

**Speaking Note for the Secretary for Food and Health
at the Special Meeting of the Finance Committee
on 25 March 2011**

Health

Madam Chairman and Honorable Members,

In 2011-12, the Government's recurrent expenditure on health stands at \$39.9 billion, which amounts to 16.5% of the Government's total recurrent expenditure and represents an increase of more than \$3.1 billion over the revised estimate of 2010-11. Since 2007-08, the Government's recurrent expenditure on health has been increased cumulatively by a total of about \$9.4 billion or more than 30%.

2. I would like to highlight four specific topics, namely healthcare services, regulation of pharmaceutical products, elderly health care vouchers and tobacco control policy.

Public Healthcare Services

3. First on the major uses of the additional resources.

4. The financial provision for the Hospital Authority (HA) in 2011-12 is estimated at \$36.8 billion, representing an increase of about \$2.6 billion or 7.6% over that for last year. The additional provision allocated to the HA will be used for implementation of a series of improvement schemes, which include the following major items:

- (1) expand the coverage of the Drug Formulary, expected to benefit 52 000 patients each year;
- (2) recruit an additional 300 nurses to relieve the workload of frontline staff;
- (3) increase the number of cataract surgeries, expected to benefit 6 000 patients;

- (4) establish a specialist centre for joint replacement, expected to benefit 400 more patients;
- (5) provide magnetic resonance imaging service for an additional 3 400 patients and diagnostic computerized tomography scanning service for an additional 3 000 patients;
- (6) provide enhanced palliative care to end-stage cancer patients and patients with end-stage organ failure through a multi-disciplinary team, expected to benefit 2 500 more patients; and
- (7) strengthen various mental health services, including extension of the Case Management Programme targeted at patients with severe mental illness to five more districts (expected to benefit 11 000 people each year), setting up crisis intervention teams in all clusters to support high risk patients and handle emergency cases at the community level (expected to benefit 1 000 people each year), extension of the Integrated Mental Health Programme in the primary care setting to cover all clusters (expected to benefit 7 000 people each year), expansion of the Early Assessment and Detection of Young Persons with Psychosis Programme to cover adults (expected to benefit 600 more people each year), extension of the psychogeriatric outreach services to cover about 80 additional private residential care homes for the elderly, and the enhancement of support for children with autism or hyperactivity disorder (expected to benefit an additional 3 000 children each year).

Regulation of Pharmaceutical Products

5. We will continue to strengthen the regulation of pharmaceutical products. To further implement the 75 recommendations put forward by the Review Committee on the Regulation of Pharmaceutical Products in Hong Kong, the Government will allocate \$31 million this year to strengthen the regulatory role of the Department of Health in enhancing drug safety, including setting up a dedicated office on drugs under the Department. Legislative amendments will be introduced simultaneously to strengthen the regulatory regime of pharmaceutical products.

Elderly Health Care Voucher Pilot Scheme

6. As we have briefed the Panel on Health Services, having regard to the findings of the interim review on the Elderly Health Care Voucher Pilot Scheme, we have proposed to extend the pilot period of the Scheme for another three years; double the voucher amount from \$250 to \$500; enhance the monitoring of health care voucher uses and fee charging; encourage more healthcare providers to participate in the Scheme and including optometrists as eligible service providers. We will also promote the provision of evidence-based health screening services for the elderly and encourage the elderly to make use of the health care vouchers for preventive care.

Tobacco Control Policy

7. Last but not least, I would like to talk about tobacco duty. I have to stress that the proposal to increase tobacco duty put forward in this year's Budget is for the purpose of protecting public health and not for raising tax revenue. It is the consensus of our community that the Government should strengthen tobacco control progressively. Studies by the World Health Organisation and our experience in tobacco control over the past two decades show that an increase in tobacco duty can help lower the demand for tobacco products and reduce smoking among smokers especially young smokers. The imposition of tobacco duty has been shown to be effective as an important part of our tobacco control policy.

8. The next step of our tobacco control will be focused on promotion of smoking cessation, as well as provision and publicity of smoking cessation services. To help smokers quit smoking, the Government will double the resources allocated to smoking cessation services, including increasing the free drugs and counselling services for smoking cessation to be provided by public sector and voluntary organisations. Our aim is to encourage and assist smokers from all age groups and social strata to take proactive steps to quit smoking. Meanwhile, law enforcement departments will also step up their actions in the enforcement of smoking ban and against illicit cigarettes activities. The Government will allocate more resources where necessary to support their law enforcement work.

9. Madam Chairman, my colleagues and I are now happy to answer questions from Members.