

**For information  
on 10 November 2014**

**Legislative Council Panel on Welfare Services  
Pilot Scheme on Community Care Service Voucher for the Elderly**

**Purpose**

This paper informs Members of the progress of implementing the First Phase of the Pilot Scheme on Community Care Service Voucher for the Elderly (the Pilot Scheme).

**Background**

2. “Ageing in place” is the underlying principle of the Government’s elderly care policy. This is also in line with the wish of most elderly persons. To this end, the Government provides a range of subsidised community care services (CCS), including centre-based day care services and home-based services.

3. The Elderly Commission (EC) commissioned a consultancy study on CCS for the elderly in 2010 to examine how CCS could be strengthened through a more flexible and diverse mode of service delivery. The consultancy study report was released in July 2011. EC recommended, among others, that the Government could introduce a voucher scheme to allow eligible elderly persons to choose CCS that suited their needs. Taking on board EC’s recommendations, the Government secured \$380 million from the Lotteries Fund to launch the First Phase of the Pilot Scheme in September 2013. On 13 January 2014, we briefed Members of this Panel on the progress of the First Phase implementation [LC Paper No. CB(2)626/13-14(08)].

**Purpose of the Pilot Scheme**

4. The Pilot Scheme aims at testing the viability of a new funding

mode whereby the Government adopts a “money-following-the-user” approach and provides subsidy directly to the service users (instead of service providers) in the form of service vouchers. Eligible elderly persons may choose the service provider, the type of service and the service package that suit their individual needs.

5. The introduction of the Pilot Scheme is a significant step towards the development of a vibrant CCS market to meet the increasing demand for CCS arising from the ageing population. In particular, the voucher scheme may encourage participation of different types of service providers and provide incentive for them to promote flexibility and diversity of CCS, improve service quality and be more responsive to the users’ needs.

### **Implementation Details of the First Phase**

6. The key features of the First Phase of the Pilot Scheme are as follows -

*(a) Target service beneficiaries:* Elderly persons living in the pilot districts (as referred to in paragraph 6(b) below) who have been assessed under the Standardised Care Need Assessment Mechanism for Elderly Services as moderately impaired and are waiting for subsidised CCS and/or residential care service (RCS) on the Central Waiting List (CWL) of the Long Term Care (LTC) Services.

*(b) Pilot districts:* Eight districts, namely Eastern, Wong Tai Sin, Kwun Tong, Sham Shui Po<sup>1</sup>, Shatin, Tai Po, Tsuen Wan and Tuen Mun have been selected based on the district profiles as well as the readiness of service providers to provide the services.

*(c) Recognised service providers (RSPs):* A total of 62 units from 29 non-profit-making non-governmental organisations

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<sup>1</sup> Recognised service providers in Sham Shui Po district serve the elderly persons living in Sham Shui Po as well as those in Kowloon City and Yau Tsim Mong districts.

(NGOs) and two social enterprises have been selected as RSPs for the First Phase.

**(d) Service capacity and mode:** The number of vouchers to be issued in the First Phase is 1 200. The voucher service is delivered in two modes-

- (i). Mixed mode: day care (part-time) and home care services ; or
- (ii). Single mode: day care services (part-time).

**(e) Voucher value:** A single voucher value of \$5,800 per month was fixed for all service users in the First Phase. This monthly voucher value has been increased to \$6,000 in accordance with annual adjustment based on the Composite Consumer Price Index with effect from April 2014.

**(f) Co-payment and means test:** There is a sliding scale of co-payment so that the less the user can afford, the more the Government pays. A means-test mechanism is in place to determine the co-payment amounts for voucher holders based on the Median Monthly Domestic Household Income for households of different sizes. The co-payment amount is fixed throughout the First Phase regardless of the annual adjustment of the monthly voucher value as referred to in paragraph 6(e) above.

## **Implementation Progress**

7. Based on the application dates for LTC services on CWL, the Social Welfare Department (SWD) had invited eligible elderly persons through their Responsible Workers (RWs) to join the Pilot Scheme, and all 1 200 vouchers had been issued to eligible elderly persons by early April 2014. In the meantime, SWD has conducted review visits to all 62 RSPs to monitor the service provision and quality and ensure compliance with service requirements. SWD has also maintained regular meetings with all RSPs to obtain their views and feedback on the First Phase for continuous service enhancement.

8. As of mid-October 2014, a total of 1 808 elderly persons had participated in the Pilot Scheme, with 1 233 being current voucher holders<sup>2</sup>. Among these 1 233 voucher holders, 842 were receiving services from RSPs and the rest were choosing their desired service provider and/or service package. Summary figures are provided in the **Annex** with preliminary observations on the implementation, including information on service usage, reasons for withdrawal, etc., set out in the following paragraphs.

### *Service Usage*

9. Voucher users in the First Phase can opt for single mode (i.e. part-time day care services) or mixed mode (i.e. day care (part-time) and home care services) as referred to in paragraph 6(d) above. Among the 842 existing voucher users, 608 and 234 opt for single mode and mixed mode respectively. According to the figures in the third quarter of 2014, voucher holders opting for single mode were receiving on average 5.6 sessions of day care a week while mixed mode voucher holders were receiving on average 4 sessions of centre-based day care a week as well as home-based rehabilitation exercise<sup>3</sup>, personal care<sup>4</sup> and nursing care<sup>5</sup> respectively, though not every mixed-mode user was receiving all of these services at the same time. Some mixed-mode users also chose home support services such as home cleansing service, meal delivery service and escort service. Some RSPs, RWs and users have reflected that some elderly persons might prefer receiving home care services only if given the choice.

### *Co-payment*

10. Members may notice that when compared with the figures of co-payment that we presented to this Panel on 13 January 2014, the number of voucher users of Category I co-payment (i.e. \$500) remains

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<sup>2</sup> The number of 1 808 elderly persons refers to the accumulated participants who have been participating in the Pilot Scheme since September 2013. On the other hand, given that SWD issued the invitation to eligible elderly persons by batches, those who were interested in joining the Pilot Scheme may not be equivalent to 1 200.

<sup>3</sup> Restorative and maintenance rehabilitation exercises, any other therapeutic exercises or activities, environmental risk assessment and home modifications, etc.

<sup>4</sup> Includes transfer, food-feeding, bathing, etc.

<sup>5</sup> Includes special and basic nursing care.

the largest though there is a slight drop in its percentage share from 75% to 72%. At the same time, there is a rise in Category II (i.e. \$750) from 7% to 9% and Category V (i.e. \$2,500) from 6% to 8%.

### ***Service Withdrawal***

11. A total of 575 voucher holders have withdrawn from the Pilot Scheme. The majority of them will be or have been admitted to subsidised CCS or subsidised / private RCS. Most of these elderly persons could have been in the front of CWL and their turn for subsidised services could have come shortly after they had joined the Pilot Scheme. We would identify and understand better those elderly persons who have withdrawn from the Pilot Scheme without apparently having any suitable service providers / service packages.

### **Way Forward**

12. The Sau Po Centre on Ageing (COA) of the University of Hong Kong has been commissioned by SWD to conduct an evaluation study on the First Phase of the Pilot Scheme. A project steering group (PSG) comprising representatives from EC, NGOs and Hong Kong Council of Social Service, has been formed to, inter alia, steer the study. SWD is working with COA to examine the views and data collected to facilitate the Government's deliberation of possible areas for refinement for the Second Phase of the Pilot Scheme. SWD will engage the sector in the discussion on the way forward in preparation for the Second Phase of the Pilot Scheme.

### **Advice Sought**

13. Members are invited to note the content of this paper.

**Labour and Welfare Bureau  
Social Welfare Department  
November 2014**

**Progress of Implementation of the Pilot Scheme on  
Community Care Service Voucher for the Elderly  
(as at 10 October 2014)**

Number of current voucher holders (a)	<b>1 233</b>
Number of accumulated participants (b)	<b>1 808</b>
Number of participants having withdrawn from the Scheme (c) = (b) – (a)	<b>575</b>

**Reasons for Withdrawal** [i.e. (c) above][findings from SWD questionnaires]

Will be admitted/have been admitted to subsidised CCS or subsidised/private RCS	<b>217</b>
No suitable service providers/ service packages	<b>184</b>
Deceased	<b>84</b>
Have carers, including family members or domestic helpers	<b>81</b>
Others (e.g. hospitalisation, out of town)	<b>9</b>
Total:	<b>575</b>

**Co-payment position** [i.e. (a) above]

Category	Amount	Number of participants	
I	\$500	890 *	72% *
II	\$750	116	9%
III	\$1,000	110	9%
IV	\$1,500	22	2%
V	\$2,500	95 #	8%
	Total	1 233	100%

\* 224 participants are CSSA recipients (i.e. 18% out of the total of 1 233 participants), who are eligible for getting reimbursement of part of the payment.

# 69 participants refuse to have means test and are ready to pay \$2,500.