

**For discussion on
19 March 2012**

**Legislative Council Panel on Health Services
Subcommittee on Health Protection Scheme**

Development of Healthcare Service in Hong Kong

PURPOSE

This paper updates Members on the Administration's latest progress on facilitating the development of healthcare service.

HEALTHCARE REFORM INITIATIVES

2. We are taking forward various healthcare reform initiatives based on the outcome of the Second Stage Public Consultation on Healthcare Reform, including reviewing the strategy on healthcare manpower planning, formulating detailed proposals for the Health Protection Scheme (HPS) and facilitating healthcare service development. We are aware that it is important for the Government to develop the necessary infrastructure for facilitating the development of healthcare services for meeting future demands, including those arising from the implementation of the HPS. This includes ensuring an adequate supply of healthcare professionals to meet future demands and support the development of the public and private healthcare sectors; enhancing the transparency of healthcare services and promoting packaged services for common procedures in the private sector; and the disposal of land for private hospital development.

MANPOWER PLANNING AND PROFESSIONAL DEVELOPMENT

3. On manpower planning and professional development, the Government has set up a high-level steering committee to conduct a strategic review on healthcare manpower planning and professional development in Hong Kong. The review covers healthcare professionals from 13 disciplines which are subject to statutory regulation, including nurses and allied health professionals covered under the Supplementary Medical Professions Ordinance. Chaired by the Secretary for Food and Health, the Steering Committee on Strategic Review on Healthcare Manpower Planning and Professional

Development will assess manpower needs in the various healthcare professions and put forward recommendations on how to cope with anticipated demand for healthcare manpower, strengthen professional training and facilitate professional development having regard to the findings of the strategic review, with a view to ensuring the healthy and sustainable development of Hong Kong's healthcare system.

REGULATION AND DEVELOPMENT OF PRIVATE HOSPITALS

4. To further enhance the quality of services provided by private hospitals, we will conduct a review on the Hospitals, Nursing Homes and Maternity Homes Registration Ordinance (Cap. 165), primarily with an aim to improve transparency of private healthcare services and to better protect consumer's rights.

5. At the same time, with a view to increasing the overall capacity of the healthcare system in Hong Kong to cope with the increasing service demand and addressing the imbalance between the public and private sectors in hospital services, it is the Government's policy to promote and facilitate private hospital development. The Government has reserved four sites at Wong Chuk Hang (about 2.8 hectares), Tseung Kwan O (about 3.5 hectares), Tai Po (about 4.8 hectares) and Lantau (about 1.6 hectares) for private hospital development. Details of the reserved sites are set out in **Annex**.

6. We invited the market in December 2009 to March 2010 to express their interest in developing the sites. A total of 30 submissions have been received, comprising 12 for the Wong Chuk Hang site, three for the Tseung Kwan O site, six for the Tai Po site, and nine for the Lantau site. Among them, 21 are from local parties, seven from overseas parties and the remaining two from joint partnership of local and overseas parties. Most of the submissions contain a hospital development plan with proposed scope of service, which include a range of specialties, Chinese Medicine, etc.

7. In promoting the development of private hospital, we seek to ensure that the services of the new hospitals are of good quality, and can cater for the needs of the general public and enhance the medical professional standards. We will therefore impose a set of special requirements for the new private hospitals to be developed at the four reserved sites, covering the following aspects -

- (a) land use: restriction on use of the site for providing hospital services (including clinical services and non-clinical supporting services/facilities), while allowing provision of accommodation services for families and visitors of patients;
- (b) date of commencement of operation: to require the new hospitals to commence to operate within a specified time, to ensure timely development of the hospital to meet public needs;
- (c) bed capacity: to require the new hospitals to provide not less than a specified number of beds to ensure optimal use of the land;
- (d) scope of service: to ensure the services of the new hospitals can cater for the community's need, the new hospitals will be required to provide a mix of services to avoid the possibility of slanting towards a particular type of service due to its high profitability. Specifically, the hospitals will be required to provide services of medicine, surgery, orthopaedics & traumatology and gynaecology, which are specialties commonly available in a hospital, and to cap the number of obstetric beds at no more than 20% of the total number of beds in the hospital;
- (e) price transparency: the new hospitals will be required to provide comprehensive charging information of its services (covering room charges, maintenance fees, charges for operating theatres, laboratory tests, X-ray tests, drugs, other miscellaneous items, etc.) for easy reference by the public and patients;
- (f) service target: the new hospitals will be required to provide the majority of its services to local residents;
- (g) packaged charge: the new hospitals will be required to provide a certain percentage of bed days for services provided at packaged charge, which should include the major elements of hospital service such as doctors' fees, maintenance fees, diagnostic procedures, surgical operations, etc.; and

- (h) service standard: the new hospitals will be required to attain hospital accreditation on a continuous basis to ensure service standards and quality.

8. We are now finalizing the land disposal arrangements for the four reserved hospital sites, taking into account the suggestions and views in the submissions received from the market. We plan to first dispose of the two sites at Wong Chuk Hang and Tai Po through open tender in the first quarter of 2012. The other two sites will be disposed of later in phases taking into account, amongst other things, the market response to the invitation of tenders for the first two sites.

ADVICE SOUGHT

- 9. Members are invited to note the contents of the paper.

Food and Health Bureau
March 2012

Details of the Reserved Sites for private hospital development

		Wong Chuk Hang	Tseung Kwan O	Tai Po	Lantau
1	Location	At Nam Fung Path, Wong Chuk Hang, adjacent to the Wong Chuk Hang Hospital	At the western part of the lower platform in Tseung Kwan O Area 78 at Pak Shing Kok	At Tai Po Area 9 behind Tai Po Hospital	At Yu Tung Road, Tung Chung, adjacent to the Lantau District Police Headquarters and the North Lantau Hospital (NLH) Phase One
2	Gross Site Area	About 2.8 ha (subject to survey)	About 3.5 ha (subject to survey)	About 4.8 ha (subject to survey)	About 1.65 ha (subject to survey)
3	Site Level	Two platforms at about 11 mPD and 21 mPD respectively	About 67 mPD	Two platforms at about 51.9 mPD and 32.6 mPD respectively	About 12.2 mPD on average
4	Building Height Restriction	50 mPD	106 mPD	90 mPD	65 mPD