

立法會 *Legislative Council*

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Panel on Health Services

Background brief prepared by the Legislative Council Secretariat for the meeting on 10 December 2007

Billing and fee sharing of the Hospital Authority's private patient services

Purpose

This paper gives an account of the past discussions by the Panel on Health Services (the Panel) on the billing and fee sharing arrangements between the Hospital Authority (HA) and the two universities with medical faculties for private patient services at public hospitals.

Background

2. Following the establishment of HA in 1990, financial arrangements were agreed between HA and the two universities with medical faculties, i.e. the University of Hong Kong (HKU) and the Chinese University of Hong Kong, covering, among other things, private patient services. Private patients are subject to different fees and charges for different services. These are published in the gazette and include -

- (a) maintenance fee (for in-patient), which includes accommodation in private wards, general nursing services, catering, and domestic services;
- (b) medication fee (for both in and out-patients);
- (c) doctor fee (for in-patient);
- (d) consultation fee (for out-patient); and
- (e) itemised charges (for both in and out-patients) including diagnostic and therapeutic/operative procedures.

3. As all the costs for maintenance and medication fees are borne by HA, there is no refund to the universities after collection of the fees by HA. For income earned from doctor fee, consultation fee, and itemised charges, it is shared between the relevant clusters of HA and the universities according to the fee sharing agreements.

Past discussions

4. Arising from a recent case of irregular billing of private patients treated by teaching staff from HKU, the Panel held discussion with the Administration on 2 April 2007 on the fee sharing arrangements of private patient services at public hospitals.

5. Members were advised that all patient fees were collected by HA and were captured by its Patient Billing and Revenue Collection (PBRC) system which was capable of calculating, recording and managing the different fee levels in accordance with the published rates. For private patient billing charges, there was another feeder system which interfaced with the PBRC. Once a bill was issued, the PBRC system also tracked the settlement, which followed the standard overall financial regulations and operational guidelines of HA. At the end of each month, a detailed "Refund Statement" for professional fee refund was sent to each of the department heads of Faculties of Medicine of the universities concerned. The report provided details of each transaction by inpatient and outpatient services. The PBRC system, which was a core billing system of HA, was subject to constant reviews and updating and was annually audited by HA's External Auditors.

6. Members were further advised that as the private patient billing system was not fully automated, the system still relied on doctors to record into the billing system the procedures they would perform on their private patients. The manual part of the billing system related to the recording of itemised charges, such as operating theatres procedures, diagnostic and therapeutic/operative procedures, for private patients. Teaching staff of the two universities were required to fill in a form prescribed by HA as to what procedures/tests they would perform on their private patients. Upon receipt of such information, HA would input the information into its billing system for preparation of bills to the private patients.

7. Members expressed concern that the fee collection and monitoring mechanism of HA still could not prevent teaching staff from the two universities from not charging their private patients.

8. The Administration advised that HA was currently conducting a review of the internal controls of its private patient fee billing system to identify areas of improvement in order to minimise the risk of any potential abuse in future, and to ensure that all procedures that were done in the operating theatre were reflected in the bill. The review was expected to be completed in three months' time, and members would be briefed on the results of the review in due course.

Latest development

9. In July 2007, HA released the Report of the Internal Taskforce's Review of Hospital Authority's Private Patient Revenue Management System. The Administration will brief members on the Report at the meeting on 10 December 2007.

Relevant papers

10. Members are invited to access the Legislative Council's website (<http://www.legco.gov.hk>) for details of the relevant paper and minutes of the meeting.

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