

For information
on 6 November 2017

Legislative Council Panel on Health Services
Mode of Operation of the Chinese Medicine Hospital

Purpose

This paper briefs Members on the latest progress of the development of the Chinese medicine hospital, including the preparatory work for formulating the mode of operation of the Chinese medicine hospital.

Background

2. The Government has been committed to promoting the development of Chinese medicine in Hong Kong. Since the enactment of the Chinese Medicine Ordinance in 1999, the Government has actively established and enhanced the regulatory regime for Chinese medicine in order to solidify the professional status of Chinese medicine practitioners and ensure the safety, quality and efficacy of Chinese medicines. To promote the further development of Chinese medicine, the Government established the Chinese Medicine Development Committee (CMDC), chaired by the Secretary for Food and Health, in February 2013 to explore the future development needs of the Chinese medicine sector so as to enable Chinese medicine to assume a more prominent role in promoting public health.

3. Both the Chinese medicine sector and the CMDC have widely recognised the need and readiness of Hong Kong to set up a Chinese medicine hospital. The Government shares the view that the provision of Chinese medicine in-patient services will help enhance the professional standards of Chinese medicine practitioners and the quality of scientific research in Chinese medicine in Hong Kong. Hence, the Government announced in the 2014 Policy Address that a site in Tseung Kwan O would be reserved for the development of a Chinese medicine hospital. In the same year, the Government invited the Hospital Authority (HA) to launch the Integrated Chinese-Western Medicine (ICWM) Pilot Programme to explore the feasibility of providing Chinese medicine in-patient services and to gain experience for the development of a clinical framework for the Chinese medicine hospital.

4. As the first Chinese medicine hospital in Hong Kong, the Government considers that it should be allowed sufficient flexibility and scope for future development. The Government therefore recommends that the Chinese medicine hospital should be operated by non-profit-making organisation(s). The hospital should provide Chinese medicine and ICWM services with Chinese medicine having the predominant role. Apart from providing the public with in-patient and out-patient services, the Chinese medicine hospital will also collaborate with the Schools of Chinese Medicine of the three universities in Hong Kong and other related institutions to support the clinical training, teaching and scientific research and assist in enhancing the professional training and the quality of scientific research in the field of Chinese medicine. The Chinese medicine hospital will facilitate the development of Chinese medicine in the territory and enable Chinese medicine to play a more active role in promoting public health in the long run.

5. To gauge the concerns and views of the market on the Chinese medicine hospital, the Government invited non-profit-making organisations which were interested in developing and operating the Chinese medicine hospital at a reserved site in Tseung Kwan O to submit a non-binding expression of interest (EOI) covering a number of areas, including the management structure, manpower arrangement, financing model, implementation time frame, services and facilities of the Chinese medicine hospital, from January to May 2016. The exercise aimed to enable the Government to better understand the concerns and views of interested non-profit-making organisations on the project with a view to formulating a set of operational requirements which would be practicable and in line with the operational considerations of the Chinese medicine sector as the reference basis for the tendering exercise to be conducted. The Government received a total of seven EOIs from local organisations during the above period. Responding non-profit-making organisations generally considered that they could hardly afford the enormous cost of constructing the Chinese medicine hospital without financial support from the Government. After thorough deliberation of the views, the Government decided in January this year to finance the construction of the Chinese medicine hospital and invite the HA to assist in identifying by way of tender a suitable non-profit-making organisation to take forward and operate the Chinese medicine hospital.

Latest direction of developing the Chinese medicine hospital

6. Since making the decision to reserve a site in Tseung Kwan O to set up the Chinese medicine hospital, the Government has been working with relevant parties to actively examine various possibilities regarding the mode of operation and clinical practice of the Chinese medicine hospital. The aim is to ensure that the Chinese medicine hospital will provide appropriate Chinese medicine and ICWM services with Chinese medicine having the predominant role for the public. As the provision of Chinese medicine in-patient services is unprecedented, detailed and careful consideration of various factors, including the following challenges, is necessary when planning for the Chinese medicine hospital –

- (1) establishing a framework for and experience in the operation of a Chinese medicine hospital;
- (2) meeting the developmental needs of the Chinese medicine sector;
- (3) ensuring effective provision of Chinese medicine and ICWM services with Chinese medicine having the predominant role;
- (4) making suitable financial arrangements;
- (5) ensuring effective management of the operation contract; and
- (6) facilitating the cooperation between the Chinese medicine hospital and the educational, training and research institutions.

7. Although the HA has gained experience from the Pilot Programme in the provision of ICWM in-patient services, Western medicine still assumed a dominant role in the clinical plan under the programme. There are also areas which need to be examined when the ICWM model with Chinese medicine having the predominant role is put into clinical practice. These include collaboration between Chinese medicine practitioners and Western medicine doctors, design of clinical pathways, review and monitoring systems, and transfer and follow-up of patients at different stages of illness under the ICWM approach. The above issues involve complicated legal and insurance matters which require thorough study and discussion. In particular, careful consideration should be given to the clinical accountability and co-operation of Chinese and Western medicine practitioners as patients' safety and rights are

involved. The adoption of evidence-based medicine will also be a major challenge for the Chinese medicine hospital.

8. To ensure the sustainable development of the Chinese medicine hospital, other considerations such as the financial capability of operators and funding arrangements are also very important. In addition, it is necessary for the Chinese medicine hospital to introduce new services or enhance existing services in response to the technological advancement in Chinese medicine so as to meet the sector's expectation for development. In this regard, the Government has to study carefully so as to provide sufficient flexibility in the operation contract to cater for the long-term development needs of the hospital.

9. As the Chinese medicine hospital will serve to support the teaching, clinical training and scientific research of education institutions in Hong Kong, including the Schools of Chinese Medicine of three universities, the collaboration between the Chinese medicine hospital and the Schools of Chinese Medicine will also be one of the key areas for development. Due consideration must be given to the conduct of teaching, training and research in Chinese medicine in the hospital, including clinical practice, training of paramedical staff in Chinese medicine, training of specialists, as well as the effectiveness of the management structure in monitoring the quality of teaching and training in the hospital, and whether it is necessary to set up a clinical trials centre and the facilities required for scientific research. In terms of training and research, the Chinese medicine hospital will also collaborate with other institutions to lead the development of Chinese medicine in Hong Kong.

10. As the first Chinese medicine hospital in Hong Kong, it requires the co-operation and communication between government departments, the HA, the Chinese medicine sector and other healthcare organisations in order to explore the suitable mode of operation and the relevant details so that the Chinese medicine hospital can meet various objectives such as fulfilling the expectations of the community, obtaining the recognition of the Chinese medicine sector which will in turn facilitate the development of the sector, maintaining a balance between the views of western medical practitioners and other healthcare professionals, supporting the requirements for teaching and research in the education institutions in Hong Kong, including the Schools of Chinese Medicine of the three universities, and collaborating with other institutions to further the development of Chinese medicine in Hong Kong.

Consultation with the Chinese medicine sector and overseas experts

11. To ensure that the expectations of the Chinese medicine sector could be met and to provide appropriate operating environment, the Government has invited HA to commission an international consultant to conduct a consultation exercise with local stakeholders and overseas experts on the mode of development of the Chinese medicine hospital covering governance structure, business model, operational model, financial model and contract management. The first stage of the consultation commenced in April this year and the second stage is expected to be completed by the end of this year. The target is to finalise the analysis report by the first half of next year.

12. Local respondents include the Schools of Chinese Medicine of the three universities, the Chinese medicine sector, non-government organisations and organisations of Western medical practitioners and nurses, HA and other organisations which had submitted EOIs to the Government. In view of the diverse opinions on the development of the hospital among different stakeholders in the sector, we need to consider carefully how to arrive at a mode of development that will be widely accepted by the sector.

13. There is no relevant local experience in planning the development of the Chinese medicine hospital at present. Although the healthcare system of Hong Kong is different from those in other places in terms of system, legislation and professional teaching, we will still draw on the experience of places outside Hong Kong, including the Mainland, Taiwan and Korea, and experts worldwide in operating a Chinese medicine hospital. The consultant will conduct interviews with selected experts from the Mainland, Taiwan and Korea who have rich experience in governing Chinese medicine hospitals or ICWM hospitals, or those serving in reputable Chinese medicine hospitals or ICWM hospitals. During the interviews, information and opinions about the modes of operation, governance and team structure, service delivery, the working models of Chinese medicine/ICWM in-patient services, teaching, scientific research, risk management and legislative schemes of the hospitals in these places will be collected for reference. The HA will invite the selected experts to visit Hong Kong on 10 November 2017 for exchanges of views with the CMDC and attend the seminar for the Chinese medicine hospital experts organized by the HA on 11 November 2017 to share their experience with the sector.

Plan for the Next Stage of Work

14. We are actively devising the directions for the construction and operation of the Chinese medicine hospital and the detailed requirements of various aspects, including governance structure, operation arrangements, service content, manpower needs of different medical professions and financial arrangements. Upon completion of the consultation and the analysis report, we plan to announce in the first half of 2018 the positioning of the Chinese medicine hospital and the development framework for major areas of the hospital. After that, we will start finalising the contents of the tender documents. Given the relative complexity of this open tendering exercise, it will take some time to conduct more prudent and detailed planning.

15. The Government announced in the Chief Executive's 2017 Policy Address in October that the Food and Health Bureau will set up a dedicated unit to oversee Chinese medicine development. The unit will be responsible for maintaining close liaison with the Chinese medicine sector as well as co-ordinating and implementing the strategies and measures for promoting the development of Chinese medicine in Hong Kong. Its establishment will help the Government plan for the multi-dimensional development of Chinese medicine in Hong Kong in the long run, including the preparatory work for the Chinese medicine hospital.

Advice Sought

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

**Food and Health Bureau
Hospital Authority
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