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**Subcommittee on Issues Relating to
the Future Development of Elderly Services Schemes**

**Background brief prepared by the Legislative Council Secretariat for
the meeting on 15 January 2016**

Policies and measures on elderly care services

Purpose

This paper summarizes the major concerns raised at meetings of the Council and its committees on the Administration's policies and measures on elderly care services.

Background

2. According to the Administration, Hong Kong is facing an ageing population. In 2015, the provisional number of elderly persons aged 65 and above stood at about 1.12 million, representing 15.4% of Hong Kong's population. According to the latest population projection by the Census and Statistics Department, the elderly population will keep growing until peaking at 2.61 million (36% of Hong Kong's population) in 2058 and then declining to 2.58 million (36%) in 2064. Concurrently, the life expectancy of Hong Kong's population continues to increase. The expectation of life at birth for males is projected to increase to 84.3 years in 2034 and further to 87 years in 2064. Likewise, the expectation of life at birth for females is projected to increase to 89.9 years in 2034 and further to 92.5 years in 2064.

3. In the face of the ageing population and increasing longevity, the Administration adopts a proactive approach in delivering elderly services with an objective to enable senior citizens to live in dignity and to provide necessary support for them to promote their sense of belonging, sense of security and sense of worthiness. In addition to promoting active ageing, the Administration provides quality and cost-effective long-term care ("LTC") services to those who are in need, in line with the policy objective

of promoting "ageing in place as the core, institutional care as back-up". Moreover, the Chief Executive ("CE") announced in his 2014 Policy Address that the Elderly Commission ("EC") would be commissioned to draw up the Elderly Services Programme Plan ("Programme Plan") within two years with an aim to enhance the medium to long-term planning for elderly services.

4. At its meeting on 8 June 2015, the Panel on Welfare Services ("Panel") appointed the Subcommittee on Issues Relating to the Future Development of Elderly Services Schemes ("Subcommittee") to study relevant policies and measures relating to the future development of elderly services, follow up the work of the Programme Plan, discuss relevant policies with the Administration and make timely recommendations. As the subcommittees on policy issues in operation had reached the maximum number of 10 at that time, the Subcommittee had been placed on the waiting list and was activated when a vacant slot arose in January 2016.

Deliberations by Members

The Programme Plan

5. At its meeting on 11 June 2014, the Council passed a motion urging the Administration to -

- (a) immediately formulate a comprehensive elderly care policy, make detailed planning for elderly care services in the future and promote collaboration between the medical and welfare sectors; and
- (b) take the needs and LTC of the elderly persons as the basis, rather than adopting age as the sole criterion, to immediately formulate a comprehensive elderly care policy.

6. The Administration advised that in 2014, CE had tasked EC to formulate the Programme Plan within two years to enhance the planning of elderly services. In formulating the Programme Plan, EC would make reference to the issues highlighted in its past studies on LTC services for the elderly¹, and the views expressed by various stakeholders and concern groups on elderly care services. In addition, a number of schemes would be considered together with the relevant information and data (including the demand for and supply of elderly services) in the wider context of the Programme Plan. For example, the Special Scheme on Privately Owned Sites for Welfare Uses ("Special Scheme"), the Pilot

¹ EC released the report on the Consultancy Study on Residential Care Services for the Elderly in 2009 and the report on the Consultancy Study on Community Care Services for the Elderly in 2011.

Scheme on Community Care Service ("CCS") Voucher for the Elderly ("CCS Voucher Scheme"), the feasibility study of introducing a residential care service ("RCS") voucher scheme for the elderly ("RCS Voucher Scheme"), the Pilot Scheme on Living Allowance for Carers of the Elderly Persons from Low Income Families ("Carer Allowance Scheme") under the Community Care Fund.

7. The Panel was briefed on the progress of the preparation of the Programme Plan by EC's Working Group on Elderly Services Programme Plan ("WGESPP") which had engaged a consultant team to provide assistance. Noting that policies under the purview of the Labour and Welfare Bureau would form the core of the consultant team's study, the Panel passed a motion at its meeting on 20 January 2015 urging EC to extend the scope of the Programme Plan and press the consultant team to extend its scope of study to cover social welfare services, medical services, housing and needs after retirement. The Administration advised that the Programme Plan would be prepared in accordance with the guiding principle of "ageing in place as the core, institutional care as back-up." It had been committed to formulating elderly care policies holistically, having regard to considerations on different areas, including medical, housing, as well as population strategies, where appropriate.

8. Some Members took the view that the principle of "ageing in place as the core" was only a slogan given that the Administration did not have a sustainable policy on or allocate sufficient resources for the provision of CCS. Some other Members expressed grave concerns about the inadequacy of RCS and the absence of the Administration's action to address the problem. These Members considered that WGESPP should realistically forecast the demand for elderly services in the next five to 10 years, and make recommendations on how to enhance elderly services to cater for the growing demand in this regard for consideration by the Administration in formulating the Programme Plan.

9. The Administration advised that the Programme Plan would not only take stock of the existing and planned elderly services, but also cover the longer-term projection on the demand for and supply of subsidized elderly services. Meanwhile, the Administration would continue to take measures to enhance elderly services. As requested by the Panel, the Administration would give a briefing on the progress of the preparation of the Programme Plan at its meeting on 14 March 2016.

CCS for elderly persons and support for carers

CCS Voucher Scheme

10. Noting that the Administration had taken forward the recommendation of EC to roll out the First Phase of the CCS Voucher

Scheme in September 2013, some Members were concerned about the implementation progress of the Scheme. According to the Administration, all the 1 200 vouchers under the First Phase had been issued to moderately impaired elderly applicants in eight selected districts by early April 2014. Taking into account the initial findings and recommendations of the evaluation study conducted by the Sau Po Centre on Ageing ("COA") of The University of Hong Kong, the Social Welfare Department ("SWD") had examined possible areas for refinement and had drawn up implementation details for the Second Phase of the CCS Voucher Scheme which was expected to be launched in the second half of 2016 for a period of two years.

11. Noting that services not meeting users' needs, unattractive service packages and high service fee were major reasons for low participation rate in the First Phase of the CCS Voucher Scheme, some Members called on the Administration to make improvements to the Scheme in the Second Phase. Some Members considered that the voucher value should be increased so that voucher holders could receive better services and join more service sessions. The Administration was also requested to review the scope of target service beneficiaries and provide family members of eligible elderly persons with more information on the CCS Voucher Scheme.

12. At its meeting on 11 January 2016, the Panel had been consulted on the proposal for the implementation of the Second Phase of the CCS Voucher Scheme. According to the Administration, in line with COA's recommendations, the Second Phase would provide five different voucher values (i.e. \$8,300, \$7,000, \$6,250, \$5,000 and \$3,500 at 2015-2016 price level). Moreover, the coverage under the Second Phase would be extended to all the 18 districts over the territory, and the scope would be expanded to cover elderly persons who were assessed by the Standardized Care Needs Assessment Mechanism for Elderly Services as severely impaired. In addition, the pool of the Recognized Service Providers under the Second Phase would be expanded to include private organizations. To ensure quality of service, the Administration planned to confine the inclusion of private organizations to those which had at least 12-month proven experience in providing CCS for elderly persons. A table summarizing the proposed features of the Second Phase as compared with the First Phase of the CCS Voucher Scheme was in **Appendix I**. The Panel, however, passed a motion objecting to the extension of the Second Phase of the CCS Voucher Scheme to private elderly service organizations in the absence of a monitoring system for private organizations. The Panel would hold a special meeting on 6 February 2016 to receive deputations' views on the Administration's proposal for the implementation of the Second Phase of the CCS Voucher Scheme.

Support for carers of elderly persons

13. Some Members were concerned about the implementation progress of the Carer Allowance Scheme which had been launched in June 2014, and what other support measures would be provided to assist carers, in particular those who had to take care of demented elderly persons.

14. The Administration advised that as at March 2015, a total of 2 870 applications had been received under the Carer Allowance Scheme, among which 1 700 applications had been assessed to be eligible. The Scheme was currently under evaluation. The Administration would brief the Panel on the implementation progress of the Scheme at its meeting on 15 February 2016. In addition to the Carer Allowance Scheme, the Administration provided assistance for carers through various service units, such as subvented and contract residential care homes for the elderly ("RCHEs") and private RCHEs participating in the Enhanced Bought Place Scheme ("EBPS"), subsidized day care units for the elderly ("DCUs"), elderly centres and home care service teams as well as the CCS Voucher Scheme. Moreover, the Administration had regularized in 2014-2015 the District-based Scheme on Carer Training which would provide carer training programmes in elderly centres. This apart, the Administration had provided an additional full-year recurrent funding of some \$22 million from 2014-2015 for 41 district elderly community centres to employ more social workers for enhancing support services for elderly persons with dementia and their carers.

RCS for elderly persons

Provision of RCS places

15. Regarding the planned provision of RCS, the Administration advised that it had earmarked sites in 20 development projects for the construction of new contract RCHEs, contract RCHEs with DCUs and new day care centres for the elderly ("DEs") and would continue to identify sites for these purposes. This apart, EC was formulating the Programme Plan under which the feasibility of introducing the RCS Voucher Scheme would be explored. If EC considered it viable to launch the RCS Voucher Scheme, the Administration would provide about 5 000 additional subsidized RCS places within the current term of office, taking into account the 3 000 vouchers to be offered under the Scheme from 2015-2016 to 2017-2018. Moreover, the Administration had received preliminary proposals from 43 welfare organizations under the Special Scheme, involving 63 in-situ expansion, redevelopment or development projects. If all the proposals received under the Special Scheme could be implemented smoothly, about 9 000 additional elderly service places (including 7 000 RCS places) would be provided.

16. At its meeting on 13 April 2015, the Panel passed a motion expressing support for the use of public funding for the Special Scheme with a view to an early development of urgently needed welfare services, and urging that such services should be dominated by publicly funded ones and supplemented by self-financing ones, with a ratio of 8:2 as the benchmark, so as to ensure that public resources were put to use for needy groups in an equitable manner, rather than placing more emphasis on those who could afford the charges.

17. The Administration explained that in considering the proportion of subvented services and self-financing services to be provided by projects under the Special Scheme, SWD would adhere to the established rules and procedures for projects funded by the Lotteries Fund and take into account the need for different types of services in the community in the long run, the choices for service users as well as the maturity of the relevant services in the market. SWD would also discuss with the applicant organizations regarding the proportion of subvented services and self-financing services to be provided under their projects by making reference to the existing ratio, say, of 6:4 for contract homes. There were cases in which the relevant ratio had been increased to suit the special circumstances surrounding those cases. The Administration would brief the Panel on the implementation progress of the Special Scheme at its meeting on 11 July 2016.

18. Some Members held the view that in drawing up the service provision plan, the Administration should project the age at which an elderly person would normally require RCS and the percentage of such persons in the total number of applicants for RCS. As the provision of RCHEs was constrained by land supply, some Members suggested that the Administration should formulate policies on providing RCHEs in both new and existing public rental housing ("PRH") estates. The use of ground-level vacant bays of domestic blocks under new PRH development projects for RCHEs should also be considered. The Administration should consider detaching DCUs from RCHEs so that it could have more flexibility in finding suitable premises for DCUs.

19. The Administration advised that welfare facilities would be provided under all new PRH development projects. SWD would discuss with the Housing Department to secure more floor area in PRH estates for RCHEs. In addition to providing RCHEs with DCUs, the Administration would find suitable premises in PRH estates for stand-alone DEs. In formulating the Programme Plan, EC would look into the medium and long-term development of elderly services up to 2030. The consultant team engaged by EC would examine the impact of the growing elderly population on the existing services and explore measures for a sustainable development. It would also look into the demand for and supply of LTC services, taking into account the welfare facilities to be provided under the Special Scheme.

The Programme Plan was expected to be ready in 2016. In the interim, the Administration would continue to bid for resources to enhance the provision of LTC services.

RCS Voucher Scheme

20. In his 2014 Policy Address, CE had announced that in addition to the preparation of the Programme Plan, EC had also been tasked to explore, within one year, the feasibility of introducing an RCS Voucher Scheme. Some Members expressed concern about the participation rate and the service quality of the RCS Voucher Scheme if the service under the Scheme would be provided mainly by RCHEs which met the standards of EBPS. Whilst the RCS Voucher Scheme could improve the unit subsidy and occupancy rate of participating RCHEs, these Members took the view that it was not an effective solution to the problem of acute shortage of RCS. They also considered that users of the RCS Voucher Scheme should not be subject to a means test. These Members were worried that the Scheme under which a means test was suggested for users on an individual basis would pave the way for the introduction of a means test to the existing subsidized RCS and CCS in future.

21. The Administration advised that the RCS Voucher Scheme aimed to enable elderly persons, particularly those who were admitted to private RCHEs and were receiving Comprehensive Social Security Assistance, to receive better services. It also sought to reduce the waiting time for RCS by making use of places offered by self-financing RCHEs and private RCHEs. Since the "money-following-the-user" approach as well as the co-payment and top-up arrangements would be helpful to the sustainability of and the Administration's long-term commitment to the provision of RCS, the RCS Voucher Scheme would test the viability of this new funding mode. The Scheme would also provide an input to EC in drawing up the Programme Plan. The Administration stressed that the conduct of the feasibility study on the RCS Voucher Scheme would not affect the Administration's present commitment to providing subsidized RCS for elderly persons.

22. At its special meeting on 28 March 2015, the Panel passed a motion urging the Administration to, among others, temporarily suspend the implementation of the RCS Voucher Scheme in view of the objection raised by the social services sector and many elderly people, and reinstate in-depth discussions with various stakeholders.

Inspection and licensing system for monitoring RCHEs

23. Noting from the sporadic media reports about elder abuse cases in private RCHEs and the recent incident at Tai Po Cambridge Nursing

Home², some Members cast doubt on the effectiveness of the inspection and licensing system for monitoring RCHEs. They took the view that as no major amendments had been made to the Residential Care Homes (Elderly Persons) Ordinance (Cap. 459) ("Ordinance") since its enactment almost 20 years ago, some provisions of the Ordinance were outdated. At its meeting on 8 June 2015, the Panel passed a motion urging the Administration to immediately review the Ordinance and the Code of Practice for Residential Care Homes (Elderly Persons), and that during the transitional period SWD should strictly enforce the Ordinance and the Code of Practice to ensure that the service quality of both private and subvented RCHEs could reach a reasonable level. The Administration advised that it would conduct a holistic review of elderly care services. Meanwhile, short, medium and long-term measures would be adopted to improve the inspection and licensing system for monitoring RCHEs within the existing legislative framework.

24. Some Members called on the Administration to consider establishing an official accreditation system for the service quality of RCHEs and introducing a demerit point system for RCHEs. The Administration advised that it had all along been encouraging RCHEs to actively join independent service quality accreditation schemes. At present, the following accreditation services were available for voluntary participation by RCHEs: the Residential Aged Care Accreditation Scheme launched by the Hong Kong Association of Gerontology, the Quality Elderly Service Scheme launched by the Hong Kong Health Care Federation with the support of the Hong Kong Productivity Council, and the Service Quality Management Certification Scheme – Elderly Service launched by the Hong Kong Quality Assurance Agency. In selecting private RCHEs for participation in EBPS, SWD had accorded higher scores for those homes which had participated and been accredited under the relevant service quality accreditation schemes for management and service quality enhancement. The Administration also advised that it had taken note of suggestions from various sectors on how to strengthen the monitoring of RCHEs, such as a demerit point system, and adopted an open mind in examining different options.

Manpower supply and training for elderly care sector

25. Given the growing demand for RCS, some Members called on the Administration to address the manpower shortage problems in the elderly care sector by reviewing the quota for imported labour for private RCHEs and nurturing care workers locally. The Administration advised that as at June 2015, there were a total of 3 224 imported labour and 1 652 of them (i.e. 51.3%) were working as frontline care workers in private RCHEs.

² According to a news report in May 2015, the Tai Po Cambridge Nursing Home made some of its elderly residents wait naked on an open podium before showers.

The number of elderly persons admitted to RCHEs represented 7% of the total elderly population. Such a high percentage was attributed to the inadequacy of community and home care services, resulting in pre-mature institutionalization of many elderly persons. The Administration would review elderly services comprehensively which included strengthening community and home care services.

26. As regards the supply of local care workers, the Administration advised that the "first-hire-then-train" pilot project had been introduced in 2013 to attract young people to join the elderly care services. Under the aforesaid project, young people were recruited to provide care services at RCHEs and were provided with training on care services. In view of the positive response to the project, the Administration launched the Navigation Scheme for Young Persons in Care Services in July 2015 which would provide a total of 1 000 training places in the coming few years to offer employment and training opportunities to young persons interested in providing care services in the welfare sector. Moreover, the Education Bureau had undertaken to develop a qualifications framework for the elderly care sector, with a view to attracting more new entrants to the field.

27. The Administration further advised that in addition to frontline care workers, the elderly care sector also required paramedical staff such as nurses, occupational therapists and physiotherapists. SWD had collaborated with the Hospital Authority in offering the enrolled nurse training programme since 2006. SWD fully subsidized the tuition fees for the whole programme, provided that trainees of the programme met the requirement of working in the welfare sector for a continuous period of no less than two years after satisfactory completion of training. More than 80% of the trainees of the enrolled nurse training programme stayed in the welfare sector after completion of training. An additional 920 training places would be provided in the coming few years. The Hong Kong Polytechnic University had offered two batches of two-year Master programmes in Occupational Therapy and Physiotherapy, one in 2012 and the other in 2014. Each of these programmes had provided a total of about 60 training places and all the graduates of the programmes from the batch in 2012 had joined the welfare sector. According to the Administration, the Programme Plan being prepared by EC was expected to cover long-term manpower planning for the care sector.

Relevant papers

28. A list of the relevant papers on the Legislative Council website is in **Appendix II**.

Council Business Division 2
Legislative Council Secretariat
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**Comparison of the
Key Features of the First Phase and the Second Phase of the
Pilot Scheme on Community Care Service Voucher for the Elderly**

	First Phase	Second Phase
Frailty level of the target service beneficiaries	<ul style="list-style-type: none"> Moderate impairment 	<ul style="list-style-type: none"> Moderate or severe impairment
Number of pilot districts	<ul style="list-style-type: none"> 8 districts 	<ul style="list-style-type: none"> 18 districts in the territory
Recognised service providers	<ul style="list-style-type: none"> NGOs / SEs having experience in elderly care service, either CCS or RCS 	<ul style="list-style-type: none"> NGOs / SEs having at least 12-month proven experience in elderly care service, either CCS or RCS Private organisations having at least 12-month proven experience in CCS for the elderly
Voucher capacity	<ul style="list-style-type: none"> 1 200 	<ul style="list-style-type: none"> 1 800 (maximum 3 000 including 1 200 migrating from the First Phase)
Scope of service	<ul style="list-style-type: none"> Day care Home care 	<ul style="list-style-type: none"> Day care Home care Residential respite service
Service delivery mode	<ul style="list-style-type: none"> Day care (part-time) Day care (part-time) and Home care 	<ul style="list-style-type: none"> Centre-based (full-time or part-time) Home-based Centre-based and Home-based
Voucher value	<ul style="list-style-type: none"> Single voucher value (\$6,250 at 2015-16 price level) 	<ul style="list-style-type: none"> Five voucher values (\$8,300, \$7,000, \$6,250, \$5,000 and \$3,500 at 2015-16 price level)
Co-payment	<ul style="list-style-type: none"> Five co-payment categories (\$500, \$750, 	<ul style="list-style-type: none"> Six co-payment categories: five plus a designated

	First Phase	Second Phase
	<p>\$1,000, \$1,500 and \$2,500)</p> <ul style="list-style-type: none"> • Co-payment amount to be determined based on household income with reference to MMDHI • Fixed co-payment amount regardless of annual adjustment of voucher value based on CCPI 	<p>co-payment category for CSSA voucher holders (5%, 8%, 12%, 16%, 25% and 40% of the voucher value)</p> <ul style="list-style-type: none"> • Co-payment amount to be determined based on household income with reference to MMDHI • Both government subsidy and co-payment to be adjusted annually based on CCPI

Source: Extract from the Administration's paper entitled "The Second Phase of the Pilot Scheme on Community Care Service Voucher for the Elderly" (LC Paper No. CB(2)574/15-16(03))

Appendix II

Relevant papers on policies and measures on elderly care services

Committee	Date of meeting	Paper
Panel on Welfare Services	23 January 2014 (Item II)	Agenda Minutes
	10 March 2014 (Item IV)	Agenda Minutes
Establishment Subcommittee of the Finance Committee	30 April 2014 (Item 3)	Agenda Minutes
Legislative Council	11 June 2014	Official Record of Proceedings Pages 6-76 Progress Report
Joint Subcommittee on Long-term Care Policy	24 July 2014	Report (issued on 30 July 2014)
Panel on Welfare Services	25 July 2014 (Item III)	Agenda Minutes
Panel on Welfare Services	20 January 2015 (Item I)	Agenda Minutes
Panel on Welfare Services	26 January 2015 (Item I)	Agenda Minutes
Panel on Welfare Services	9 February 2015 (Item V)	Agenda Minutes
Finance Committee	2 April 2015	Administration's replies to members' written questions in examining the Estimates of Expenditure 2015-2016 Pages 146-147

Committee	Date of meeting	Paper
Panel on Welfare Services	13 April 2015 (Item III)	Agenda Minutes
Panel on Welfare Services	11 May 2015 (Items III & V)	Agenda Minutes
Panel on Welfare Services	8 June 2015 (Item VI)	Agenda Minutes
Legislative Council	24 June 2015	Report of the Panel on Welfare Services
Panel on Welfare Services	23 July 2015 (Item III)	Agenda Minutes
House Committee	4 December 2015 (Item I)	Agenda
Panel on Welfare Services	11 January 2016 (Item III)	Agenda

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