

立法會 *Legislative Council*

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Panel on Health Services

Background brief prepared by the Legislative Council Secretariat for the meeting on 2 April 2007

Private services of the Hospital Authority

Purpose

This paper gives an account of the past discussions by the Panel on Health Services (the Panel) on private services of the Hospital Authority (HA).

Background

2. The practice of providing private services at public hospitals can be traced back to the time of the former Medical and Health Department. The provision of such services was continued when HA was established in 1990. According to the Administration, the main rationale for the provision of private services at public hospitals is that there are levels of expertise and facilities within the public medical sector, especially at the two teaching hospitals, namely the Queen Mary Hospital and the Prince of Wales Hospital, which are not generally available in the private sector. It is therefore considered appropriate to offer the public, some of whom might want to procure private services, a means for access to these specialised services.

3. There are two main types of private services at public hospitals, namely, private specialist out-patient (SOP) services and private in-patient (IP) services. In respect of HA's private SOP services, the majority of the relevant activities are concentrated at the two teaching hospitals. One non-teaching hospital, namely the Queen Elizabeth Hospital (QEH), also provides some private SOP services, but on a much smaller scale. As regards HA's private IP services, the majority of such are provided by the two teaching hospitals and QEH, although private beds are available at 14 other public hospitals.

4. HA charges market rates for its private services, which are set at least at the cost recovery levels, to ensure that the normal operation of the private markets would not be interfered. Private patients are charged for each major medical service received. The full list of private charges is published in the Gazette.

Past discussions

Meeting on 17 May 2005

5. At the meeting of the Panel on 17 May 2005, members' views were sought on HA's proposal to replace the standard rates for private SOP and IP consultations by pre-set ranges to give greater flexibility to public hospitals and clinics where private services were provided in setting the appropriate consultation fees having regard to the complexity of the patient's case and the expertise required to provide the service. Under the proposal, the fixed rate of \$1,500 for each IP consultation per specialty would be replaced by pre-set ranges of \$550 - \$2,250; the fixed rate of \$1,500 for first SOP consultation would be replaced by pre-set ranges of \$550 - \$1,750; and the fixed rate of \$1,000 for each subsequent follow-up SOP consultation would be replaced by pre-set ranges of \$450 - \$1,150.

6. As there had not been any previous discussions on the subject and since only very brief information was provided in the paper, the Administration was requested to provide more details, including the methodology for setting the proposed revised fees, to facilitate members' consideration of the reasonableness of the revised fees.

7. Dr Hon KWOK Ka-ki, Hon Albert HO, Hon CHAN Yuen-han and Hon LI Kwok-ying expressed the view that HA should not compete with the private sector in providing private service consultation and were concerned that the provision of private services might adversely affect public medical services of HA. They asked the Administration to explain its policy on provision of private services at HA hospitals and clinics, and to provide information on the number of patients involved and whether a monitoring mechanism had been put in place to regulate the provision of such services.

Meeting on 13 June 2005

8. At the meeting of the Panel on 13 June 2005, members were advised that the intention of adopting pre-set ranges for private service consultation fees was to increase flexibility in fee charging to reflect more accurately variations in the patient's clinical conditions and the special expertise that might be required in providing treatment. HA intended to divide the level of expertise required into two levels, namely the Associate Professor/Specialist level and the Professor/Consultant level, with each expertise level commanding a sub-range of fees. The actual amount of the consultation fee would have regard to the complexity of individual cases.

9. Members were further advised that private services only accounted for a small part of the overall services provided at HA. In 2004-2005, private SOP attendances accounted for only 0.38% of the total attendances at public hospitals, while private bed-days only accounted for 0.57% of the total bed-days utilised. HA had no intention to increase the level of availability of its private consultation service if the proposed fee revision was adopted. To ensure that public medical services would not be adversely affected by the provision of private SOP and IP services, there were guidelines in place at both teaching

hospitals which restricted the time each doctor could devote to private service to one consultation session a week (i.e. three to four hours). There was also agreement between the Government and HA that the total number of private beds in public hospitals should be limited to a maximum of 379. Clear guidelines on fee-sharing between the two teaching hospitals and HA, based on the levels of expertise provided by the Faculties of Medicine of the University of Hong Kong and the Chinese University of Hong Kong and the services provided by HA, had also been put in place. The rates of charges were explained to the patients concerned. Publicity material was also available at public hospitals for reference by the public.

10. At the request of Dr Hon KWOK Ka-ki, the Administration provided the following supplementary information on 1 September 2006 -

- (a) the cost of private consultations in public hospitals can be attributed to two main factors, namely the level of medical expertise involved in the provision of the service and the complexity of the patients' clinical conditions. In respect of the factor of medical expertise, there are two main levels, namely the Associate Professor/Specialist level and the Professor/Consultant level. As for the factor of the complexity of the patients' clinical conditions, it is mainly accounted for by time spent by the doctor in the consultation. For the purpose of setting the charges, HA categorises private consultations into three levels of complexity, namely, low, medium and high, and determines the charges on the basis that they will take up 20 minutes, 40 minutes and 60 minutes of the doctor's time respectively. The charge for a simple consultation given by an Associate Professor/Specialist is \$550 and that for a complex consultation by a Professor/Consultant is \$2,250. Since the remuneration packages for doctors in public hospitals do not vary amongst the various specialties, it is not a major factor affecting the cost of private consultations; and
- (b) the introduction of the revised fee for private consultations in public hospitals would not lengthen the waiting time for patients in seeking public health service in individual public hospitals. This is because HA would not vary the numbers of sessions and consultations available for its private SOP service due to changes in the demand of its private services.

Relevant papers

11. Members are invited to access the LegCo's website (<http://www.legco.gov.hk>) for details of the relevant papers and minutes of the meetings.