

立法會
Legislative Council

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Panel on Transport and Panel on Financial Affairs

**Joint Subcommittee on Issues Relating to
Insurance Coverage for the Transport Sector**

**Minutes of meeting
held on Friday, 13 January 2012, at 10:45 am
in Conference Room 2B of the Legislative Council Complex**

Members present : Hon Miriam LAU Kin-ye, GBS, JP (Chairman)
Hon Ronny TONG Ka-wah, SC
Hon CHAN Kin-por, JP

Members absent : Hon James TO Kun-sun
Hon CHEUNG Hok-ming, GBS, JP
Hon IP Wai-ming, MH

Public Officers attending : Item I

The Administration

Miss Janet WONG
Principal Assistant Secretary for Transport and Housing

Ms Jennifer CHAN
Principal Assistant Secretary for Financial Services and the
Treasury (Financial Services)

Mr Albert SU
Assistant Commissioner/Management and Paratransit
Transport Department

Mr Dannis LEUNG
Chief Transport Officer/Planning/Taxi
Transport Department

Mr HO Ying-foo
Superintendent (Fraud Division) (Commercial Crime Bureau)
Hong Kong Police Force

Mr SIU Wai-sing
Chief Inspector (Fraud Division) (Commercial Crime Bureau)
Hong Kong Police Force

Mr TSANG Hing-tong
Senior Social Security Officer (Accident Compensation)
Social Welfare Department

Mr LEE Tin-yan
Senior Government Counsel
Department of Justice

Mr Ros LAM, JP
Assistant Commissioner of Insurance (General Business Division)
Office of the Commissioner of Insurance

Ms Polly LUI
Senior Insurance Officer (General Business Division)
Office of the Commissioner of Insurance

Dr LEE Koon-hung
Chief Manager (Cluster Performance)
Hospital Authority

Mr Harry WONG
Governing Committee Member
The Hong Kong Federation of Insurers

Mr Ben CHUNG
Chairman
The Hong Kong Federation of Insurers - Accident Insurance
Association

Clerk in attendance : Mrs Sharon TONG
Principal Council Secretary (2)

Staff in attendance : Ms Mina CHAN
Council Secretary (2) 7

Ms Camy YOONG
Clerical Assistant (2) 7

I. Meeting with the Administration

The Joint Subcommittee deliberated (index of proceedings attached at **Annex**).

2. The Joint Subcommittee noted and drew the Administration's attention to the update on the list of issues to be studied (LC Paper No. CB(2)801/11-12(01)).

3. Mr CHAN Kin-por said that the Hospital Authority's paper (LC Paper No. CB(2)824/11-12(01)) could help the insurance sector explore possible measures to deal with injury-exaggerating claims. However, he disagreed with the adoption of the principle of full cost recovery by the public hospital system of Hong Kong in treating patients with traffic accidents as it would bring significant impact on insurance premium.

4. Mr CHAN Kin-por pointed out that self-insurance and mutual insurance involved two different liability concepts and capital requirements. The former was not necessarily applicable to the taxi and public light bus trades. It would be more appropriate for the transport sector to draw reference to the mutual insurance structure of the Protection and Indemnity Club in the marine transportation industry.

5. The Joint Subcommittee was advised by the Administration that the transport sector expressed reservations about the suggestion of providing motor insurance on the mutual principle. As regards the self-insurance arrangement proposed by members, the Administration would convey this idea to the transport sector for consideration.

6. Noting that the insurance sector had privacy concerns in formulating the proposal to set up an insurance fraud detection mechanism, the Chairman suggested that the Office of the Commissioner of Insurance and the Hong Kong Federation of Insurers should discuss the issues of concern with the Office of the Privacy Commissioner for Personal Data, Hong Kong ("PCPD"). The Joint Subcommittee could invite, if necessary, the representatives of PCPD to future meetings for discussion.

7. The Joint Subcommittee was advised by the Police that other than a co-ordinated reporting system to be provided for handling suspected cases of traffic accident-related insurance fraud referred by the Hong Kong Federation of Insurers, members of the public and insurance companies could make their

reports of any suspected insurance related frauds to the nearest police stations as usual or a hotline of Crime Wing Information Centre (telephone number: 2860 5012).

8. To facilitate its consideration of whether the proposed introduction of an Independent Assessment Service in the United Kingdom was applicable in Hong Kong in dealing with the problem of sickness absence, the Joint Subcommittee requested the Hospital Authority to provide a copy of the report published in 2011 in the United Kingdom on "Health at work - an independent review of sickness absence".

9. The Joint Subcommittee requested the Administration to provide the following information -

- (a) details on the self-insurance arrangement adopted by a franchised bus company in Hong Kong;
- (b) further details on the licensing and/or regulatory regime being proposed by the Government of Ontario, Canada for clinics that provided health care services to treat automobile accident victims;
- (c) further details on the study being conducted by the insurance and medical sectors in Singapore on the feasibility of designating medical specialists who could diagnose non-hospitalization injuries such as whiplash and assess such claims; and
- (d) a feasibility study of setting up in Hong Kong an insurance fraud detection mechanism, which was similar to the Insurance Fraud Register funded by the insurance industry in the United Kingdom.

II. Date of next meeting

10. The Chairman suggested that the next two meetings of the Joint Subcommittee be scheduled for 13 February 2012 and 1 March 2012 at 2:30 pm. Members agreed.

11. There being no other business, the meeting ended at 12:00 noon.

**Proceedings of meeting of the Joint Subcommittee on
Issues relating to Insurance Coverage for the Transport Sector
held on Friday, 13 January 2012, at 10:45 am
in Conference Room 2B of the Legislative Council Complex**

Time marker	Speaker	Subject(s)	Action Required
000506 - 000636	Chairman	Opening remarks	
000637 - 000656	Chairman	Update on the list of issues to be studied by the Joint Subcommittee (LC Paper No. CB(2)801/11-12(01))	
000657 - 002124	Chairman Admin	Presentation of paper by the Administration (LC Paper No. CB(2)801/11-12(02))	
002125 - 003710	Chairman Hospital Authority	Presentation of paper, which was tabled at the meeting, by the Hospital Authority (LC Paper No. CB(2)824/11-12(01))	
003711 - 004150	Chairman The Hong Kong Federation of Insurers	Presentation of paper by the Hong Kong Federation of Insurers (LC Paper No. CB(2)801/11-12(03))	
004151 - 005052	Chairman Mr Ronny TONG Admin The Hong Kong Federation of Insurers	Self-insurance arrangement adopted by a franchised bus company in Hong Kong	The Administration to provide information on the self-insurance arrangement adopted by a franchised bus company in Hong Kong
005053 - 005526	Chairman Mr CHAN Kin-por	Measures to deal with cases of patients with prolonged recovery; and Views on the Hospital Authority's paper	
005527 - 005810	Mr CHAN Kin-por The Hong Kong Federation of Insurers	Figures provided by the Hong Kong Federation of Insurers on the personal claims involving excessive sick leaves; and Applicability of the self-insurance arrangement adopted by a franchised bus company to the taxi and public light bus trades	

Time marker	Speaker	Subject(s)	Action Required
005811 - 010823	Chairman Admin The Hong Kong Federation of Insurers	<p>The licensing and/or regulatory regime being proposed by the Government of Ontario, Canada for clinics that provided health care services to treat automobile accident victims;</p> <p>The study being conducted by the insurance and medical sectors in Singapore on the feasibility of designating medical specialists who could diagnose non-hospitalization injuries such as whiplash and assess such claims;</p> <p>Feasibility of setting up in Hong Kong an insurance fraud detection mechanism, which was similar to the Insurance Fraud Register funded by the insurance industry in the United Kingdom; and</p> <p>A co-ordinated reporting system to be provided by the Police for handling suspected cases of traffic accident-related insurance fraud referred by the Hong Kong Federation of Insurers</p>	<p>The Administration to provide the following information -</p> <p>(a) further details on the licensing and/or regulatory regime being proposed by the Government of Ontario, Canada for clinics that provided health care services to treat automobile accident victims;</p> <p>(b) further details on the study being conducted by the insurance and medical sectors in Singapore on the feasibility of designating medical specialists who could diagnose non-hospitalization injuries such as whiplash and assess such claims; and</p> <p>(c) a feasibility study of setting up in Hong Kong an insurance fraud detection mechanism, which was similar to the Insurance Fraud Register funded by the insurance industry in the United Kingdom</p>
010824 - 011243	Chairman Hospital Authority The Hong Kong Federation of Insurers	<p>Whether the recommendation to introduce an Independent Assessment Service in the United Kingdom was applicable in Hong Kong in dealing with the problem of sickness absence; and</p> <p>Format of sick leave certificates in the United Kingdom</p>	<p>The Hospital Authority to provide a copy of the report published in 2011 in the United Kingdom on "Health at work - an independent review of sickness absence"</p>
011244 - 011615	Chairman Admin Mr Ronny TONG	<p>Suggestion of providing motor insurance on the mutual principle; and</p> <p>Self-insurance arrangement adopted by a franchised bus company in Hong Kong</p>	

Time marker	Speaker	Subject(s)	Action Required
011616 - 011715	Chairman Mr CHAN Kin-por	Dates of next meetings and closing remarks	

Council Business Division 2
Legislative Council Secretariat
14 March 2012