population, coupled with the demand for medical services arising from the airport, Discovery Bay and major tourist facilities nearby, this Panel considers that the Government should expeditiously construct the North Lantau Hospital ("NLH") for progressive commissioning from 2011-2012. Before the commissioning of NLH, the following measures should be introduced:

- (a) providing round-the-clock outpatient service;
- (b) increasing the consultation slots for outpatient service and improving the booking service by allocating some consultation

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slots to patients who queue in person for the convenience of the elderly;

- (c) opening up the dental service for public, subject to the principle of according priority to civil servants;
- (d) providing seven-days-a-week outpatient service; and
- (e) providing transitional accident and emergency service expeditiously."

22. Miss CHAN Yuen-han proposed to amend Dr CHEUNG's motion as follows -

"鑒於東涌地位偏遠，而人口日漸增長，加上附近機場、愉景灣及主要旅遊設施對醫療服務的需求，本委員會認為政府應從速興建北大嶼山醫院，並履行承諾於 2011 年開始分期投入服務，於 2012 年逐步投入全面展開服務。在醫院落成前，應推行下列措施：

- (一) 提供廿四小時門診服務；
- (二) 增加門診籌額，並改善預約服務，撥出部分名額讓病人親身輪候，以方便長者；
- (三) 在公務員優先的原則下，開放牙科服務給市民使用；
- (四) 提供七天門診服務；及
- (五) 盡快提供急症過渡服務。"

(Translation)

"That, given the remote location of Tung Chung and its growing population, coupled with the demand for medical services arising from the airport, Discovery Bay and major tourist facilities nearby, this Panel considers that the Government should expeditiously construct the North Lantau Hospital ("NLH") ~~for progressive commissioning from 2011-2012~~ **and honour its pledge for NLH to commence operation by phases from 2011 and be in full operation in 2012**. Before the commissioning of NLH, the following measures should be introduced:

- (a) providing round-the-clock outpatient service;

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- (b) increasing the consultation slots for outpatient service and improving the booking service by allocating some consultation slots to patients who queue in person for the convenience of the elderly;
- (c) opening up the dental service for public, subject to the principle of according priority to civil servants;
- (d) providing seven-days-a-week outpatient service; and
- (e) providing transitional accident and emergency service expeditiously."

23. The Chairman put Miss CHAN Yuen-han's proposed amendments to Dr Fernando CHEUNG's motion to vote. All members present voted in favour of Miss CHAN's proposed amendments to Dr CHEUNG's motion. The Chairman declared that Dr CHEUNG's motion, as amended by Miss CHAN, was carried. Mr LEE Wing-tat suggested and members agreed that the Administration should provide a written response to the motion in three months' time.

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II. Briefing by the Bauhinia Foundation Research Centre on the preliminary findings of a study on "Development and Financing of Hong Kong's Future Health Care"
(LC Paper Nos. CB(2)2460/06-07(01) and CB(2)2515/06-07)

24. The Chairman declared that he was a member of the Health Care Study Group of the Bauhinia Foundation Research Centre (the Study Group).

25. Dr Donald LI and Professor Peter YUEN briefed members on the report of the preliminary findings of a study entitled "Development and Financing of Hong Kong's Future Health Care" (LC Paper No. CB(2)2460/06-07(01)) (the Report) with the aid of a power-point. Notably, the Study Group recommended

- (a) a three-pillar health care service model comprising the following -
 - (i) Pillar 1 services would cover all essential health services currently provided by the public sector and in a heavily subsidised manner;
 - (ii) Pillar 2 services would be extension or enhancement of Pillar 1 services, but would only be partially subsidised by Government; and

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(iii) Pillar 3 services would be services provided by private sector with no subsidy from Government. They would include mainly general out-patient services and those care and services, such as lifestyle drugs, the lack of which should not cause significant adverse health consequence to users;

(b) introduction of a medical savings account (MSA) scheme that should be made mandatory for people in employment; and

(c) enhancement of institutional arrangements to effectively carry out all of the essential functions of a health care system.

26. Dr KWOK Ka-ki noted that under the proposed Pillar 2, services, such as operations requiring the adoption of new and costly technology, would no longer be heavily subsidised by Government and patients had to shoulder a larger share of the costs than at present. Dr KWOK also noted from paragraph 18 (c) of the Report that the percentage of public health expenditure as a share of gross domestic product (GDP) would at most be 3.4%. In view of the close ties of the Bauhinia Foundation Research Centre with the Government, Dr KWOK asked whether this implied that the Administration would cap health budget in future.

27. DSFH(H) responded that the Administration had no intention to put a cap on public health expenditure. As mentioned by the Chief Executive (CE) during the CE's Question and Answer session on 5 July 2007, public health expenditure as a share of the total Government spending would increase from 14% to 17% over the coming five years.

28. Dr Donald LI clarified that the Bauhinia Foundation Research Centre was independent from the Government. Dr LI also clarified that public health expenditure as a share of GDP at 3.4% was merely an assumption for calculating the long-term financial sustainability of the public health care system.

29. Dr Donald LI further said that requiring patients to shoulder a larger share of the costs of Pillar 2 services should not deny patients proper medical care, as Pillar 2 services were either extension or enhancement of Pillar 1 services. Pillar 2 services were meant to provide more choices to patients. In the event that the efficacy of a certain Pillar 2 service was proven based on clinical evidence, it would come under Pillar 1.

30. Dr Fernando CHEUNG disagreed with the comments made in the Report that workload imbalance between the public and private sectors would render the public health care system not sustainable in the long run. Dr CHEUNG pointed out that the fact that the bulk of health care services was

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provided by the public sector was not unique to Hong Kong, and was common in many developed economies. Another reason why the Study Group considered the current public health care system not sustainable in the long run was because its study was based on the assumption of a cap on Government budget on health. Dr CHEUNG saw no need for the adoption of the three-pillar framework and the MSA scheme proposed by the Study Group. In respect of the latter, it was questionable how the proposed MSA would be adequate in meeting people's medical needs. Referring to the page 17 of the power-point materials provided by the Study Group (LC Paper No. CB(2) CB(2)2515/06-07) tabled at the meeting, a person earning a monthly salary of \$10,000 could only save \$177,300 over a 40-year period, if the contribution was at a rate of 3% of the monthly salary. Dr CHEUNG considered that the existing problems of Hong Kong's public health care system lay mainly in the mismatches of resources and services which had led to long waiting time for services such as specialist out-patient services.

31. Professor Peter YUEN responded as follows -

- (a) workload imbalance between the public and private sectors did not necessarily mean that the heavier side was on the public sector. For instance, the bulk of primary health care services was currently provided by private practitioners, whereas the bulk of secondary and tertiary health care services was provided by the public sector. The recommendations made in the Report sought to address such compartmentalised arrangements which had been threatening the sustainability, quality and efficiency of the health care system;
- (b) the focus of the Study Group was not on finding ways to sustain Hong Kong's health care system, but on changing people's behaviour through the adoption of a medical savings scheme which had the advantages of making people take more personal responsibility for their own health and use health care services more judiciously; and
- (c) MSA was meant to be a supplementary financing scheme to help account holders to pay for their Pillar 2 and Pillar 3 services. The fact that an account holder might not have enough money in his/her MSA to pay for Pillar 2 or Pillar 3 services would not render him/her not able to receive proper medical care, as all essential health care services, which were heavily subsidised, would be covered under Pillar I. Moreover, Pillar 2 services would be 50% subsidised by Government.

32. Dr Donald LI supplemented that even if resources were not the issue, there was still the question of whether there was adequate manpower if nothing

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was done to contain rising expectation for more and better health care services, such as the use of new technology which were invariably expensive, as society got more affluent.

33. Miss CHAN Yuen-han said that there was no dispute that maintaining good health was a personal responsibility and that an individual should make planning for his/her long term health care needs and the adoption of health-promoting behaviours and lifestyles. Miss CHAN however pointed out that Hong Kong people were not unaware of the importance of adopting good health habits. Their heavy reliance on the secondary and tertiary care in the public sector was mainly due to the lack of primary as well as ambulatory and community care services provided by HA and the Department of Health.

34. Dr Donald LI responded that findings of various studies on patients' culture in Hong Kong revealed that Hong Kong people tended to seek hospital treatment when fallen ill, albeit their understanding of the family medicine concept had much improved over the years. Dr LI referred members to a series of improvement measures to enhance primary care in Hong Kong, details of which were set out in paragraph 39 of the Report.

35. Mr WONG Kwok-hing said that apart from employees, both Government and employers should make contributions to the MSA scheme. Notwithstanding, the Hong Kong Federation of Trade Unions maintained its views held since 1970s that a universal retirement protection scheme, with contributions from employers, employees and Government, should be introduced to provide comprehensive protection to retirees or the unemployed.

36. Professor Peter YUEN responded as follows -

- (a) although Government was not proposed to make contribution to the MSA scheme, Pillar 2 services would be 50% subsidised by Government;
- (b) as the MSA scheme was meant to provide account holders with more money to meet their medical costs after they retired, it was considered not desirable to require employers to make contribution to the MSA scheme lest they would cease paying health insurance premium for their employees; and
- (c) by introducing the MSA scheme, people would not have to resort to Pillar 1 services for treatment after they retired and would have more choices in seeking treatment. Moreover, the MSA scheme was the only effective way to address the inter-generation equity problem inherent in a tax-based model as well as in a social health insurance model. Although a tax-based model and a social health insurance model could benefit the whole population, it would not

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be sustainable in the long run due to aging population and rising medical costs.

37. Ms Emily LAU queried whether the working population would be willing to contribute a further portion of their earnings to the MSA scheme now that they had to contribute to the Mandatory Provident Fund (MPF) Scheme. Moreover, the savings accrued from the MSA did not appear to be adequate to meet the bill for catastrophic illnesses, not to mention that, like the MPF Scheme, high administration fees and inflation would eat into the savings. Mr LEE Wing-tat raised similar concerns. Ms LAU asked which places practised mandatory medical savings scheme and whether they were successful.

38. Dr Donald LI and Professor Peter YUEN responded as follows -

- (a) it was worthwhile even for low-incomers to contribute money to the MSA scheme, as the savings from the MSAs would provide them the flexibility to use Pillar 2 services;
- (b) to provide more certainty for account holders to meet their medical costs before and after they retired, the Study Group proposed that funds from the MSAs could be used to purchase Government-approved health insurance plans. The Study Group had been in touch with the medical insurance sector on providing such, and feedback thus far had been positive; and
- (c) mandatory medical savings scheme was practised in places such as Singapore, the Mainland and South Africa, whereas voluntary ones were practised in places such as the United States. Since its implementation of the mandatory medical savings scheme in 1984, Singaporean Government had been able to contain its public health expenditure whilst the total spending on health had continued to rise.

39. Mr LEE Wing-tat remained unconvinced about the necessity of introducing a MSA scheme in Hong Kong. Mr LEE pointed out that should the Government be willing to subsidise 50% of the costs for Pillar 2 services, it was enough incentive for people to save money voluntarily for their future medical needs.

40. Dr YEUNG Sum favoured the implementation of a social health insurance model, whereby low-income earners should be exempted from making contributions and the exempted contributions should be shouldered by the Government.

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41. Ms Audrey EU asked -
- (a) whether the Study Group had considered the feasibility of implementing a universal protection retirement scheme to provide comprehensive retirement protection to people after they retired; and
 - (b) whether the proposals of the Study Group would become the blueprint for the Government's consultation paper on health care financing to be released later in the year.
42. Dr Donald LI responded as follows -
- (a) the Study Group had not considered the implementation of a universal protection retirement scheme, as the focus of its study was on health care financing options; and
 - (b) the study on health care financing by the Study Group was conducted independently from the Government. The Report did not attempt to influence Government's thinking on the way forward in medical reform. Rather, the Study Group hoped that its Report would stimulate wider discussions in the community on the issue.
43. Miss CHAN Yuen-han considered that a comprehensive study on health care financing options should include a review on the existing structure and resource allocation patterns of HA. Miss CHAN asked whether the Study Group had conducted such a review in its study.
44. Dr Donald LI responded that although the Study Group had not conducted an in-depth review on the structure and resource allocation of HA, it had made a number of recommendations on institutional arrangements to ensure a sustained effective health care system, details of which were given in paragraph 44 of the Report.
45. The Chairman thanked the Study Group for attending the meeting to explain and discuss its proposals with the Panel.
46. There being no other business, the meeting ended at 10:45 am.