

**Motion Debate on “Formulating a comprehensive elderly policy”
at the Legislative Council Meeting on 14 January 2009**

Progress Report

Purpose

In response to the motion on “Formulating a comprehensive elderly policy” carried at the meeting of the Legislative Council on 14 January 2009, this paper briefs Members on the major initiatives and progress of the Government’s efforts in providing support for elders in need.

A comprehensive support network

2. At present, the Government supports the elderly through a safety net and a wide range of heavily subsidised services. The support network includes, among others, a non-contributory social security system, public health services and subsidised elderly care services which aim at meeting elders’ basic and special needs. In the 2008-09 Revised Estimate, the Government’s expenditure on social security, elderly services and health care services for the elderly amounted to \$36.8 billion, including :

- (i) about \$17.2 billion for providing financial assistance / allowance for elders under the Comprehensive Social Security Assistance (CSSA) Scheme and the Social Security Allowance (SSA) Scheme (including the two additional months of standard rate payments for CSSA recipients, two additional months of allowance for Disability Allowance (DA) recipients, and a grant of \$3,000 and two additional months of allowance for Old Age Allowance (OAA) recipients);
- (ii) about \$3.7 billion for providing home-based community care and support services, centre-based day care services, residential care services and other community support services for the elderly; and

- (iii) about \$15.9 billion for the health care services for the elderly provided by the Hospital Authority and Department of Health.

Financial security and assistance for the elderly

3. The CSSA Scheme and the SSA Scheme, both non-contributory, are the main pillars of the social security system in Hong Kong. The CSSA Scheme, whilst seeking to meet the basic needs of those who cannot support themselves financially, takes care of the special needs of the elderly through the provision of higher standard rates, special grants and supplements. CSSA applicants living with their families are required to apply on a household basis since families constitute the core units of a community. This requirement encourages family members to render assistance and support to each other. Nevertheless, where an elder who is living with his/her family does not receive any financial support from other family members, the Director of Social Welfare may exercise discretion to allow him/her to apply for CSSA on his/her own where justified.

4. The SSA Scheme aims to provide a monthly allowance to Hong Kong residents aged 65 or above or who are severely disabled to meet special needs arising from old age or disability. As far as OAA is concerned, the monthly allowance has been increased to \$1,000 with effect from 1 January 2009. Elderly applicants aged between 65 and 69 and passing the means-test, and those aged 70 or above may receive the increased monthly allowance if they meet the related requirements. The Government is finalising the review of the permissible limit of absence from Hong Kong under OAA. At present, an applicant can choose to apply for either OAA or DA. This requirement is to avoid paying double benefits to an individual.

Retirement protection

5. The current approach adopted by Hong Kong as regards retirement protection is based on the three pillars, namely the social security schemes (comprising the CSSA Scheme, OAA and DA), a

Mandatory Provident Fund Scheme, and voluntary private savings. The Government is studying the sustainability of Hong Kong's three pillars of retirement protection.

Provision of care and support services for elders

6. Promoting “ageing in the community” is an underlying principle of the Government’s elderly policy. Through non-governmental organisations, the Government is providing a wide range of subsidised community care services, including home-based community care services and centre-based day care services for the elderly. The home-based community care services cover personal care, basic and special nursing care, rehabilitation training, meal delivery, household cleaning and escort services, etc. Currently, a total of 84 home-based service teams throughout the territory are serving more than 26 300 elders. The centre-based day care services include personal care, basic and special nursing care, meal service, rehabilitation training, health education and arrangement of recreational and social activities, etc. At present, about 2 800 elders are users of these services. In 2009-10, we will increase an additional 80 day care places to meet the needs of elders.

7. Carers play an important role in the caring of elders. To further enhance the support to carers at the district level, we have extended the District-based Carer Training Scheme in December 2008 to cover all districts. It is expected that an additional 1 500 individuals will be trained in a year’s time. Besides, we have launched the Integrated Discharge Support Trial Programme for Elderly Patients to help elders stay in the community after hospital discharge. The first two pilots were launched in Kwun Tong and Kwai Tsing in March and August 2008 respectively, and the third pilot is scheduled to be launched in Tuen Mun in July 2009. The three pilots under the trial programme will serve a total of 20 000 elders and 7 000 carers. We will also continue to implement the Home Environment Improvement Scheme for the Elderly to help elders without family support and who lack financial means improve their home conditions. It is estimated that a total of 40 000 elderly households will benefit from this 5-year scheme.

8. While promoting “ageing in the community”, we understand that

some frail elders who cannot be adequately taken care of at home may choose to receive residential care services. In response to the growing demand, the Government has allocated considerable resources in providing residential care services for the elderly. At present, there are about 26 000 subsidised residential care places, representing an increase of 60% over the past decade or so. In 2009 and 2010, we will provide an additional 249 subsidised residential care places in four newly built contract residential care homes for the elderly (RCHEs). Besides, the 2009-10 Budget has earmarked additional recurrent funding of \$55 million to provide an additional 650 subsidised residential care places, including:

- i) \$17 million for providing 150 subsidised places in two newly built contract RCHEs; and
- ii) \$38 million for purchasing 500 subsidised places from private RCHEs through the Enhanced Bought Place Scheme.

9. Apart from the provision of subsidised residential care services, the Government is also committed to enhancing the quality of RCHEs. For instance, the 2009-10 Budget has earmarked an additional recurrent funding of \$37 million as Infirmity Care Supplement and Dementia Supplement to strengthen the support for infirm and demented elders staying in subsidised residential care places. The concerned RCHEs can use the supplement to employ additional staff, including physiotherapists, occupational therapists, nurses (registered or enrolled nurses), health workers and care workers, etc. to provide better care for infirm and demented elders. Moreover, we will continue to help RCHEs enhance their capability through the provision of training for RCHE staff, and ensure the quality of RCHEs through licensing control and close monitoring.

10. It should be noted that not all elders with long-term care needs require residential care, and not all elders in need of residential care require subsidised residential care places. With an ageing population, any support system for the elderly has to be financially sustainable in the long term. Therefore, apart from increasing the supply of subsidised residential care places, another major direction of our work is to explore

how to promote the development of a quality private residential care service market and revitalize the market, so as to enhance the quality of private RCHEs and better utilise the 30% vacant places in the private market to meet the needs of elders for residential care services. To this end, the Elderly Commission has embarked on a consultancy study on residential care services for the elderly. The study will explore how to target subsidised residential care services at elders most in need, promote the development of quality private residential care services and encourage shared responsibility of individuals, their families and the society in meeting the long-term care needs of the elderly.

Health care services for the elderly

11. The Hospital Authority provides a wide range of health care services, including general out-patient services, special out-patient services, in-patient services, accident and emergency services, and palliative care services, etc. At present, the fees of public hospitals and clinics are heavily subsidised, with the average subsidy rate as high as 95%. To ensure rational allocation of public resources, those with financial means should pay their medical fees within their capability, irrespective of their age. At present, all CSSA recipients (including elders) are granted fee exemption for medical services at public hospitals and clinics without the need to submit applications. Elders who are not CSSA recipients can also apply for medical fee waiver to meet their medical expenses at public hospitals and clinics. Special arrangements have also been made to make the medical fee waiver mechanism more accessible to elderly patients. The Hospital Authority will continue to support elderly patients who are financially in need through the medical fee waiver mechanism.

12. Apart from the health care services provided by the Hospital Authority, the Government also launched an Elderly Health Care Voucher Pilot Scheme on 1 January 2009 to provide partial subsidy for elders to choose health care services in the private sector. The scheme is a trial of applying the “money follows the patient” concept. A cautious approach is adopted by starting from a smaller scale in terms of subsidy amount and the number of eligible persons. We will evaluate the scheme, including the subsidy amount, through an interim review one

year after the launch and a full review after the three-year pilot period. Also, we will continue to closely liaise with health care providers with a view to streamlining the operation of the scheme. Elders are encouraged to make good use of the vouchers to purchase private health care services that suit their needs.

Housing needs of elders

13. In 2007, the Housing Authority has launched five enhanced public housing allocation schemes to facilitate “ageing in the community” and encourage mutual support among family members in public rental housing. With effect from 1 January 2009, these schemes have been further enhanced with a view to encouraging more families to participate and enjoy mutual support among younger and elder family members through living in the vicinity. From October 2007 to March 2009, some 3 400 sitting tenants of public rental housing and around 8 800 Waiting List applicants have benefited from the schemes, about 2 200 among those Waiting List applicants have been rehoused.

14. To realise the concept of “ageing in the community”, the Housing Authority will continue to adopt a barrier-free design in new public housing blocks to facilitate the elderly to age in a familiar environment which is safe and convenient.

Promoting “active ageing”

15. We have been promoting “active ageing” along with the Elderly Commission to encourage elders to maintain close contact with the community and lead an enriched life. We launched the Elder Academy Scheme in early 2007 to encourage lifelong learning among elders. At present, 78 Elder Academies have been set up in primary and secondary schools, providing approximately 10 000 learning places for elders in the 2008-09 academic year. We have also gained the support of seven tertiary institutions which are expected to offer about 1 000 learning places for elders in the 2008-09 academic year. Further to these, we invited in March 2009 a new round of applications for setting up Elder Academies in primary and secondary schools.

16. To further promote the Elder Academy Scheme, the Government will work with various stakeholders to co-sponsor and establish the Elder Academy Development Foundation to provide support to school-sponsoring bodies and social welfare organisations to jointly run Elder Academies, and provide funding for the development of Elder Academy courses at the tertiary institutions.

17. The Government will also coordinate the setting up of a dedicated portal for the elderly in the coming year to provide one-stop information service on elderly services and the silver hair market. Through this new portal and various computer courses offered by the Elder Academies, the elderly will enhance their computer knowledge and their ability to use digital services, expanding their circles of life through the Internet.

Conclusion

18. The Government will continue to support elders through the various measures mentioned above.

Labour and Welfare Bureau
May 2009