

Legislative Council Panel on Health Services

**Supplementary Information
on Private Hospital Development
Requested in the Meeting on 15 April 2013**

This note provides supplementary information on private hospital development requested in the meeting of the Panel on Health Services on 15 April 2013.

Information on the calculation of the liquidated damages under the Service Deed it entered into with GHK Hospital Limited for the new private hospital to be developed at the reserved site at Wong Chuk Hang

2. The calculation of the amount of the liquidated damages under the Service Deed by the successful tenderer for the new private hospital to be developed at the reserved site at Wong Chuk Hang has been set out in Schedule 5 of the Service Deed included in the Tender Notice. The entire Tender Notice (including that Schedule) has been included in the paper for the Panel at its meeting in May 2012. A copy of Schedule 5 is attached again at **Annex** for Members' reference.

**Food and Health Bureau
July 2013**

Schedule 5 – Liquidated Damages

Ref	Performance Obligation	Default	Amount
1	Limit the number of Obstetric Beds to the percentage designated in the Schedule 2 Annexes of the total number of Hospital Beds to be provided in the Hospital by the Purchaser as specified in the Land Grant for the relevant Service Year, in accordance with paragraph 2.1 of Schedule 2.	Making available Obstetric Beds in excess of the percentage cap as specified in Schedule 2 Annexes	For each Obstetric Bed made available exceeding the cap, the additional revenue generated through the provision of an Obstetric Bed when compared with the average revenue generated by other Hospital Beds.
2	Provide the number of In-Patient Bed Days equivalent to the Shortfall Add-on as In-Patient Bed Days through Standard Beds as a Package Service to Eligible Person in the Service Year immediately following the Service Year in which the original shortfall occurred (as further detailed in paragraph 4 of Schedule 2)	Failure to provide the number of In-Patient Bed Days equivalent to the Shortfall Add-on as In-Patient Bed Days through Standard Beds as a Package Service to Eligible Person in the Service Year immediately following the Service Year in which the original shortfall occurred	For each In-patient Bed Day in deficit of the Shortfall Add-on, the difference between the average revenue generated through the provision of non-packaged in-patient service per patient day and that of packaged in-patient service per patient day.
3	Provide more than fifty (50)% (or higher percentage if designated in the Schedule 2 Annexes) of In-Patient Bed Days taken up for service in a Service Year to Eligible Persons in accordance with paragraph 5 of Schedule 2.	Failure to provide more than 50% (or higher percentage if designated in the Schedule 2 Annexes) of In-Patient Bed Days taken up for Service in a Service Year to Eligible Persons.	For each In-Patient Bed Day in deficit of 50% or the designated percentage, the difference between average additional revenue generated for in-patient service for non-Eligible Persons per bed day and the prevailing unit cost of inpatient services per bed day of public hospital managed by Hospital Authority.