

**For information
on 9 June 2014**

LC Paper No. CB(2)1669/13-14(06)

**LEGISLATIVE COUNCIL
PANEL ON WELFARE SERVICES**

**Funding Mode for
Enhanced Home and Community Care Services**

Purpose

This paper briefs Members on the Enhanced Home and Community Care Services (EHCCS) which aims to support elderly persons with moderate or severe impairment level to age in place.

Background

2. EHCCS was introduced in April 2001 as a pioneer project. It aims to provide a whole range of home-based care and support services to enable elderly persons who, as confirmed by the Social Welfare Department (SWD) via its Standardised Care Need Assessment Mechanism for Elderly Services (SCNAMES), are of moderate or severe level of impairment to continue living in the community. It also aims to provide support to carers in their care-taking of frail elderly family members and to strengthen family cohesion. EHCCS provides a package of services, including care management, basic and special nursing care, personal care, rehabilitation exercise, counselling services, 24-hour emergency services, environmental risk assessment and home modifications, home-making services, meals delivery services, escort services, support for carers, etc.

3. When the project was first introduced in 2001, it was allocated to NGOs through contract bidding whereby NGOs were invited to bid on quality and the service volume to be delivered (using a 80/20 weighting) of the elderly persons served under a fixed price

contract, and Members of this Panel were informed of the contract bidding mode via the LC Paper No. CB(2)215/00-01(01). The contract bidding exercise aimed to enhance transparency and fairness, secure innovative and value-added services, enhance quality of service and achieve cost-effectiveness. This allocation approach was in furtherance of the policy direction laid down in the 1999 Budget Speech, in which the Government announced the intention to open up welfare services for competitive bidding on a cost and quality basis.

4. The Government decided to regularise EHCCS in 2005 and accordingly SWD conducted a contract bidding exercise in November 2004 to select new service operators to provide the regularised services. A total of 38 bids were received and 18 contracts were awarded to 13 NGOs for running EHCCS for about three years, with optional extension(s) of the contractual period for a total of another three years. The first batch of services commenced on 1 August 2005 (first batch EHCCS). In another contract bidding exercise conducted in 2008, 14 bids were received and six additional EHCCS contracts (second batch EHCCS), for three years, were awarded to six NGOs, with service commencement on 1 October 2008. The 18 contracts of the first batch EHCCS were extended in 2008 so that their expiry would coincide with that of the second batch EHCCS on 30 September 2011. These 24 EHCCS contracts (18 first batch EHCCS and six second batch EHCCS contracts) were further extended to 28 February 2014 and then to 28 February 2015 to coincide with the completion of a separate Pilot Scheme on Home Care Services for Frail Elders¹. Currently, through these 24 contracts, a total of 5 579 EHCCS places are available to serve frail elderly in need of community care services.

¹ In March 2011, SWD implemented the three-year Pilot Scheme on Home Care Services for Frail Elders. This Pilot Scheme aims to provide home-based support services to those elderly who have been assessed as severely impaired by SCNAMES and are waiting for subsidised nursing home places. The scope of the home-based care and support services include management of clinical issues, medical, nursing and rehabilitation services, personal care and support services as well as environmental and psychosocial support services. On-site carer training is also provided to equip and enhance the care skills and knowledge of the carers. This Pilot Scheme, originally due for completion by February 2014, has been extended for one year, i.e. till 28 February 2015. This is to allow sufficient time to work out the details and preparatory work for the integration of key service components of this Pilot Scheme and those under EHCCS.

Present Position

5. SWD has secured resources to provide 1 500 new EHCCS places from March 2015 onwards. These 1 500 new EHCCS places will integrate the major service content of the Pilot Scheme on Home Care Services for Frail Elders and the existing EHCCS provision so as to implement strengthened home-based care services to further enhance the support and care for frail elderly persons living at home. SWD has also secured resources to continue to provide the 5 579 EHCCS places which are currently provided under the first batch and second batch of EHCCS contracts due to expire on 28 February 2015. SWD proposes to conduct a single contract bidding exercise to provide for a total of 7 079 (about 7 100) EHCCS places to cover both the existing 5 579 places and the 1 500 new places in time for the contracts to be awarded before February 2015.

6. The Labour and Welfare Bureau and SWD have had discussions with the sector and the Hong Kong Council of Social Service (HKCSS). The sector has expressed its wish to change the funding mode, for EHCCS, from the existing contract bidding arrangement to annual subvention under the Lump Sum Grant. This would represent a fundamental change from the contract bidding arrangement as stated in LC Paper No. CB(2)215/00-01(01) (referred to in paragraph 3 above). We will need to consider this carefully and it will take some time.

7. There is an urgent need to decide, well before February 2015, on the service operators for the 1 500 new EHCCS places as well as the existing 5 579 EHCCS places under the existing 24 contracts. We will continue our dialogue with the sector and HKCSS on the allocation of these EHCCS places on the basis of contract arrangement, with a view to providing the service timely.

Advice Sought

8. Members are invited to note the content of the paper.

Labour and Welfare Bureau
Social Welfare Department
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