For information on **15 February 2016**

LEGISLATIVE COUNCIL PANEL ON PUBLIC SERVICE

OVERVIEW OF MEDICAL AND DENTAL BENEFITS FOR CIVIL SERVANTS, PENSIONERS AND ELIGIBLE DEPENDANTS

PURPOSE

This paper provides Members with the latest overview of the provision of medical and dental benefits (hereafter referred to as "civil service medical benefits") available to civil service eligible persons ¹.

BACKGROUND

The Government, as the employer of civil servants, has a contractual obligation to provide civil service medical benefits. The scope of the benefits is set out in the Civil Service Regulations (CSRs), Civil Service Bureau Circulars and Circular Memoranda. Those provisions form part of the terms and conditions of employment of civil servants.

Civil service eligible persons consist of:

⁽a) monthly paid civil servants and their eligible dependants;

⁽b) retired civil servants living in Hong Kong and in receipt of a pension or an annual allowance and their eligible dependants living in Hong Kong;

⁽c) eligible dependants of civil servants killed on duty and living in Hong Kong;

⁽d) eligible dependants living in Hong Kong and in receipt of a pension under the Widows and Orphans Pension Scheme or the Surviving Spouses' and Children's Pension Scheme following the death of civil servants while in service or after retirement; and

⁽e) other persons who are eligible for civil service medical benefits by way of their terms of appointment.

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3. Civil service eligible persons are entitled to medical and dental treatment and services that are provided by the Department of Health (DH) or the Hospital Authority (HA) free of charge, save for the charges applicable to hospital maintenance, dentures and dental appliances as provided for in the CSRs ². If the attending HA/DH doctors certify that the drugs, equipment and services concerned are prescribed according to medical necessity and are not available in HA/DH, civil service eligible persons may apply to DH for reimbursement of the medical expenses incurred. For drugs on HA's list of self-financed items and some common self-financed equipment/services that are available in HA as chargeable items, civil service eligible persons are not required to pay for them out-of-pocket, as DH will reimburse HA direct with the medical expenses incurred under a direct payment arrangement upon receiving reimbursement applications from civil service eligible persons.

IMPROVEMENT MEASURES IMPLEMENTED IN 2015-16

4. We last briefed Members at the Panel meeting on 16 March 2015 vide LC Paper No. CB(4)614/14-15(04) on measures planned for implementation in 2015-16 to improve civil service medical benefits. An update on the implementation of the measures is set out in paragraphs 5 to 11 below.

(a) Reimbursement of medical expenses

- 5. A provision of \$460 million was earmarked in the Original Estimate for 2015-16 to meet the applications for reimbursement of medical expenses from civil service eligible persons. The approved provision represents an increase of 14% over the Revised Estimate of \$402 million for 2014-15 and is made in anticipation of an increase in the applications.
- 6. For the first nine months of 2015-16 (i.e. 1 April 2015 31 December 2015), DH had approved about 53 000 applications for reimbursement of medical expenses from civil service eligible persons, amounting to some \$350 million. This represents a 15% increase and 17% increase in the number of applications approved and reimbursement expenditure respectively, as compared with the first nine months of As at 31 December 2015, around 85% of the total reimbursement expenditure in the first nine months of 2015-16 was covered by the direct payment arrangement, as compared with 84% for the same nine-month period in 2014-15.

CSR Annex 6.1 sets out the hospital maintenance fees applicable to all civil service eligible persons. CSR Annex 6.2 sets out the schedule of charges for dentures, dental appliances and other restorations according to the civil servant's monthly salary at specified Master Pay Scale (MPS) pay points or equivalent. For pensioners, their monthly pension will be benchmarked against the MPS pay points for determining the

applicable level of charges.

7. DH has pledged to process at least 90% of applications for reimbursement of medical expenses within four weeks. For the calendar year of 2015, DH has continued to more than meet the pledge, with 99% of the reimbursement applications processed within four weeks.

(b) Families Clinic services

- 8. DH is operating four Families Clinics at present for the dedicated use by civil service eligible persons. Fitting-out works for the fifth Families Clinic in Fanling had been completed in January 2016. Delivery and installation of furniture and equipment are in progress. We expect that the new clinic will commence service on schedule at the end of March this year. Upon the full operation of this new Families Clinic, the total number of consultation rooms of DH's Families Clinics will increase by ten, from 32 to 42, representing an increase of over 30% of the overall service capacity.
- 9. An automated telephone booking system (ATBS) for all Families Clinics has been launched by DH since mid-September 2015. Civil service eligible persons can call the ATBS at any time to make appointments for medical consultation at any Families Clinic of their choice.

(c) General Outpatient services

10. Besides the Families Clinics, civil service eligible persons may also visit 73 General Outpatient Clinics (GOPCs) under the management of HA for episodic diseases free of charge. A number of priority discs are reserved for serving civil servants so as to enable them to return to work, if considered fit, as early as possible to maintain normal workforce. HA has been implementing a re-distribution plan of priority discs among four GOPCs since September 2015. The arrangement results in an increase of around 15% to 20% in the number of priority discs in two GOPCs with higher demands for the discs.

(d) Dental services

11. DH maintains over 200 general dental surgeries for the dedicated use by civil service eligible persons. In 2015-16, DH has opened 13 new general dental surgeries. For the remaining four general dental surgeries planned for 2015-16, DH will open them in 2016-17 upon successful recruitment of dental officers. Upon the full operation of all these 17 surgeries, there will be an increase of about 8% over the overall service capacity in 2014-15.

IMPROVEMENT MEASURES TO BE IMPLEMENTED IN 2016-17

12. Subject to the approval of the 2016-17 Draft Estimates of Expenditure by the Legislative Council, we will further improve the provision of civil service medical benefits in 2016-17, as follows –

(a) Families Clinic services

13. We will commence the preparatory work for setting up the sixth Families Clinic in Sai Kung to increase the service capacity of DH's Families Clinics. Targeted to commence service in 2018-19, this new Families Clinic will better serve the needs of civil service eligible persons who work or reside in the New Territories East region. Upon the setting up of the sixth Families Clinic, the network of Families Clinics will be more evenly distributed with two on Hong Kong Island, one in Kowloon and three in the New Territories.

(b) Dental services

14. Prosthodontic dental services refer to the restoration of the teeth or missing teeth by dental prostheses, i.e. removable denture, fixed crowns and bridges, or implant. The treatments provide rehabilitation to patients with functional problems in using their teeth (e.g. chewing, speaking, or occlusion) and appearance problems due to missing teeth or loss of associated structures. We will enhance specialised dental services for civil service eligible persons by commencing the preparatory work for seven prosthodontic dental surgeries with a view to shortening their waiting time for the services. It is expected that the new surgeries can commence operation in 2018.

CHINESE MEDICINE SERVICES

15. We are fully aware of the suggestion that Chinese medicine services should be provided as part of civil service medical benefits. As we have explained at previous Panel meetings, Chinese medicine services are currently not provided by DH or HA as standard services. However, it has been announced in the 2016 Policy Address that the Government has reserved a site in Tseung Kwan O for the development of a Chinese medicine hospital. We will keep in view the development and keep under our radar screen the future role of HA and DH in the provision of Chinese medicine services, and the possibility of further extending the civil service medical benefits.

WAY FORWARD

- 16. We will continue to work closely with HA and DH to further enhance the civil service medical services for civil service eligible persons, taking into account the Government's contractual obligation, and the cost-effectiveness and financial implications of any proposed improvement measures.
- 17. Members are invited to note the contents of this paper.

Civil Service Bureau February 2016