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Tel : 3919 3300

Date : 25 April 2013

From : Clerk to the Legislative Council

To : All Members of the Legislative Council

Council meeting of 8 May 2013

Motion on "Drug Formulary and drugs subsidy system"

Hon Alice MAK has given notice to move the attached motion on "Drug Formulary and drugs subsidy system" at the Council meeting of 8 May 2013. The President has directed that it be printed in the terms in which it was handed in on the Agenda of the Council.

> (Odelia LEUNG) for Clerk to the Legislative Council

Encl.

(Translation)

Motion on "Drug Formulary and drugs subsidy system" to be moved by Hon Alice MAK at the Council meeting of 8 May 2013

Wording of the Motion

That the Hospital Authority ('HA') has implemented the Drug Formulary ('the Formulary') system since July 2005 to standardize its policies on procurement and use of drugs; at present, HA's annual drugs expenditure only accounts for around 10% of its overall expenditure, and the responsibilities of including new drugs in the Formulary and reviewing the Formulary rest with HA's Drug Advisory Committee and Drug Utilization Review Committee respectively; yet, the lack of transparency in the relevant work and low participation of other stakeholders have led people to question that the Formulary does not put patients' rights and interests first, resulting in patients having to purchase at their own expense drugs which are of significant efficacy but expensive; although the Government has put in place safety net systems such as the Samaritan Fund, etc., situations of patients suffering delays in treatment due to their inability to afford better but expensive drugs, having to sell their properties in order to purchase drugs, or relying on lower-quality drugs to extend their lives still arise, etc., reflecting the existence of many loopholes and inadequacies in the existing system; in this connection, this Council urges the Government to review the existing drugs policies and perfect the relevant mechanism, so as to provide assistance for more people in need; the relevant measures should include:

- (1) to reform HA's Drug Advisory Committee and Drug Utilization Review Committee, include more representatives of stakeholders (including representatives of patients' organizations) and make public the records of meetings of those Committees, so as to increase the transparency of the process of formulating and reviewing the Formulary;
- (2) when updating the Formulary, to correspondingly devote adequate resources to ensure that medical practitioners can prescribe the most suitable drugs according to patients' medical conditions;
- (3) to take out HA's drugs expenditure from its overall expenditure estimates and allocate it to the various hospital clusters as an

independent fund, so as to ensure that the funding is fully used for drugs expenditure and not used for other expenditure items;

- (4) to expand the Formulary to include more drugs which are of significant efficacy but expensive as General Drugs and Special Drugs, so that more patients can use such drugs at standard fees and charges;
- (5) to increase the expenditure estimates on drugs, and when considering whether to include certain drugs in the Formulary and the relevant categories, reduce the weighting of costs and prices and adopt efficacy and patient safety as the overriding principle, so that patients will not be forced to take lower-quality drugs due to the lack of financial means;
- (6) to include more drugs in the subsidy coverage of the Samaritan Fund, and further relax the assessment criteria of the financial test of the Samaritan Fund by using the income and asset of individual applicants instead of households as the basis;
- (7) to provide tax relief, so as to alleviate the financial burden of patients or their family members arising from the purchase of drugs at their own expense; and
- (8) to consider abolishing the Formulary system in the long run.