中華人民共和國香港特別行政區政府總部食物及衞生局
Food and Health Bureau, Government Secretariat
The Government of the Hong Kong Special Administrative Region
The People's Republic of China

Our ref. : *L/M to FHB/H/1/26*
Your ref. : *CB2/PL/HS*

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16 March 2012

Ms Alice LEUNG
Clerk to Panel
Panel on Health Services
Legislative Council Complex
1 Legislative Council Road
Central

Dear Ms Leung,

Panel on Health Services

Follow-up to the meeting on 13 February 2012

I refer to your letter of 16 February 2012 on the captioned, enclosing a "List of follow-up actions arising from the discussion on Health Protection Scheme at the meeting on 13 February 2012" ("the List") in the Appendix. The requested supplementary information on items (b), (c)(i), (e) and (f) of the List are provided in **Annex**. Together with our interim reply of 23 February 2012, all issues raised in the List should have been addressed.

Yours sincerely,

(Sheung-yuen LEE)
for Secretary for Food and Health

Annex

Administration's Response to
List of follow-up actions arising from the discussion
on Health Protection Scheme at the meeting on 13 February 2012

Response to item (b)

Under the Hospitals, Nursing Homes and Maternity Homes Registration Ordinance (Cap. 165), the Director of Health is empowered to register private hospitals subject to conditions relating to accommodation, staffing or equipment. The Department of Health monitors compliance of private hospitals with Cap. 165 through a variety of means, including conducting inspections and handling complaints lodged by the general public.

2. 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. Under the review, we will consider various aspects such as the adequacy of the existing legislation, its effectiveness in ensuring patient safety and service quality, the standard and scope of regulatory regimes elsewhere, the role of the regulatory authority and the desired shape of our regulatory regime taking into account factors such as overseas experience, local circumstances and the prevailing societal values and community needs for private hospital services. We will carry out this exercise in conjunction with the implementation of other related and supporting initiatives, including the Health Protection Scheme (HPS), an electronic health record sharing infrastructure, hospital accreditation, as well as the development of private hospitals at four reserved sites.

Response to item (c)
Item(c)(i)

3. According to the relevant land leases of private hospitals registered under Cap. 165, the sizes of the site area occupied by each of them are set out at the table below –

Site Area of Private Hospitals

Name Of Hospital	Site Area laid out in the relevant land lease(s) (m^2)#
Canossa Hospital (Caritas)	6 600
Hong Kong Adventist Hospital	8 300
Hong Kong Baptist Hospital	7 400
Hong Kong Sanatorium & Hospital Limited	9 800
Matilda & War Memorial Hospital	14 000
Precious Blood Hospital (Caritas)	3 200*
Shatin International Medical Centre Union Hospital	10 400
St. Paul's Hospital	21 900*
St. Teresa's Hospital	11 700
Tsuen Wan Adventist Hospital	6 700
Evangel Hospital	1 500
Hong Kong Central Hospital	8 800*

Figures are rounded to the nearest hundred.

** Figures shown also cover area(s) for other facilities such as church / chapel / convent / school /other permitted uses. There is no separate breakdown of the specific size of the site area occupied by the hospital alone.*

Response to item (e)

4. The information requested is set out at the paper for discussion on 19 March 2012 at the Subcommittee on Health Protection Scheme of the Legislative Council Panel on Health Services (LC Paper No. CB(2)1360/11-12(02)).

Response to item (f)

Item (f)(i)

5. Implementation of the HPS would bring about a number of

read-across implications, including the impact it would make on medical costs in the private sector and to the healthcare system as a whole. The answers to these questions require the input and advice of a professional consultancy service with expertise in different areas, including actuarial modeling, economic forecasting, healthcare system development, and financial and accounting competencies. To facilitate the Working Group and Consultative Group on Health Protection Scheme, both set up under the Health and Medical Development Advisory Committee, to formulate detailed proposals for the HPS, we are in the process of commissioning a consultancy study on the HPS in order to provide professional and technical support to the Working Group and Consultative Group. The consultant will perform a comprehensive review, survey and analysis of the current market situation of private health insurance in Hong Kong; and propose a feasible, sound and detailed design for implementing the HPS.

6. In the process of carrying out the above tasks, the consultant is required to, amongst others, carry out projections on -

(a) the short to long-term financial implications of the proposed HPS design for the Government, the insurance sector, the healthcare sector and the consumers;

(b) the short to long-term implications for healthcare financing structure and healthcare market structure; and

(c) the short to long-term implications for GDP, consumption, inflation, income distribution and employment at macro level, and capacity, facility requirements, manpower need, and operating cost of the insurance and healthcare sectors, including medical inflation.

7. The findings of the consultancy will be published for public information as part and parcel of the work of the Working Group on Health Protection Scheme, which is working against the target of completing deliberations and submit its recommendations on the HPS in mid 2013.

Item (f)(ii)

8. The HPS aims to complement the public healthcare system by enhancing transparency and competition in private health insurance and private healthcare services, and providing more choices with better protection to those who are able and willing to pay for private health insurance and private healthcare services. In taking forward the HPS, the public healthcare system – being the cornerstone of our healthcare system

and the healthcare safety net for all – will remain strong and robust with continuous commitment and investment from the Government, as borne out by the substantial increase in Government recurrent expenditure for health from $31.6 billion in 2007-08 by over 40% to nearly $45 billion in the 2012-13 Estimates.

9. By offering better protection, value-for-money services to consumers under the HPS, more people would choose to make use of private healthcare services. This would in turn relieve pressure on the public healthcare system by diverting some of the demand that would otherwise have fallen on it for lack of value-for-money alternative in the private sector. Under the circumstances, the public healthcare system should be in a better position than now to focus more on providing service in its four target areas, namely (i) acute and emergency care; (ii) low income and under-privileged groups; (iii) illnesses that entail high costs, advanced technology and multi-disciplinary professional team work; and (iv) training of healthcare professionals.

Item (f)(iii)

10. To ensure that there would be an adequate supply of healthcare professionals to meet future demands and support the development of the public and private healthcare sectors, including those arising from the implementation of the HPS, we have set up a Steering Committee on Strategic Review on Healthcare Manpower Planning and Professional Development. Chaired by the Secretary for Food and Health, the Steering Committee will spearhead the conduct of a strategic review on healthcare manpower planning and professional development. The assessment of manpower needs aside, the strategic review will also recommend measures on professional development to upkeep the professional qualities of the various healthcare professions. The Steering Committee is supported by a Coordinating Committee and six consultative sub-groups where views of major stakeholders will be sought.

11. In making long-term manpower projections, we will take into account the anticipated manpower requirements of major healthcare providers having regard to, among other things, the wastage trends of different healthcare professions, the ageing rate of the population and changes in demographic profiles, and the community's need for services in particular areas, etc. We will also take into consideration the implications on healthcare manpower arising from changes in healthcare services delivery models and related policies such as development of primary care and private hospitals and the introduction of the HPS. We will closely

monitor the manpower situation of various healthcare professions and respond accordingly in resource allocation, manpower training and planning so as to facilitate the sustainable development of our healthcare system.

12. At the same time, the Hospital Authority (HA) has also implemented a series of measures to address manpower issues in the public healthcare sector during the past few years. HA has created additional promotion posts, strengthened professional training and relieved the workload of its frontline healthcare workers by re-engineering the work processes and streamlining work procedures with a view to boosting staff morale and improving staff retention. In addition, to increase doctor manpower in the short-term, HA enhanced the remuneration package and allowed greater flexibility for employment of part-time doctors in 2011. Without affecting the promotion of other young doctors, HA has taken proactive efforts to retain some of the doctors who have retired or left HA. The employment of non-local doctors with limited registration is also in progress. The Administration will continue to monitor the manpower situation in the public healthcare sector and make suitable arrangements in manpower planning and deployment to cope with service needs.

Food and Health Bureau
March 2012