

**立法會**  
**Legislative Council**

LC Paper No. CB(2)2494/99-00  
(These minutes have been  
seen by the Administration  
and cleared with the Chairman)

Ref : CB2/SS/5/99

**Subcommittee on Chinese Medicine (Fees) Regulation**

**Minutes of meeting**  
**held on Wednesday, 12 April 2000 at 8:30 am**  
**in Conference Room A of the Legislative Council Building**

**Members Present** : Prof Hon NG Ching-fai (Chairman)  
Hon David CHU Yu-lin  
Hon HO Sai-chu, SBS, JP  
Hon Cyd HO Sau-lan  
Hon Michael HO Mun-ka  
Hon LEE Wing-tat  
Dr Hon LUI Ming-wah, JP  
Hon HUI Cheung-ching  
Hon CHAN Yuen-han  
Dr Hon LEONG Che-hung, JP  
Hon LEUNG Yiu-chung  
Hon YEUNG Yiu-chung

**Public Officers Attending** : Mr Gregory LEUNG, JP  
Deputy Secretary for Health and Welfare 1

Miss Angela LUK  
Principal Assistant Secretary for Health and Welfare (Medical) 1

Mr SUEN Wai-chung  
Senior Assistant Law Draftsman, Department of Justice

Dr LEUNG Ting-hung  
Assistant Director of Health (Traditional Chinese Medicine)

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**Attendance by Invitation :** Hong Kong Chinese Herbalists Association Ltd.

Mr HO Ka-cheong  
Chairman

The Hong Kong Federation of China of Traditional Chinese Medicine

Mr WAN Fuk-biu  
Chinese Medicine Practitioner

International General Chinese Herbalists and Medicine Professionals Association Limited

Mr CHEUNG Hon-ming  
Chairman

Mr NG Cheuk-lam  
Vice Chairman

**Clerk in Attendance :** Ms Doris CHAN  
Chief Assistant Secretary (2) 4

**Staff in Attendance :** Mr Arthur CHEUNG  
Assistant Legal Adviser 5

Mr Stanley MA  
Senior Assistant Secretary (2) 6

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**I. Election of Chairman**

Nominated by Mr YEUNG Yiu-chung and seconded by Mr Michael HO and Mr HUI Cheung-ching, Prof NG Ching-fai was elected Chairman of the Subcommittee.

**II. Meeting with the Administration and deputations**  
Legislative Council Brief (Ref : HW CR 1/3911/98 Pt.30)  
LC Paper Nos. CB(2)1623/99-00(01)-(06)

2. The Chairman welcomed representatives of the Administration and the

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deputations to the meeting.

3. At the invitation of the Chairman, Deputy Secretary for Health and Welfare (DSHW) briefed members that the purpose of the proposed Chinese Medicine (Fees) Regulation (the Regulation) was to set out the level of fees payable for registration as Chinese medicine practitioners (CMPs) and other related purposes. He pointed out that the proposed fees would give rise to an annual revenue of about \$6 million, which would cover the cost of administering the registration, examination and related matters of CMPs. The Government would take up the costs arising from disciplinary actions and law enforcement against illegal and improper practice.

4. At the Chairman's invitation, representatives of the three deputations presented their views as summarized in paragraphs 5 to 7.

Hong Kong Chinese Herbalists Association Limited (HKCHA) (香港中醫師公會)

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5. Mr HO Ka-cheong of the HKCHA said that the HKCHA had discussed the proposals in the Regulation and held the view that the proposed fees were reasonable and acceptable.

Hong Kong Federation of China of Traditional Chinese Medicine (HKFCTCM) (香港中華中醫學會)

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6. Mr WAN Fuk-biu of the HKFCTCM said that the proposed level of fees were not acceptable in that they were on average twice as much as the corresponding fees for similar items under the Medical Registration (Fees) Regulation. He said that such proposals were not in line with the spirit of Article 138 of the Basic Law which stipulated that the Government of the Hong Kong Special Administrative Region should, on its own, formulate policies to develop western and traditional Chinese medicine and to improve medical and health services. He stressed that to enhance future development of the CMP profession, the proposed fees should not be higher than those for medical practitioners.

International General Chinese Herbalists and Medicine Professionals Association Limited (IGCHMPA) (國際中醫中藥總會)

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7. Mr NG Cheuk-lam of IGCHMPA said that the proposed fee for the issue of a practising certificate was reasonable, but the fees for applying and taking the licensing examination were too expensive. He pointed out that the total cost for completing the licensing examination was around \$10 000. Serving CMPs who failed their first attempts and had to re-sit the licensing examination might face financial difficulty. He highlighted the fact that Government had not hitherto provided any resources for the development of Chinese medicine,

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but had allocated substantial resources for development of western medicine. He also expressed concern about the charging rate of \$73 for every 72 words of the verbatim record of proceedings of an inquiry against a CMP.

Members' Discussion

8. Dr LEONG Che-hung declared interest as a member of the Chinese Medicine Council (CMC) of Hong Kong.

*Level of fees*

9. Mr LEE Wing-tat said that the large disparity in the registration and examination fees between CMPs and medical practitioners had been widely reported by the media. He held the view that the proposed level of fees for the registration, issue of a practising certificate and the licensing examination of CMPs should not be considerably higher than those corresponding charges for their western counterparts. He suggested that special consideration should be given to the CMP profession at this initial stage of its development. Given CMPs' low consultation fees, he urged the Government to formulate policies and propose level of fees which would facilitate the long-term development of Chinese medicine in Hong Kong.

10. Mr Michael HO enquired about the basis on which the proposed fees were calculated and asked whether the Administration had made reference to fees for registration and examination of medical practitioners, dentists, pharmacists and nurses. Dr LEONG Che-hung asked about the cost-recovery percentages for CMPs and other healthcare professions.

11. Mr HO Sai-chu, Dr LUI Ming-wah and Dr LEONG Che-hung shared the view that the proposed fees stipulated under the Schedule to the Regulation would impose heavy financial burden on CMPs. Mr HO asked whether Government had considered the financial situation of serving CMPs. He considered that the fees should be reviewed and adjusted in the light of changing circumstances. Dr LUI questioned the Government's approach to recover the full costs at this stage. He urged the Government to proactively provide assistance to CMPs for promoting the long-term development of the profession. Dr LEONG suggested that Government should set lower fees at the beginning and propose revisions to increase the percentage of cost-recovery at an appropriate time. He also asked whether the fees would in future be reduced since the number of registered CMPs would continue to increase.

12. DSHW responded that it would not be feasible to set charges for statutory registration and licensing examination of different healthcare professions at similar levels since the number of qualified applicants, the vetting processes of registration and the structure of the qualifying examinations were different. He stressed that the Administration's policy was to recover the full costs estimated at the time when the fees were proposed.

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However, the freeze of fees in the past two years had precluded the Government from achieving the policy objective. He explained that the current level of fees for medical practitioners was set in 1994 and should not be compared with the proposed fees for CMPs which were based on the costs in 1999.

13. DSHW also clarified that as the validity period of a CMP practising certificate was three years, the annual fee only worked out to be about \$583. On the basis of 270 working days in a year, the daily cost of a practising certificate would only be \$2. He agreed that the average cost of registration might decrease as the number of registered CMPs increased. As to the charge of \$73 for each 72 words of the verbatim record of disciplinary proceedings, DSHW explained that as the charge was in relation to disciplinary hearing, it would only need to be paid by the small number of CMPs involved in disciplinary proceedings who wished to apply for a copy of such record. He further said that this charge was the same for other healthcare professionals.

14. DSHW further said that the high examination fees could be attributed to the high costs of clinical examinations which might require up to three examiners to assess the performance of each candidate. He pointed out that the majority of the serving 7 000 CMPs would be qualified for exemption from the licensing examination, although some of them might have to pay a fee of \$1 650 for a registration assessment. He added that Government had allocated considerable resources for the development of Chinese medicine and degree courses in Chinese medicine were now available at the Hong Kong Baptist University and the Chinese University of Hong Kong.

15. Representatives of HKFCTCM and IGCHMPA said that Government should subsidize CMPs for taking the licensing examination as most CMPs charged modest fees and therefore were low-income earners. In response, Mr Michael HO suggested that Government should consider providing financial subsidy to CMPs for the licensing examination with conditions such as for not more than three attempts.

16. Mr LEE Wing-tat asked whether Government would proceed to review the level of fees for registration and licensing examination of medical practitioners after enactment of the Regulation. He cautioned that the Administration should not assume that LegCo Members would support a proposal to bring the registration fees and associated charges for medical practitioners in line with those of CMPs.

17. DSHW responded that the revision of fees for medical practitioners would be a separate exercise. If a revision was considered necessary, the revised level of fees would be proposed on the basis of recovering the costs incurred.

18. Miss CHAN Yuen-han said that most CMP associations did not accept

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the proposed fees for reasons that they were higher than those of the medical practitioners. She requested representatives of the HKCHA to elaborate on their view that the proposed fees were reasonable.

19. Mr HO Kar-cheong of HKCHA reiterated that the HKCHA had consulted its members and was of the view that the proposed fees for registration and the three-year practising certificate were acceptable. He said that HKCHAL did not have the relevant information in respect of medical practitioners and was not in a position to compare the costs incurred for the registration and issue of practising certificates for CMPs and medical practitioners. He also pointed out that the CMP associations which had expressed objection had not made any proposal regarding the level of fees which they would consider as reasonable and acceptable.

20. Mr WAN Fuk-biu of the HKFCTCM said that many CMPs only charged a fee of \$30 for each consultation and had a monthly income of around \$10 000. He suspected that many of these CMPs would have to apply for a bank loan to pay the necessary fees for the licensing examination.

21. Mr YEUNG Yiu-chung asked whether registered CMPs would still be required to apply for a business registration certificate for practising. DSHW undertook to check whether such requirement would remain unchanged after the commencement of the Regulation.

22. In response to Dr LEONG's further enquiry, DSHW advised that the charge for applying inclusion of a name in the list of Chinese medicine practitioners maintained by the Practitioners Board of the CMC would be \$650.

*Income and expenditure of the registration system*

23. Referring to paragraphs 12 and 13 of the LegCo Brief, Dr LEONG Che-hung asked for details of the annual expenditure of \$9 million for serving the CMC and administering the registration system, as well as the basis for calculating the estimated income of \$6 million. Mr LEUNG Yiu-chung asked whether Government would refund the surplus to CMPs if the expenditure turned out to be over-estimated. He requested the Administration to provide a breakdown of the estimated income and expenditure arising from administering the registration system.

24. DSHW responded that to meet the initial demand of the 7 000 serving CMPs for registration, additional staff would be recruited to process their applications. He pointed out that the actual income and expenditure of the registration system for processing the application of the serving 7 000 CMPs could only be confirmed at a later stage.

25. DSHW explained that the estimated annual income of around \$6 million after the transition period was based on the estimates of some 2 400

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Adm applications for renewal of licensing certificate and 200 new CMP applicants in a year. The Administration would in collaboration with the CMC review the fee levels in the light of the actual experience. Currently the secretariat staff of the CMC were civil servants. The CMC might consider recruiting its own staff at an appropriate time to reduce staff costs. He undertook to provide a breakdown of the estimated revenue of \$6 million to be generated from the proposed level of fees under the Regulation.

26. Assistant Director of Health (Traditional Chinese Medicine) (ADH(TCM)) supplemented that costs of staff serving two or more boards and departments would be calculated on a pro-rata basis. He clarified that of the \$9 million budget expenditure, around \$6 million would be expended on administering the registration system for CMPs. The remaining \$3 million would be provided by the Government for other functions such as law enforcement and disciplinary actions against malpractice of CMPs.

Adm 27. Mr LEE Wing-tat expressed concern about the budget of \$6 million and the cost-effectiveness of the staff performing the tasks. He requested a detailed breakdown of the costs of the staff concerned. Mr Michael HO further requested the Administration to provide a comparison of the number of staff and staff costs in respect of the regulatory bodies for different healthcare professions for registration and examination functions. ADH(TCM) undertook to provide the requested comparison.

*Public consultation*

28. Mr LEUNG Yiu-chung was dissatisfied that the Administration had not consulted the general public on the ground that the CMC had been consulted and the assumption that members of the public were not likely to be affected by the Regulation. He pointed out that CMPs would ultimately have to recover the costs of registration and examination from their patients. He criticized that Government had ignored the effect of the Regulation on individual members of the public, particularly those patients who preferred CMPs to medical practitioners for economic reasons.

Drafting of the Regulation

Adm 29. Assistant Legal Adviser 5 noted that only the relevant sections of the Chinese Medicine Ordinance in respect of items 16 and 17 of the Schedule of the Regulation were quoted. He requested and the Administration agreed to consider providing similar references for other items of the Schedule.

Extension of scrutiny period

30. Dr LEONG Che-hung briefed members that to facilitate the Subcommittee's deliberation of the Regulation, he had in his capacity as Chairman of the House Committee, given notice to move a motion to extend

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the scrutiny period of the Regulation to 3 May 2000 at the Council meeting on that day.

Adm

31. The Chairman thanked the deputations for their views. He requested the Administration to provide a written response to members' questions for discussion at the next meeting. He urged the Administration to consider the circumstances of the serving CMPs and review the level of fees proposed in the Regulation.

**III. Date of next meeting**

32. Members agreed to hold the next meeting on 19 April 2000 at 8:30 am.

33. There being no other business, the meeting ended at 9:55 am.

Legislative Council Secretariat

3 July 2000