

Regulatory Control of Private Hospitals
Progress in implementing the Audit and PAC's recommendations

Para. no.	Audit's/PAC's recommendations	Progress as at September 2013
Part 2: Inspection of private hospitals		
Para. 2.29 of Audit Report	<p>(b) issue advisory/warning letters to private hospitals when serious irregularities are detected during inspections in accordance with DH guidelines; and</p> <p>(d) critically review the adequacy of DH regulatory actions, including the need to step up its actions if serious irregularities identified are not rectified within a reasonable timeframe.</p>	<p>Action completed.</p> <p>The DH finished revising the protocol on regulatory actions against non-compliance by private hospitals in August 2013. Regulatory letters will be issued to remedy serious non-compliance.</p> <p>Action completed.</p> <p>The DH finished revising the protocol on regulatory actions against non-compliance by private hospitals in August 2013. The levels of regulatory actions are commensurate with the severity levels of non-compliance. For serious non-compliance with an impact on public health, the DH will require rectification by the private hospital concerned as part of the registration conditions.</p>
Para. 2.33 of Audit Report	<p>(a) formulate guidelines to assist private hospitals in the closure arrangements in case they intend to cease operation; and</p> <p>(b) develop procedures to assist the DH staff in the inspection work concerning closure of private hospitals.</p>	<p>Action completed.</p> <p>The DH has drawn up a set of guidelines prescribing private hospitals' closure arrangements and the DH's monitoring system. The guidelines came into effect in August 2013.</p>

Para. no.	Audit's/PAC's recommendations	Progress as at September 2013
Part 3: Monitoring of sentinel events and complaints		
Para. 3.21 of Audit Report	<p>(a) closely monitor the effective implementation of the sentinel event reporting system, including issuing advisory/warning letters to private hospitals when they do not follow the required procedures and ensuring that they take prompt remedial actions;</p> <p>(b) consider directly referring cases of sentinel events involving professional misconduct/substandard performance to the Medical Council of Hong Kong or the Nursing Council of Hong Kong for investigation and follow-up;</p> <p>(c) consider issuing guidelines to private hospitals for the surveillance, reporting and management of sentinel events, as well as the setting up of relevant policies and procedures, particularly the criteria for disclosing sentinel events to the public; and</p> <p>(d) consider disclosing in a timely manner the identities of private hospitals and more details of the sentinel events, including the cumulative number of sentinel events for each private hospital.</p>	<p>Action completed.</p> <p>Since 2011, the DH has started issuing advisory letters to private hospitals that fail to report sentinel events to the DH within 24 hours upon occurrence.</p> <p>Action completed.</p> <p>The DH will adopt a proactive approach in referring cases that are suspected of contravening statutory provisions, or of professional misconduct with significant public health impact, to the relevant regulatory authorities of healthcare professionals for follow-up.</p> <p>The DH is reviewing the sentinel event reporting system, including the reporting criteria and disclosure, and will update its guidelines based on the recommendations by the Steering Committee.</p>
Para. 3.22 of Audit Report	Consider aligning the systems and practices for disclosing sentinel events in both private and public hospitals as soon as possible.	

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Para. 3.38 of Audit Report	(b) issue advisory or warning letters to private hospitals when serious irregularities are detected during investigation of complaints.	Action completed. The DH finished revising the protocol on regulatory actions against non-compliance by private hospitals in August 2013. Regulatory letters will be issued to remedy serious non-compliance, including those arising from complaints.
Part 4: Price transparency in hospital charges		
Para. 4.17 of Audit Report	Take measures (e.g. by revising the COP) to further enhance the price transparency of private hospitals, taking into account the good practices adopted locally and overseas.	During inspections to private hospitals since 2013, the DH has again reminded private hospitals to observe the requirements for disclosure of price information. The Steering Committee will review and examine measures that would help enhance price transparency, such as disclosure of price information, quotation system, packaged pricing and publication of statistics on hospital charges.
Page 116 of PAC Report	The PAC urges the Administration to: (a) continue to encourage private hospitals to offer more services at packaged charges, thereby enhancing price transparency; and (b) formulate guidelines for private hospitals to adopt standardised format and terminology for their fee schedules for the purpose of facilitating price comparison.	Action completed. The FHB continues to encourage private hospitals to improve payment certainty for patients, in particular those undergoing elective operations/procedures, through packaged pricing or quotation as far as practicable. The Steering Committee is considering measures to enhance price transparency, including standardising the content of fee schedules provided by private hospitals.

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Part 5: Performance reporting in the Controlling Officer's Report (COR)		
Para. 5.7 of Audit Report	<p>(a) develop appropriate effectiveness/ outcome indicators in respect of the DH's regulatory work on private hospitals for publication in the COR; and</p> <p>(b) consider providing a breakdown of inspections conducted for each type of healthcare institution in the COR.</p>	The DH will improve its performance/ outcome indicators for regulatory control of private hospitals based on the Steering Committee's recommendations.
Part 6: Way forward		
Para. 6.14 of Audit Report	<p>(a) take into account the audit observations and recommendations, and take on board the findings and recommendations of the 2000 review when conducting a review on the regulatory regime for private healthcare facilities; and</p> <p>(c) explore the possibility of extending the set of special requirements (which are applicable to new private hospital developments) to existing private hospitals, for example through legislative amendments or other administrative measures (including revision of the COP).</p>	<p>The review of the regulatory regimes for private healthcare facilities will take into account the audit observations and recommendations, as well as the findings and recommendations of the 2000 review.</p> <p>The FHB will look into the appropriateness and possibility of extending the set of special requirements to existing private hospitals in the context of the review on the regulatory regimes for private healthcare facilities.</p>