

Regulation of Healthcare Intermediary Service

In response to the invitation by the Legislative Council's Panel on Health Services to offer insurance industry's opinions on regulation of healthcare intermediary service ("HIS"), the Hong Kong Federation of Insurers ("the HKFI") would like to submit comments as below.

In Hong Kong, HIS provides a third party administration services for benefit providers including Insurance Companies and Corporates who are self-insuring medical benefits for their employees and dependents.

On the other hand, HIS may refer potential patients to clinics and hospitals in a collective manner, which provides a business portfolio for doctors and hospitals ("service providers").

The HKFI is pleased to see more HIS participating in the market which encourages healthy competition, and in return, quality service at reasonable costs will be enjoyed by the parties concerned.

However, as there may be substantial cash flow and credit commitment incurred in the operation of HIS, and the quality of medical services may be compromised for the maximization of profit, there is a need to ensure HIS is operating by medical ethics and with prudent financial management.

As such, the HKFI opines that regulation of HIS should cover the following:

1. To have, at least, one Qualified Medical Director and/or Medical Practitioner present at the HIS management team; and
2. To apply solvency requirement to HIS for its provision of credit services.

Prepared by the Hong Kong Federation of Insurers

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