



Hospital Authority

Annual Report 2011-2012





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Vision, Mission and Values

The Hospital Authority (HA) is a body corporate in the Hong Kong Special Administrative Region. Its functions are stipulated in Section 4 (Chapter 113) of the Hospital Authority Ordinance.

This section outlines the roles, vision, mission, values and strategies of the Authority.

Roles

The Hospital Authority is responsible for:



Advising the Government of the needs of the public for hospital services and of the resources required to meet those needs



Recommending to the Secretary for Food and Health appropriate policies on fees for the use of hospital services by the public




Establishing public hospitals



Managing and developing the public hospital system



Managing and controlling public hospitals



Promoting, assisting and taking part in the education and training of persons involved in hospital or related services

Vision, Mission and Values

The Hospital Authority has revamped its corporate vision, mission and values (VMV) in September 2009, reflecting aspirations of the Board, the management and staff in fostering a healthy community. Guided by the new mission of “Helping People Stay Healthy”, the Authority collaborates with community partners to strive for continued success and works towards the vision of “Healthy People, Happy Staff, and Trusted by the Community”.



Vision

**Healthy People
Happy Staff
Trusted by the Community**



Mission

Helping People Stay Healthy



Values

**People-centred Care
Professional Service
Committed Staff
Teamwork**

Corporate Strategies

The Authority aims to achieve its corporate VMV by adopting five strategic objectives as outlined in the HA Annual Plan 2011-2012 with a theme on Enhancing Health:



Under the above strategic objectives and 19 service priorities, the Authority formulated around 140 corresponding programme targets for 2011-12, and all but ten were achieved in the year. The Head Office and Cluster Reports in Chapter 6 describe major achievements in these areas.

Membership of the Hospital Authority



**Mr Anthony WU
Ting-yuk, GBS, JP**

- Appointed as Chairman since 7 October 2004
- Company executive and professional accountant



**Mr CHAN Bing-woon,
SBS, JP**

- Appointed on 1 December 2008
- Solicitor



**Mr CHENG Yan-kee,
JP**

- Appointed on 1 December 2009
- Engineering consultant



**Ms CHIANG Lai-yuen,
JP**

- Appointed on 1 April 2011
- Chief executive officer of a listed company



**Ms Quince CHONG
Wai-yan**

- Appointed on 1 December 2010
- Chief corporate development officer of a power supply company



**Dr Margaret CHUNG
Wai-ling**

(up to 30.11.2011)

- Appointed on 1 December 2005
- Biomedicine expert



**Prof FOK Tai-fai,
SBS, JP**

- Appointed on
1 December 2004
- Dean of Faculty
of Medicine, The
Chinese University of
Hong Kong



**Mr Ricky FUNG
Choi-cheung, SBS, JP**

- Appointed on
1 December 2010
- Former Secretary
General of Legislative
Council



**Mr Benjamin HUNG
Pi-cheng, JP**

- Appointed on
1 December 2007
- Banker



**Dr LAM Ping-yan,
SBS, JP**

Director of Health

- Appointed on
21 August 2003
- Board member in
capacity as Director
of Health



Ms Alice LAU, JP

*Deputy Secretary for
Financial Services and
the Treasury
(up to 18.3.2012)*

- Appointed on
31 March 2010
- Representing
Secretary for Financial
Services and the
Treasury



Ms LAU Ka-shi

- Appointed on
1 April 2008
- Chief executive officer
of a pension and trust
service provider



**Mr Andy LAU
Kwok-fai**

(from 1.12.2011)

- Appointed on
1 December 2011
- Partner of a garment
company



**Mr Lawrence LEE
Kam-hung, JP**

- Appointed on
1 April 2005
- Solicitor



**Mrs Yvonne LAW
SHING Mo-han**

- Appointed on
1 December 2007
- Certified public
accountant



**Dr Hon Joseph LEE
Kok-long, SBS, JP**

- Appointed on
1 December 2004
- Associate professor



**Ms Sandra LEE,
GBS, JP**

*Permanent Secretary
for Health
(up to 8.9.2011)*

- Appointed on
8 May 2006
- Board member in
capacity as Permanent
Secretary for Health



**Mr John LEE
Luen-wai, BBS, JP**

- Appointed on
1 December 2004
- Chief executive
officer of a listed
company



Prof LEE Sum-ping

- Appointed on 1 December 2008
- Dean of Li Ka Shing Faculty of Medicine, The University of Hong Kong



**Mrs Margaret LEUNG
KO May-yee, SBS, JP**
(from 1.12.2011)

- Appointed on 1 December 2011
- Former vice-chairman and chief executive of a listed bank



Dr LEUNG Pak-yin, JP
Chief Executive, HA

- Appointed on 8 November 2010
- Board member in capacity as Chief Executive of Hospital Authority



**Ms Queenie LEUNG
Pik-man**

(up to 30.11.2011)

- Appointed on 1 December 2008
- Nursing professional



**Dr Donald LI
Kwok-tung, SBS, JP**

- Appointed on 1 December 2006
- Private medical practitioner



**Mr David LIE
Tai-chong,
SBS, JP**

- Appointed on 1 April 2006
- Businessman



**Mr Patrick MA
Ching-hang,
BBS, JP**

- Appointed on 1 December 2009
- Bank director and general manager



Ms Winnie NG

- Appointed on 1 December 2010
- Director of a listed public transportation group, and founder of a listed media company



**Mr PANG Yiu-kai,
SBS, JP**

- Appointed on 1 April 2011
- Chief executive of a listed real estate group



**Prof Maurice YAP
Keng-hung**

- Appointed on 1 April 2011
- Dean of Faculty of Health & Social Sciences, Hong Kong Polytechnic University



**Mr Stephen YIP
Moon-wah, BBS, JP**

(up to 15.12.2011)

- Appointed on 1 December 2008
- Professional surveyor



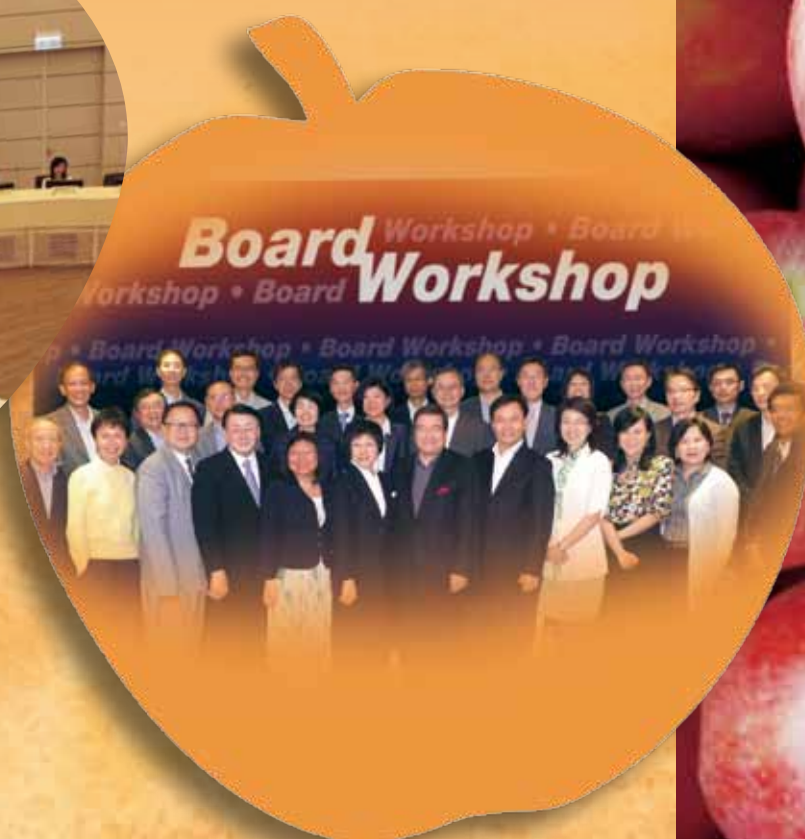
**Mr Richard YUEN
Ming-fai, JP**

*Permanent Secretary
for Health
(from 9.9.2011)*

- Appointed on 9 September 2011
- Board member in capacity as Permanent Secretary for Health

Chapter 1

Corporate Governance







The Hospital Authority (HA) is a statutory body established under the Hospital Authority Ordinance in December 1990, responsible for managing all public hospitals in Hong Kong. The HA is accountable to the Hong Kong Special Administrative Region (HKSAR) Government through the Secretary for Food and Health.



Principles

The Board acknowledges its responsibility for and commitment to corporate governance principles and recognises that the Authority's stakeholders expect the highest standards of performance, accountability and ethical behaviour.

The following outlines the approach and practices of corporate governance of the Authority.

Hospital Authority Board

Under the HA Ordinance, the Chief Executive of the HKSAR appoints members to the Authority Board. The 2011-12 Board consisted of 27 members, including the Chairman. Details are listed in Appendix 1. Membership of the Authority comprises 23 non-public officers, three public officers and one principal officer (the HA Chief Executive). Apart from the principal officer, other members are not remunerated in capacity as Board members.

The Authority Board meets formally about 12 times a year and any other times as required. In 2011-12, it met 13 times and eight Board papers involving urgent matters were circulated for approval between meetings.

Board Committees

For optimal performance of roles and exercise of powers, the HA Board has established 11 functional committees: Audit Committee, Emergency Executive Committee, Executive Committee, Finance Committee, Human Resources Committee, Information Technology Services Governing Committee, Main Tender Board, Medical Services Development Committee, Public Complaints Committee, Staff Appeals Committee and Supporting Services Development Committee. Membership of the committees, their terms of reference and focus of work in 2011-12 are outlined in Appendix 3.





Hospital Governing Committees

To enhance community participation and governance of public hospitals in accordance with the HA Ordinance, 31 Hospital Governing Committees have been established in 38 hospitals and institutions. These committees are listed in Appendix 4. During the year, these committees received regular management reports from Hospital Chief Executives, monitored operational and financial performance of the hospitals, participated in human resources and procurement functions, as well as hospital and community partnership activities. In 2011-12, the 31 Hospital Governing Committees held a total of 126 meetings.

Regional Advisory Committees

In accordance with the HA Ordinance and to provide the Authority with advice on healthcare needs for specific regions of Hong Kong, the Authority has established three Regional Advisory Committees. These committees and their respective memberships are presented in Appendix 5. Each Regional Advisory Committee meets four times a year.

In 2011-12, one of the major focuses of the three Regional Advisory Committees was manpower planning and strategies for doctors and nurses. The Committees also deliberated on the HA's new corporate initiatives and annual plan targets of individual clusters and gave advice on healthcare needs of local communities, particularly in respect of hospital redevelopment, recruitment of non-local doctors under limited registration, and enhancement of clinical services and mental health services.

Executive Management

The executive management team of the HA is outlined in Appendix 2(b). The executives are charged by the HA Board with the responsibility to manage and administer day-to-day business and operations of the Authority. To ensure that the management can discharge its duties in

an effective and efficient manner, the HA Board has set out clear delegated authority, policies and codes of conduct. The Board also approves an annual plan prepared by the executives in accordance with the Board's direction. Regular executive reports on the progress of agreed performance indicators and targets are presented to the Board.



Under the powers stipulated in the HA Ordinance, the Authority determines the remuneration and terms and conditions of employment for all its employees. Remuneration packages of executive directors and other senior managers are devised to attract, motivate and retain high calibre individuals in a competitive international market. Remuneration packages of all senior executives are considered and endorsed by the HA Board through the Executive Committee.

Chapter 2

Chairman's Review



Dear Doctors, nurses and
all 7A ward staff,
Millions
BIG THANK YOU!!!
David Wong

A note of thanks
to all doctors,
nurses and helpers
in Ward 10B.
Mary Ha

因您，
我會活得更好！
琪琪

各位醫護工作人員，
送上衷心感謝！
Many thanks!
SA病人李感恩上

親愛的9B醫護人員，
生命中有你們的關顧
和愛護，越發精彩！
謝謝你們！
何細妹家人啟

陳醫生、黃姑娘及
所有7B病房工作人員：
生命有愛，
人間有情！
衷心感激！
小琳琳及家人
謹啟

潘姑娘，
多謝你們的
細心照料，爸爸迅
速痊癒，我們全
家感激萬分！
志明



“ Along with a low infant mortality rate of 1.3 per 1,000 live births, Hong Kong’s outstanding health indicators reflect the vigorous efforts taken by the Hospital Authority (HA) in enhancing health in Hong Kong in the past 21 years. ”



Hong Kong has once again achieved outstanding health-related indicators worldwide. Besides a very low mortality rate, the life expectancy at birth in 2011 was 80.5 years for men and 86.7 years for women. Along with a low infant mortality rate of 1.3 per 1,000 live births, Hong Kong’s outstanding health indicators reflect the vigorous efforts taken by the Hospital Authority (HA) in enhancing health in Hong Kong in the past 21 years.

As HA enters a new decade of service, factors such as Hong Kong’s aging population, exponential growth of knowledge, advent in technology, increase in drug costs and escalating expectations of our stakeholders continue to present us with formidable challenges.

Using about 2.3% of Hong Kong’s GDP, HA has built a world-class public healthcare infrastructure that handles around 90% of secondary and tertiary medical needs in our city. This is recognised by governments around the world.

Our status as one of the health leaders worldwide has been built on a firm commitment to providing quality healthcare for patients at all stages of life. We recognise the rapidly growing demand for services from specific groups – such as pre and neo-natal, infant and elderly patients – who have complex and diversified medical needs requiring highly specialist care.



We have placed particular focus on these medically vulnerable groups in addressing staff shortage, upscaling professional knowledge and skills, investing in equipment, and reengineering systems to ensure effective and efficient patient treatment and throughput. This strategy has played a central role in ensuring that our citizens' health is safeguarded in the long run.

Our services receive equal commendation from the local community. In June 2011, we released the findings of the first HA-wide Patient Satisfaction Survey. Conducted by The Chinese University of Hong Kong, the survey returned encouraging results, with 80% of patients rating the care they received as excellent, very good or good; and nearly 90% of patients noting that they had confidence and trust in our doctors and nurses.

Despite our strenuous efforts to retain high-calibre staff and to recruit local doctors for part-time and full-time positions, grave professional manpower shortage persisted in certain specialties, which led to the decision to recruit a number of non-local doctors to practise with limited registration as residents in HA hospitals. A special Task Force was established to scrutinise the qualifications and work experience of applicants before seeking approval from the Medical Council of Hong Kong. In the 2011-12 exercise, 12 non-local doctors were offered employment in HA hospitals.





In parallel, we enhanced career development prospects of frontline nurses by creating additional promotional posts, raised allowances for nurses working continuous night shifts and recruited extra support staff to take up non-nursing duties.

Our efforts to improve working conditions were bolstered by the Government's support to increase our annual recurrent funding in 2011-12 for the fourth consecutive year to HK\$38 billion, an increase of 11.8% over that of last year. The long-awaited approval of the redevelopment plans for two of our oldest hospitals, Queen Mary and Kwong Wah, was particularly gratifying.

In February 2012, a delegation of HA Board paid the first official visit to the Ministry of Health and relevant health bureaux in Beijing. It was encouraging to have the Ministry's commendations on our work, especially in the areas of effective hospital management and structured training programmes. The Ministry of Health and HA signed an agreement to further collaborate on senior hospital management training.



We welcomed Ms Chiang Lai-yuen, Mr Andy Lau Kwok-fai, Mrs Margaret Leung Ko May-yee, Mr Pang Yiu-kai and Professor Maurice Yap as new members of the HA Board during the year. We are honoured to have the benefit of their knowledge and expertise.

I wish to extend my sincere thanks to all members of the Board, Regional Advisory Committees and Hospital Governing Committees, as well as to the co-opted members of all functional committees, for their continuing guidance and advice in helping us shape HA's strategic direction, goals and policies.



I must also express my gratitude to many others whose contribution and support enable HA to successfully discharge its roles and responsibilities, including patient groups, District Councils, the Legislative Council as well as many individuals in the community. Special acknowledgement is due to all our volunteers who work selflessly in our hospitals and institutions.

In reiterating my heartfelt appreciation for the efforts of all HA staff, I offer warm congratulations to this year's recipients of Outstanding Staff and Teams Awards, who provide inspiration through exemplary service, effective collaboration, visionary leadership and a positive approach to their work.

With continuing dedication and drive of every member of the HA team, I am confident that the Authority will continue to provide a strong healthcare safety net for the people of Hong Kong.

Anthony T Y WU, GBS, JP
Chairman

Chapter 3

Chief Executive's Report







“ 2011-12 is a year of consolidation amidst daunting challenges. Despite all challenges, our staff continue to demonstrate commitment, compassionate care and utmost professionalism. ”



Manpower shortage not only has adverse impact on the morale and turnover of the existing workforce, but is also a major hindrance when we discharge our responsibilities. In 2011-12, we put particular focus on creating additional senior posts, improving working conditions and career planning pathways for retaining our staff. To motivate and retain high performing staff, we strengthened promotional opportunities by adding new Associate Consultant and Senior Consultant posts for all specialties. We broaden opportunities for training and development and facilitate our staff in their career advancement.

We put more resources into building professional competencies, including introducing pilot schemes for senior healthcare administrators to gain exposure to a wider range of management and administrative functions. We increased the number of specialist training programmes at the Institute of Advanced Nursing Studies from 12 to 23 and doubled the training quota to around 700.

Improvements in remuneration were introduced to recognise hard work and dedication, including enhancing the honorarium scheme for doctors in departments with acute manpower shortages and the allowances for nurses working extended night shifts.

We implemented measures to expand capacity and reduce waiting time to improve efficiency, particularly in high-pressure and priority areas. We increased Neonatal Intensive Care Unit (NICU) beds from 85 to 110 and our midwife training capacity from 80 to 100. To ensure adequate provision of obstetric services for local expectant mothers, bookings for delivery by non-local pregnant women were suspended between April and December 2011 and the quota for 2012 was reduced.

We introduced new models of care that enable more patients to remain in their local communities without compromising the standards of care, and to more efficiently manage high demand for certain services. We expanded the cancer case manager programme, increased the number of acute in-patient and ICU beds, took steps to cut waiting time for diagnostic imaging services, and enhanced our ability to care for stroke patients and those with end-stage renal conditions. To prevent avoidable hospitalisation, we rolled out the integrated care model for elderly patients across all clusters.



To meet growing demand of aging population, we added 3,000 cataract procedures through good synergy with private ophthalmologists under the public-private partnership (PPP) Cataract Surgeries Programme. Longer operating hours at CT and MRI scanner facilities increased total patient capacity by 4,000. Dispensing hours at five hospital pharmacies were extended.

Process improvements in technology and equipment upgrade supported our people in efficiently discharging their duties and offered faster, less invasive and more accurate diagnosis and treatment.

We invested in over 750 pieces of new medical equipment, including replacement of older CT and MRI scanners to address growing

demand for diagnostic imaging service. We enhanced patient comfort and reduced physical stress on staff with the purchase of 2,500 new electrically operated beds and 1,500 pressure-relieving mattresses.



Two clusters implemented a new pharmacy software system to automate appropriate tasks and enable better monitoring of drug quality and supplier performance.

We expanded the clinical applications of nine drug groups in the HA Drug Formulary and increased the number of pharmaceuticals covered by the Samaritan Fund. We launched the first and second phases of the Community Care Fund Medical Assistance Programme to alleviate the financial burden of patients in need.

Under the direction of the Hong Kong Government and as part of our initiatives to offer patients more treatment options, we have been setting up Chinese Medicine Centres for Training and Research (CMCTR) under a tripartite collaboration model in each of Hong Kong's 18 districts. The Kowloon City district CMCTR that commenced operation in December 2011 brings the total number of Centres to 16.



Besides ongoing financial support, we are delighted that the Government has approved our plans for the modernisation and expansion of Kwong Wah, Queen Mary, and United Christian Hospitals. We aim to complete the construction of North Lantau Hospital by the end of 2012.

Senior executive appointments in 2011-12 welcomed Dr Derrick Au Kit-sing as Head of Human Resources and Ms Margaret Cheung Sau-ling as Head of Corporate Services at HA Head Office.

I wish to express my heartfelt appreciation to all our stakeholders for their invaluable support. With the unwavering commitment and tireless dedication of our staff and significant contributions of the Government; HA Chairman and the Board, all Hospital Governing Committees and the three Regional Advisory Committees; and the local community, the HA has built a system of medical care that played a major role in safeguarding the health of the people of Hong Kong.



We understand that there is no time for complacency. Although we have made a modest start in resolving our manpower and service capacity issues and in improving staff morale and attrition, we recognise there is still much to do. We have developed a comprehensive strategy that will help us navigate challenges and chart new success as we move forward to achieve our mission of helping people stay healthy. We will continue to operate efficiently, effectively

and with great accountability to the lasting benefit of our patients and the public of Hong Kong.

P Y LEUNG
Chief Executive

Chapter 4

Milestones of the Year





**The First Endovascular & Minimal Access Operation Centre opens in Hong Kong**

The Jockey Club Endovascular & Minimal Access Operation Centre, first of its kind in Hong Kong, was set up in Queen Elizabeth Hospital, providing patients suffering from vascular diseases with more effective treatment.



April 2011

May 2011

**Minimally Invasive Surgery Centre established in QMH**

A new Minimally Invasive Surgery Centre, comprising four theatres with state-of-the-art facilities for different types of minimally invasive surgery, was established in Queen Mary Hospital (QMH), enabling minimal scarring, less post-operative pain, faster recovery and shorter hospital stay.

**Cataract surgery capability enhanced for Kowloon East**

The newly-opened Wu Ho Loo Ning Cataract Centre in Tseung Kwan O Hospital effectively shortened waiting time for cataract

surgery in the district to two years and doubled annual capacity to 5,000 cases.



HA Convention shares ideas on collaborative healthcare

More than 4,400 local and overseas healthcare professionals exchanged insights and experience on collaboration in healthcare.



June 2011



90% of patients surveyed trust HA doctors and nurses

The HA Board was pleased to endorse the report of the first territory-wide patient satisfaction survey, which indicated that nearly 90% of 5,000 patients interviewed showed confidence and trust in doctors and nurses in public hospitals.



PWH Main Clinical Block and Trauma Centre opened

Officially opened by the HKSAR Chief Executive Mr Donald Tsang, the new facilities of Prince of Wales Hospital (PWH) are built to the standards of a modern tertiary acute hospital with patient-oriented settings that improve patient comfort, achieve operational efficiency, and meet the challenges of clinical and technological advances.

July 2011

Comprehensive acute stroke treatment programme pioneered

A four-in-one treatment programme for acute ischemic stroke patients was piloted in New Territories East Cluster. Besides a Transient Ischemic Attack clinic, 24-hour emergency thrombolytic treatment and telestroke image transfer, a community



programme "FAST", which stands for **f**ace, **a**rms, **s**peech and **t**ime, was launched to arouse public awareness on early stroke symptoms.

New blood donor centre opens in Yuen Long

Hong Kong Red Cross Blood Transfusion Service set up a new blood donor centre in Yuen Long Landmark to facilitate blood donation for residents of the New Territories north-west districts.



August 2011

September 2011

**HKEC wins accolade in Occupational Safety and Health (OSH)**

Hong Kong East Cluster (HKEC) won the Gold Award for “The Hong Kong Federation of Insurers Award for Excellence in OSH” in the 10th Hong Kong Occupational Safety & Health Award Forum jointly organised by Occupational Safety & Health Council and Labour Department with 13 other organisations.



David Trench Rehabilitation Centre reopens

1.6 times bigger than the old centre, the new rehabilitation centre provides users with a better environment and facilitates staff to deliver community-based rehabilitation services with devotion and professionalism.

October 2011

November 2011



Castle Peak Hospital celebrates 50th anniversary

Castle Peak Hospital, the oldest hospital providing psychiatric specialist service in the territory, launched a new hospital logo on its 50th anniversary open day on 5 November.



**Kowloon West hospitals
celebrate birthdays**

Kwai Chung Hospital, Our Lady of Maryknoll Hospital and Kwong Wah Hospital pursued a series of community health activities throughout the year to celebrate 30th, 50th and 100th anniversary respectively.



December 2011

January 2012

**Roving exhibition
promotes public
awareness of HA**

Hospital Authority staged a three-month roving exhibition throughout the territory as a celebration of 20th anniversary and to showcase the development of public hospital services of the past two decades, with a view to enhancing the public's understanding of the Authority.



Green light for KWH and QMH redevelopment

Long-awaited redevelopment projects for Kwong Wah (KWH) and Queen Mary Hospitals (QMH), two of the oldest hospitals in Hong Kong, gained funding approval of the Government.



Enhanced diagnostic radiology service for Wong Tai Sin district

A joint Public-Private Interface programme operated with the parent board of Our Lady of Maryknoll Hospital introduced new CT scanning service at the hospital by providing 1,400 quota annually for residents of Wong Tai Sin district.

February 2012



Community Health Centre commissioned with one-stop service in New Territories West

Tin Shui Wai (Tin Yip Road) Community Health Centre delivers one-stop integrated primary care service in family medicine, nursing and allied health in the New Territories West district.

March 2012

New Chinese Medicine centre caters to rising needs

A new Chinese Medicine Centre for Training and Research (CMCTR) established under a tripartite collaboration model with Tung Wah Group of Hospitals and Hong Kong Baptist University was opened in Kowloon City. 16 CMCTRs in HA delivered a total of one million attendances in 2011-12.



Chapter 5

Engagement and Teamwork







The HA is committed to engaging all stakeholders in policy formulation, strategic planning, organisation development and service implementation. Understanding the needs and concerns of our stakeholders is instrumental from crafting strategic objectives to formulating implementation plans in order to actualise the organisational goals and win trust of the community.



Engaging Patients

Promoting patient-centred care is our prime core value. Patients, as users of healthcare services, are valuable partners in helping us continuously improve our performance. HA has dedicated a range of efforts to facilitate patients as partners in health through regular forums with patient self-help groups, ad hoc meetings, regular newsletters and consultation platforms on new programmes.

In 2011, the Patient Advisory Committee was initiated to invite suggestions from patient leaders on service developments and strengthen patient support services. Patients' feedback was solicited in the annual planning process for 2012-13. The *Patient Partnership in Action* training programme was launched last year to provide leaders of patient self-help groups with deeper understanding on the organisation and management structure, governance, major developments and key healthcare risks and issues faced by the HA.

At local level, hospital-based patient resource centres or health resource centres are instrumental in supporting patients, especially those with life threatening and chronic diseases. Apart from referring patients to self-help groups and experience sharing workshops for peer support, tailor-made educational programmes were jointly developed by centre staff and healthcare professionals to provide holistic support to patients and carers. Patient support stations were set up at out-patient clinics of some hospitals to provide patients with direct access to mutual-help groups for timely information and support.

Recording seven million hit counts in 2011-12, the well-received Smart Patient Website was the result of concerted efforts of patient groups, community partners and healthcare professionals in the HA. The website was designed for patients and carers to promote disease knowledge, self-care skills and community resources. The first mobile application (App) on fall prevention was launched in March 2012.

Hospital volunteers devoted time and effort to the patient care process in both direct and indirect ways. In 2011-12, nearly 500,000 service hours were recorded from our volunteers. A systematic training approach was introduced to further empower volunteers with necessary knowledge, skills and attitude in delivering health care services. Over 300 volunteers received designated training programmes on leadership and hospice care, thus building up capabilities of our volunteers to better support patients and carers.





Engaging Staff

HA embraces staff engagement as a key strategy in fostering people-oriented culture. Staff are our most important partners in achieving the mission of helping people stay healthy. We create a positive and caring work environment so that employees feel aspired in their work life, in turn contributing to the organisation's long term objectives and success.

In 2011-12, HA continued to make efforts in improving remuneration packages, providing staff with training opportunities and better career advancement prospects. Contribution of staff was recognised and open communication encouraged to engage employees. Staff well-being initiatives were promoted to encourage greater job satisfaction and sense of belonging to achieve a balanced and healthy lifestyle.

Various channels and platforms were implemented to promote regular, open and two-way communication with staff. Launched in September 2011, monthly online webcast hosted by the Chairman and the Chief Executive established real time rapport with staff. A review of the constitutions of all Staff Group Consultative Committees was completed in 2011.



Diversified initiatives were also implemented in hospitals and clusters to strengthen communication and rapport with staff. Regular meetings with Hospital Staff Consultative Committees and Staff Communication Ambassadors were held to listen to staff concerns. Quarterly meetings or lunch gatherings with Cluster Chief Executives (CCE) or Hospital Chief Executives (HCE) encouraged frontline staff to meet face-to-face with the management. Cluster newsletter, CCE or HCE blog, online letterbox, messages to CCE, Staff Relations Office hotline were promoted to facilitate two-way communication. Electronic social media platform encouraged interactive sharing on the intranet.



Staff were also engaged as members of Critical Incident Support Teams providing fellow colleagues with psychological support in difficult times. Hotline and outreach visits to wards and departments were also arranged in some clusters.

Sports events and recreational activities were organised throughout the year to promote a balanced and healthy lifestyle in the HA.

Over 3,500 employees participated in annual inter-cluster sports competition covering a wide range of sports activities including badminton, basketball, table-tennis, tennis, snooker, soccer and volleyball. Sports Meet and Swimming Gala were held biennially. At local hospital level, a wide variety of creative initiatives were implemented in different clusters. Interest classes such as yoga, painting, tai chi, social dance, Chinese opera and cake making were well received. Sharing forums on current topics such as avian flu, infection control, personal wellness and health check also recorded high participation from staff.

Families of our staff were also invited and encouraged to participate in various HA events. More than 1,900 staff and family members enrolled in the HA New Year Run in January 2012, raising over HK\$1 million for the Hospital Authority Charitable Foundation. Separately, some 9,500 staff and family members shared fun in the HA Family Day and Family Night, which were the most popular events during the year.



Teamwork

Recognition and teamwork are major drivers and facilitators to boost staff morale, encourage staff contribution, and improve job satisfaction. In a performing team, staff members are empowered and encouraged to contribute and deliver effective results with the facilitation of competent and effective managers. Training and development programmes were thus designed to improve the skills and mindset of managers in engaging staff, building cohesive teams at a positive workplace, and fostering win-win interactions in the team.

During the year, long service awards and retirement souvenirs were presented to recognise contribution of long serving employees. Bright suggestions and creativity in work improvement were encouraged and recognised with prizes.

The Outstanding Staff and Teams Award programme has been organised for 16 years as part of a culture of recognition and appreciation for exemplary behaviours demonstrating the organisation's core values. In 2011-12, a total of 27 teams and 32 individuals were nominated. Six teams and seven staff members won the awards of Outstanding Teams or Staff,



with four additional employees and four teams granted Merit Awards. The winning teams were as follows:

Outstanding team awards:

- Exsanguinating Pelvic Fracture Trauma Team of Queen Elizabeth Hospital
- Occupational Safety and Health Team of Hong Kong East Cluster
- Volunteer, Rehab Shop and Health Resource Centre Services Team of New Territories East Cluster
- Accident & Emergency Efficiency Improvement Project Team of Princess Margaret Hospital
- SPRING Programme Project Team of Princess Margaret Hospital
- WISER Team of Hong Kong Eye Hospital

Merit team awards:

- Critical Incident Support Team (Rainbow Team) of Hong Kong West Cluster
- International Safe Workplace Programme Steering Committee of Kowloon West Cluster
- Tuen Mun Secondary School Doctor Ambassador Scheme of New Territories West Cluster
- Staff-initiated Medication Improvement Team of Tseung Kwan O Hospital



Chapter 6

Head Office and Cluster Reports

The Hospital Authority (HA) provides public healthcare services to the people of Hong Kong through the Head Office and seven hospital clusters:

- 📍 Hong Kong East Cluster
- 📍 Hong Kong West Cluster
- 📍 Kowloon Central Cluster
- 📍 Kowloon East Cluster
- 📍 Kowloon West Cluster
- 📍 New Territories East Cluster
- 📍 New Territories West Cluster

This chapter presents an overview of the performance of the HA Head Office and Clusters under five corporate strategic directions. It also highlights the Authority's key endeavours in contributing to sustainable development.







Head Office Reports

The HA Head Office (HAHO) aligns corporate values and directions. It plays a strategic role in leading corporate development and supporting hospital clusters through interactive collaboration of six divisions, namely Cluster Services, Corporate Services, Finance & Information Technology Services, Human Resources, Quality & Safety, and Strategy & Planning.



In 2011-12, the HAHO initiated some 100 corporate targets corresponding to the five key strategic objectives outlined in the HA Annual Plan. It also made various endeavours in contributing to sustainable development.

Key Achievements

Strategic Objective: Implement a Planned Response to Manage Growing Service Demand

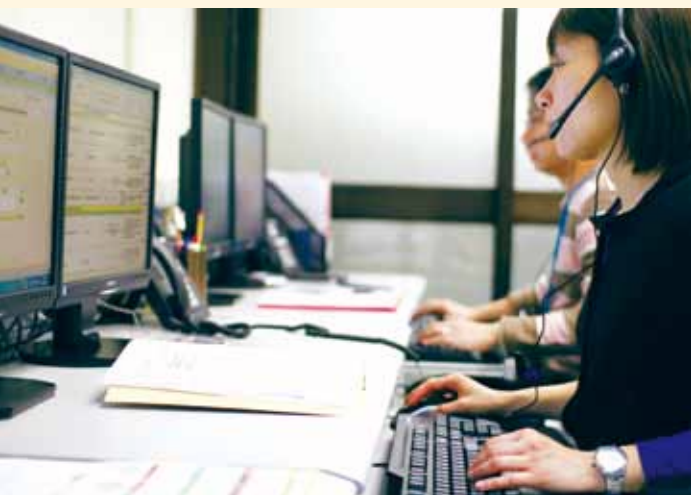
To meet rising service demand, modest increase was made in service capacity in priority areas despite healthcare workforce shortage. A new community health centre was opened in Tin Shui Wai as a one-stop centre to provide comprehensive primary care services by multi-disciplinary healthcare professionals. Capacities in cardiac care and primary / emergency percutaneous coronary intervention

(PCI) were expanded; number of places in dialysis for patients with end stage renal failure were increased; and overall throughput of cataract surgeries were enhanced. Coverage of palliative care service was extended to 2,000 additional patients.

Initiatives were implemented to enhance primary care and optimise chronic disease management. They included expansion of the health call centre service to support high risk diabetic patients with electronic referral mechanism and protocols developed, and the establishment of a 24-hour hotline in January 2012 to support mental health. Multi-disciplinary teams were set up in selected general out-patient clinics to deliver protocol-driven care to diabetic and hypertension patients. Treatment duration of home visits provided by community nurses for chronic disease patients was enhanced. The Integrated Mental Health Programme was rolled out to benefit over 6,000 patients with common mental disorders.

Ambulatory and community care is important in preventing avoidable hospitalisation. Integrated care platforms across acute and community care settings were set up in all clusters to enhance discharge planning and case management visits to patients. Two community nursing centres commenced service in October 2011 in Yuen Long and Chai

Wan respectively to serve local elderly population, and two other centres were being prepared. Three virtual wards were set up in Kowloon regions to provide enhanced care to patients with complex conditions.



Community care for patients with severe mental illness was strengthened through case management programmes and crisis intervention teams. The Early Assessment Service for Young Persons with Psychotic Disorders (EASY) programme was extended to adult patients with first episode psychosis aged between 26 and 64. Psycho-geriatric outreach service was also extended to cover more private residential care homes.

As part of the Government's healthcare reform, public-private partnership (PPP) projects were launched as alternative models of service to meet increasing demand and promote collaboration between the public and private sectors. In 2011-12, capacity of the haemodialysis PPP programme was expanded from 70 to 100 places,

and 3,000 additional cataract surgeries were provided under PPP. In March 2012, a pilot radiology PPP project was initiated to augment the provision of radiology service.

The Chinese Medicine Centres for Training and Research, set up in collaboration with non-government organisations and local universities, delivered about one million attendances in 2011-12. A new centre was opened in Kowloon City in December 2011.

Strategic Objective: Improve Continuously Service Quality and Safety

Committed to continuous quality improvement, HA implemented projects to promote safety culture and strengthen risk management. A specialty-based crew resource management (CRM) training programme was developed in two acute hospitals to facilitate the use of available resources, including people, process and technology, to enhance safety and operational efficiency. Pharmacy service was improved by expanding pharmacist coverage in general out-patient clinics, extending service hours in acute hospitals, developing clinical oncology pharmacy service, and upgrading aseptic dispensing service.

The safety of using reusable surgical instruments was enhanced with the elimination of flash sterilisation, and phasing out of re-use of moderate to high risk single use devices. A long term plan to improve the standard of operating theatre sterile services was formulated, and a framework for common cataloguing of surgical instrument was developed. Preparation has commenced for the development of a tracking and tracing system of surgical equipment.



HA's hospital accreditation programme, which aimed to improve quality systems and clinical governance, continued. Last year, five public hospitals successfully attained full accreditation status recognised by international accreditation agency. In 2011-12, preparatory work has commenced for another 15 public hospitals in phase 2 accreditation programme. Training and development



in building up a workforce of local surveyors progressed well with 16 surveyors appointed during the year.

Enhancement of the Advance Incident Reporting System to enable simpler data input and upgraded data analysis capabilities was completed in 2011-12, facilitating effective monitoring and tracking of incidents thus improving patient safety.

Various data security measures were implemented on an ongoing basis to ensure protection of patient data, including staff education, computer controls, regular monitoring of access to patient data, and security compliance checks throughout hospitals and clinics.

To reconfigure services and promote timely intervention for service improvement, the cancer case management programme, which had been piloted in two clusters, was extended to two more clusters to improve the quality of cancer services. Case managers were recruited and trained to deliver integrated care to patients with complex breast and colorectal cancers. Efforts were made to augment diagnostic radiology services to meet rising demand, e.g. operating hours of CT / MRI scanners in three clusters were extended, benefiting 4,000 patients more.



On mental health front, child and adolescent psychiatric service was enhanced by providing timely assessment and intensive intervention for children with autism spectrum disorder or attention deficit hyperactivity disorder.

Strategic Objective: Keep Modernising HA

Good corporate governance is of fundamental importance. Last year, HA initiated an independent consultancy review on its corporate governance practices to drive for continuous improvement. The phase 1 review, which focused at the Board level, was completed in late 2011. Implementation actions were made on all fronts to consolidate corporate governance practices, including to enhance the role of the Executive Committee; further involve the Board in long-term strategic planning; develop an integrated enterprise risk management approach as a holistic framework for managing risks facing HA; strengthen executive support to the Board, and revisit the terms of reference of its committees.

At the management level, HA engaged a consultant in 2011-12 to review its management and control framework. The study reinforced the effectiveness of the framework with identified improvement opportunities for implementation. Separately, a follow-up review on HAHO's organisational structure was conducted to appraise the effectiveness of major changes made in 2006 and to consolidate the functions of clusters coordination, corporate communication, staff engagement and grade management, etc.

To maintain a healthy corporate image, HA implements proactive strategies to enhance communication and rapport. During the year, a total of 380 media events and activities were organised, 300 press releases were issued and 2000 media enquiries were handled.



On the clinical front, new technologies and treatment options with proven cost-benefit were introduced. 2011-12 saw the expansion of clinical applications of nine new drug groups to the HA Drug Formulary, covering a wide range of diseases. Three new self-financed drug items were introduced under the scope of the Samaritan Fund, and the indication of one existing drug was also extended. Three new HSCT (autologous haemopoietic stem cell transplant) centres on top of the three existing centres were set up in the year to enhance bone marrow transplant service. Prenatal screening for Group B Streptococcus (GBS) was introduced for eligible pregnant mothers.

HA regularly updates its medical equipment and capital facilities through additional investment. During the year, a total of 756 pieces of obsolete medical equipment and 29 engineering plants were replaced. Renovation works were carried out in 13 general out-patient clinics to improve outdated amenities, barrier-free access and pharmacy facilities. A total of HK\$44.7 million was invested to procure 2,554 electrically operated beds and 1,500 pressure relieving mattresses, improving not only patient comfort, but also relieving physical stress for staff.



New information technology (IT) infrastructures are essential for supporting clinicians in efficient and effective delivery of modern healthcare services. Continuous revamp of HA's Clinical Management System and related Clinical Departmental Systems are ongoing to modernise technology platforms, as well as introduce new or revamped functions, e.g. clinical dashboard, electronic referral, integrated care module etc. The Filmless HA project was further extended to 12 hospitals in 2011-12, reducing the use of traditional films and contributing to the electronic medical record system. The pharmacy procurement system was also upgraded to better monitor product quality and performance of suppliers.

HA has completed high-level design of the eHR sharing platform and core infrastructure in the Government initiated eHealth Record (eHR) Programme, and has started to develop the Clinical Management System extension modules targeting for implementation by the end of 2013-14. HA also provided IT support to the Government's Elderly Health-care Voucher Scheme, Government Vaccination Scheme, Primary Care Directory System, and Communicable Disease Information System.



Last year, through an in-depth strategic planning process involving thorough environmental scanning and extensive consultation of some 750 stakeholders, including the HA Board, patient groups, staff representatives, clinicians and executives, the HA Strategic Plan 2012-2017 was formulated. A comprehensive strategic service framework for elderly patients was drawn up to guide the development of elderly care services in HA. Clinical service plan and master development plan were developed to steer the redevelopment of the United Christian Hospital.

Modernised service demand projection models were developed to guide demand management in HA hospitals, including quantification of the impact of cross border Eligible Person population on service utilisation, and projection of birth deliveries for assessing the need for additional neonatal intensive care and related services. Statistical analysis on all clinical specialties was completed and nursing manpower indicators were developed to support the formulation of workforce strategies.

Strategic Objective: Build People First Culture

To enhance professional competencies and build up effective management and leadership, a full spectrum of training strategies and initiatives were implemented, ranging from training on mediation and conflict resolution to leadership skills enhancement, benefitting over 1,600 frontline staff and 600 frontline managers. A total of 28 competency enhancement classes were organised for 2,660 supporting staff in 2011-12 to strengthen their personal, functional, people and team skills. Another 32 classes of vocational training were conducted for 800 patient care supporting staff.

Training on leadership skills and capabilities were offered to managers of different levels. A four-day management programme titled *Management 202* was introduced for experienced frontline managers to strengthen their capabilities on self management, engaging others, assimilating teams and delivering results. Over 600 employees participated in the programme, achieving 70% of the target group.



A basket of measures were implemented to build a favourable working environment that attracts, retains and motivates well qualified employees. In addition to recruitment of more staff for relieving workload in pressure areas, opportunities of promotion and career advancement and succession planning were enhanced through job rotation, creating senior posts and better remuneration. A new promotion mechanism was implemented

in 2011-12 to provide more promotion opportunities to qualified and experienced specialist doctors with meritorious performance, resulting in the promotion of 167 medical officers or resident specialist doctors to associate consultants during the year. The annual Consultant Advancement Exercise reactivated last year was conducted with 53 consultants advanced to senior consultant posts. For nurses, 50 nurse consultant and 150 advanced practice nurse posts were added. A pilot rotation scheme for senior healthcare administrators was also initiated to increase their exposure in management and hospital operation. A sponsorship scheme on Enrolled Nurse training was piloted in 2011-12 to provide supporting staff with professional nurse training and development opportunities.

Succession planning was strengthened by setting up succession management committees at the central and cluster level to formulate succession plans for strategic and operational leadership positions. Structured development programmes were offered to those selected into the succession pools.

Employment terms and conditions for a number of clinical staff groups such as part-time doctors and non-local doctors practising under limited registration were reviewed and enhanced in 2011-12 to strengthen and support local and overseas recruitment drives. Enhanced overseas remuneration packages for diagnostic radiographers, radiation therapists and podiatrists were also improved to help recruit allied health groups with manpower shortage. As at end March 2012, 12 non-local doctors, 287 new residents, 121 part-time doctors, 1,741 nurses and 351 allied health professionals were recruited in the year.

To continuously modernise the human resources functions and improve their efficiency and effectiveness, HA has upgraded its Human Capital Management System with enhancements in automation and self-service functions. The HA online learning platform, e-Learning Centre, won Silver Award in Best Professional Development in the Hong Kong ICT Award in 2012.



Strategic Objective: Maintain Financial Sustainability

The Government allocated HK\$38 billion to HA in 2011-12. Throughout the year, the Authority made vigilant efforts to ensure optimal and value-for-money utilisation of resources in delivering quality patient care to the people of Hong Kong. With prudent financial management and close monitoring of performance, a surplus position was achieved for 2011-12.

The Pay-for-Performance (P4P) internal resource allocation system continued to provide HA with a framework to ensure that deployment of resources was in line with HA's strategic areas of need. In context of heavy workload and manpower shortage, 2011-12 was a year of consolidation for the P4P system. Apart from its use as a tool for resources allocation, casemix data was also deployed to improve operation management and clinical outcome review.

Another focus in the year was the review of the Quality Incentive Pilot (QIP) Programme introduced last year. Findings of the review supported the use of financial incentives to foster quality improvement.

Contributing to a Green Environment

As a responsible corporate citizen, HA strives to deliver environmental friendly hospital services with a view to contributing to a green environment for sustainable development. "Oil-free" air-cooled chillers were installed as a pilot in the new Ambulatory Block of Tseung Kwan O Hospital to further conserve electricity consumption. LED and compact fluorescent lamps were progressively retrofitted to replace less efficient incandescent light bulbs. These examples of energy conservation initiatives helped HA reduce carbon emission. In 2011-12, carbon audits in all hospitals were completed, with 30 hospitals achieving the "carbon-less certificate" for meeting the carbon emission reduction standard of the Hong Kong Awards for Environmental Excellence Scheme.



Actions were taken to comply with new regulatory requirements of the Clinical Waste Control Scheme. Instead of disposal by landfill, clinical waste from hospitals and clinics was collected by licensed collectors under HA central contracts to designated disposal facility of the Environmental Protection Department at the Chemical Waste Treatment Centre at Tsing Yi for disposal by incineration.

Various wastereduction and recycling programmes were implemented to promote environmental protection. Quoting a few examples, a total of 2,300 tonnes of recyclables including waste paper, plastic, metals, glass bottles and used clothes were collected in the hospitals in 2011; the use of computer papers, hard copy pay slips and medical treatment forms were significantly reduced after digitalising the services; and recycling programmes of used fluorescent tubes, used rechargeable batteries, and plastic bottles continued to be implemented.

Environmental friendly LPG vehicles were gradually introduced to HA with replacement of 18 Non-Emergency Ambulance Transfer Service (NEATS) vehicles in 2011-12. Similar replacement of another 35 vehicles is planned for 2012 to 2014. In addition, the pool car transport services of HAHO, Castle Peak Hospital, Kwai Chung Hospital and Siu Lam Hospital won encouraging accolades in the Corporate Green Driving Award Scheme 2011 in *Take a "Brake" Low Carbon Action* for commendable fuel efficiency performance.

As of 31 December 2011, 28 hospitals / institutions and HAHO were awarded the "Class of Excellence" Wastewi\$e Label by the Hong Kong Awards for Environmental Excellence.





Cheshire Home
(Chung Hom Kok)



Ruttongee &
Tang Shiu Kin Hospitals

Hong Kong East Cluster (HKEC)



Pamela Youde Nethersole
Eastern Hospital

St. John Hospital



Tung Wah Eastern Hospital



Wong Chuk Hang
Hospital

The Hong Kong East Cluster (HKEC) serves an estimated population of 0.83 million covering the Eastern and Wanchai districts of the Hong Kong Island as well as the Outlying Islands (excluding North Lantau).



It comprises six hospitals and 12 general out-patient clinics. The six hospitals are Pamela Youde Nethersole Eastern Hospital (PYNEH), Ruttonjee & Tang Shiu Kin Hospitals (RHTSK), Tung Wah Eastern Hospital, Wong Chuk Hang Hospital, Cheshire Home (Chung Hom Kok) and St. John Hospital. The general out-patient clinics include eight in urban areas and four on the outlying islands of Cheung Chau, Lamma and Peng Chau. The Cluster provides a full range of comprehensive in-patient, out-patient, ambulatory, Accident & Emergency, allied health and community-based healthcare services. In addition, the Hong Kong Tuberculosis, Chest & Heart Diseases Association supports the Cluster by promoting health education programmes for primary and secondary prevention.

Key Achievements

To cope with challenges from expanding prevalence and complexity of illnesses among elders, HKEC keeps strengthening services in pressure areas. PYNEH opened two additional beds in the Intensive Care Unit in October 2011. Extra quotas were offered for hospital-based haemodialysis. Automated peritoneal dialysis was developed for renal patients with indications. RHTSK strengthened palliative care services for terminally-ill patients through specialist out-patient clinics and home visits. With the increase in acute stroke cases, initiatives were phased in to implement new management protocols in PYNEH and to enhance treatment in RHTSK.

HKEC emphasised ambulatory and community care to reduce avoidable hospitalisation. Psychiatric services in community and primary care setting were greatly enhanced with a basket of programmes including appointment of case managers and establishment of a rapid crisis intervention team. Discharge planning teams of PYNEH and RHTSK and home support team operated by non-government organisations were commissioned in October 2011 under the integrated care model for high-risk elderly discharged from hospitals, to enhance early formulation of discharge care plans and post-discharge support.



HKEC has built a robust quality and safety system with continuous improvement. Re-use of class II critical single use devices was phased out ahead of target. On provision of cancer care, the Clinical Pharmacist Programme implemented since September 2011 has enhanced the safe use of chemotherapeutic agents at treatment sites; and more than 490 patients with breast or colorectal cancer benefitted under the integrated care of case managers. Patient safety culture was further reinforced through the *Good Crew Resource Management (CRM) Practices in Action* in March 2012. The annual cluster-wide Quality & Safety Seminar became a whole-day event for the first time in 2011-12 to satisfy colleagues' desire for sharing knowledge and best practice.

Modernisation continued to keep pace with modern clinical practice to sustain service quality while keeping up with service growth in the Cluster. PYNEH set up a centre for autologous haemopoietic stem cell transplant in December 2011 and commenced Positron Emission Tomography / Computed Tomography service in March 2012.

Fostering People First culture is of paramount importance, especially amidst staff shortage and high turnover. Apart from human resource measures implemented to retain and motivate staff, HKEC improved work-life quality for frontline staff through ward renovation and modernisation as well as replacement of facilities and equipment in wards. Moreover, nurses were supported for Lean Management Training to improve patient flow and streamline work processes.

To maintain a healthier workforce, integrated occupational safety and health (OSH) awareness and improvement programme was implemented, resulting in continuous drop in the number of injury-on-duty cases. Furthermore, the HKEC OSH team was recognised as one of the HA Outstanding Teams in 2012, reflecting the Cluster's achievements on its journey from safety to staff wellness.

To conclude, HKEC has practised strategic demand management with prudent expansion of service capacity with a strong patient safety culture while maintaining financial sustainability in 2011-12.



Hong Kong West Cluster (HKWC)



The Duchess of
Kent Children's Hospital

TWGHs Fung Yiu King
Hospital



Grantham Hospital

Queen Mary Hospital



MacLehose Medical
Rehabilitation Centre



Tung Wah Hospital



Tsan Yuk Hospital

The Hong Kong West Cluster (HKWC) serves an estimated population of 0.55 million covering the Central, Western and Southern districts of the Hong Kong Island. The Cluster comprises seven hospitals and six satellite institutions.



The seven hospitals are The Duchess of Kent Children's Hospital (DKCH), TWGHs Fung Yiu King Hospital (FYKH), Grantham Hospital (GH), MacLehose Medical Rehabilitation Centre (MMRC), Queen Mary Hospital (QMH), Tsan Yuk Hospital (TYH) and Tung Wah Hospital (TWH). The six satellite institutions are David Trench Rehabilitation Centre (DTRC) and five general out-patient clinics. Apart from providing a comprehensive range of healthcare services to the residents in its catchment area, the Cluster is well known for tertiary and quaternary services that serve the whole population of Hong Kong.

HKWC continues to strengthen partnership with Li Ka Shing Faculty of Medicine of The University of Hong Kong in supporting undergraduate and postgraduate medical education and training, research and development, as well as innovations in health care technology and services. QMH received the Reader's Digest Trusted Brands Gold Award again in 2012. Winning the Award six years in a row from 2007 to 2012 reflects continuous trust and confidence of the community in the hospital.

Key Achievements

To reduce avoidable hospitalisation of high risk elderly patients, HKWC commenced needs assessment and case management for patients in need. Through multi-disciplinary team approach, 136 patients with end-stage organ failures received palliative care in the community. Haemodialysis service for patients with end-stage renal disease was improved by expanding hospital haemodialysis and home haemodialysis.

Neonatal intensive care service was enhanced with higher nurse-supervisor ratio, additional support workers and training programme for new comers. A two-bed ventilator ward was established in the Department of Medicine of QMH to lessen the pressure of managing ventilated

patients in general ward and provide better care to patients. Three acute stroke high dependency beds were added in the Acute Stroke Unit to enhance delivery of 24-hour service to patients requiring thrombolytic treatment.



In response to crisis situations involving patients with mental illness in the community, a Rapid Crisis Intervention Team was set up to enhance community psychiatric service and an integrated mental health programme was launched.

Recognising the importance of continuous improvement of service quality and safety, and aligning with international benchmark, TWH has started preparing for hospital accreditation including hospital-wide integrated quality and safety round, initial self assessment, hospital-wide quality improvement projects and meeting with consultants of Australian Council of Healthcare Standards.

Service for children with autism spectrum disorder was strengthened through a multi-disciplinary autistic service team delivering timely assessment for early diagnosis and intensive intervention. Child and adolescent psychiatric service was also enhanced for patients with attention deficit hyperactivity disorder

Anaesthetic service was enhanced to ensure compliance with safety standards through recruiting more staff and strengthening training for staff of strategic areas, such as the Endoscopy Unit, in monitoring and administering procedural sedation.

To keep abreast of medical technology development, buildings were renovated to facilitate provision of quality service in a modern environment. DTRC was relocated in April 2011 from Bonham Road to the ex-Upper Level Police Station to make way for the construction of MTR West Island line. A six-storey high new wing was built apart from revitalising the old building. The new rehabilitation centre not only provides service users with a more comfortable environment, but also facilitates staff in delivering community based rehabilitation services.



The conversion of conventional operating theatres at QMH into a Minimally Invasive Surgery Centre with humanistic design and theme on “where there is care, there is hope” was completed on 13 June 2011. The centre has four operating rooms equipped with state-of-the-art facilities for different types of minimally invasive surgery and endovascular surgery. Patients receiving surgery would have minimal scarring, less post-operative pain, faster recovery and shorter length of hospital stay.

The Integrated Diabetes Care Centre was set up in November 2011 to provide patients suffering from diabetes mellitus with one-stop service for diabetes complication assessment, cardiovascular risk factors assessment, and education by diabetes nurse specialist, as well as treatment by diabetologist.

In line with the corporate direction of developing a people-oriented culture, HKWC has improved facilities and amenities for staff members so as to provide a supportive work environment. The QMH Nurses Alumni Engagement Committee was formed to engage nurse alumni of the hospital to foster affiliation and encourage them to rejoin the workforce.

Kowloon Central Cluster (KCC)



Hong Kong Buddhist
Hospital



Hong Kong Eye
Hospital



Kowloon Hospital

Queen Elizabeth Hospital



Hong Kong Red Cross
Blood Transfusion Service



Rehabaid Centre

The Kowloon Central Cluster serves an estimated population of 0.5 million covering the Yau Tsim and Kowloon City districts. The Cluster comprises six hospitals and institutions and six satellite institutions.



The six hospitals and institutions are Queen Elizabeth Hospital (QEH), Hong Kong Buddhist Hospital (HKBH), Hong Kong Red Cross Blood Transfusion Services, Hong Kong Eye Hospital (HKEH), Kowloon Hospital (KH) and Rehabaid Centre. The Cluster provides a full range of ambulatory, acute, convalescent, rehabilitation and extended care services to the public.

The Cluster launched a new set of vision, mission and values (VMV) in October 2007 and formally re-launched it in 2012. With a vision to pursue excellence in health services – in life we share, in health we care and in excellence we fare – KCC emphasised on the RESPECT values (**R**espect, **E**mpathy, **S**haring, **P**rofessionalism, **E**fficiency, **C**reativity, and **T**rust). The Cluster mission statements are:

- We deliver quality health service to our clients.
- We partner with the community to provide holistic care.
- We train healthcare professionals to pursue excellence.
- We promote learning culture, research and innovations.

Key Achievements

In 2011-12, the Cluster implemented many initiatives to facilitate the provision of right care for the right patient at the right place. To implement planned responses to growing service demand, one coronary intensive care bed was added in November 2011. 42 additional percutaneous coronary intervention (PCI) procedures were performed by extending service hours. An integrated chronic obstructive pulmonary disease (COPD) management programme

was introduced in QEH to serve patients of COPD Review Clinics. With a new blood donor centre opened in Yuen Long in August 2011, more than 10,000 units of blood were collected in 2011-12.

Building on the core values of RESPECT, KCC has earmarked three consecutive years since 2008-09 as Years of Safety with a specific theme each year – patient safety, staff safety and quality. The wisdom on quality and safety crystallised during the Years of Safety were consolidated in 2011 at the KCC Convention 2011 themed *Quality • Our Way*. The KCC WISER Movement received Bronze Prize and RECRUIT Most Innovative Award of the Hong Kong Management Association Award for Excellence in Training & Development 2011.



To continuously improve service quality and safety, early recruitment of patients with rheumatoid arthritis for protocol-based management and monitoring was rolled out at the nurse clinics in QEH. Molecular diagnostic tests for congenital error of metabolism and other genetic conditions were delivered. Hong Kong Eye Hospital collected additional good grading pre-cut corneas for Descemet's Stripping Automated Endothelial Keratoplasty (DSAEK) cornea transplant.

To keep modernising HA, materno-fetal medicine was developed to deliver prenatal three-dimensional ultrasound examinations at the Multiple Pregnancy Clinic of QEH. The Simulation and Skill Training Centre in QEH was established to enhance the skills, teamwork and communication of over 5,000 healthcare professionals in the Cluster. The new minimally invasive Trans-catheter Aortic Valve Implantation (TAVI) procedure was pioneered in QEH for patients who have symptomatic severe aortic stenosis bearing very high risks of undergoing open heart surgery.

In building People First culture, a music video dubbed “Our Pride 我的驕傲” was produced to promote KCC’s vision, mission and values. People-centred care was further enhanced with the establishment of a Telephone Service Centre providing timely enquiry service and appointment booking in the Ambulatory Care Centre of QEH. The centre received over 56,900 direct telephone enquiries during the year.

To maintain financial sustainability, the enhancement of clinical coding on completeness, accuracy and grouping standards was completed in QEH.





Haven of Hope
Hospital

Kowloon East Cluster (KEC)



Tseung Kwan O
Hospital



United Christian
Hospital

The Kowloon East Cluster serves an estimated population of 0.95 million covering the districts of Kwun Tong, Tseung Kwan O and Sai Kung. The Cluster comprises three hospitals and eight general out-patient clinics.



The three hospitals are United Christian Hospital (UCH), Tseung Kwan O Hospital (TKOH) and Haven of Hope Hospital (HHH). Apart from hospitals and general out-patient clinics, the Cluster manages the out-patient and day patient facilities in Yung Fung Shee Memorial Centre and Pamela Youde Polyclinic as well. The Cluster also provides a full range of comprehensive in-patient, day patient, out-patient, Accident & Emergency, as well as general, specialist, allied health, and community-based healthcare services.

In 2011-12, KEC continued to face challenges of escalating service demand with high complexity of illness from a growing elderly population. The Cluster strived to maximise operational efficiency and effectiveness through service rationalisation and prioritisation to serve the community. The TKOH Ambulatory Care Block was completed with enhanced facilities and has started serving the public since March 2012. The remaining alteration and improvement works of the hospital Main Block were in progress and expected to be completed by March 2013.



Key Achievements

Commencing service in May 2011, the new cataract centre at TKOH has doubled the annual capacity of cataract surgery handled by the Cluster to 5,000 cases and effectively shortened patients' waiting time from 38 months in December 2010 to 21 months in a year. This year the Cluster expanded multi-disciplinary risk assessment and management programme to cover both diabetic patients and

hypertensive patients in spite of stringent manpower. The programme optimised chronic disease management and provided patients with an integrated range of services in the community. The Cluster continued to strengthen renal dialysis service and chemotherapy day service in 2011-12.

The Cluster strived to enhance service quality and safety through upgrading the aseptic dispensing facility and service and setting up multi-disciplinary autistic service team to provide assessment and intervention services.

To keep modernising HA, KEC started providing hepatitis B virus DNA tests through an outsourced supplier in 2012. It was encouraging for KEC to learn that the long-awaited UCH expansion project would be implemented. Preparation work will start once funding is approved by Legislative Council. In parallel, the Cluster would closely monitor the re-provisioning of infirmary, community interface and carers' support services in Haven of Hope Hospital in order to enhance in-patient rehabilitation and convalescent services.

On the other hand, UCH implemented contingency measures to manage sudden surge in demand of admission of residents from old aged homes due to consistent cold weather in winter. Nurses of the Community Geriatric Assessment Team were redeployed to work overtime in the Accident & Emergency Department (AED) to help doctors screen residents from old aged homes, reducing hospital admission by 15%. In the past, about 85% of residents attending AED were admitted.

KEC is committed to providing holistic care in order to meet the needs of patients. The service direction of the Cluster aligns with its philosophy of people-centred care and treating patients as our beloved ones.



Kowloon West Cluster (KWC)

Caritas Medical Centre



Kwong Wah
Hospital



Kwai Chung Hospital



Princess Margaret
Hospital



TWGHs Wong Tai Sin
Hospital



Our Lady of Maryknoll
Hospital



Yan Chai Hospital



The Kowloon West Cluster (KWC) serves an estimated population of 1.9 million covering the districts of Wong Tai Sin, Mongkok, Shamshuipo, Kwai Chung, Tsing Yi, Tsuen Wan and Tung Chung. The Cluster comprised seven hospitals and 23 general out-patient clinics.



The seven hospitals include Caritas Medical Centre (CMC), Kwai Chung Hospital (KCH), Kwong Wah Hospital (KWH), Princess Margaret Hospital (PMH), Our Lady of Maryknoll Hospital (OLMH), Tung Wah Group of Hospitals Wong Tai Sin Hospital (WTSH) and Yan Chai Hospital (YCH). It provides a comprehensive range of services including in-patient, day patient, out-patient, Accident & Emergency as well as general, specialist, allied health, rehabilitation and convalescent services.

Key Achievements

To address growing demand, the Cluster expanded its service capacity in a number of specialties in order to shorten patients' waiting time. Enhancing the Ear, Nose and Throat service, setting up a Total Joint Replacement Centre at YCH, and increasing quota for hospital and home haemodialysis service shortened patients' waiting time for surgery and rehabilitation, as well as benefitting more end-stage renal failure patients.

A new CT scanning service at OLMH started in February 2012, coupled with a public-private interface programme jointly run by the hospital and its parent board, improved access to diagnostic radiology service for residents of Wong Tai Sin district.

Planned to commence service in 2013, North Lantau Hospital will become the eighth hospital of KWC. A commissioning team was set up in 2011-12 to plan for service commencement.



KWC had implemented a number of service programmes to keep patients well in the community. A cross-sector multi-disciplinary integrated care model was introduced to lessen the dependency of high risk elderly patients on in-patient hospital services, and to better support their care in the community. The Community Geriatrics Assessment Service was also enhanced to provide full coverage to residential care homes for the elderly in Wong Tai Sin district. In addition, a comprehensive range of mental health programmes were launched to cater to the needs of patients in different age groups.

The Cluster has adopted advanced diagnostic technology through evidence-based treatment protocols. These included autologous haemopoietic stem cell transplant, and enhanced laboratory support for management of hepatitis B and diabetes. In addition, filmless imaging service was implemented in KWH. Similar service will be rolled out to CMC and YCH in 2012-13 onwards.

Throughout the year, the Cluster endeavoured to promote quality culture by implementing various patient safety initiatives. In order

to mitigate risks, the re-use of class II critical (moderate to high risk) single use devices was phased out. Besides, YCH and CMC have extended pharmacy service hours to 11:00 pm to enhance drug dispensing service. Pharmacist coverage at general out-patient clinics in KWC was also strengthened.

To upkeep with international standards, OLMH would pursue gap analysis by external surveyors in 2012 as a preparation for hospital accreditation by the Australian Council of Healthcare Standards.

People First culture says it all. KWC implemented a series of professional development and career progression programmes in 2011-12 to maintain, motivate and retain a team of dedicated and highly skilled workforce. These programmes included on-the-job training and better promotion opportunities with new posts of nurse consultant and advanced practice nurse. The School of General Nursing at CMC continued to offer three-year higher diploma programme in nursing. Simulation training on patient assessment and management of medical emergencies for both doctors and nurses of various specialties were rolled out at PMH.



New Territories East Cluster (NTEC)



Alice Ho Miu Ling
Nethersole Hospital



Bradbury Hospice



Cheshire Home
(Shatin)



North District
Hospital



Prince of Wales
Hospital



Shatin Hospital



Tai Po Hospital

The New Territories East Cluster serves an estimated population of 1.3 million covering the districts of Shatin, Tai Po, North District and part of Sai Kung. It comprises seven hospitals and 11 general out-patient clinics.



The seven hospitals are Prince of Wales Hospital (PWH), North District Hospital (NDH), Alice Ho Miu Ling Nethersole Hospital, Tai Po Hospital, Shatin Hospital, Cheshire Home Shatin and Bradbury Hospice. The Cluster provides a full range of acute, convalescent, rehabilitation and extended care, in-patient and specialist out-patient services to the public, with three Accident & Emergency centres serving three major districts. Apart from the general out-patient clinics, NTEC also provides ambulatory care services in a number of day hospitals, as well as a large network of community outreach services including the Community Geriatric Assessment Teams and Community Nursing Service.

Key Achievements

The opening of PWH Extension Block in the previous year significantly improved emergency care services in the hospital. Delay in emergency admissions due to unavailability of in-patient beds largely disappeared during the winter surge and influenza epidemic in early 2011. Treatment capacity for cancer patients was much improved with targeted additional operating theatre sessions, expanded capacity for chemotherapy, and introduction of the fifth linear accelerator in the hospital.



Establishment of the Respiratory Collaborative Care Team in NDH proved to be very successful in improving care and support for chronic obstructive pulmonary disease patients in the community. Community psychiatric service was strengthened to deliver better support to patients with severe mental illness through the new Community Case Manager Programme and Rapid Crisis Intervention Teams.

The Cluster has further enhanced patient safety with focus on medication safety through staff engagement, promotion of patient safety culture, and implementation of risk reduction programmes. Endeavours continued during the year with four of the seven hospitals in the Cluster going through gap analysis in preparation for the hospital accreditation programme.



Initiatives were implemented to maintain a stable workforce as an ongoing goal of NTEC, including better training opportunities and career advancement prospect for doctors, nurses and other professional staff. The “one-staff-one-plan” training programme introduced initially for nurses and allied health staff was extended to doctors. Local training programmes and overseas training opportunities were also enhanced.



Castle Peak Hospital



Pok Oi Hospital



Siu Lam Hospital

New Territories West Cluster (NTWC)



Tuen Mun Hospital

The New Territories West Cluster (NTWC) delivers quality patient-centred services to 1.1 million people, covering the catchment areas of Tuen Mun and Yuen Long districts.



There are four hospitals and nine general out-patient clinics in the Cluster, providing a comprehensive range of services including emergency and general acute care, rehabilitation and convalescent care, and mental health service. The four hospitals are Tuen Mun Hospital (TMH), Pok Oi Hospital (POH), Castle Peak Hospital (CPH), and Siu Lam Hospital (SLH). Besides the four hospitals, NTWC also manages the Tuen Mun Ambulatory Care Centre, Tuen Mun Mental Health Centre, Tuen Mun Eye Centre, and the Butterfly Bay Laundry which share and support the patient load of the Cluster.

Key Achievements

To meet rising service demand, 13 hospital beds were added in POH to enhance its acute in-patient services while TMH augmented its oncology services with eight additional hospital beds. Besides, the capacity of emergency operating theatres at TMH was also strengthened.

On the out-patient and community side, the capacity of cataract service was expanded, so were ambulatory services of urology, rheumatology and gynaecological oncology. Palliative care for terminally ill patients was further strengthened by adopting end-of-life care pathways. In addition, one-stop primary care service was provided at the new Tin Shui Wai Community Health Centre at Tin Yip Road, delivering general out-patient, nursing and allied health services. Other primary care services of the Centre are scheduled to be opened in the next financial year.



NTWC has strengthened mental health services for the region through CPH. The Early Assessment Service for Young persons with psychotic disorders (EASY) was extended to adult patients newly diagnosed with psychosis and the Community Case Manager Programme was expanded to patients with severe mental illness. With the new Rapid Intensive Care Team, the Cluster responded to crisis situations involving patients with mental illness in the community. Psycho-geriatric outreach service was also enhanced to serve more private residential care homes for the elderly.



The Cluster continued to emphasise on quality and safety. A four-year full accreditation status granted by the Australian Council on Healthcare Standards in 2010 recognised the standards of services provided by TMH in both quality and risk management. The momentum of service quality and safety continued in 2011-12 with safety of surgical operations enhanced, pharmacy service of general out-patient clinics expanded, as well as multi-disciplinary autistic service teams set up.

To keep modernising HA, advanced equipment installed in the Cluster during the year helped strengthen its technological infrastructure. In 2011-12, TMH has set up a satellite autologous haemopoietic stem cell transplant (Auto-HSCT) Centre. Handling 10 cases per year, the Centre further improved bone marrow transplant service in the New Territories West district. Laboratory testing for patients receiving new drug treatment for chronic hepatitis was also enhanced.





Advocating the core value of “People FIRST”, NTWC attaches much emphasis on staff training. A series of local and overseas training courses were organised in 2011-12, such as training for registered nurse, two-year preceptorship programme and structured programme for newly recruited allied health staff including medical laboratory technicians, diagnostic radiographers, physiotherapists, occupational therapists, and prosthetist-orthotists.

NTWC has also adopted prudent approach in financial management to maintain a healthy financial status in 2011-12.

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羅兵咸永道

Independent Auditor's Report

To The Members of the Hospital Authority

We have audited the consolidated financial statements of the Hospital Authority ("HA") and its subsidiaries (together, the "Group") set out on pages 88 to 141, which comprise the consolidated and HA balance sheets as at 31 March 2012, and the consolidated statement of income and expenditure, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Hospital Authority's Responsibility for the Consolidated Financial Statements

The Hospital Authority is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and for such internal control as the Hospital Authority determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 10 of the Hospital Authority Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.



羅兵咸永道

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of HA and of the Group as at 31 March 2012 and of the Group's surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.

A large, stylized handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 September 2012

Consolidated Balance Sheet

	Note	Balance at 31 March 2012 HK\$'000	Balance at 31 March 2011 HK\$'000
Non-Current Assets			
Property, plant and equipment	5	3,479,671	3,255,193
Intangible assets	6	415,356	337,457
Loans receivable	7	9,386	12,630
Fixed income instruments	8	300,001	2,030,979
		4,204,414	5,636,259
Current Assets			
Inventories	9	1,048,667	892,890
Loans receivable	7	1,603	1,918
Accounts receivable	10	257,684	224,834
Other receivables	11	78,192	90,990
Deposits and prepayments	12	262,957	231,107
Fixed income instruments	8	1,730,993	-
Bank deposits with maturity over three months	13	4,717,415	6,110,375
Cash and cash equivalents	13	3,717,620	872,240
		11,815,131	8,424,354
Current Liabilities			
Creditors and accrued charges	14	5,770,957	4,496,939
Deposits received	15	158,440	297,802
		5,929,397	4,794,741
Net Current Assets		5,885,734	3,629,613
Total Assets Less Current Liabilities		10,090,148	9,265,872
Non-Current Liabilities			
Death and disability liabilities	16	176,363	142,082
Deferred income	17	506,621	515,884
Net Assets		9,407,164	8,607,906
Capital subventions and donations	18	3,895,027	3,592,650
Designated fund	19	5,077,369	5,077,369
Revenue reserve		434,768	(62,113)
Capital Subventions and Donations, Designated Fund and Reserves		9,407,164	8,607,906

Mr John LEE, JP

Chairman
Finance Committee

Dr LEUNG Pak-yin, JP

Chief Executive

Balance Sheet

	Note	Balance at 31 March 2012 HK\$'000	Balance at 31 March 2011 HK\$'000
Non-Current Assets			
Property, plant and equipment	5	3,479,671	3,255,016
Intangible assets	6	414,958	336,794
Loans receivable	7	9,386	12,630
Fixed income instruments	8	300,001	2,030,979
		4,204,016	5,635,419
Current Assets			
Inventories	9	1,048,667	892,890
Loans receivable	7	1,603	1,918
Accounts receivable	10	257,684	224,834
Other receivables	11	78,269	90,990
Deposits and prepayments	12	262,874	231,107
Fixed income instruments	8	1,730,993	-
Bank deposits with maturity over three months	13	4,717,415	6,110,375
Cash and cash equivalents	13	3,717,620	872,240
		11,815,125	8,424,354
Current Liabilities			
Creditors and accrued charges	14	5,770,957	4,496,945
Deposits received	15	158,440	297,802
		5,929,397	4,794,747
Net Current Assets		5,885,728	3,629,607
Total Assets Less Current Liabilities		10,089,744	9,265,026
Non-Current Liabilities			
Death and disability liabilities	16	176,363	142,082
Deferred income	17	506,621	515,884
		9,406,760	8,607,060
Net Assets		9,406,760	8,607,060
Capital subventions and donations	18	3,894,629	3,591,810
Designated fund	19	5,077,369	5,077,369
Revenue reserve		434,762	(62,119)
Capital Subventions and Donations, Designated Fund and Reserves		9,406,760	8,607,060


Mr John LEE, JP
Chairman
Finance Committee


Dr LEUNG Pak-yin, JP
Chief Executive

Consolidated Statement of Income and Expenditure

	Note	For the year ended 31 March 2012 HK\$'000	For the year ended 31 March 2011 HK\$'000
Income			
Recurrent Government subvention	20	36,847,073	33,065,841
Capital Government subvention		790,108	677,593
Hospital / clinic fees and charges	21	3,029,866	2,993,714
Donations		225	144
Transfers from:			
Designated donation fund	17	144,943	142,966
Training and Welfare Fund	17	-	3,713
Capital subventions	18	711,168	619,350
Capital donations	18	109,149	113,263
Investment income		149,682	104,479
Other income		535,102	457,330
		42,317,316	38,178,393
Expenditure			
Staff costs		(29,616,427)	(26,903,893)
Drugs		(4,068,679)	(3,639,061)
Medical supplies and equipment		(1,845,758)	(1,354,230)
Utilities charges		(969,607)	(917,294)
Repairs and maintenance		(1,269,804)	(1,150,909)
Building projects funded by the Government as set out in note 2(g)(ii) and (iii)		(790,108)	(677,593)
Operating lease expenses – office premises and equipment		(84,611)	(49,510)
Depreciation and amortisation	5, 6	(814,718)	(723,496)
Other operating expenses	22	(2,360,723)	(2,520,293)
		(41,820,435)	(37,936,279)
Surplus for the year		496,881	242,114

Consolidated Statement of Comprehensive Income

	Note	For the year ended 31 March 2012 HK\$'000	For the year ended 31 March 2011 HK\$'000
Surplus for the year		496,881	242,114
Other comprehensive income			
Additions to capital subventions and donations	18	1,122,694	1,235,143
Transfers to consolidated statement of income and expenditure	18	(820,317)	(732,613)
Total comprehensive income for the year		799,258	744,644

Consolidated Cash Flow Statement

	Note	For the year ended 31 March 2012 HK\$'000	For the year ended 31 March 2011 HK\$'000
Net cash from operating activities	26	1,302,753	828,310
Investing activities			
Investment income received		149,682	104,479
Purchases of property, plant and equipment	5	(934,150)	(1,089,752)
Purchases of intangible assets	6	(188,544)	(145,391)
Net decrease / (increase) in bank deposits with maturity over three months		1,392,960	(1,861,629)
Net increase in fixed income instruments		(15)	(320,013)
Net cash generated from / (used in) investing activities		419,933	(3,312,306)
Net cash before financing activities		1,722,686	(2,483,996)
Financing activities			
Capital subventions	18	929,549	1,103,825
Capital donations	18	193,145	131,318
Net cash from financing activities		1,122,694	1,235,143
Increase / (decrease) in cash and cash equivalents		2,845,380	(1,248,853)
Cash and cash equivalents at beginning of year		872,240	2,121,093
Cash and cash equivalents at end of year	13	3,717,620	872,240

Consolidated Statement of Changes in Net Assets

	Capital subventions and donations	Designated Fund	Revenue Reserve	Total
	HK\$'000 [Note 18]	HK\$'000	HK\$'000	HK\$'000
At 1 April 2010	3,090,120	5,077,369	(304,227)	7,863,262
Total comprehensive income for the year	502,530	-	242,114	744,644
At 31 March 2011	3,592,650	5,077,369	(62,113)	8,607,906
Total comprehensive income for the year	302,377	-	496,881	799,258
At 31 March 2012	3,895,027	5,077,369	434,768	9,407,164

Notes to the Financial Statements

1. The Hospital Authority

(a) Background

The Hospital Authority (“HA”) and its subsidiaries are collectively referred to as the “Group” in the consolidated financial statements. HA is a statutory body established in Hong Kong on 1 December 1990 under the Hospital Authority Ordinance. The Hospital Authority Ordinance provides HA with the powers to manage and control the delivery of public hospital services in Hong Kong. Under the Hospital Authority Ordinance, HA is responsible for the following:

- advising the Government of the needs of the public for hospital services and of the resources required to meet those needs;
- managing and developing the public hospital system;
- recommending to the Secretary for Food and Health appropriate policies on fees for the use of hospital services by the public;
- establishing public hospitals; and
- promoting, assisting and taking part in education and training of HA staff and research relating to hospital services.

Pursuant to Section 5(a) of the Hospital Authority Ordinance (Cap. 113), an agreement was entered into between the Government of the Hong Kong Special Administrative Region (the “Government”) and the HA on 3 June 2011 (“Agreement”), under which the Government and HA agreed that HA shall be responsible for managing and controlling the government lands and the hospitals, clinics, facilities, buildings and premises established thereon (as set out in Annex A of the Agreement and referred to as “Properties”), as well as the Facilities and Amenities (as set out in Annex B of the Agreement) that may be provided on the Properties. The ownership of the Properties continues to be held by the Government.

HA has also entered into agreements with the individual governing bodies of the ex-subvented hospitals which allowed HA to assume ownership of some operating assets as at 1 December 1991 and to manage and control other assets, the ownership of which remains with the individual governing bodies.

Notes to the Financial Statements (Continued)

1. The Hospital Authority (Continued)

(a) Background (Continued)

As a result, HA has assumed full responsibility for the management of the hospital operations since 1 December 1991. Also, all operating and capital commitments outstanding as at 1 December 1991 were assumed by HA, except for the capital works projects funded under the Capital Works Reserve Fund of the Government.

As part of the Government's healthcare reform plan, HA has taken over the management and operation of all general outpatient clinics ("GOPCs") from the Department of Health since July 2003. Under the arrangement, the title and ownership in respect of the related operating assets of the GOPCs were retrospectively transferred to HA in July 2003 after receiving formal approval from the Government in June 2006. These assets were transferred at nil value.

In order to promote the development and research of Chinese medicine in Hong Kong, HA's subsidiary, HACM Limited entered into agreements with 10 non-governmental organisations ("NGOs") to operate 16 Chinese medicine clinics. Under the agreements with the NGOs, the Group has provided an annual subvention to the NGOs for operating Chinese medicine clinics in Hong Kong. These NGO clinics have provided Chinese medicine outpatient services including the prescription of Chinese herbal medicine and related services. For the year ended 31 March 2012, the subvention paid to these NGOs amounted to HK\$26,466,000 (2011: HK\$25,720,000).

In order to support the Government-led electronic health record ("eHR") programme, which is a 10-year-programme and an essential part of the healthcare reform, HA has been engaged to serve as the technical agency to the Government, leveraging its experience and know-how in the Clinical Management System ("CMS"). With this role, HA undertakes multiple streams of eHR related projects, which are funded by the recurrent subvention and other designated funding from the Government. During the financial year 2011/12, HA recognised HK\$179,673,000 (2011: HK\$133,372,000) as other income to match with the expenditure incurred in relation to the eHR related projects.

Notes to the Financial Statements (Continued)

1. The Hospital Authority (Continued)

(b) Hospitals and other institutions

At the balance sheet date, HA had under its management and control the following hospitals and institutions:

Hospitals:

Alice Ho Miu Ling Nethersole Hospital
 Bradbury Hospice
 Caritas Medical Centre
 Castle Peak Hospital
 Cheshire Home, Chung Hom Kok
 Cheshire Home, Shatin
 The Duchess of Kent Children's Hospital at Sandy Bay
 Grantham Hospital
 Haven of Hope Hospital
 Hong Kong Buddhist Hospital
 Hong Kong Eye Hospital
 Kowloon Hospital
 Kwai Chung Hospital
 Kwong Wah Hospital
 MacLehose Medical Rehabilitation Centre
 North District Hospital
 Our Lady of Maryknoll Hospital
 Pamela Youde Nethersole Eastern Hospital
 Pok Oi Hospital
 Prince of Wales Hospital
 Princess Margaret Hospital
 Queen Elizabeth Hospital
 Queen Mary Hospital
 Ruttonjee & Tang Shiu Kin Hospitals
 Shatin Hospital
 Siu Lam Hospital
 St. John Hospital
 Tai Po Hospital

Notes to the Financial Statements (Continued)

1. The Hospital Authority (Continued)

(b) Hospitals and other institutions (Continued)

Hospitals (Continued):

Tsan Yuk Hospital
Tseung Kwan O Hospital
Tuen Mun Hospital
Tung Wah Eastern Hospital
Tung Wah Group of Hospitals Fung Yiu King Hospital
Tung Wah Group of Hospitals Wong Tai Sin Hospital
Tung Wah Hospital
United Christian Hospital
Wong Chuk Hang Hospital
Yan Chai Hospital

Other Institutions:

eHR HK Limited
HACare (ceased operation of the long stay care home on 31 December 2004 and has remained inactive thereafter)
HACM Limited
Hong Kong Red Cross Blood Transfusion Service
Rehabaid Centre
Specialist outpatient clinics
General outpatient clinics
Other clinics and associated units

(c) Principal office

The address of the principal office of the Hospital Authority is Hospital Authority Building, 147B Argyle Street, Kowloon, Hong Kong.

Notes to the Financial Statements (Continued)

2. Principal accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to both years presented, unless otherwise stated.

(a) Basis of presentation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as appropriate to Government subvented and not-for-profit organisations. They have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets which are stated at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying HA's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

(b) Basis of consolidation

The financial statements of the Group include the income and expenditure of the Head Office, subsidiaries, all Hospitals, Specialist Clinics, General Outpatient Clinics and other institutions under its management and control made up to 31 March 2012.

The financial statements reflect the recorded book values of those assets owned by the Group and the liabilities assumed by the Group. Those assets under the management and control of HA, but not owned by HA, are not accounted for in these financial statements.

(c) Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date that control is transferred to the Group. They are de-consolidated from the date that control ceases.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(c) Subsidiaries (Continued)

Intra-group transactions, balances and unrealised gains on transactions within the Group have been eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. The accounting policies of the subsidiaries are consistent with the accounting policies adopted by the Group.

As at 31 March 2012, the principal subsidiary of HA comprises:

Name	Principal activities	Place of incorporation / operation	Effective percentage directly held by the Group
HACM Limited (limited by guarantee)	To steer the development and delivery of Chinese medicine services	Hong Kong	100

(d) Adoption of new / revised HKFRSs

The HKICPA has issued a number of new / revised HKFRSs, including interpretations, amendments or improvements to the existing standards, which become effective in the current period. Of these, the Group has adopted the revised HKFRSs below, which are appropriate to its operations:

HKAS 24 (Revised)	Related Party Disclosures (early adopted for the year ended 31 March 2010)
HKFRSs Amendments	Improvements to HKFRSs (2010)

The adoption of the above revised HKFRSs does not have any financial impact to the Group's financial statements.

The HKICPA has also issued a number of new / revised HKFRSs which are effective for accounting period beginning on or after 1 January 2012. The Group has not early adopted these new / revised HKFRSs in the financial statements for the year ended 31 March 2012. The Group is in process of making an assessment but is not yet in a position to quantify the impact of these new / revised HKFRSs on its results of operations and financial position.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(e) Recognition of income

Recurrent grants are recognised on an accruals basis. Non-recurrent grants that are spent on expenditure which does not meet the capitalisation policy of property, plant and equipment or intangible assets as set out in note 2(g)(i) and note 2(i) respectively are recognised when incurred.

Hospital / clinic fees and charges are recognised when services are provided.

Designated donations are recognised as income when the amounts have been received or are receivable from the donors and the related expenditure is charged to the statement of income and expenditure. Other donation income is recognised upon receipt of non-designated cash or donations-in-kind not meeting the capitalisation policy of property, plant and equipment or intangible assets as set out in note 2(g)(i) and note 2(i) respectively.

Transfers from the designated donation fund are recognised when the designated donation fund is utilised and the expenditure does not meet the capitalisation policy of property, plant and equipment or intangible assets as set out in note 2(g)(i) and note 2(i) respectively.

Transfers from the Training and Welfare Fund are recognised when the related expenditure is charged to the statement of income and expenditure.

Transfers from capital subventions and capital donations are recognised when depreciation or amortisation and net book value of assets disposed / written off are charged to the statement of income and expenditure.

Investment income from fixed income instruments is recognised as set out in note 2(j).

Investment income from bank deposits is recognised on a time proportion basis using the effective interest method.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(f) Donations

(i) Donated assets

Properties, computer software and systems donated to the Group with a value below HK\$250,000 each and other donated assets with a value below HK\$100,000 each are recorded as income and expenditure in the year of receipt of the assets.

Properties, computer software and systems donated to the Group with a value of HK\$250,000 or more each and other donated assets with a value of HK\$100,000 or more each are capitalised on receipt of assets according to the policy set out in note 2(g)(i) and note 2(i). The amount of the donated assets is credited to the capital donations account. Each year, an amount equal to the depreciation or amortisation charge for these assets and the net book value of assets disposed is transferred from the capital donations account and credited to the statement of income and expenditure.

(ii) Cash donations

Cash donations for specific use as prescribed by the donor are accounted for in the designated donation fund. When the fund is utilised and spent for expenditure not meeting the capitalisation policy as set out in note 2(g)(i) or note 2(i), they are accounted for as expenditure of the designated donation fund and, in the case of capital expenditure, in accordance with the policy for donated assets outlined above.

Non-specified donations for general operating purposes are recorded as donations in the statement of income and expenditure upon receipt of cash donations.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(g) Capitalisation of property, plant and equipment

- (i) Effective from 1 December 1991, the following types of assets which give rise to economic benefits have been capitalised:

Building projects costing HK\$250,000 or more; and

All other assets costing HK\$100,000 or more on an individual basis.

The accounting policy for depreciation of property, plant and equipment is set out in note 2(h).

- (ii) For properties which are funded by the Government through HA but are owned by an ex-subvented governing body, the associated expenditure is charged to the statement of income and expenditure in the year as incurred. Under the agreements with ex-subvented governing bodies, the ownership of building projects, although funded by the Government through HA, is vested with the governing bodies. Similar accounting policy has been adopted for the North District Hospital and the Tseung Kwan O Hospital, which are both funded by the Government through HA.
- (iii) For expenditure on subsequent improvement to properties the ownership of which has not been vested with HA, the amount spent is capitalised only if the improvement does not form part of the properties and can be re-used by HA when re-located. Otherwise, the expenditure is charged to the statement of income and expenditure in the year as incurred.
- (iv) Expenditure on furniture, fixtures, equipment, motor vehicles and computer hardware is capitalised (subject to the minimum expenditure limits set out in note 2(g)(i) above) and the corresponding amounts are credited to the capital subventions and capital donations accounts for capital expenditure funded by the Government and donations respectively.
- (v) Property, plant and equipment transferred from the hospitals to HA at 1 December 1991 was recorded at nil value.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(h) Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. Additions represent new or replacement of specific components of an asset. An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The historical cost of assets acquired and the value of donated assets received by the Group since 1 December 1991 are depreciated using the straight-line method over the expected useful lives of the assets as follows:

Leasehold improvements	Over the life of the lease to which the improvement relates
Buildings	20–50 years
Furniture, fixtures and equipment	3–10 years
Motor vehicles	5–7 years
Computer equipment	3–6 years

The useful lives of assets are reviewed and adjusted, if appropriate, at each balance sheet date.

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of income and expenditure.

Capital expenditure in progress is not depreciated until the asset is placed into commission.

(i) Intangible assets

Computer software and systems including related development costs costing HK\$250,000 or more each, which give rise to economic benefits are capitalised as intangible assets. Intangible assets are stated at cost less accumulated amortisation and are amortised on a straight line basis over the estimated useful lives of 1 to 3 years.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(j) Fixed income instruments

Fixed income instruments are classified as held-to-maturity investments on the basis that the Group has the positive intention and ability to hold the investments to maturity.

Fixed income instruments are recognised on a trade-date basis and stated at amortised cost, less any impairment loss recognised to reflect irrecoverable amounts. The annual amortisation of any discount or premium on the acquisition of fixed income instruments is aggregated with other investment income receivable over the term of the instrument using the effective interest method.

The Group assesses whether there is objective evidence that fixed income instruments are impaired at each balance sheet date. The amount of the loss is measured as the difference between the carrying amount of the fixed income instruments and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the fixed income instruments is reduced and the amount of the loss is recognised in the statement of income and expenditure.

(k) Inventories

Inventories, which comprise drugs, other medical and general consumable stores, are valued at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Where applicable, provision is made for obsolete and slow-moving items. Inventories are stated net of such provision in the balance sheet. Net realisable value is determined with reference to the replacement cost.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(l) Accounts receivable

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the carrying amount of the accounts receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the accounts receivable is reduced through the use of an allowance account, and the amount of the loss is recognised as an expense in the statement of income and expenditure. Decrease in the previously recognised impairment loss shall be reversed by adjusting the allowance account. When an accounts receivable is uncollectible and eventually written off, the respective uncollectible amount is offset against the allowance account for accounts receivable. Subsequent recoveries of amounts previously written off are credited against the current year's expense in the statement of income and expenditure.

(m) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks, and cash investments with a maturity of three months or less from the date of investment.

(n) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation. They are tested for impairment at least annually and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(o) Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(p) Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

(q) Employee benefits

(i) Retirement benefits costs

Payments to the Group's defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to the Mandatory Provident Fund Scheme are dealt with as payments to defined contribution plans where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit plan. The retirement benefit costs charged in the statement of income and expenditure represent the contributions payable in respect of the current year to the Group's defined contribution retirement benefit plan and the Mandatory Provident Fund Scheme.

(ii) Termination benefits costs

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement age or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits costs when there is an obligation to make such payments without possibility of withdrawal.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(q) Employee benefits (Continued)

(iii) Death and disability benefits costs

The cost of the Group's obligations in respect of death and disability benefits provided to employees is recognised as staff costs in the statement of income and expenditure with reference to annual actuarial valuations performed by an independent qualified actuary.

The death benefits for eligible employees are accounted for as post employment defined benefits. Any cumulative unrecognised actuarial gains and losses exceeding 10% of the greater of the present value of the Group's obligations and the fair value of any qualifying insurance policies are recognised in the statement of income and expenditure over the expected average remaining service lives of the employees.

The disability benefits are accounted for as other long-term employee benefits. Actuarial gains and losses are recognised immediately in the statement of income and expenditure.

Further details of the death and disability liabilities are set out in note 16.

(iv) Other employee benefits costs

Other employee benefits such as annual leave and contract gratuity are accounted for as they accrue.

(r) Government grants

Subvention grants approved for the year less amounts spent on property, plant and equipment and intangible assets during the year are classified as recurrent grants.

Government subventions of a capital nature ("capital subventions") are credited to the capital subventions account and the corresponding amounts are capitalised as property, plant and equipment or intangible assets as set out in note 2(g)(iv) and note 2(i) respectively. This includes capital expenditure on furniture, fixtures, equipment, motor vehicles, computer hardware, software and systems. Each year, an amount equal to the depreciation or amortisation charge for these assets and net book value of assets disposed is transferred from the capital subventions account and credited to the statement of income and expenditure.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(s) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised as expenses in the statement of income and expenditure on a straight line basis over the period of the lease.

(t) Translation of foreign currencies

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The financial statements are presented in Hong Kong dollars, which is the Group's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange gains and losses are dealt with in the statement of income and expenditure.

(u) Related parties

Parties are considered to be related to the Group if the party has the ability, directly or indirectly, to control the Group or exercise significant influence over the Group in making financial and operating decisions, or vice versa. Related parties also include key management personnel having authority and responsibility for planning, directing and controlling the activities of the Group.

For the purpose of these financial statements, transactions between the Group and Government departments, agencies or Government controlled entities, other than those transactions such as the payment of rent and rates, fees etc. that arise in the normal dealings between the Government and the Group, are considered to be related party transactions.

Notes to the Financial Statements (Continued)

3. Financial risk management

(a) Financial risk factors

The Group's activities of providing healthcare services to patients, the administration of drugs, the employment of a large workforce and the investment activities are primary areas of risk being mitigated by the Group's financial management process. The Group's underlying principles of financial risk management are to transfer the cost of financing risks of significant level through insurance with a diversity of insurers, to self insure for the operational risks and to comply with regulatory insurance requirements as an employer and owner of a motor fleet.

With regard to investments, in accordance with the Group's policies and guidelines, the primary objectives are to meet liquidity requirements, to protect capital and to provide a reasonable return. The investment portfolio ("Portfolio") as at 31 March 2012 consisted entirely of bank deposits and debt instruments. Based on the risk control measures as summarised below, the risk of default by the counterparties is considered minimal and the Portfolio has no significant concentration of credit risk. Besides, the Portfolio has no significant currency risk because substantially all assets and liabilities are denominated in Hong Kong dollars, the Group's functional and presentation currency. The Group manages its cash flow requirements and risk as disclosed in note 3(c).

(i) Bank Deposits

Bank deposits are placed with the Group's approved banks which are of investment grade as determined by Standard and Poor's and Moody's. For bank deposits, banks must meet the minimum credit rating not lower than Moody's Baa3 or equivalent.

(ii) Debt Instruments

Debt instruments are subject to the price risk caused by the changes in the market interest rates and perceived credit risks of the issuers. All transactions in debt instruments are settled / paid for upon delivery through approved banks. The credit risks of the issuers are assessed based on the credit ratings determined by Standard and Poor's or Moody's. Investments in debt instruments (i.e. certificate of deposits or bonds) should be with issuers of credit ratings not lower than Moody's A3 or equivalent. Where the maturity is over 2 years, the credit ratings should not be lower than Moody's Aa3 or equivalent at the time of investments.

Notes to the Financial Statements (Continued)

3. Financial risk management (Continued)

(a) Financial risk factors (Continued)

(ii) Debt Instruments (Continued)

The Portfolio's interest rate risk arises from interest bearing cash at bank, bank deposits and debt instruments. Cash at bank, which earns interest at variable rates, gives rise to cash flow interest rate risk. Fixed rate bank deposits and debt instruments expose the Portfolio to fair value interest rate risk. Sensitivity analyses have been performed by the Group with regard to interest rate risk as at 31 March 2012. If interest rates had been increased or decreased by 50 basis points, which represent management's assessment of a reasonably possible change in those rates, and all other variables were held constant, the effect on the Group's surplus and net assets is insignificant.

(iii) Other financial assets and liabilities

Other financial assets and liabilities are substantially denominated in Hong Kong dollars, the Group's functional and presentation currency, and hence will not be exposed to significant currency risk.

(b) Fair values of financial assets and liabilities

The fair values of fixed income instruments (including Hong Kong Dollar Bonds and Exchange Fund Notes) are determined based on quoted market prices at the balance sheet date and are summarised as follows:

The Group and HA				
	Carrying Value [Note 8]		Fair Value	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Fixed Income Instruments	2,030,994	2,030,979	2,037,082	2,060,590

The carrying values of other financial assets and liabilities such as cash and bank balances, loans receivable, accounts receivable and trade payable approximate their fair values and accordingly, no disclosure of fair values for these items is presented.

Notes to the Financial Statements (Continued)

3. Financial risk management (Continued)

(c) Capital management

Under the Hospital Authority Ordinance, the resources of the Group consist of the following:

- All money paid by the Government to HA and appropriated for that purpose by the Legislative Council and otherwise provided to HA by the Government; and
- All other money and property, including gifts, donations, fees, rent, interest and accumulations of income received by HA.

In this regard, the capital of the Group comprises revenue reserve, designated fund, capital subventions and donations and deferred income as shown in the consolidated balance sheet. As at 31 March 2012, the capital of the Group was HK\$9,913,785,000 (2011: HK\$9,123,790,000).

The Group's objective for managing capital is to safeguard the Group's ability to continue as a going concern to ensure sustainability of the public health care system. As in previous years, the Group undertook a budget planning process to work out a viable budget plan for financial year 2011/12. The 2011/12 budget is compiled by assessing the total resources required for HA to meet its needs on baseline services, pressure areas, as well as programmes approved for the year and other initiatives incorporated in the HA annual plan. The projected requirement has been mapped against the funding indicated by the Government together with other sources of income, including medical and non-medical fee income and alternative sources of income. The Group targeted to achieve a balanced budgetary position by containing the overall expenditure within the annual subvention provided by the Government. To enhance accountability for the appropriate use of resources, key performance indicators have been developed to measure performance of hospitals / clusters and monthly financial report on HA and clusters' performance has been reviewed to monitor the spending level against budget on an ongoing basis.

Notes to the Financial Statements (Continued)

4. Critical accounting estimates and judgments

In preparing the financial statements, management is required to exercise significant judgments in the selection and application of accounting policies, including making estimates and assumptions. The following is a review of the more significant accounting policies that are impacted by judgments and uncertainties and for which different amounts may be reported under a different set of conditions or using different assumptions.

(a) Provision for doctors' claims and non-doctors' compensation

165 doctors filed claims against HA for alleged failure to grant rest days, statutory holidays, public holidays and overtime worked over a period going back to 1996 in High Court Action No. 1924 of 2002. In the judgment of the Court of Final Appeal (CFA) on 20 October 2009, the doctors' overtime claim was dismissed. The court declared that doctors and interns are entitled to be granted rest days and statutory holidays in accordance with the Employment Ordinance as well as public holidays and doctors rostered on call on such day are entitled to compensation for an alternative day whether they have worked or not on that day or for how long. Similar claims by other doctors in the Labour Tribunal between 2006 and 2012 were adjourned pending assessment of the High Court claim.

HK\$525,434,000 was paid out during the financial year 2006/07 by HA under a settlement package implemented in 2006. In response to the CFA judgment on 20 October 2009, the HA Board approved another settlement package to eligible doctors in June 2010. Over 90% eligible doctors (including leavers who have submitted interests to receive settlement offer) have accepted their settlement offer and total settlement amount paid out before the end of March 2012 was HK\$221,816,000.

Subsequent to the year end, an assessment of damages for the three lead plaintiffs was heard in June 2012 in the High Court and rulings were made on the calculation of damages, interest and costs for the lead plaintiffs ("Court Rulings").

Meanwhile, in January 2012, based on a framework developed by an external actuarial consultant, HA Board approved a call payment offer to eligible non-doctors in settlement of potential requests for compensation for performing off-site on-call duties during rest days, statutory holidays and public holidays. Nearly 80% eligible non-doctors (including leavers who have submitted interests to receive offer) have accepted the call payment offer and total settlement amount to be paid out to eligible staff during 2012/13 is estimated to be approximately HK\$47,500,000. In addition, further reviews are being conducted for various cases requested by staff who have not accepted the current offer or not received any offer.

Notes to the Financial Statements (Continued)

4. Critical accounting estimates and judgments (Continued)

(a) Provision for doctors' claims and non-doctors' compensation (Continued)

Presently, uncertainties remain in relation to the eventual outcome of the above outstanding claims and/or potential claims. The provision of HK\$414,800,000 made in the financial statements as at 31 March 2012 represents management's best estimates after making reference to the Court Rulings and an independent qualified actuary.

(b) Provision for medical malpractice claims

The Group co-insures and retains a designated sum for each medical malpractice claim. For those claims in excess of the retained sum, the claims will be borne by the insurer. In view of the complex nature and long development period of the claims, a Claims Review Panel consisting of the participating medical malpractice insurers, the external panel law firms appointed by the insurers and HA's in-house experts review the status of potential and active claims semi-annually and assess the provision required on each significant case. An independent qualified actuary also assists the Group on the assessment of the exposure of other reported cases based on historical development trend of the claims settlement. With reference to the assessments and the analysis by the Claims Review Panel and the external actuarial consultant respectively, management reviews the claims exposure and determines the provision required to cover the Group's exposure at each balance sheet date.

(c) Death and disability liabilities

The Group has engaged an independent qualified actuary to assess the present value of obligations for its death and disability scheme at each balance sheet date. Major actuarial assumptions include the discount rate and salary inflation rate which are set out in note 16. The present value of the Group's obligations is discounted with reference to market yields on Hong Kong Exchange Fund Notes, which have terms to maturity approximating the terms of the related obligations. The long-term salary inflation is generally based on the market's long-term expectation of price inflation.

Notes to the Financial Statements (Continued)

5. Property, plant and equipment

The Group					
	Building and improvements	Furniture, fixtures and equipment	Motor vehicles	Computer equipment	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cost					
At 1 April 2011	1,047,301	7,662,783	154,592	1,090,460	9,955,136
Reclassifications	-	(469)	-	469	-
Additions	522	881,135	5,157	47,336	934,150
Disposals	-	(527,346)	(2,928)	(91,435)	(621,709)
At 31 March 2012	1,047,823	8,016,103	156,821	1,046,830	10,267,577
Accumulated depreciation					
At 1 April 2011	296,161	5,398,045	108,625	897,112	6,699,943
Reclassifications	-	(469)	-	469	-
Charge for the year	22,138	606,643	18,300	60,512	707,593
Disposals	-	(525,354)	(2,928)	(91,348)	(619,630)
At 31 March 2012	318,299	5,478,865	123,997	866,745	6,787,906
Net book value					
At 31 March 2012	729,524	2,537,238	32,824	180,085	3,479,671

Notes to the Financial Statements (Continued)

5. Property, plant and equipment (Continued)

HA					
	Building and improvements	Furniture, fixtures and equipment	Motor vehicles	Computer equipment	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cost					
At 1 April 2011	1,047,301	7,662,783	154,592	1,087,823	9,952,499
Reclassifications	-	(469)	-	469	-
Additions	522	881,135	5,157	47,336	934,150
Disposals	-	(527,346)	(2,928)	(91,435)	(621,709)
At 31 March 2012	1,047,823	8,016,103	156,821	1,044,193	10,264,940
Accumulated depreciation					
At 1 April 2011	296,161	5,398,045	108,625	894,652	6,697,483
Reclassifications	-	(469)	-	469	-
Charge for the year	22,138	606,643	18,300	60,335	707,416
Disposals	-	(525,354)	(2,928)	(91,348)	(619,630)
At 31 March 2012	318,299	5,478,865	123,997	864,108	6,785,269
Net book value					
At 31 March 2012	729,524	2,537,238	32,824	180,085	3,479,671

Notes to the Financial Statements (Continued)

5. Property, plant and equipment (Continued)

The Group					
	Building and improvements	Furniture, fixtures and equipment	Motor vehicles	Computer equipment	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cost					
At 1 April 2010	1,045,125	7,054,146	147,269	1,180,100	9,426,640
Reclassifications	-	-	-	163	163
Additions	2,176	1,001,396	13,038	73,142	1,089,752
Disposals	-	(392,759)	(5,715)	(162,945)	(561,419)
At 31 March 2011	1,047,301	7,662,783	154,592	1,090,460	9,955,136
Accumulated depreciation					
At 1 April 2010	273,946	5,197,637	97,341	1,003,126	6,572,050
Reclassifications	-	-	-	163	163
Charge for the year	22,215	585,974	16,998	56,327	681,514
Disposals	-	(385,566)	(5,714)	(162,504)	(553,784)
At 31 March 2011	296,161	5,398,045	108,625	897,112	6,699,943
Net book value					
At 31 March 2011	751,140	2,264,738	45,967	193,348	3,255,193

Notes to the Financial Statements (Continued)

5. Property, plant and equipment (Continued)

HA					
	Building and improvements	Furniture, fixtures and equipment	Motor vehicles	Computer equipment	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cost					
At 1 April 2010	1,045,125	7,054,146	147,269	1,177,463	9,424,003
Reclassifications	-	-	-	163	163
Additions	2,176	1,001,396	13,038	73,142	1,089,752
Disposals	-	(392,759)	(5,715)	(162,945)	(561,419)
At 31 March 2011	1,047,301	7,662,783	154,592	1,087,823	9,952,499
Accumulated depreciation					
At 1 April 2010	273,946	5,197,637	97,341	1,001,194	6,570,118
Reclassifications	-	-	-	163	163
Charge for the year	22,215	585,974	16,998	55,799	680,986
Disposals	-	(385,566)	(5,714)	(162,504)	(553,784)
At 31 March 2011	296,161	5,398,045	108,625	894,652	6,697,483
Net book value					
At 31 March 2011	751,140	2,264,738	45,967	193,171	3,255,016

Notes to the Financial Statements (Continued)

6. Intangible assets

The Group

		Computer software and systems	
		2012	2011
		HK\$'000	HK\$'000
Cost			
At beginning of year		1,337,312	1,295,470
Reclassifications		-	(163)
Additions		188,544	145,391
Disposals		(96,062)	(103,386)
At end of year		1,429,794	1,337,312
Accumulated amortisation			
At beginning of year		999,855	1,059,940
Reclassifications		-	(163)
Charge for the year		107,125	41,982
Disposals		(92,542)	(101,904)
At end of year		1,014,438	999,855
Net book value			
At 31 March		415,356	337,457

HA

		Computer software and systems	
		2012	2011
		HK\$'000	HK\$'000
Cost			
At beginning of year		1,331,190	1,290,071
Reclassifications		-	(163)
Additions		188,110	144,668
Disposals		(96,062)	(103,386)
At end of year		1,423,238	1,331,190
Accumulated amortisation			
At beginning of year		994,396	1,054,541
Reclassifications		-	(163)
Charge for the year		106,426	41,922
Disposals		(92,542)	(101,904)
At end of year		1,008,280	994,396
Net book value			
At 31 March		414,958	336,794

Notes to the Financial Statements (Continued)

7. Loans receivable

Certain eligible employees under the Home Loan Interest Subsidy Scheme were offered downpayment loans for the purchase of their residential properties. The repayment period of the loans is the lesser of the mortgage life or 20 years. Interest charged on the downpayment loans is determined by the Group from time to time and is set at 1.674% as at 31 March 2012 (2011: 2.099%). New applications for the downpayment loans have been suspended since April 2002.

As at the balance sheet date, the downpayment loans advanced to eligible staff which are fully secured by charges over the properties are as follows:

The Group and HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Repayable within one year	1,603	1,918
Repayable after one year	9,386	12,630
	10,989	14,548

The loans receivable is neither past due nor impaired. The maximum exposure to credit risk at the reporting date is the carrying value of receivable mentioned above. According to the terms and conditions of the scheme, the monthly principal repayment and payment of interest in respect of the downpayment loans are deducted from the employees' wages and that any benefits to which an employee will be entitled to receive under the HA Provident Fund Scheme shall stand charged with repayment of downpayment loan and interest thereon if such debt has not been paid by the employee upon resignation or on an agreed date. On this basis, the receivable balance is considered to be fully recoverable.

Notes to the Financial Statements (Continued)

8. Fixed income instruments

The fixed income instruments represent Hong Kong Dollar Bonds and Exchange Fund Notes with maturity periods of no more than 5 years. The overall expected yield of instruments held by the Group is between 1.4% and 2.9% (2011: between 1.4% and 2.9%).

As at the balance sheet date, the fixed income instruments held by the Group and HA are as follows:

The Group and HA		
	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Maturing within one year	1,730,993	-
Maturing in the second to fifth year, inclusive	300,001	2,030,979
	2,030,994	2,030,979

The above financial assets are neither past due nor impaired. The credit quality of these assets is disclosed in note 3(a) while the maximum exposure to credit risk at the reporting date is the fair value of these assets as stated in note 3(b). The Group does not hold any collateral as security.

9. Inventories

The Group and HA		
	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Drugs	839,690	713,070
Medical consumables	182,705	156,150
General consumables	26,272	23,670
	1,048,667	892,890

Notes to the Financial Statements (Continued)

10. Accounts receivable

The Group and HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Bills receivable [note 10(a)]	282,011	247,405
Accrued income	14,633	20,128
	296,644	267,533
Less: Provision for doubtful debts [note 10(b)]	(38,960)	(42,699)
	257,684	224,834

(a) Aging analysis of bills receivable is set out below:

The Group and HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Past due by:		
0-30 days	121,716	102,492
31-60 days	48,330	42,374
61-90 days	22,569	24,115
Over 90 days	89,396	78,424
	282,011	247,405

The Group's policy in respect of patient billing is as follows:

- (i) Patients attending outpatient and accident and emergency services are required to pay fees before services are performed.
- (ii) Private patients and non-eligible persons are required to pay deposit on admission to hospital.
- (iii) Interim bills are sent to patients during hospitalisation. Final bills are sent if the outstanding amounts have not been settled on discharge.

Notes to the Financial Statements (Continued)

10. Accounts receivable (Continued)

- (iv) Administrative charge is imposed on late payments of medical fees and charges for medical services provided on or after 1 July 2007. The administrative charge is imposed at 5% of the outstanding fees overdue for 60 days from issuance of the bills, subject to a maximum charge of HK\$1,000 for each bill. An additional 10% of the outstanding fees are imposed if the bills remain outstanding 90 days from issuance of the bills, subject to a maximum additional charge of HK\$10,000 for each bill.
- (v) Legal action will be instituted for outstanding bills where appropriate. Patients who have financial difficulties may be considered for waiver of fees charged.

An aging analysis of receivables that are past due but not impaired is as follows:

The Group and HA

	Balance at 31 March 2012 HK\$'000	Balance at 31 March 2011 HK\$'000
Past due by:		
0-30 days	93,032	74,809
31-60 days	38,003	31,741
61-90 days	16,635	18,074
Over 90 days	56,856	44,951
	204,526	169,575

Receivables that are past due but not impaired include outstanding debts to be settled by government departments, charitable organisations or other institutions for whom the credit risk associated with these receivables is relatively low. The Group does not hold any collateral over these balances.

- (b) At 31 March 2012, bills receivable of HK\$77,485,000 (2011: HK\$77,830,000) were impaired by HK\$38,960,000 (2011: HK\$42,699,000) of which HK\$23,194,000 (2011: HK\$23,230,000) was related to receivables individually determined to be impaired. These were mainly related to non-eligible persons, the recoverability of which are considered to be low after taking all possible debt recovery actions. Remaining allowance for impairment of HK\$15,766,000 (2011: HK\$19,469,000) was made by reference to historical past due recovery patterns. It was assessed that a portion of the receivables is expected to be recovered.

Notes to the Financial Statements (Continued)

10. Accounts receivable (Continued)

Movements in the provision for impairment of accounts receivable are as follows:

The Group and HA		
	2012	2011
	HK\$'000	HK\$'000
At beginning of year	42,699	34,471
Provision for impairment of receivables	33,161	37,354
Uncollectible amounts written off	(36,900)	(29,126)
At end of year	38,960	42,699

The maximum exposure to credit risk at the reporting date is the fair value of receivable mentioned above. The Group does not hold any collateral as security.

11. Other receivables

The Group		
	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Donations receivable	14,182	40,352
Interest receivable	41,620	30,009
Receivable from the Government for reimbursement or refund of expenditure incurred on capital projects	448	451
Other receivables	21,942	20,178
	78,192	90,990

Notes to the Financial Statements (Continued)

11. Other receivables (Continued)

HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Donations receivable	14,182	40,352
Interest receivable	41,620	30,009
Receivable from the Government for reimbursement or refund of expenditure incurred on capital projects	448	451
Current account with a subsidiary	77	-
Other receivables	21,942	20,178
	78,269	90,990

Other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.

12. Deposits and prepayments

The Group

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Utility and other deposits	11,378	8,602
Prepayments to Government departments	147,874	128,967
Maintenance contracts and other prepayments	103,705	93,538
	262,957	231,107

HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Utility and other deposits	11,295	8,602
Prepayments to Government departments	147,874	128,967
Maintenance contracts and other prepayments	103,705	93,538
	262,874	231,107

Notes to the Financial Statements (Continued)

12. Deposits and prepayments (Continued)

The above balances do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the fair value of the assets mentioned above. The Group does not hold any collateral as security.

13. Cash and bank balances

The Group and HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Cash at bank and in hand	868,222	295,419
Bank deposits with maturity within three months	2,849,398	576,821
Cash and cash equivalents	3,717,620	872,240
Bank deposits with maturity over three months	4,717,415	6,110,375
	8,435,035	6,982,615

The effective interest rate on short term bank deposits is between 0.001% and 3.80% (2011: 0.01% to 4.35%). These deposits have an average maturity of 51 days (2011: 35 days).

14. Creditors and accrued charges

The Group

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Trade payables [note 14(a)]	320,048	302,025
Accrued charges and other payables [note 14(b)]	3,631,814	3,379,962
Current account with the Government [note 14(c)]	1,819,095	814,952
	5,770,957	4,496,939

Notes to the Financial Statements (Continued)

14. Creditors and accrued charges (Continued)

HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Trade payables [note 14(a)]	320,048	302,025
Accrued charges and other payables [note 14(b)]	3,631,814	3,379,962
Current account with the Government [note 14(c)]	1,819,095	814,952
Current account with a subsidiary	-	6
	5,770,957	4,496,945

- (a) Aging analysis of trade payables is set out below:

The Group and HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
0-30 days	263,893	242,675
31-60 days	50,802	49,044
61-90 days	3,722	7,724
Over 90 days	1,631	2,582
	320,048	302,025

All trade payables as at 31 March 2012 are expected to be settled within one year. The Group has maintained adequate cash flows and banking facilities for settlement of trade payable.

- (b) Accrued charges and other payables included accrual for unutilised annual leave of HK\$1,377,685,000 (2011: HK\$1,228,568,000) and contract gratuity accrual of HK\$755,883,000 (2011: HK\$628,013,000). The balance also included a provision for doctors' claims and non-doctors' compensation of HK\$414,800,000 (2011: HK\$556,000,000) as described in note 4(a).
- (c) The balance mainly included Government funding for designated programs / specific items that were already received and will be recognised as income over the periods in which the related expenditure is incurred and charged to the statement of income and expenditure.

Notes to the Financial Statements (Continued)

15. Deposits received

The Group and HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Patient deposits	84,303	233,626
Deposits received from the Government in respect of building projects	199	73
Other deposits	73,938	64,103
	158,440	297,802

16. Death and disability liabilities

Under their terms of employment, HA employees are entitled to death and disability benefit cover. This is funded by HA through the recurrent subvention from the Government.

The amounts recognised in the balance sheet are as follows:

The Group and HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Present value of funded obligations	184,599	134,858
Fair value of plan assets	(1,307)	(3,878)
	183,292	130,980
Unrecognised actuarial (losses) / gains	(6,929)	11,102
Death and disability liabilities provided	176,363	142,082

Movements in the liabilities recognised in the balance sheet are as follows:

The Group and HA

	2012	2011
	HK\$'000	HK\$'000
At beginning of year	142,082	135,928
Total expense	39,302	9,802
Net premiums and benefits paid	(5,021)	(3,648)
At end of year	176,363	142,082

Notes to the Financial Statements (Continued)

16. Death and disability liabilities (Continued)

The movement in the fair value of plan assets in the year is as follows:

The Group and HA		
	2012 HK\$'000	2011 HK\$'000
At beginning of year	3,878	5,241
Actuarial losses	(3,174)	(2,367)
Employer contributions	5,021	3,648
Benefits paid	(4,418)	(2,644)
At end of year	1,307	3,878

The amounts recognised in the consolidated statement of income and expenditure have been calculated by reference to an actuarial valuation and are as follows:

The Group and HA		
	For the year ended 31 March 2012 HK\$'000	For the year ended 31 March 2011 HK\$'000
Current service cost	17,113	16,651
Interest cost	3,833	3,631
Actuarial losses / (gains) recognised	18,356	(10,480)
Total, included in staff costs	39,302	9,802

Principal actuarial assumptions used in the actuarial valuation are as follows:

The Group and HA		
	For the year ended 31 March 2012 %	For the year ended 31 March 2011 %
Discount rate	1.30	2.90
Assumed rate of future salary increases	4.10	3.40

Notes to the Financial Statements (Continued)

16. Death and disability liabilities (Continued)

Historical information:

The Group and HA

	2012 HK\$'000	2011 HK\$'000
Present value of death and disability liability obligations	184,599	134,858
Fair value of plan assets	(1,307)	(3,878)
Experience adjustments arising on plan liabilities – gains	4,807	10,547
Experience adjustments arising on plan assets – losses	(3,174)	(2,367)

17. Deferred income

The Group and HA

	Designated donation fund [Note 2(f)] HK\$'000	North District Hospital Fund [Note 17(a)] HK\$'000	Tseung Kwan O Hospital Fund [Note 17(b)] HK\$'000	Training and Welfare Fund [Note 17(c)] HK\$'000	Total HK\$'000
At 1 April 2010	368,703	1,807	89,991	4,023	464,524
Additions during the year	205,978	-	-	-	205,978
Utilisation during the year	-	-	(2,910)	(310)	(3,220)
Transfers to consolidated statement of income and expenditure	(142,966)	-	-	(3,713)	(146,679)
Return of unspent funds to the Government	-	-	(4,719)	-	(4,719)
At 31 March 2011	431,715	1,807	82,362	-	515,884
Additions during the year	139,924	-	-	-	139,924
Adjustment / (utilisation) during the year	-	350	(2,437)	-	(2,087)
Transfers to consolidated statement of income and expenditure	(144,943)	-	-	-	(144,943)
Return of unspent funds to the Government	-	(2,157)	-	-	(2,157)
At 31 March 2012	426,696	-	79,925	-	506,621

Notes to the Financial Statements (Continued)

17. Deferred income (Continued)

(a) North District Hospital Fund

During the financial year 1993/94, the Government advanced to HA a sum of HK\$1,690,350,000 for the construction of the North District Hospital. The sum is held by HA in trust for the Government to meet the construction costs of the North District Hospital which are managed by HA as an agent for the Government. All interest earned from this grant is repaid annually to the Government. The hospital was commissioned in the financial year 1997/98. Subsequently, advances totalling HK\$188,400,000 and the balance payable to the Government as at 31 March 2006 of HK\$26,800,000 were returned to the Government during the financial year 2002/03 and 2006/07 respectively. As at 31 March 2012, the fund was fully spent and the estimated amount of unspent funds of HK\$2,157,000 will be returned to the Government.

(b) Tseung Kwan O Hospital Fund

During the financial year 1995/96, the Government advanced HK\$2,047,290,000 to HA for the construction of Tseung Kwan O Hospital. All interest earned from this grant is repaid annually to the Government. The hospital was commissioned in the financial year 1999/2000. Subsequently, an amount of HK\$373,000,000 was returned to the Government during the financial year 2002/03 and the balance payable of HK\$29,497,000 as at 31 March 2008 was returned to the Government during the financial year 2008/09. As at 31 March 2012, the fund balance after deducting the estimated amount of unspent funds to be returned to the Government of HK\$4,719,000 was HK\$79,925,000. The remaining fund balance will be used for project costs and any unspent balance will be repaid to the Government.

(c) Training and Welfare Fund

During the financial year 2003/04, the Government made a special grant of HK\$200,000,000 to HA for setting up a Training and Welfare Fund to provide (i) its health care staff with additional training to maintain and enhance their expertise in infectious disease control in the hospital setting, (ii) special recuperation grant and additional compensation for those health care staff who contracted Severe Acute Respiratory Syndrome ("SARS") while on duty, and (iii) for the implementation of other staff welfare initiatives.

The Training and Welfare Fund was fully spent in the financial year 2010/11.

Notes to the Financial Statements (Continued)

18. Capital subventions and donations

The Group

	Capital subventions [Note 2(r)]	Capital donations [Note 2(f)]	Total
	HK\$'000	HK\$'000	HK\$'000
At 1 April 2010	2,064,242	1,025,878	3,090,120
Additions during the year	1,103,825	131,318	1,235,143
Transfers to consolidated statement of income and expenditure	(619,350)	(113,263)	(732,613)
At 31 March 2011	2,548,717	1,043,933	3,592,650
Additions during the year	929,549	193,145	1,122,694
Transfers to consolidated statement of income and expenditure	(711,168)	(109,149)	(820,317)
At 31 March 2012	2,767,098	1,127,929	3,895,027

HA

	Capital subventions [Note 2(r)]	Capital donations [Note 2(f)]	Total
	HK\$'000	HK\$'000	HK\$'000
At 1 April 2010	2,063,537	1,025,878	3,089,415
Additions during the year	1,103,102	131,318	1,234,420
Transfers to statement of income and expenditure	(618,762)	(113,263)	(732,025)
At 31 March 2011	2,547,877	1,043,933	3,591,810
Additions during the year	929,115	193,145	1,122,260
Transfers to statement of income and expenditure	(710,292)	(109,149)	(819,441)
At 31 March 2012	2,766,700	1,127,929	3,894,629

Notes to the Financial Statements (Continued)

19. Designated Fund – Home Loan Interest Subsidy Scheme

The Group offers eligible employees under the scheme an interest subsidy to finance the purchase of a residence in Hong Kong. Eligibility under the scheme is primarily determined by the employee's length of service. The amount of subsidy generally represents half of the interest rate payable by the eligible employee up to a maximum of 6% per annum. However, eligibility and the maximum amount of subsidies granted are subject to a number of restrictions as further defined in the scheme.

The scheme is funded by HA through the recurrent subvention from the Government. A designated fund has been set aside for the scheme and is maintained in designated bank and investment accounts which are included under cash and bank and fixed income instruments balances respectively.

During the financial year 2011/12, the Group allocated HK\$68,637,000 (2011: HK\$87,264,000), out of its recurrent subvention from the Government, for meeting the related expenditure of the scheme. This amount is included within the recurrent Government subvention for the year in the consolidated statement of income and expenditure and has been fully utilised.

20. Recurrent Government subvention

The Group receives annual operating grants from the Government to provide hospital services in Hong Kong. A draft Memorandum of Administrative Agreement ("MAA") with the Government provides a formula for the claw back of the excess of income over expenditure in the reporting period. For the years ended 31 March 2012 and 2011, no provision for claw back was required under the terms of the draft MAA.

21. Hospital / clinic fees and charges

The charges for hospital services provided by the Group are levied in accordance with those stipulated in the Gazette. Since the Government has established a set of policies and procedures on granting fee waivers to the needy patients, the hospital / clinic fees and charges recognised as income in the consolidated statement of income and expenditure are stated net of such waivers. The amount of hospital / clinics fees and charges waived for the financial year ended 31 March 2012 amounted to HK\$526,928,000 (2011: HK\$542,095,000).

Notes to the Financial Statements (Continued)

22. Other operating expenses

Other operating expenses comprise office supplies, hospital supplies, non-capitalised project expenditure and other administrative expenses. For the financial year ended 31 March 2012, other operating expenses included an accrual for auditor's remuneration of HK\$2,770,000 (2011: HK\$3,300,000).

23. Remuneration of Members of the Board and Five Highest Paid Executives

- (a) No Board members are remunerated in the capacity as Board members.
- (b) The remuneration of the five highest paid executives, which is included in the staff costs for the year, is as follows:

For the year ended 31 March 2012

Current Position / Name of Executives	Basic pay, allowance, retirement scheme contribution and other benefits HK\$'000
Chief Executive Dr Pak Yin LEUNG	4,552
Director (Finance) Ms Nancy TSE	4,252
Cluster Chief Executive (New Territories East) Dr Hong FUNG	4,196
Director (Cluster Services) Dr Wai Lun CHEUNG	4,134
Chief of Service (Pamela Youde Nethersole Eastern Hospital) Dr Wing Mui LEE [^]	3,719
	20,853

Note: All executives do not receive any variable remuneration related to performance.

- [^] Dr Wing Mui LEE retired from her appointment as Chief of Service on 1 March 2012 with a one-off encashment of unutilised annual leave balance of approximately \$450,000.

Notes to the Financial Statements (Continued)

23. Remuneration of Members of the Board and Five Highest Paid Executives (Continued)

For the year ended 31 March 2011

Current Position / Name of Executives	Basic pay, allowance, retirement scheme contribution and other benefits
HK\$'000	
Chief Executive Mr Shane, SOLOMON (1/4/2010 – 24/10/2010) Dr Pak Yin LEUNG (8/11/2010 – 31/3/2011)	2,702 1,716 4,418
Director (Finance)* Ms Nancy TSE	3,871
Cluster Chief Executive (New Territories East) Dr Hong FUNG	3,849
Director (Cluster Services) Dr Wai Lun CHEUNG	3,766
Cluster Chief Executive (Hong Kong East) Dr Loretta YAM	3,735
	19,639

Note: All executives do not receive any variable remuneration related to performance.

- * Served as Deputised Chief Executive from 25/10/2010 to 7/11/2010 in addition to her duties as Director (Finance).

Notes to the Financial Statements (Continued)

24. Retirement schemes

The Group operates an occupational retirement scheme, the Hospital Authority Provident Fund Scheme ("HAPFS"). In accordance with the Mandatory Provident Fund ("MPF") Schemes Ordinance, the Group set up a MPF Scheme on 1 December 2000 by participating in a master trust scheme provided by INVESCO Strategic MPF Scheme ("MPFS"). Permanent employees can choose between the HAPFS and the MPFS while contract and temporary employees are required to join the MPFS unless otherwise exempted.

(a) HA Provident Fund Scheme

The HAPFS is a defined contribution scheme. The scheme was established and governed by its Trust Deed and Rules dated 22 October 1991, and registered under section 18 of the Hong Kong Occupational Retirement Schemes Ordinance ("ORSO"), and was terminated on 1 April 2003 for the purpose of establishing a new provident fund scheme ("the New HAPFS"), with effect from that date. All the funds, assets and monies of the HAPFS as at 1 April 2003 were transferred to the New HAPFS. The New HAPFS was established under a Trust Deed and Rules dated 29 January 2003 and registered under section 18 of the ORSO.

Most employees who have opted for HA terms of employment are eligible to join the HAPFS on a non-contributory basis. The HAPFS is a defined contribution scheme as all benefits are defined in relation to contributions except that a minimum death benefit equating to twelve months' salary applies on the death of a member. However, when the member's account balance is less than his twelve months' scheme salary, the difference will be contributed by the Death and Disability Scheme of the Group.

The monthly normal contribution by the Group is currently set at 15% of each member's monthly basic salary. The percentage of benefit entitlement, receivable by the employee on resignation or retirement, increases with the length of service.

At 31 March 2012, the total membership was 32,672 (2011: 33,585). During the financial year 2011/12, the Group contributed HK\$2,033,235,000 (2011: HK\$1,947,385,000) to the scheme, which is included in the staff costs for the year. The scheme's net asset value as at 31 March 2012 was HK\$44,061,707,000 (2011: HK\$42,798,283,000).

Notes to the Financial Statements (Continued)

24. Retirement schemes (Continued)

(b) Mandatory Provident Fund Scheme

Effective from the MPF commencement date of 1 December 2000, HA joined the INVESCO Strategic MPF Scheme which has been registered with the Mandatory Provident Fund Schemes Authority and authorised by the Securities and Futures Commission.

The Group's contributions to MPFS are determined according to each member's terms of employment. Members' mandatory contributions are fixed at 5% of monthly salary up to a maximum of HK\$1,000 per month.

At 31 March 2012, the total membership was 30,126 (2011: 26,676). During the financial year 2011/12, total members' contributions were HK\$214,921,000 (2011: HK\$178,573,000). The Group's contributions to the scheme, including a contribution payable of HK\$25,826,000 as at 31 March 2012 (2011: HK\$21,053,000), totalled HK\$288,471,000 (2011: HK\$242,698,000) which is included in the staff costs for the year. The net asset value as at 31 March 2012, including assets transferred from members' previous employment, was HK\$3,284,148,000 (2011: HK\$3,046,940,000).

25. Related party transactions

Significant related party transactions entered into by the Group include the following:

- (a) HA has entered into agreements with the Electrical and Mechanical Services Department ("EMSD") of the Government for providing biomedical and general electronics engineering services, hospital engineering services and health building maintenance services to the Group. According to the terms of agreements, the amounts incurred for these services for the year amounted to HK\$699,526,000 (2011: HK\$633,437,000). Other services provided by the EMSD for the year (e.g. routine maintenance and improvement works) were approximately HK\$248,505,000 (2011: HK\$261,588,000).
- (b) HA has entered into an agreement with the Government to provide serving and retired civil servants, their eligible dependants and other eligible persons with the services and facilities at all public hospitals and clinics free of charge or at the prevailing rates as prescribed in the Civil Service Regulations. For the year ended 31 March 2012, revenue foregone in respect of medical services provided to these persons amounted to HK\$284,400,000 (2011: HK\$291,164,000). The cost of such services has been taken into account in the Government's subvention to the Group.

Notes to the Financial Statements (Continued)

25. Related party transactions (Continued)

(c) Remuneration of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. It comprises the Chief Executive, Cluster Chief Executives, Directors and other division heads of the Head Office.

Total remuneration of the key management personnel is shown below:

	For the year ended 31 March 2012 HK\$'000	For the year ended 31 March 2011 HK\$'000
Basic pay and other short term employee benefits	46,440	42,415
Post-employment benefits	4,324	4,006
	50,764	46,421

- (d) Other significant related party transactions with the Government include annual recurrent grants (note 20), capital subventions (note 18) and designated funds (notes 17 and 19). Details of transactions relating to the Group's retirement schemes are included in note 24.
- (e) Outstanding balances with the Government as at 31 March 2012 are disclosed in notes 11, 12, 14 and 15. The current account with a subsidiary, HACM Limited, is disclosed in note 11.

Notes to the Financial Statements (Continued)

26. Reconciliation of the surplus for the year to net cash from operating activities

The Group

	For the year ended 31 March 2012	For the year ended 31 March 2011
	HK\$'000	HK\$'000
Surplus for the year	496,881	242,114
Investment income	(149,682)	(104,479)
Income transferred from capital subventions and donations	(820,317)	(732,613)
Loss on disposal of property, plant and equipment and intangible assets	5,599	9,117
Depreciation and amortisation	814,718	723,496
Increase in death and disability liabilities	34,281	6,154
(Decrease) / increase in deferred income	(9,263)	51,360
Increase in inventories	(155,777)	(69,574)
Decrease in loans receivable	3,559	5,474
Increase in accounts receivable	(32,850)	(48,498)
Decrease in other receivables	12,798	27,789
Increase in deposits and prepayments	(31,850)	(70,251)
Increase in creditors and accrued charges	1,274,018	720,650
(Decrease) / increase in deposits received	(139,362)	67,571
Net cash from operating activities	1,302,753	828,310

27. Funds in trust

At 31 March 2012, funds held in trust (including accrued interest income) for the Government are set out below:

The Group and HA

	Balance at 31 March 2012	Balance at 31 March 2011
	HK\$'000	HK\$'000
Health Care and Promotion Fund	50,158	53,089
Health Services Research Fund	1,092	1,126
	51,250	54,215

Notes to the Financial Statements (Continued)

28. Donations from the Hong Kong Jockey Club Charities Trust

During the financial year 2011/12, the Hong Kong Jockey Club Charities Trust made donations totalling HK\$46,147,000 (2011: HK\$24,351,000) to the following institutions:

	HK\$'000
Hospital Authority Head Office	3,389
Queen Mary Hospital	19,908
Queen Elizabeth Hospital	16,600
Caritas Medical Centre	6,250
	46,147

The donations were accounted for in the designated donation fund in accordance with the accounting policy set out in note 2(f)(ii).

29. Commitments

As at the balance sheet date, the Group and HA had the following commitments:

(a) Capital commitments

The Group

	At 31 March 2012 HK\$'000	At 31 March 2011 HK\$'000
Authorised but not contracted for	1,995,786	2,814,895
Contracted for but not provided	2,138,366	618,941
	4,134,152	3,433,836

HA

	At 31 March 2012 HK\$'000	At 31 March 2011 HK\$'000
Authorised but not contracted for	1,991,465	2,808,727
Contracted for but not provided	2,136,253	618,623
	4,127,718	3,427,350

Notes to the Financial Statements (Continued)

29. Commitments (Continued)

(a) Capital commitments (Continued)

The capital commitments disclosed above include both costs to be capitalised under property, plant and equipment or intangible assets and also costs which are to be charged to the statement of income and expenditure in accordance with the accounting policy set out in note 2(g).

(b) Operating lease commitments

As at the balance sheet date, the Group and HA had commitments for future minimum payments under non-cancellable operating leases which fall due as follows:

The Group and HA		
	At 31 March 2012	At 31 March 2011
	HK\$'000	HK\$'000
Buildings		
Within one year	18,540	13,140
In the second to fifth year, inclusive	25,633	9,959
Over five years, inclusive	207	-
	44,380	23,099
Equipment		
Within one year	41,377	7,327
In the second to fifth year, inclusive	115,352	21,614
Over five years, inclusive	-	831
	156,729	29,772

Notes to the Financial Statements (Continued)

30. Judicial Review

On 2 April 2012, the Court of Final Appeal released the judgment for the judicial review case in respect of HA's Obstetric Package charge for the non-eligible persons (NEP). According to the judgment, the Court of Final Appeal decided entirely in favour of HA (and the Government). Accordingly, no provision for liability has been made in the financial statements.

31. Taxation

No taxation is provided as HA is exempt from taxation under the Hospital Authority Ordinance.

32. Approval of financial statements

The financial statements were approved by members of HA on 27 September 2012.

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Appendix 1

Membership of the Hospital Authority

Name	No. of plenary meetings attended in 2011-12	Committee participation in 2011-12*
Mr Anthony WU Ting-yuk, GBS, JP <i>Chairman, HA</i>	13/13	Chairman of plenary meetings, EC, EEC, HRC (<i>from 28.4.2011</i>), HACF and Taskforce on Legal Matters.
Mr CHAN Bing-woon, SBS, JP	12/13	Member of HRC, MTB and PCC; Chairman of HKRAC; HGC Member of Pamela Youde Nethersole Eastern Hospital.
Mr CHENG Yan-kee, JP	12/13	Chairman of SSDC (<i>from 19.1.2012</i>); Vice-Chairman of ITGC (<i>from 30.6.2011</i>) and SSDC (<i>from 28.4.2011 to 18.1.2012</i>); Member of EC (<i>from 19.1.2012</i>), EEC (<i>from 19.1.2012</i>), ITGC (<i>up to 29.6.2011</i>), MSDC, MTB and SSDC (<i>up to 27.4.2011</i>); HGC Member of Yan Chai Hospital.
Ms CHIANG Lai-yuen, JP	7/13	Vice-Chairman of SSDC (<i>from 19.1.2012</i>); Member of SSDC (<i>up to 18.1.2012</i>).
Ms Quince CHONG Wai-yan	7/13	Member of HRC and MSDC.
Dr Margaret CHUNG Wai-ling (<i>up to 30.11.2011</i>)	5/7	Chairman of PCC; Member of EC, EEC, MSDC; Chairman of NRAC.
Prof FOK Tai-fai, SBS, JP	9/13	Chairman of MSDC; Member of EC, EEC and FC; HGC Member of Prince of Wales Hospital.

Name	No. of plenary meetings attended in 2011-12	Committee participation in 2011-12*
Mr Ricky FUNG Choi-cheung, SBS, JP	11/13	Chairman of PCC (<i>from 1.12.2011</i>); Member of AC, EC (<i>from 1.12.2011</i>), EEC (<i>from 1.12.2011</i>) and PCC (<i>up to 30.11.2011</i>).
Mr Benjamin HUNG Pi-cheng, JP	8/13	Vice-Chairman of FC.
Dr LAM Ping-yan, SBS, JP <i>Director of Health</i>	13/13	Member of MSDC.
Ms Alice LAU, JP <i>Deputy Secretary for Financial Services and the Treasury (up to 18.3.2012)</i>	13/13	Member of FC and MSDC.
Ms Ka-shi LAU	12/13	Vice-Chairman of HRC; Member of AC (<i>from 24.2.2012</i>), HAPFS and MSDC; Chairman of NRAC (<i>from 1.12.2011</i>).
Mr Andy LAU Kwok-fai (<i>from 1.12.2011</i>)	6/6	Member of PCC, MTB (<i>from 22.12.2011</i>) and SSDC (<i>from 22.12.2011</i>).
Mrs Yvonne LAW SHING Mo-han	12/13	Member of HRC and MTB; Chairman of KRAC; HGC Chairman of Shatin Hospital.
Mr Lawrence LEE Kam-hung, JP	12/13	Chairman of AC and MTB; Member of EC, EEC, FC, MSDC and Taskforce on Legal Matters; HGC Chairman of Pamela Youde Nethersole Eastern Hospital and HGC Member of Grantham Hospital.
Dr Hon Joseph LEE Kok-long, SBS, JP	10/13	Member of HRC, MSDC and MTB; HGC Member of Kwai Chung Hospital and Princess Margaret Hospital.

Name	No. of plenary meetings attended in 2011-12	Committee participation in 2011-12*
Mr John LEE Luen-wai, BBS, JP	12/13	Chairman of FC and HAPFS; Member of EC, EEC and Taskforce on Legal Matters; HGC Chairman of Queen Elizabeth Hospital.
Ms Sandra LEE, GBS, JP <i>Permanent Secretary for Health (up to 8.9.2011)</i>	4/4	Member of EEC, FC, HRC, MSDC, SSDC and Taskforce on Legal Matters.
Mr Richard YUEN Ming-fai, JP <i>Permanent Secretary for Health (from 9.9.2011)</i>	9/9	Member of EEC, FC, HRC, MSDC, SSDC and Taskforce on Legal Matters.
Prof LEE Sum-ping	10/13	Member of PCC; HGC Member of Queen Mary Hospital and Tsan Yuk Hospital.
Mrs Margaret LEUNG KO May-yee, SBS, JP <i>(from 1.12.2011)</i>	4/6	Member of FC <i>(from 22.12.2011)</i> ; HGC Member of Queen Mary Hospital and Tsan Yuk Hospital.
Dr LEUNG Pak-yin, JP <i>Chief Executive, HA</i>	13/13	Chairman of ITGC; Member of EC, EEC, FC, HAPFS, HRC, MTB, MSDC, SSDC, all RACs and HGCs and Taskforce on Legal Matters.
Ms Queenie LEUNG Pik-man <i>(up to 30.11.2011)</i>	4/7	Member of HRC and MSDC.
Dr Donald LI Kwok-tung, SBS, JP	12/13	Vice-Chairman of AC <i>(from 28.4.2011)</i> and MSDC; Member of AC <i>(up to 27.4.2011)</i> .

Name	No. of plenary meetings attended in 2011-12	Committee participation in 2011-12*
Mr David LIE Tai-chong, SBS, JP	9/13	Member of AC and MSDC.
Mr Patrick MA Ching-hang, BBS, JP	13/13	Vice-Chairman of HRC (<i>from 28.4.2011</i>); Member of AC, FC and HAPFS; HGC Chairman of Tai Po Hospital (<i>from 30.6.2011</i>); HGC Member of Tung Wah Group of Hospitals.
Ms Winnie NG	13/13	Member of SSDC (<i>from 10.8.2011</i>); HGC Member of Queen Elizabeth Hospital.
Mr PANG Yiu-kai, SBS, JP	8/13	Member of FC and MSDC (<i>from 15.4.2011</i>).
Prof Maurice YAP Keng-hung	10/13	Vice-Chairman of MTB (<i>from 19.1.2012</i>); Member of AC, HRC and MTB (<i>up to 18.1.2012</i>).
Mr Stephen YIP Moon-wah, BBS, JP (<i>up to 15.12.2011</i>)	3/7	Chairman of SSDC; Vice-Chairman of MTB; Member of EC and EEC.

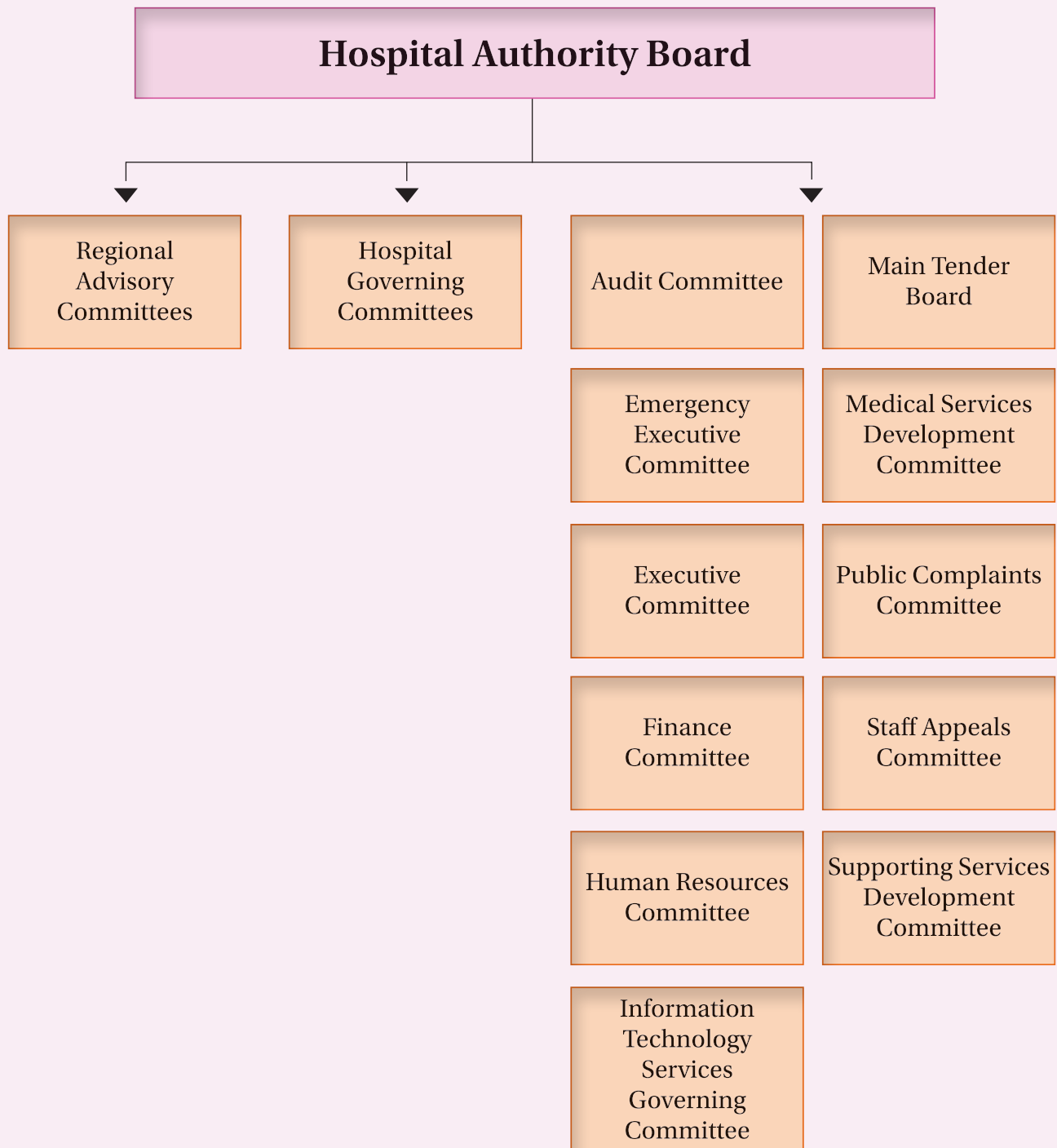
* Note

Apart from the principal officer (the Hospital Authority Chief Executive), other members are not remunerated in the capacity as Board members. They discharge the role of governance of the Authority through formulating policies and directions and overseeing executive performance at Board meetings, as well as taking part in steering the work of various committees of the Authority including:

AC	-	Audit Committee
EC	-	Executive Committee
EEC	-	Emergency Executive Committee
FC	-	Finance Committee
HAPFS	-	Hospital Authority Provident Fund Scheme
HACF	-	Hospital Authority Charitable Foundation
HGC	-	Hospital Governing Committee
HRAC	-	Regional Advisory Committee of Hong Kong
HRC	-	Human Resources Committee
ITGC	-	Information Technology Services Governing Committee
KRAC	-	Regional Advisory Committee of Kowloon
MSDC	-	Medical Services Development Committee
MTB	-	Main Tender Board
NRAC	-	Regional Advisory Committee of New Territories
PCC	-	Public Complaints Committee
SAC	-	Staff Appeals Committee
SSDC	-	Supporting Services Development Committee

Appendix 2(a)

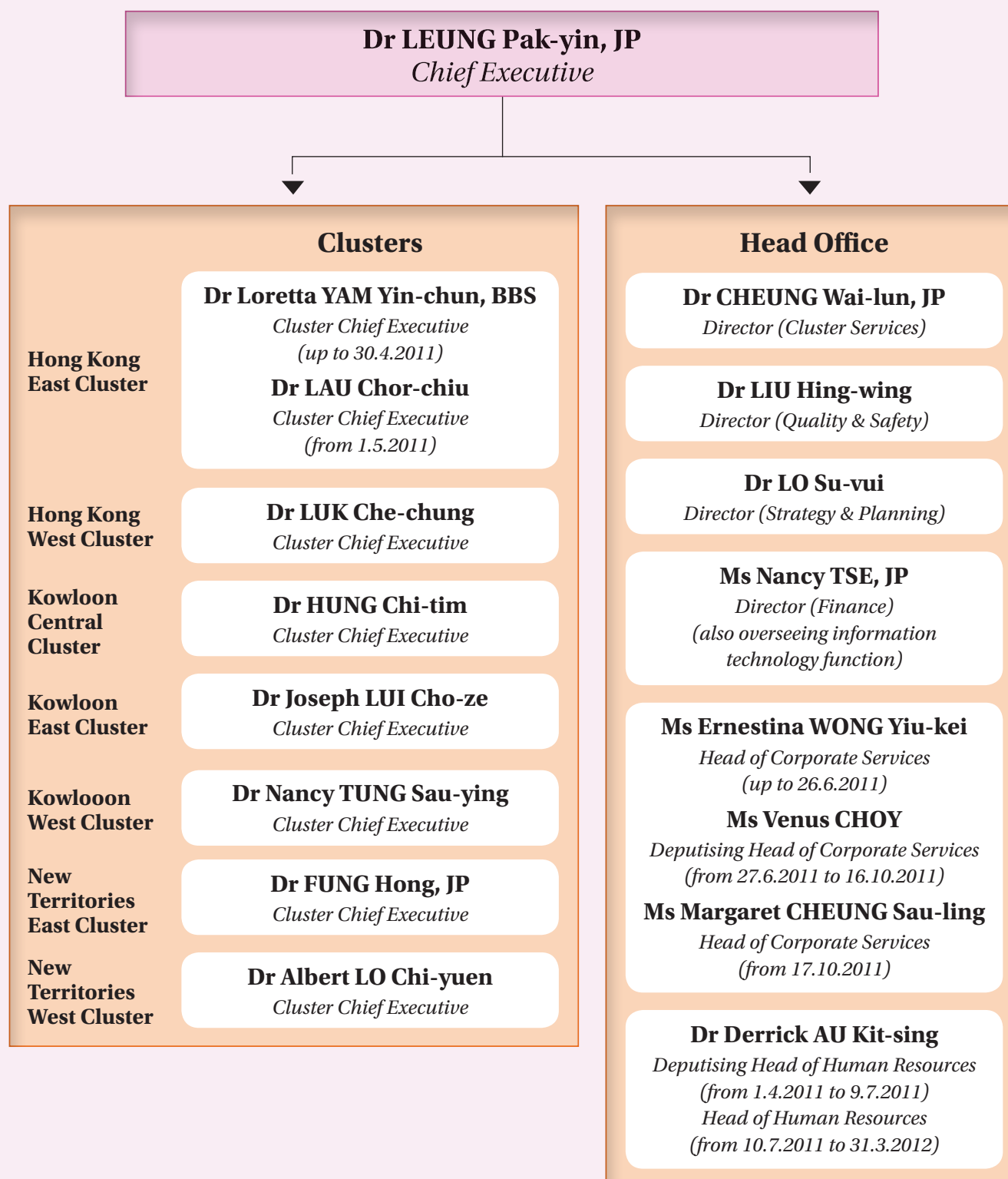
Hospital Authority Committee Structure



Note: Membership lists of various committees are listed in Appendices 3, 4 and 5.

Appendix 2(b)

Hospital Authority Executive Structure



Appendix 3

Membership and Terms of Reference of Functional Committees

Audit Committee

Membership List

- Chairman** : Mr Lawrence LEE Kam-hung, JP
- Vice-Chairman** : Dr Donald LI Kwok-tung, SBS, JP (*from 28.4.2011*)
- Members** : Mr Ricky FUNG Choi-cheung, SBS, JP
Ms Ka-shi LAU (*from 24.2.2012*)
Dr Donald LI Kwok-tung, SBS, JP (*up to 27.4.2011*)
Mr David LIE Tai-chong, SBS, JP
Mr Patrick MA Ching-hang, BBS, JP
Ms Estella Y K NG
Prof Maurice YAP Keng-hung
Mr Paul YU Shiu-tin, BBS, JP
- In attendance** : Ms Sandra LEE, GBS, JP, (*up to 8.9.2011*)
Mr Richard YUEN Ming-fai, JP, (*from 9.9.2011*)
Permanent Secretary for Health
Dr LEUNG Pak-yin, JP, *Chief Executive*

Terms of Reference

1. Exercise an active oversight of the internal audit function to ensure that its:
 - mandate, resources and organisational status are appropriate;
 - plans and activities are adequate to provide systematic coverage of the internal control and risk management systems put in place by the Management; and
 - findings are actioned appropriately and timely;
2. Recommend the appointment of the external auditor and the audit fee to the Board, endorse any non-audit services to be provided by the external auditor, and consider any questions of resignation or dismissal;
3. Consult with the External Auditor on all relevant matters including the:
 - nature and scope of the audit;
 - audited financial statements and the audit opinion;

- management letter and management's response; and
 - matters of which the External Auditor may wish to draw attention;
4. Gain reasonable assurance on the completeness, accuracy, and fairness of audited financial statements, including appropriateness of accounting policies and standards, adequacy of disclosures and significant audit adjustments (in collaboration with the Finance Committee);
 5. Monitor Hospital Authority's financial and administrative control processes, including those designed to ensure the safeguarding of resources and operational efficiency, through the results of internal and external audit; and
 6. Oversee the processes implemented by the Management for monitoring:
 - compliance with pertinent statutes and regulations;
 - compliance with Hospital Authority's Code of Conduct; and
 - effectiveness of controls against conflicts of interest and fraud.

Note: It should be noted that although the functions of the Audit Committee cover a wide area, matters that are of a pure clinical nature (such as medical ethics) are not within its purview.

Focus of Work in 2011-12

In 2011-12, the Audit Committee held six regular meetings to consider planned agendas to cover the Committee's Terms of Reference. It also held two joint meetings with the Executive Committee to consider the response to the Report of Director of Audit on Hospital Authority's (HA) Public-Private Partnership Programmes.

In exercising active oversight of the internal audit function, the Committee approved the Annual Internal Audit Plan for 2011-12 and directly received quarterly progress reports from the Chief Internal Auditor on completed audit results and follow-up actions. The internal audits reviewed during the year included "Clinical Audit", "Human Capital Management - Report Handling and Control", "Management of ex-Quarters Space", "Continuous Audits - Procurement, Supply Chain and Finance", "Network Availability & Security", "Management of Linen and Laundry Services", "Patient Identification - Specimen Handling", "Debtor Management", "Long-stay Patients Discharge Management follow-up", "Public and Patient Feedback Processes", "Implementation of 5-Day Week" and "Duty Mileage Allowance". For external audit, the Committee reviewed the external auditor's Audit Strategy Memorandum, including their audit risk assessment and work plan. Subsequently, the Committee received and discussed their audit opinion on HA's financial statements in a joint meeting with the Finance Committee.

The Committee considered accountability reports from responsible subject officers to monitor HA's financial and administrative control processes, such as measures to reduce risks of outdated facilities, measures to mitigate integrity risks, strategic management of service demand risks and strategic workforce management. The Committee received reviews and updates on risk management for the Electronic Health Record Projects, HA's management and control framework and treasury operations, and the proposed monitoring framework for outsourcing of equity investments. The Committee also considered progress updates on planning and management of medical equipment, Patient Billing development and implementation, as well as HA's preparedness for disasters and pandemic responses.

Executive Committee

Membership List

Chairman	:	Mr Anthony WU Ting-yuk, GBS, JP
Members	:	Mr CHENG Yan-kee, JP (<i>from 19.1.2012</i>) Dr Margaret CHUNG Wai-ling (<i>up to 30.11.2011</i>) Prof FOK Tai-fai, SBS, JP Mr Ricky FUNG Choi-cheung, SBS, JP (<i>from 1.12.2011</i>) Mr Lawrence LEE Kam-hung, JP Mr John LEE Luen-wai, BBS, JP Dr LEUNG Pak-yin JP, <i>Chief Executive</i> Mr Stephen YIP Moon-wah, BBS, JP (<i>up to 15.12.2011</i>)

Terms of Reference

1. Advise the Board on the organisation structure and functions of the HA Head Office and its Divisions;
2. Advise the Board on the appointment, remuneration changes, contract variation of Directors and Cluster Chief Executives;
3. Approve the appointment, remuneration changes, and contract variation of Hospital Chief Executives, Deputy Directors and Heads of Division;
4. Review the performance of Chief Executive, Directors and Cluster Chief Executives;
5. Convene as the Emergency Executive Committee (EEC) consistent with HA's Emergency Contingency Plan (supplemented by a senior Food & Health Bureau official when meeting as EEC); and
6. Oversee self-assessment of the Board and advise on changes to Board structure and processes.

Focus of Work in 2011-12

In 2011-12, the Executive Committee (EC) met six times to discuss or approve 23 papers, including eight through circulation. Issues discussed included the Follow-up Review on HA Head Office Structure, Corporate Governance Review, membership of HA committees, succession to HA Board Committees, and appointment and remuneration matters of senior executives as well as chiefs of clusters and hospitals. The EC also held two joint meetings with the Audit Committee in February 2012 to handle the preparation of the HA's response to the Report of Director of Audit on HA's Public-private Partnership Programmes.

Emergency Executive Committee

Membership List

- Chairman** : Mr Anthony WU Ting-yuk, GBS, JP
(In his absence, the Emergency Executive Committee chairmanship should be elected among its standing members)
Mr CHENG Yan-kee, JP *(from 19.1.2012)*
Dr Margaret CHUNG Wai-ling *(up to 30.11.2011)*
- Members** : Prof FOK Tai-fai, SBS, JP
Mr Ricky FUNG Choi-cheung, SBS, JP *(from 1.12.2011)*
Mr Lawrence LEE Kam-hung, JP
Mr John LEE Luen-wai, BBS, JP
Dr LEUNG Pak-yin, JP, *Chief Executive (or the Deputising CE in his absence)*
Mrs Susan MAK, JP *(up to 3.1.2012)*
Miss Janice TSE, JP *(from 4.1.2012)*
(representing Permanent Secretary for Health)
Mr Stephen YIP Moon-wah, BBS, JP *(up to 15.12.2011)*

Note: The Emergency Executive Committee (EEC) was set up by the Board on 15 January 2004. It will automatically be called into action when the HA activates the Tier-three Strategic Response to a major incident, which is defined as an incident with prolonged and territory-wide implications, such as the Serious Level (S2) or Emergency Level Response (E1 and E2) to influenza pandemic.

Terms of Reference

1. Act for the Hospital Authority Board and exercise its powers and functions, including :
 - (a) altering, amending or overriding existing Hospital Authority policies, standards, guidelines and procedures; and
 - (b) the establishment of sub-committees or task forces to tackle particular matters at hand;
2. Identify the objectives and assess the risks facing Hospital Authority in emergency situations;
3. Approve the strategies and policies for managing the emergency formulated by the Hospital Authority Central Command Committee, and monitor implementation progress in all Hospital Authority hospitals and institutions;
4. Coordinate activities of the other Hospital Authority committees including Hospital Governing Committees;
5. Ensure effective communication of clear and concise messages to key stakeholders, including staff, patients, Government and the public; and
6. To be accountable to the Authority Board and the making of regular reports to Hospital Authority Members as soon as practicable.

Focus of Work in 2011-12

No EEC meeting was convened during 2011-12.

Finance Committee

Membership List

- Chairman** : Mr John LEE Luen-wai, BBS, JP
- Vice-Chairman** : Mr Benjamin HUNG Pi-cheng, JP
- Members** : Prof FOK Tai-fai, SBS, JP
Ms Alice LAU, JP (*up to 18.3.2012*) /
Miss Katy FONG (*up to 17.4.2011*)
Mr Keith GIANG (*from 18.4.2011 to 19.7.2011*)
Ms Karyn CHAN (*from 20.7.2011*)
(*representing Secretary for Financial Services and the Treasury*)
Mr Lawrence LEE Kam-hung, JP
Mrs Margaret LEUNG KO May-yee, SBS, JP (*from 22.12.2011*)
Dr LEUNG Pak-yin, JP, *Chief Executive*
Mr Patrick MA Ching-hang, BBS, JP
Mr PANG Yiu-kai, SBS, JP (*from 15.4.2011*)
Mrs Susan MAK, JP (*up to 3.1.2012*)
Miss Janice TSE, JP (*from 4.1.2012*)
(*representing Permanent Secretary for Health*)
Mr Michael N SOMERVILLE

Terms of Reference

1. Advise and make recommendations on the financial aspects of the Hospital Authority Corporate Plan and Annual Plan;
2. Advise and make recommendations on the financial planning, control, performance, monitoring and reporting aspects of the Hospital Authority;
3. Advise on policy guidelines for all financial matters, including investment, business and insurance;

4. Advise and make recommendations on the resource allocation policies;
5. Advise and recommend to the Hospital Authority on the financial statements (audited and unaudited) of the Hospital Authority;
6. Liaise with the Trustees of the Hospital Authority Provident Fund Scheme and the Hospital Authority Mandatory Provident Fund Scheme and make recommendations to the Hospital Authority; and
7. Monitor the financial position of the Hospital Authority.

Focus of Work in 2011-12

In 2011-12, the Finance Committee met six times to advise and make recommendations to the Board on the financial planning, control, performance, monitoring and reporting aspects of the Hospital Authority. The Committee considered a review of Government funding arrangement for the years beyond 2011-12, progress updates on treasury operations and management, development of the Next Generation Patient Billing System, development of the “Pay-for-Performance” internal resource allocation system and HA financial management and control framework. It reviewed monthly financial reports, the draft audited financial statements for 2010-11, mid-year financial review and outlook, and the unaudited financial statements for the six months ended 30 September 2011. It also received the draft audited financial statements for the electronic Health Record Programme development undertaken by Hospital Authority Information Technology Services for 2010-11 and an overview on HA fees and charges. It considered a report on the 2010-11 financial position of the Samaritan Fund, the proposed HA budget and resources allocation, insurance approach and direction, financial risk assessment and the Annual Work Plan of the Finance Division for 2012-13.

Human Resources Committee

Membership List

Chairman : Mr Anthony WU Ting-yuk, GBS, JP (*from 28.4.2011*)

Vice-Chairman : Ms Ka-shi LAU
Mr Patrick MA Ching-hang, BBS, JP (*from 28.4.2011*)

Members : Mr CHAN Bing-woon, SBS, JP
Ms Quince CHONG Wai-yan
Mr Billy KONG Churk-hoi, BBS, JP
Mrs Yvonne LAW SHING Mo-han
Dr Hon Joseph LEE Kok-long, SBS, JP
Dr LEUNG Pak-yin, JP, *Chief Executive*
Ms Queenie LEUNG Pik-man (*up to 30.11.2011*)
Miss Gloria LO Kit-wai (*up to 25.7.2011*)
Ms Angela LEE Chung-yan (*from 26.7.2011*)
(*representing Permanent Secretary for Health*)
Dr Kim MAK
Prof Thomas WONG Kwok-shing, JP
Prof Maurice YAP Keng-hung

Terms of Reference

1. Advise on staff training and development matters;
2. Advise on manpower planning;
3. Advise, review and make recommendations on human resources policies and related issues;
4. Advise, review and make recommendations to the Hospital Authority on the terms and conditions of employment for staff;

5. Advise, review and make recommendations to the Hospital Authority on staff pay awards and overall staffing structure; and
6. Advise, review and make recommendations to the Hospital Authority on any other staff related matters.

Focus of Work in 2011-12

The Human Resources Committee met six times in 2011-12 to discuss various human resources matters. In 2011-12, the Committee considered and endorsed various human resource measures that were initiated to improve the manpower situation, including short-term and interim measures to address doctors' manpower strain; enhancement in Fixed Rate Honorarium for doctors and part-time doctors' pay package; continuation of the enhanced overseas package for Diagnostic Radiographer, Radiation Therapist and Podiatrist grades; call payment offer for eligible staff (other than clinical doctors) attending off-site call duties; as well as the follow-up refinements of new supporting staff structure.

In addition, the Committee discussed staff training and development matters. It deliberated on the three core training and development initiatives in 2011-12 and gave direction to the training and development strategic plan for 2012-2017; endorsed the Training Sponsorship Scheme for Enrolled Nurses; formalised the Graduate Prosthetist-Orthotist Programme; and supported the Pilot Training Programme for Student Dispensers.

In respect of staff benefits, the Committee received a progress report on the HA Mandatory Provident Fund Scheme and endorsed the introduction of one additional service provider. It aligned the leave taking requirements for employees serving on five-day week and non five-day week work patterns. The to-and-from work extension clause of Employees' Compensation was also discussed.

During the year, the Committee noted the progress of e-HR (electronic human resource) Services and implementation of the HA Head Office human resource projects under the Resource Allocation Exercise in 2011-12. It also considered the report on staff complaints received in 2010 and 2011, as well as the agenda forecast for 2012-13.

Information Technology Services Governing Committee

Membership List

Chairman	:	Dr LEUNG Pak-yin, JP, <i>Chief Executive</i>
Vice-Chairman	:	Mr CHENG Yan-kee, JP (<i>from 30.6.2011</i>)
Members	:	Mr Thomas CHAN, JP <i>Deputy Secretary for Food and Health (Health)</i> Mr CHENG Yan-kee, JP (<i>up to 29.6.2011</i>) Mr Stephen LAU Ka-men, JP Mr Stephen MAK, BBS, JP (<i>up to 31.12.2011</i>) Mr Daniel LAI, BBS, JP (<i>from 19.1.2012</i>) <i>Government Chief Information Officer</i>

Terms of Reference

1. Approve corporate policies and standards for Information Technology / Information Systems;
2. Approve and monitor the overall progress of the implementation of the Information Technology/ Information Systems Strategic Plan;
3. Approve and monitor the execution of the Information Technology / Information Systems Annual Business Plan;
4. Receive recommendations on the priorities for Information Technology systems development and implementation;
5. Receive advice from the Information Technology Technical Advisory Sub-Committee;
6. Receive performance and status reports; and
7. Provide periodic progress report to the Hospital Authority Board.

Focus of Work in 2011-12

The Information Technology (IT) Services Governing Committee met four times in 2011-12 to discuss various issues relating to the strategic development of information technology / information systems in HA. During this period, the Committee considered and deliberated on the IT operational risk model, key risks identified in the IT Operational Risk Assessment and the corresponding action plans; technology refreshment programme to replace the aging Corporate IT equipment and software for maintaining the delivery of healthcare services; ongoing efforts on information security and privacy upon completion of the action targets in response to the recommendations by Privacy Commissioner for Personal Data; development of the Government's electronic Health Record (eHR) with HA as the technical agent; and setting up of the IT Technical Advisory Sub-Committee to advise the Committee on technical aspects of HA's IT services from the perspective of external IT experts.

To meet the growing demand for IT systems to support the operation of the organisation, the Committee also considered and deliberated on the HA Clinical Systems Strategy 2012-17, the Business Support IT Systems Programme 2012-17 and the HA IT Services (HAITS) Annual Work Plan 2012-13 for responding to challenges in continuing existing service delivery and delivering the major strategic IT-enabled projects.

To support HA's business needs and accountability reporting, the Committee also endorsed the IT Block Vote Submission for 2012-13; draft audited financial statements for eHR programme development undertaken by HAITS for 2010-11; IT Services Performance Reports; and Clinical Management System Phase III Progress Reports.

Main Tender Board

Membership List

- Chairman** : Mr Lawrence LEE Kam-hung, JP
- Vice-Chairman** : Prof Maurice YAP Keng-hung (*from 19.1.2012*)
Mr Stephen YIP Moon-wah, BBS, JP (*up to 15.12.2011*)
- Ex-officio members** : Dr LEUNG Pak-yin, JP, *Chief Executive*
(or his nominated representative)
Ms Nancy TSE, JP, *Director (Finance)*
(or her nominated representative)
- Members** : **Two of the following rotating members:**
Mr CHAN Bing-woon, SBS, JP
Mr CHENG Yan-kee, JP
Mr Andy LAU Kwok-fai (*from 22.12.2011*)
Mrs Yvonne LAW SHING Mo-han
Dr Hon Joseph LEE Kok-long, SBS, JP
Prof Maurice YAP Keng-hung (*up to 18.1.2012*)

Terms of Reference

1. Review and assess the recommendations made by the assessment panel;
2. Review the procedures and criteria adopted by the assessment panel in the course of its selection; and
3. Approve the selection made by the assessment panel after satisfying itself that (1) and (2) are in order and such approval should be final.

Focus of Work in 2011-12

In 2011-12, the Main Tender Board met 24 times to consider a total of 557 tender papers for procurement of supplies and services with value of over \$1 million for HA Head Office, and above \$4 million for clusters and hospitals. Tenders for procurement of supplies mainly covered purchases of pharmaceutical products, medical and laboratory equipment and their consumables whereas service tenders were mainly related to hospital domestic and supporting services, maintenance of medical and laboratory equipment, information technology systems and maintenance services and data hosting facilities. Capital works tenders were mainly concerned with hospital redevelopment projects and minor works improvements for maintenance of hospital premises.

Medical Services Development Committee

Membership List

Chairman : Prof FOK Tai-fai, SBS, JP

Vice-Chairman : Dr Donald LI Kwok-tung, SBS, JP

Members : Mr CHENG Yan-kee, JP
Ms Quince CHONG Wai-yan
Dr Margaret CHUNG Wai-ling (*up to 30.11.2011*)
Dr LAM Ping-yan, SBS, JP
Director of Health
Ms Alice LAU, JP (*up to 18.3.2012*) /
Miss Katy FONG (*up to 17.4.2011*)
Mr Keith GIANG (*from 18.4.2011 to 19.7.2011*)
Ms Karyn CHAN (*from 20.7.2011*)
(*representing the Secretary for Financial Services and the Treasury*)
Ms Ka-shi LAU
Mr Lawrence LEE Kam-hung, JP
Dr Hon Joseph LEE Kok-long, SBS, JP
Ms Sandra LEE, GBS, JP (*up to 8.9.2011*)
Mr Richard YUEN Ming-fai, JP (*from 9.9.2011*)
Permanent Secretary for Health
Dr LEUNG Pak-yin, JP, *Chief Executive*
Ms Queenie LEUNG Pik-man (*up to 30.11.2011*)
Mr David LIE Tai-chong, SBS, JP
Mr PANG Yiu-kai, SBS, JP (*from 15.4.2011*)

Terms of Reference

1. Examine, review and make recommendations on the changing needs of the community in respect of clinical services provided by public hospitals and institutions;
2. Advise and make recommendations on the overall policies, directions and strategies relating to the provision, planning and development of the public hospitals and related services, having regard to the availability of technology, staff and other resources and the need to provide a patient-centred, outcome-focused quality healthcare service by a knowledge-based organisation;
3. Consider and make recommendations on the overall priorities for the planning and development of the public hospitals and related services in order to ensure an optimal utilisation of available resources; and
4. Consider, review and make recommendations on any other matters related to the planning and development of the public hospitals and related services.

Focus of Work in 2011-12

The Medical Services Development Committee met five times in 2011-12 to discuss issues relating to the planning, development and management of clinical services. On clinical services planning and development, the Committee considered and deliberated on measures to address reducing number of Medical Graduates, Disaster Psychological Services Plan for HA, redevelopment of Cancer Research Laboratory in Queen Elizabeth Hospital, development of Elderly People Service Plan, service planning works of the North Lantau Hospital Phase I, and development of Phase I Clinical Trial Centres in the two teaching hospitals.

The Committee considered and gave advice on clinical management issues relating to the inclusion of new drugs and indications under the Samaritan Fund from 2011-12, the impact of the increase in demand for Obstetric services by non-local pregnant women on the Obstetrics and Neonatal Intensive Care services in HA, Sponsored Drug Programme for Wet Age-related Macular Degeneration, potential collaboration with Innovation and Technology Commission, HA's contribution to the Controlling Officer's Report 2011-12, and Review for Key Performance Indicators 2011.

The Committee also received progress reports of various clinical programmes, including the enhancement of Post-incident Support Services to HA staff, Pilot Scheme of Accreditation in public hospitals, Public-private-partnership Pilot Scheme on Radiological Imaging Services, initiatives for enhancement of Mental Health Services in 2011-12, implementation of the Chronic Disease Management Programmes, and the Filmless HA Project.

Public Complaints Committee

Membership List

- Chairman** : Dr Margaret CHUNG Wai-ling (*up to 30.11.2011*)
Mr Ricky FUNG Choi-cheung, SBS, JP (*from 1.12.2011*)
- Vice-Chairman** : Dr LAM Ching-choi, BBS, JP* (*up to 30.11.2011*)
- Members** : Mr CHAN Bing-woon, SBS, JP
Rev Canon Dr Alan CHAN Chor-choi
Mr CHAN Shu-ying, SBS, JP
Mrs Jennifer CHEUNG NG Chui-yiu
Sister Nancy CHEUNG Chu-kin
Mr CHOI Chi-sum
Dr Eric CHONG Chee-min (*up to 30.11.2011*)
Mr Antonio CHU Lok-sang
Prof Joanne CHUNG Wai-yee
Mr Ricky FUNG Choi-cheung, SBS, JP (*up to 30.11.2011*)
Mr HO Sau-him (*from 1.12.2011*)
Mr Samuel HUI Kwok-ting (*from 1.12.2011*)
Mr Alex LAM Chi-yau (*from 1.12.2011*)
Mr Andy LAU Kwok-fai
Dr Robert LAW Chi-lim*
Prof LEE Sum-ping
Mr Carlos LEUNG Sze-hung*
Dr Pamela LEUNG Ming-kuen, JP* (*up to 30.11.2011*)
Mr Lawrence LI Shu-fai, SBS, JP (*up to 30.11.2011*)
Prof Raymond LIANG Hin-suen* (*from 1.12.2011*)
Dr MAK Sin-ping, BBS* (*from 1.12.2011*)
Prof WAN Chin-chin
Dr WONG Kwok-chun
Mr Anthony WONG Luen-kin, JP (*up to 30.11.2011*)
Mrs Elizabeth WONG YEUNG Po-wo, MBE
Ms Virginia WU Wei-kin (*up to 30.11.2011*)
Ms Lina YAN Hau-yee, MH, JP
Dr Agnes YEUNG LAW Koon-chui, JP (*from 1.12.2011*)
Ms Lisa YIP Sau-wah, JP

* Panel Chairman

Terms of Reference

1. The Public Complaints Committee (PCC) is the final complaint redress and appeal body of the Hospital Authority (HA).
2. The PCC shall independently :
 - (a) consider and decide upon complaints from members of the public who are dissatisfied with the response of the HA/hospital to which they have initially directed their complaints.
 - (b) monitor HA's handling of complaints.
3. Pursuant to Para 2 above, the PCC shall independently advise and monitor the HA on the PCC's recommendations and their implementation.
4. In handling complaint cases, the PCC shall follow the PCC Complaint Handling Guidelines (Annex) which may be amended from time to time.
5. The PCC shall from time to time and at least once a year, make reports to the HA Board and public, including statistics or raising important issues where applicable.

Annex**Guidelines on the handling of complaint cases in the Public Complaints Committee (PCC)**

1. The PCC is an appeal body within the Hospital Authority (HA) to consider appeals made by the public relating to its services. Based on its Terms of Reference, the following are guidelines set by the PCC to facilitate the handling of complaints.
2. The PCC shall not normally handle a complaint:
 - (a) if the complaint relates to services provided by the HA more than 2 years before the date of the lodging of the complaint, unless the PCC is satisfied that in the particular circumstances it is proper to conduct an investigation into such complaint not made within that period;
 - (b) if the complaint is made anonymously and/or the complainant cannot be identified or traced;
 - (c) if the complainant has failed to obtain the proper consent of the patient, to whom the services were provided, in the lodging of the complaint (this restriction will not be applicable if the patient has died or is for any reason unable to act for himself or herself);
 - (d) if the subject matter of the complaint has been referred to or is being considered by the coroner;
 - (e) if the complaint relates to a matter for which a specific statutory complaint procedure exists;

- (f) if the complainant or the patient concerned has instituted legal proceedings, or has indicated that he/she will institute legal proceedings, against the HA, the hospital or any persons who provided the services (in any event, the Committee shall not entertain any request for compensation);
- (g) if the complaint relates to dispute over the established policies of HA, for example fees charging policy of the HA in respect of its services;
- (h) if the complaint relates to an assessment made by a medical staff pursuant to any statutory scheme whereas such scheme provides for a channel of appeal, for example, the granting of sick leave under the provisions of the Employees' Compensation Ordinance, Cap. 282;
- (i) if the complaint relates to personnel matters or contractual matters and commercial matters;
- (j) if the PCC considers that the complaint is frivolous or vexatious or is not made in good faith; or
- (k) if the complaint, or a complaint of a substantially similar nature, has previously been the subject matter of a complaint which had been decided upon by the PCC.

3. Taking into account the following:

- (a) the disclosure of legal privileged documents in an open hearing;
- (b) the disclosure of personal data in an open hearing;
- (c) the PCC is not a judicial or quasi-judicial body;
- (d) an aggrieved party has other channels to seek redress; and
- (e) the PCC should not duplicate the functions of other institutions such as the courts or the Medical Council;

the PCC considers that its meetings shall not be open to the public.

4. In considering the merits of a complaint, the PCC may from time to time obtain expert opinion by medical professionals or other experts relating to the subject matter of the complaint. If the PCC considers appropriate, it may also invite the complainant, the patient, the medical staffs or any other relevant persons to attend an interview.

(The above Guidelines on the handling of complaint cases may be amended from time to time as appropriate.)

Focus of work in 2011-12

In 2011-12, the Public Complaints Committee held 19 meetings and handled a total of 237 cases, of which 147 were related to medical services, 31 related to administrative procedure, 28 related to staff attitude and 31 others. In addition to the handling of appeal cases, the Committee also formulated complaint handling policies to improve the efficiency and effectiveness of the Authority's complaints system, and make recommendations for system change and improvement of healthcare services. Regular internal and external communication programmes were conducted to enhance the transparency and credibility of the Authority's complaints system and the Committee as the final appeal body. Through its Secretariat, the Committee also shared important lessons learned for risk management and enhanced the complaint handling skills of frontline staff through regular specialist complaint management training.

Staff Appeals Committee

Membership List

Chairman : Mr Peter LO Chi-lik (*from 28.4.2011*)

Members : Mr Billy KONG Churk-hoi, BBS, JP
Dr Kim MAK
Prof Thomas WONG Kwok-shing, JP

Terms of Reference

1. Consider and decide upon appeals from staff members who have raised a grievance through the normal internal complaint channels and who wish to appeal against the decision made;
2. The Committee shall :
 - consider whether the appeal cases need further investigation by the management;
 - direct the appeal cases to be investigated;
 - have access to all the relevant information required from the management for making a decision;
 - ensure that appropriate action is taken; and
 - reply to the appellant;
3. The Committee's decision shall represent the Hospital Authority's decision and shall be final; and
4. The Committee shall make annual reports to the Hospital Authority Board.

Focus of Work in 2011-12

The Staff Appeals Committee was set up on 19 December 2002 as an independent authority for handling staff appeals which have already exhausted the normal staff complaint channels within the HA's operation. The Committee received three staff appeal cases in 2011-12, one of which was subsequently withdrawn by the appellant. The Committee considered the two remaining cases and handed down its decision on one case during the year. The decision on the other case was handed down in April 2012.

Supporting Services Development Committee

Membership List

- Chairman** : Mr CHENG Yan-kee, JP (*from 19.1.2012*)
Mr Stephen YIP Moon-wah, BBS, JP (*up to 15.12.2011*)
- Vice-Chairman** : Mr CHENG Yan-kee, JP (*from 28.4.2011 to 18.1.2012*)
Ms CHIANG Lai-yuen, JP (*from 19.1.2012*)
- Members** : Prof Edwin CHAN Hon-wan (*from 30.6.2011*)
Dr Andrew CHAN Ping-chiu (*from 30.6.2011*)
Mr CHENG Yan-kee, JP (*up to 27.4.2011*)
Ms CHIANG Lai-yuen, JP (*up to 18.1.2012*)
Mr Andy LAU Kwok-fai (*from 22.12.2011*)
Mr Peter LEE Kwok-wah (*from 30.6.2011*)
Dr LEUNG Pak-yin, JP, *Chief Executive*
Ms Winnie NG (*from 10.8.2011*)
Miss Gloria LO Kit-wai (*up to 25.7.2011*)
Ms Angela LEE Chung-yan (*from 26.7.2011*)
(*representing Permanent Secretary for Health*)

Terms of Reference

1. Advise on the directions and policies related to the development of Business Support Services and Environmental Protection to best support clinical services delivery in the Hospital Authority;
2. Review and advise on the implementation and monitoring of Capital Works Projects in the Hospital Authority;
3. Review and advise on the new initiatives in Business Support Services such as improvements in supply chain management, equipment management, strategic outsourcing and public-private-partnership of non-core functions, and the development of supporting services for revenue generation; and
4. Advise on the adoption of better practices and industry innovations related to the planning and delivery of Business Support Services and implementation of Capital Works Projects in the Hospital Authority.

Focus of Work in 2011-12

In 2011-12, the Supporting Services Development Committee met four times to fulfil its Terms of Reference, mainly to advise on the directions and policies related to the development of business support services and environmental protection to best support clinical service delivery in the HA. It also considered review reports on improvement of Non-Emergency Ambulance Transfer Service, product recall and safety alert for non-drug items and advertising services. The Committee also received progress update on replacement of medical and engineering equipment for 2011-12 and planning for 2012-13, implementation of Enterprise Resource Planning System for pharmaceutical hospital supplies, hospital security services and standards and implementation of the Clinical Waste Control Scheme. It also reviewed reports on performance management of pharmaceutical manufacturers and suppliers, implementation of cook-chill cum cold-plating, and upgrading of catering facilities in Hong Kong West Cluster, Hong Kong East Cluster and Kowloon East Cluster.

The Committee considered reports on the progress of major capital works projects, update on barrier free access to HA facilities, condition survey of HA hospitals and energy conservation initiatives in HA hospitals. It also considered reports on minor works projects in HA hospitals, statutory compliance checklists for hospitals, review of safety performance of HA Term Contract for Minor Works, and regular progress reports from the Capital Works Sub-Committee which was established under the Committee to consider capital works and project related items.

Appendix 4

Membership of Hospital Governing Committees

Alice Ho Miu Ling Nethersole Hospital

Chairman	: Mr Roland CHOW Kun-chee
Ex-officio members	: Hospital Authority Chief Executive or his representative Hospital Chief Executive
Members	: Dr Bonba CHIU Sik-ho Ms Michelle CHOW Yan-wai Mr FUNG Sau-chung Ms KO Sui-fun Mr Roger LEE Chee-wah Dr Pamela LEUNG, JP Mr John LI Kwok-heem Rev Dr LI Ping-kwong, SBS Mr Wilson MOK Yu-sang Rev Eric SO Shing-yit Rt Rev Dr Thomas SOO Yee-po, JP Bishop Nicholas TAI Ho-fai Ms Wendy TSANG Wan-man Rev Josephine TSO Shiu-wan Dr WONG Fook-yee Ms Peggy WONG Pik-kiu, MH

Bradbury Hospice

- Chairman** : Dr Geoffrey LIEU Sek-yiu
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Hubert CHAN Chung-yee, JP
Dr Amy CHOW Yin-man
Dr David KAN
Sister Helen KENNY
Dr KWAN Wing-hong
Prof Samantha PANG Mei-che
Father John RUSSELL, S.J.
Mr SHUM Si-ki
Prof Dr Dominic WONG Shing-wah, GBS, JP

Caritas Medical Centre

- Chairman** : Prof David CHEUNG Lik-ching
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Wallace CHAN Chi-ho
Mr Denis CHANG, JP
Dr Benedict CHUNG Yat-ki
Dr Daniel FANG Tak-sang
Dr Conrad LAM Kui-shing, JP
Mr LEUNG Kam-tao
Mr William WONG Kuen-wai, BBS
Mr Anthony WONG Luen-kin, JP
Rev Michael M C YEUNG, VG
Rev Joseph YIM Tak-lung

Castle Peak Hospital & Siu Lam Hospital

- Chairman** : Prof John LEONG Chi-yan, SBS, OBE, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr CHOW Chun-bong, BBS, JP
Dr IP Yan-ming, JP
Mr Lothar LEE Hung-sham, MH
Mrs Rita LIU, SBS
Prof SHAM Pak-chung
Prof Thomas WONG Kwok-shing, JP
Ms Nora YAU Ho-chun, MH, JP

Cheshire Home, Chung Hom Kok

- Chairman** : Dr Albert WONG Chi-chiu
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mrs Shelley M. CHOW
Mr Hilbert KA Ping-wah
Ms Betty KO Lan-fun (*from 31.10.2011*)
Dr Bernard KONG Ming-hei
Mr Peter LI Lan-yiu
Dr Leonard LI Sheung-wai
Ms Janice MORTON
Dr Paul YOUNG Tze-kong, JP

Cheshire Home, Shatin

Chairman	: Mrs Linda WONG LEUNG Kit-wah
Ex-officio members	: Hospital Authority Chief Executive or his representative Hospital Chief Executive
Members	: Mrs Shelley M. CHOW Ms Janet LAI Keng-chok Prof Diana LEE Tze-fan Dr Edward LEUNG Man-fuk Dr Pamela LEUNG, JP Prof Mark MACALPINE Mr Paul MAK Chun-nam Ms Janice MORTON Mr Alfred POON Sun-biu

Duchess of Kent Children's Hospital at Sandy Bay

Chairman	: Mr Vivian LEE Wai-man
Ex-officio members	: Hospital Authority Chief Executive or his representative Hospital Chief Executive
Members	: Mr CHEUNG Tat-tong Dr Daniel FANG Tak-sang Mrs FOK Mei-ling Prof LAU Yu-lung Mr Renny LIE Ken-jie Mr Gordon Gilbert LOCH Han-van Ms Helen LUI Wai-hing Prof Keith LUK Dip-kei Mrs Elizabeth WONG YEUNG Po-wo

Grantham Hospital

- Chairman** : Mr PANG Yuk-ling, SBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr CHENG Chun-ho
Prof FAN Sheung-tat, SBS (*up to 30.6.2011*)
Prof Karen LAM Siu-ling
Mr Steve Y F LAN
Mr Sebastian LAU Ki-chit
Mr Lawrence LEE Kam-hung, JP
Mr Edwin LEUNG Chung-ching
Dr Vitus LEUNG Wing-hang
Mrs Elizabeth LI
Prof LO Chung-mau, JP (*from 31.10.2011*)
Mrs Purviz Rusy SHROFF
Mr Rocco YIM Sen-kee, BBS, JP

Haven of Hope Hospital

- Chairman** : Mr Charles C Y CHIU
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mrs Doreen CHAN HUI Dor-lam
Dr HO Wai-ip
Dr Joseph KWAN Kai-cho
Dr LAM Ching-choi, BBS, JP
Mr Eddie NG Ping-yiu
Dr George NG Sze-fuk, SBS, JP
Ms Elsa TSANG Sou-wah
Mr Peter WONG Chun-kow
Mr WONG Kai-man, BBS, JP

Hong Kong Buddhist Hospital

- Chairman** : Mr Keith LAM Hon-keung, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Ms Kelly CHAN Yuen-sau
Ms Elaine CHUNG Lai-kwok, BBS, JP
Ms Pearl HO Chun-yee
Mr HO Tak-sum, MH
Dr KAO Park-ming
Ven KOK Kwong, GBS
Mr LAI Sze-nuen, BBS, JP
Mr Anthony LAM Chi-tat
Mr LEE Ka-cheung
Ms Mavis LEE Ming-pui
Ven SIK Hin-hung
Ven SIK Hong-ming
Ven SIK Ku-tay
Ven SIK Kuan-yun
Ven SIK To-ping
Ven SIK Yin-chi
Dr WONG Kam-chiu, MH

Hong Kong Eye Hospital & Kowloon Hospital

- Chairman** : Dr Eliza C H CHAN, BBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Charles CHEUNG Wai-bun, JP
Hon Starry LEE Wai-king, JP
Mr Louis LOONG Hon-biu
Dr Delia PEI CHEN Chi-kuen, BBS, JP
Prof Julia TAO LAI Po-wah
Dr Victor WOO Chi-pang
Mr James YIP Shiu-kwong

Hong Kong Red Cross Blood Transfusion Service

- Chairman** : Mr Philip TSAI Wing-chung, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr CHAN Kai-ming
Mr Ambrose HO, JP
Dr HO Chung-ping, MH, JP
Ms Ada LAM Wai-ming
Dr LI Chi-kong
Mr Vincent LO Wing-sang, BBS, JP
Ms Clara SHEK
Mr Luke WONG Sui-kwong
Mrs Irene YAU, JP

Kwai Chung Hospital & Princess Margaret Hospital

- Chairman** : Hon Vincent FANG Kang, SBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr CHAN How-chi
Mr CHAU How-chen, GBS, JP
Dr Alice CHIU TSANG Hok-wan, BBS, JP
Mr CHOW Yick-hay, BBS, JP
Mr Larry KWOK Lam-kwong, BBS, JP
Mr Alan LEE Chi-keung, MH
Dr Hon Joseph LEE Kok-long, SBS, JP
Dr John LEUNG Yat-wai
Mr Henry TONG Sau-chai, MH
Dr TSAO Yen-chow
Prof WONG Chack-kie, MH

Kwong Wah Hospital & TWGHs Wong Tai Sin Hospital

Chairman	: Mr Charles CHANG Juo-hwa, BBS
Ex-officio members	: Hospital Authority Chief Executive or his representative Hospital Chief Executive
Members	: Mrs Viola CHAN MAN Yee-wai Dr Ina CHAN Un-chan Mr CHOW Chun-fai, BBS, JP Mr Frederick FUNG King-wai Ms Maisy HO Chiu-ha Dr John LEE Sam-yuen, BBS Mr Billy LEUNG Ting-yu, BBS Mr Patrick MA Ching-hang, BBS, JP Mr MOK Ying-fan Mr Stephen NG Chi-wing Mr Peter ONG Ka-lueng, BBS Mr Ivan SZE Wing-hang Mr Eddie WANG, BBS Mr Paul YU Shiu-tin, BBS, JP Dr YU Yuk-ling

MacLehose Medical Rehabilitation Centre

- Chairman** : Dr Eric CHIEN Ping
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Prof Chetwyn CHAN Che-hin
Mr Calvin CHAN Man-yin
Mr Vincent CHENG Wing-ming
Dr Daniel FANG Tak-sang
Mr Martin HE
Ms Candice LAM Hou-heung (*up to 31.8.2011*)
Prof Keith LUK Dip-kei
Mr NG Hang-sau (*from 31.10.2011*)
Dr POON Tak-lun
Mr Adrian WONG Koon-man, JP
Mr David YAU Po-wing
Mr YU See-ho

North District Hospital

- Chairman** : Mrs Gloria NG WONG Yee-man, BBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr HAU Kam-lam, MH, JP
Mr HUNG Siu-ling
Mr LIU Sui-biu
Mr MA Ching-nam, JP
Mr George PANG Chun-sing
Dr Annie YEUNG Shou-fong
Mr Charlie YIP Wing-tong

Our Lady of Maryknoll Hospital

Chairman	: Mr Lester Garson HUANG, JP
Ex-officio members	: Hospital Authority Chief Executive or his representative Hospital Chief Executive
Members	: Father Brian R BARRONS Mr Vincent CHANG Mr Michael CHENG Tak-kin, JP Dr Gabriel CHOI Kin Ms Carlye CHU Fun-ling Dr Nancy FOK Dr LAM Siu-keung (<i>from 31.5.2011</i>) Mrs Marigold LAU, SBS, JP Sister Marilu LIMGENCO Mr Rex MOK Chung-fai, MH Mrs Pauline NG CHOW May-lin, JP Father Edward PHILLIPS (<i>from 28.4.2011</i>) Dr Gene TSOI Wai-wang Sister Marya ZABOROWSKI

Pamela Youde Nethersole Eastern Hospital

Chairman	: Mr Lawrence LEE Kam-hung, JP
Ex-officio members	: Hospital Authority Chief Executive or his representative Hospital Chief Executive
Members	: Mr CHAN Bing-woon, SBS, JP Ms Ophelia CHAN Mr Roland CHOW Kun-chee Rev CHU Yiu-ming Ms KO Siu-wah, SBS, JP Mr Peter LEE Kwok-wah Mr John LI Kwok-heem Dr Yvonne LUI Lai-kwan Rt Rev Dr Thomas SOO Yee-po, JP Prof TAM Sheung-wai, GBS, JP Mr YEUNG Po-kwan, JP Dr Dominic YOUNG Ying-nam

Pok Oi Hospital

- Chairman** : Mr Henry TONG Sau-chai, MH
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Prof Chetwyn CHAN Che-hin
Dr CHONG Man-yuk
Ms Yvonne CHUA
Mr LEUNG Che-cheung, BBS, MH, JP
Mr POON Tak-ming
Mr TSANG Yiu-cheung
Dr Sam WONG Chun-sing, MH
Mr WONG Fan-foung, MH
Mr Victor WONG Kai-tai, MH
Mr Charlie YIP Wing-tong
Mr Chris YIP Yiu-shing, MH

Prince of Wales Hospital

- Chairman** : Mr Edward HO Sing-tin, SBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Edgar CHENG Wai-kin, GBS, JP
Prof FOK Tai-fai, SBS, JP
Ms Nancy KIT, JP
Mr Peter LEE Kwok-wah
Mr Stephen LIU Wing-ting, JP
Prof Peter K W MOK
Mr Philip WONG Chak-piu

Queen Elizabeth Hospital

- Chairman** : Mr John LEE Luen-wai, BBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Eliza C H CHAN, BBS, JP
Mrs Sheilah CHENG CHATJAVAL
Dr James HWANG Shu-tak, BBS
Mr Emmanuel KAO Chu-chee
Dr LEE Kin-hung
Mr David MUI Ying-yuen, MH, JP
Ms Winnie NG
Dr Victor WOO Chi-pang
Mr John WU Man-keung, BBS, MH

Queen Mary Hospital & Tsan Yuk Hospital

- Chairman** : Dr Anthony HO Yiu-wah, BBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Prof LEE Sum-ping
Mrs Margaret LEUNG KO May-yee, SBS, JP
Mr Lincoln TSO
Prof Amy TSUI Bik-may
Prof Judy TSUI LAM Sin-lai
Ms Catherine YEN
Prof Richard YU Yue-hong, SBS

Rehabaid Centre

- Chairman** : Hon Judge Kevin Anthony BROWNE
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Joseph BOSCO
Ms Kelly CHAN Yuen-sau
Mrs Shelley M. CHOW
Mr Robin GILL
Mrs Kimberley LAM KWONG Lan-heung
Dr Leonard LI Sheung-wai
Mr TSANG Chiu-kwan, JP

Ruttonjee & Tang Shiu Kin Hospitals

- Chairman** : Mr Edwin LEUNG Chung-ching
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Ms Lillian CHAN Lit-yee
Mr Raymond CHOW Wai-kam, JP
Prof Peggy LAM, GBS, JP
Mr Steve Y F LAN
Mr Sebastian LAU Ki-chit
Mrs Alice LAU WOO Wai-see
Prof John LEONG Chi-yan, SBS, OBE, JP
Dr Vitus LEUNG Wing-hang
Dr LIU Ka-ling
Mr PANG Yuk-ling, SBS, JP
Mrs Purviz Rusy SHROFF
Mr SHUM Choi-sang, SBS, JP
Ms Anna TANG King-yung, BBS, MH
Mr Richard TANG Yat-sun, BBS, JP

Shatin Hospital

- Chairman** : Mrs Yvonne LAW SHING Mo-han
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr CHEUNG Tak-hai
Prof Joanne CHUNG Wai-yee
Mr FONG Cheung-fat
Mr Joseph KEUNG Shu-hoi
Prof LAM Tai-hing, BBS, JP
Mr Thomas PANG Cheung-wai, BBS, JP

Tai Po Hospital

- Chairman** : Dr Lily CHIANG (*up to 29.6.2011*)
Mr Patrick MA Ching-hang, BBS, JP (*from 30.6.2011*)
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr CHEUNG Wing-fai
Mr Richard FUNG Lap-chung
Mr LEUNG Wo-ping, JP
Mr Arthur LI Ka-tat
Mr MAN Chen-fai, MH
Dr YIP Ka-chee

Tseung Kwan O Hospital

- Chairman** : Mr LO Chung-hing, SBS
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr Raymond CHAN Wai-man
Dr Joseph KWAN Kai-cho
Mr Henry LAI Hin-wing
Dr Danny MA Ping-kwan
Ms Nancy TSANG Lan-see
Mr WAN Yuet-cheung, MH, JP

Tuen Mun Hospital

- Chairman** : Mr Paul YU Shiu-tin, BBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Prof Alfred CHAN Cheung-ming, BBS, JP
Mr CHAN How-chi
Mr Michael CHAN Kee-huen
Prof Sophia CHAN Siu-chee
Dr Eddie CHAN Tat
Mr KU Moon-lun
Mr Edward PONG Chong, BBS, JP
Mr Boris YEUNG Sau-ming

Tung Wah Hospital/Tung Wah Eastern Hospital/TWGHs Fung Yiu King Hospital

- Chairman** : Mr Charles CHANG Juo-hwa, BBS
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mrs Viola CHAN MAN Yee-wai
Dr Ina CHAN Un-chan
Ms CHENG Lai-king
Dr CHU Chor-lup
Mr Frederick FUNG King-wai
Ms Maisy HO Chiu-ha
Dr John LEE Sam-yuen, BBS
Mr Billy LEUNG Ting-yu, BBS
Mr Stephen LIU Wing-ting, JP
Mr Patrick MA Ching-hang, BBS, JP
Mr Stephen NG Chi-wing
Mr Peter ONG Ka-lueng, BBS
Mr Ivan SZE Wing-hang
Mr TONG Chun-wan
Mr Eddie WANG, BBS

United Christian Hospital

Chairman	: Prof TAM Sheung-wai, GBS, JP
Ex-officio members	: Hospital Authority Chief Executive or his representative Hospital Chief Executive
Members	: Mr Bunny CHAN Chung-bun, SBS, JP Mr Derek CHAN Man-foon Mr Clifford King CHIU Mr Roland CHOW Kun-chee Mr FUNG Sau-chung Rev Paul KAN Kei-piu Ms Sophia KAO, SBS, JP Dr LAM Kin-wah, MH Rev Lincoln LEUNG Lam-hoi (<i>Passed away in January 2012</i>) Mr Marthy LI Chak-kwan Mr John LI Kwok-heem Rev PO Kam-cheong Rev Eric SO Shing-yit Mr Thomas TSANG Fuk-chuen Mr Herbert TSOI Hak-kong, BBS, JP Rt Rev Louis TSUI Tsan-sang Dr Hayles WAI Heung-wah Mr David WONG Tat-kee Ms Grace WONG Yuen-ling Mr WU Kwok-cheung, MH Dr Alice YUK Tak-fun, JP

Yan Chai Hospital

Chairman	:	Mr Edmond LEE Man-bun, MH
Ex-officio members	:	Hospital Authority Chief Executive or his representative Hospital Chief Executive
Members	:	Mr Baldwin CHENG Shing-fung Mr Edwin CHENG Shing-lung Mr CHENG Yan-kee, JP Ms Vanessa LAM Wai-shan Mr Alex LAN Khong-poh Mr Raymond LEUNG Cheong-ming Mr Peter LO Siu-kit Mrs Susan SO CHAN Wai-hang Mr Alfred WONG Wai-kin Mr YAU Kam-ping, MH

Appendix 5

Membership of Regional Advisory Committees

Hong Kong Regional Advisory Committee

Chairman	: Mr CHAN Bing-woon, SBS, JP
Ex-officio members	: Hospital Authority Chief Executive or his representative Director of Health or his / her representative
Members	: Mr AU Lap-sing Ms Ophelia CHAN, BBS Dr Ina CHAN Un-chan Dr Eric CHIEN Ping Dr Daniel FANG Tak-sang Mr JONG Koon-sang Mr KONG Chack-ho, MH Dr LAU Chor Chiu, MH (<i>from 1.5.2011</i>) Ms Kenny LEE Kwun-yee Mr Edwin LEUNG Chung-ching Mr Tommy LI Ying-sang, BBS, MH, JP Mr PANG Yuk-ling, SBS, JP Mr TSANG Wing-wah Mr Lincoln TSO Dr Loretta YAM Yin-chun, BBS (<i>up to 30.4.2011</i>) Dr Paul YOUNG Tze-kong, JP Prof Richard YUEN Man-fung Mr YUNG Chi-ming, MH

Kowloon Regional Advisory Committee

- Chairman** : Mrs Yvonne LAW SHING Mo-han
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Director of Health or his / her representative
- Members** : Dr Eliza C H CHAN, BBS, JP
Mr CHAN Kai-wai
Mrs Viola CHAN MAN Yee-wai
Ms CHAU Chuen-heung, BBS, MH, JP
Mr Michael CHENG Tak-kin, JP
Mr CHEUNG Yan-hong
Mr Charles C Y CHIU
Mr CHOW Chun-fai, BBS, JP
Mr CHOW Ping-tim
Mr CHOW Yick-hay, BBS, JP
Mr HO Tak-sum, MH
Ms Nancy LAM Chui-ling, MH
Mr LAM Ka-keung
Mr Raymond LEUNG Cheong-ming
Mr John LI Kwok-heem
Mr TSANG Chiu-kwan, JP
Ms Nancy TSANG Lan-see
Mr WONG Kam-kuen, MH, JP
Mr WONG Kwok-yan
Mr Anthony WONG Luen-kin, JP
Mr Luke WONG Sui-kwong
Dr Victor WOO Chi-pang

New Territories Regional Advisory Committee

- Chairman** : Dr Margaret CHUNG Wai-ling (*up to 30.11.2011*)
Ms Ka-shi LAU (*from 1.12.2011*)
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Director of Health or his / her representative
- Members** : Mr Daniel CHAM Ka-hung, BBS, MH, JP
Mr CHAN How-chi
Mr Richard FUNG Lap-chung
Ms Nancy KIT, JP
Mr LAM Tak-leung, MH, JP
Mr LAU Kwok-fan
Mr Lothar LEE Hung-sham, MH
Mr LI Kwok-ying, BBS, MH, JP
Prof Simon NG Siu-man
Mr Thomas PANG Cheung-wai, BBS, JP
Mr George PANG Chun-sing
Mr Alfred POON Sun-biu
Mr SHUM Si-ki
Mr Philip WONG Chak-piu
Ms Peggy WONG Pik-kiu, MH
Mr Charlie YIP Wing-tong

Appendix 6

Membership of the Board of Trustees of the Hospital Authority Provident Fund Scheme

Chairman : Mr John LEE Luen-wai, BBS, JP

Trustees : Ms Nancy TSE Sau-ling, JP
Mr Peter LO Chi-lik
Ms LAU Ka-shi
Mr Patrick MA Ching-hang, BBS, JP
Mr LO Kam-shing (*up to 28.11.2011*)
Dr WONG Tak-cheung (*from 29.11.2011*)
Mr Raymond LEUNG Ho-kwan
Dr Gordon JAN Siu-kei
Dr WONG Chi-keung
Mrs Susan MAK LOK Suet-ling, JP (*up to 3.1.2012*)
Miss Janice TSE Siu-wa, JP (*from 31.3.2012*)
Mr Raymond LEE Wing-hung
Mr Alan Howard SMITH, JP

Appendix 7

Public Feedback Statistics

Complaint / Appreciation Received (1.4.2011 – 31.3.2012)

Public Complaints Committee

Nature of cases	Number of appeal cases
Medical services	147
Staff attitude	28
Administrative procedure	31
Others	31
Total number of appeal cases handled	237

Hospital Complaint / Feedback / Appreciation Statistics

Nature of complaint / feedback / appreciation cases	Complaint received	Feedback received	Appreciation received
Medical services	1,256	3,604	16,056
Staff attitude	500	2,399	8,493
Administrative procedure	378	2,586	1,384
Overall performance	127	1,810	633
Others	110	559	10,156
Total number of hospital complaint / feedback / appreciation	2,371	10,958	36,722

GOPC* Complaint / Feedback / Appreciation Statistics

Nature of complaint / feedback / appreciation cases	Complaint received	Feedback received	Appreciation received
Medical services	67	282	1,237
Staff attitude	60	264	1,191
Administrative procedure	33	500	48
Overall performance	5	117	59
Others	8	29	446
Total number of complaint / feedback / appreciation received by GOPC	173	1,192	2,981

* General out-patient clinics

Appendix 8

Statistics of the Controlling Officer's Report

The Hospital Authority generally achieved its performance targets in 2011-12. The volume of patient care activities across the full range of services in 2011-12 is comparable to the level in 2010-11.

The key statistics of the Controlling Officer's Report used by the Government to measure the Authority's performance in 2010-11 and 2011-12 were:

	2010-11	2011-12
(I) No. of hospital beds (as of end March)		
General (acute and convalescence)	20,733	20,754
Infirmery	2,041	2,041
Mentally ill	3,607	3,607
Mentally Handicapped	660	660
Total	27,041	27,062
(II) Delivery of services		
<i>In-patient services</i>		
No. of discharges & deaths		
General (acute and convalescence)	961,714	984,495
Infirmery	3,651	3,435
Mentally ill	15,921	16,011
Mentally handicapped	353	385
Overall	981,639	1,004,326
No. of patient days		
General (acute and convalescence)	5,442,356	5,492,158
Infirmery	520,394	506,365
Mentally Ill	1,025,260	1,007,619
Mentally handicapped	215,346	211,613
Overall	7,203,356	7,217,755
Bed occupancy rate		
General (acute and convalescence)	84%	84%
Infirmery	89%	88%
Mentally ill	79%	77%
Mentally handicapped	89%	88%
Overall	84%	83%
Average length of stay (days) *		
General (acute and convalescence)	5.7	5.6
Infirmery	123	121
Mentally ill	73	65
Mentally handicapped	616	654
Overall	7.5	7.2

	2010-11	2011-12
<i>Ambulatory diagnostic & therapeutic services</i>		
Day patient		
No. of discharges & deaths	459,548	496,640
No. of day patients as % of total in-patient & day patient discharges and deaths	32%	33%
Accident & emergency services		
No. of attendance	2,237,249	2,241,176
Out-patient services		
No. of specialist outpatient (clinical) attendances**	6,630,190	6,731,155
No. of general outpatient attendances	4,979,754	5,316,486
No. of family medicine specialist clinic attendances**	281,858	282,705
No. of primary care attendances***	5,261,612	5,599,191
<i>Rehabilitation & outreach services</i>		
No. of home visits by community nurses	833,934	838,896
Psychiatric services		
No. of psychiatric outreach attendances	167,086	220,550
No. of psychiatric day hospital attendances	211,993	220,532
No. of psychogeriatric outreach attendances	82,716	95,446
Geriatric services		
No. of outreach attendances	619,844	626,381
No. of older persons assessed for infirmary care service	1,450	1,518
No. of geriatric day hospital attendances****	137,088	142,615
No. of Visiting Medical Officer attendances	114,540	109,850
No. of allied health out-patient attendances	2,109,534	2,150,405
(III) Quality of services		
<i>No. of hospital deaths per 1,000 population ^</i>	3.5	3.3
<i>Unplanned readmission rate within 28 days for general in-patients</i>	10.4%	10.4%
<i>Accident and Emergency (A&E) services</i>		
<i>% of A&E patients within the target waiting time:</i>		
Triage I (critical cases – 0 minutes)	100	100
Triage II (emergency cases – 15 minutes)	98	98
Triage III (urgent cases – 30 minutes)	90	91
<i>Specialist outpatient services</i>		
Median waiting time for first appointment at specialist clinics †		
First priority patients	<1 week	<1 week
Second priority patients	5 weeks	5 weeks

	2010-11	2011-12
(IV) Cost of Services		
Cost distribution		
Cost distribution by service types (%)		
Inpatient	56.1%	55.3%
Ambulatory and outreach	43.9%	44.7%
Cost by service types per 1000 population (\$m)		
Inpatient	2.9	3.2
Ambulatory and outreach	2.3	2.6
Cost of services for persons aged 65 or above		
Share of cost of services (%)	45.8%	45.4%
Cost of services per 1000 population (\$m)	18.4	19.7
Unit costs		
Cost per inpatient discharged (\$)		
General (acute and convalescence)	18,630	20,010
Infirmary	161,460	186,360
Mentally ill	112,660	121,100
Mentally handicapped	655,390	652,830
Cost per patient day (\$)		
General (acute and convalescence)	3,600	3,950
Infirmary	1,130	1,270
Mentally ill	1,750	1,930
Mentally handicapped	1,070	1,190
Cost per accident & emergency attendance (\$)	800	875
Cost per specialist outpatient attendance (\$)	910	985
Cost per general outpatient attendance (\$)	290	335
Cost per family medicine specialist clinic attendance (\$)	860	950
Cost per outreach visit by community nurse (\$)	330	385
Cost per psychiatric outreach attendance (\$)	1,160	1,210
Cost per geriatric day hospital attendance (\$)	1,490	1,620
Waivers ~		
% of Comprehensive Social Security Assistance (CSSA) waiver (%)	18.8	19.1
% of non-CSSA waiver (%)	3.9	3.9

Notes :

- * Derived by dividing the sum of length of stay of inpatient by the corresponding number of inpatient discharged / treated.
- ** Number of specialist outpatient (SOP) attendances include attendances from nurse clinic in SOP setting.
- *** Number of primary care attendances comprises of the number of general outpatient (GOP) attendances and family medicine specialist clinic attendances. GOP attendances include nurse clinic attendances. Eight GOP clinics were designated as Designated Flu Clinics for human swine influenza (H1N1 Influenza A) between 13 June 2009 and 23 May 2010. The attendances of the Designated Flu Clinics are not included in the figure. As part of the healthcare reform initiatives, the Hospital Authority has been implementing a number of pilot projects, such as chronic disease management programmes, to enhance primary care services. Starting from 2011/12, these programmes have been implemented on an on-going basis. The throughput and cost of such services are reflected in the relevant indicators.
- **** No. of geriatric day hospital attendances under Integrated Discharge Support Program are excluded.
- ^ Refers to the standardised mortality rate covering all deaths in HA hospitals. This is derived by applying the age-specific mortality rate in HA in a particular year to a 'standard' population which is the 2001 Hong Kong mid-year population.
- † Refers to median waiting time of major clinical specialties which include Ear, Nose and Throat, Gynaecology, Medicine, Ophthalmology, Orthopaedics & Traumatology, Paediatrics and Adolescent Medicine, Psychiatry and Surgery.
- ~ Refers to the amount waived as percentage to total charge.

Appendix 9

Statistics on Number of Beds, Inpatient, Accident & Emergency and Outpatient Services in 2011-12

Institution	No. of beds (as at end March 2012)	Total IP & DP Discharges and Deaths	Inpatient Occupancy Rate (%)	Inpatient Average Length of Stay (days)	Total A&E Attendances	Total SOP Attendances (clinical)	Family Medicine Specialist Clinic Attendances	Total Allied Health Outpatient Attendances	General Outpatient Attendances
Hong Kong East Cluster									
Cheshire Home, Chung Hom Kok	240	370	80.8	174.2	-	-	-	142	-
Pamela Youde Nethersole Eastern Hospital	1,597	132,967	79.7	5.0	153,816	536,852	58,219	101,406	347,943
Ruttonjee & Tang Shiu Kin Hospitals	663	25,178	80.2	6.5	84,594	120,443	11,430	96,764	112,945
St John Hospital	87	3,238	61.4	5.1	10,820	97	-	6,966	35,574
Tung Wah Eastern Hospital	282	8,633	83.9	12.6	-	106,312	-	24,970	27,794
Wong Chuk Hang Hospital	160	204	89.8	273.0	-	-	-	-	-
Sub-total	3,029	170,590	80.8	6.8	249,230	763,704	69,649	230,248	524,256
Hong Kong West Cluster									
Duchess of Kent Children's Hospital	130	3,173	51.6	9.0	-	19,973	-	27,756	-
TWGHs Fung Yiu King Hospital	272	3,127	67.7	17.7	-	619	-	328	-
Grantham Hospital	372	13,690	70.2	12.0	-	36,071	-	2,404	-
MacLehose Medical Rehabilitation Centre	110	1,051	60.7	23.3	-	324	-	3,754	-
Queen Mary Hospital	1,698	132,103	76.0	4.4	131,129	666,788	20,336	132,882	308,330
Tung Wah Hospital	550	24,803	84.4	14.6	-	43,504	-	5,146	33,413
Tsan Yuk Hospital	3	251	-	-	-	23,085	-	4,627	-
Sub-total	3,135	178,198	74.1	6.4	131,129	790,364	20,336	176,897	341,743

Institution	No. of beds (as at end March 2012)	Total IP & DP Discharges and Deaths	Inpatient Occupancy Rate (%)	Inpatient Average Length of Stay (days)	Total A&E Attendances	Total SOP Attendances (clinical)	Family Medicine Specialist Clinic Attendances	Total Allied Health Outpatient Attendances	General Outpatient Attendances
Kowloon Central Cluster									
Hong Kong Buddhist Hospital	324	8,740	86.6	16.5	-	12,020	-	8,486	37,073
Hong Kong Eye Hospital	45	8,489	59.3	4.6	-	228,783	-	20,620	-
Kowloon Hospital	1,335	15,801	84.0	26.6	-	85,929	-	129,154	-
Queen Elizabeth Hospital	1,841	167,722	86.9	5.0	211,566	669,946	6,391	208,290	482,030
Rehabaid Centre	-	-	-	-	-	147	-	22,617	-
Sub-total	3,545	200,752	85.6	8.1	211,566	996,825	6,391	389,167	519,103
Kowloon East Cluster									
Haven of Hope Hospital	425	6,447	90.9	22.3	-	9,688	-	4,209	-
Tseung Kwan O Hospital	503	46,074	95.8	4.4	124,694	191,571	275	85,286	288,485
United Christian Hospital	1,403	114,662	81.1	4.4	187,715	525,333	58,653	198,268	528,069
Sub-total	2,331	167,183	86.2	5.4	312,409	726,592	58,928	287,763	816,554
Kowloon West Cluster									
Caritas Medical Centre	1,183	54,090	80.0	6.7	134,021	352,639	898	62,427	260,059
Kwai Chung Hospital	920	3,709	79.9	78.3	-	203,564	-	26,316	-
Kwong Wah Hospital	1,201	92,579	74.8	4.3	145,917	350,089	2,507	151,534	202,754
Our Lady of Maryknoll Hospital	236	10,440	67.8	8.1	-	66,872	709	27,121	388,261
Princess Margaret Hospital	1,731	130,535	92.4	5.4	151,204	396,261	9,325	102,821	408,569
TWGHs Wong Tai Sin Hospital	511	7,602	90.8	26.8	-	-	-	641	-
Yan Chai Hospital	800	50,314	76.9	4.5	141,919	203,127	2,370	72,804	257,193
Sub-total	6,582	349,269	81.9	6.9	573,061	1,572,552	15,809	443,664	1,516,836

Institution	No. of beds (as at end March 2012)	Total IP & DP Discharges and Deaths	Inpatient Occupancy Rate (%)	Inpatient Average Length of Stay (days)	Total A&E Attendances	Total SOP Attendances (clinical)	Family Medicine Specialist Clinic Attendances	Total Allied Health Outpatient Attendances	General Outpatient Attendances
New Territories East Cluster									
Alice Ho Miu Ling Nethersole Hospital	563	50,677	81.8	4.2	128,506	224,593	4,651	100,733	221,246
Bradbury Hospice	26	623	89.7	13.8	-	44	-	983	-
Cheshire Home, Shatin	304	149	72.5	426.0	-	-	-	509	-
North District Hospital	599	35,788	86.1	5.2	117,687	174,422	5,745	67,265	237,724
Prince of Wales Hospital	1,477	137,691	84.0	4.7	155,851	632,698	47,304	164,420	409,448
Shatin Hospital	553	8,558	88.0	20.1	-	498	-	1,171	-
Tai Po Hospital	992	9,773	82.1	25.1	-	469	-	465	-
Sub-total	4,514	243,259	83.3	7.2	402,044	1,032,724	57,700	335,546	868,418
New Territories West Cluster									
Castle Peak Hospital	1,144	2,579	75.8	139.1	-	130,113	-	27,404	-
Pok Oi Hospital	517	35,730	89.2	6.2	130,725	84,812	34,104	52,910	-
Siu Lam Hospital	350	231	97.4	643.8	-	-	-	-	-
Tuen Mun Hospital	1,915	153,175	95.1	6.2	231,012	633,469	19,788	206,806	729,576
Sub-total	3,926	191,715	88.6	10.1	361,737	848,394	53,892	287,120	729,576
GRAND TOTAL	27,062	1,500,966	83.0	7.2	2,241,176	6,731,155	282,705	2,150,405	5,316,486

Notes:

1. Rehabaid Centre and Hong Kong Red Cross Blood Transfusion Service are Hospital Authority institutions with specific functions but no hospital beds.
2. The number of beds as at end March 2012 is based on the Annual Survey on Hospital Beds in Public Hospitals, 2011-12.
3. The outpatient attendances for different clinics are grouped under respective hospital management.
4. Specialist outpatient (SOP) attendances (clinical) include attendances from nurse clinic in SOP setting.
5. General outpatient (GOP) attendances include attendances from nurse clinic in GOP setting and attendances in related healthcare reform initiative programmes in primary care.
6. Total Allied Health Outpatient attendances exclude follow-up consultations provided by the Medical Social Service Department and joint clinic consultations provided by the Optometry & Orthoptics Department with doctors.
7. Data prepared in July 2012.

Abbreviations:

IP — Inpatient

DP — Day Patient

A&E — Accident & Emergency

SOP — Specialist Outpatient

Appendix 10

Statistics on Community and Rehabilitation Services in 2011-12

Institution	Community Nursing Service [†]	Community Psychiatric Service [†]	Psycho- geriatric Service [‡]	Community Geriatric Assessment Service [§]	Visiting Medical Officer attendances ⁺⁺	Community Allied Health attendances [™]	Rehabilitation day & palliative care day attendances	Geriatric day hospital attendances ^{™™}	Psychiatric day hospital attendances
Hong Kong East Cluster									
Cheshire Home, Chung Hom Kok	-	-	-	-	-	71	-	-	-
Pamela Youde Nethersole Eastern Hospital	91,481	22,664	11,098	-	-	773	975	12,318	29,902
Ruttonjee & Tang Shiu Kin Hospitals	-	-	-	120,824	21,544	1,720	5,007	16,187	-
St John Hospital	4,687	-	-	-	-	-	-	-	-
Tung Wah Eastern Hospital	-	-	-	-	-	82	33,146	-	-
Wong Chuk Hang Hospital	-	-	-	-	-	-	-	2,219	-
Sub-total	96,168	22,664	11,098	120,824	21,544	2,646	39,128	30,724	29,902
Hong Kong West Cluster									
Duchess of Kent Children's Hospital	-	-	-	-	-	7	-	-	-
TWGHs Fung Yiu King Hospital	-	-	-	38,934	10,608	1,383	-	4,576	-
Grantham Hospital	-	-	-	-	-	250	4,325	-	-
MacLehose Medical Rehabilitation Centre	-	-	-	-	-	126	13,296	-	-
Queen Mary Hospital	56,981	8,754	13,007	-	-	712	-	-	18,743
Tung Wah Hospital	-	-	-	-	-	202	7,422	3,877	-
Sub-total	56,981	8,754	13,007	38,934	10,608	2,680	25,043	8,453	18,743

Institution	Community Nursing Service [†]	Community Psychiatric Service [‡]	Psycho- geriatric Service [‡]	Community Geriatric Assessment Service [§]	Visiting Medical Officer attendances ^{††}	Community Allied Health attendances ^{‡‡}	Rehabilitation day & palliative care day attendances	Geriatric day hospital attendances ^{***}	Psychiatric day hospital attendances
Kowloon Central Cluster									
Hong Kong Buddhist Hospital	-	-	-	-	-	153	2,496	-	-
Kowloon Hospital	66,687	9,511	8,222	40,075	4,978	1,675	853	950	11,103
Queen Elizabeth Hospital	-	-	-	31,434	5,593	1,048	-	9,642	-
Rehabaid Centre	-	-	-	-	-	1,031	-	-	-
Sub-total	66,687	9,511	8,222	71,509	10,571	3,907	3,349	10,592	11,103
Kowloon East Cluster									
Haven of Hope Hospital	30,127	-	-	6,685	1,153	445	1,322	4,307	-
Tseung Kwan O Hospital	-	-	-	-	-	75	-	-	-
United Christian Hospital	128,849	26,242	10,361	31,566	7,783	1,358	2,561	20,430	32,290
Sub-total	158,976	26,242	10,361	38,251	8,936	1,878	3,883	24,737	32,290
Kowloon West Cluster									
Caritas Medical Centre	80,849	-	-	40,163	3,710	135	1,293	10,685	-
Kwai Chung Hospital	-	61,799	23,825	-	-	3,059	-	-	64,533
Kwong Wah Hospital	37,736	-	-	48,608	9,859	981	-	6,009	-
Our Lady of Maryknoll Hospital	46,046	-	-	17,342	-	82	855	-	-
Princess Margaret Hospital	84,566	-	-	37,562	5,727	785	741	14,166	-
TWGHs Wong Tai Sin Hospital	-	-	-	-	-	74	-	10,632	-
Yan Chai Hospital	-	-	-	39,181	6,542	165	-	482	-
Sub-total	249,197	61,799	23,825	182,856	25,838	5,281	2,889	41,974	64,533

Institution	Community Nursing Service [*]	Community Psychiatric Service [#]	Psycho- geriatric Service [#]	Community Geriatric Assessment Service [@]	Visiting Medical Officer attendances ⁺⁺	Community Allied Health attendances ^{**}	Rehabilitation day & palliative care day attendances	Geriatric day hospital attendances ^{***}	Psychiatric day hospital attendances
New Territories East Cluster									
Alice Ho Miu Ling Nethersole Hospital	35,389	-	1,071	27,926	7,021	2,453	274	9,984	9,092
Bradbury Hospice	-	-	-	-	-	28	490	-	-
Cheshire Home, Shatin	-	-	-	-	-	1	-	-	-
North District Hospital	36,194	7,280	8,978	29,685	7,412	3,180	66	6,920	11,241
Prince of Wales Hospital	29,879	-	-	11,168	4,363	2,376	-	-	-
Shatin Hospital	28,818	22,621	5,796	10,017	3,436	2,091	5,477	10,603	16,639
Tai Po Hospital	-	3,392	240	-	-	38	-	-	7,372
Sub-total	130,280	33,293	16,085	78,796	22,232	10,167	6,307	27,507	44,344
New Territories West Cluster									
Castle Peak Hospital	-	58,287	12,848	-	-	975	-	-	14,435
Pok Oi Hospital	-	-	-	2,899	-	303	-	-	-
Tuen Mun Hospital	80,607	-	-	93,830	10,121	4,334	2,991	14,378	5,182
Sub-total	80,607	58,287	12,848	96,729	10,121	5,612	2,991	14,378	19,617
GRAND TOTAL	838,896	220,550	95,446	627,899	109,850	32,171	83,590	158,365	220,532

* For Community Nursing Service, the activity refers to number of home visits made.

For Community Psychiatric Service and Psychogeriatric Service, the activity refers to total number of outreach attendances and home visits. The activity of Community Psychiatric Service also includes Recovery Support Program, Personalized Care Program for patients with Severe Mental Illness (SMI) and services provided by Intensive Care Team, while the activity of Psychogeriatric Service also includes consultation-liaison attendances.

@ For Community Geriatric Assessment Service, the activity refers to total number of outreach attendances and infirmary care service assessments performed.

++ Visiting Medical Officer attendances refer to the services provided to elderly persons living in Resident Care Homes for the Elderly under the Visiting Medical Officers Scheme introduced in 2003-04.

** Community Allied Health attendances exclude follow-up consultations provided by the Medical Social Service Department.

*** Geriatric day hospital attendances include attendances from Integrated Discharge Support Program (IDSP).

Note: The activity performed in different centers / teams are grouped under respective hospital management.

Appendix 11(a)

Manpower Position – by Cluster and Institution

No. of Full-time Equivalent (FTE) Staff (as at 31.3.2012)*

Institution	Medical	Nursing	Allied Health	Others	Total
Hong Kong East Cluster	574.44	2,198.84	660.36	3,365.49	6,799.13
Cheshire Home, Chung Hom Kok	3.00	53.02	8.00	110.00	174.02
HK Tuberculosis, Chest & Heart Diseases Association				8.00	8.00
Hong Kong East Cluster Office	1.00	50.30	10.00	448.94	510.24
Pamela Youde Nethersole Eastern Hospital	447.60	1,422.34	430.36	1,729.06	4,029.36
Ruttonjee & Tang Shiu Kin Hospitals	80.21	424.51	141.00	612.49	1,258.21
St. John Hospital	5.00	30.70	7.00	63.00	105.70
Tung Wah Eastern Hospital	35.63	171.22	60.00	286.00	552.85
Wong Chuk Hang Hospital	2.00	46.75	4.00	108.00	160.75
Hong Kong West Cluster	643.44	2,498.41	776.65	3,123.42	7,041.92
Duchess of Kent Children's Hospital	9.00	63.62	35.00	114.00	221.62
Grantham Hospital	26.00	209.32	45.00	250.00	530.32
Hong Kong West Cluster Office				1.00	1.00
MacLehose Medical Rehabilitation Centre	0.21	35.85	28.00	78.00	142.06
Queen Mary Hospital	555.23	1,800.91	578.65	2,170.42	5,105.21
TWGHs Fung Yiu King Hospital	16.00	86.54	19.00	145.00	266.54
Tung Wah Hospital	37.00	302.17	71.00	365.00	775.17

No. of Full-time Equivalent (FTE) Staff (as at 31.3.2012)*

Institution	Medical	Nursing	Allied Health	Others	Total
Kowloon Central Cluster	700.39	2,948.50	875.97	3,929.76	8,454.61
HK Red Cross Blood Transfusion Service	4.31	68.99	59.00	215.54	347.84
Hong Kong Buddhist Hospital	13.00	142.40	29.00	164.20	348.60
Hong Kong Eye Hospital	36.20	68.76	20.00	146.00	270.96
Kowloon Central Cluster Office	1.00			74.00	75.00
Kowloon Hospital	61.44	750.20	161.47	861.62	1,834.73
Queen Elizabeth Hospital	584.44	1,918.15	593.50	2,457.40	5,553.48
Rehabaid Centre			13.00	11.00	24.00
Kowloon East Cluster	627.65	2,208.88	606.33	2,769.39	6,212.25
Haven of Hope Hospital	20.28	236.66	47.02	323.14	627.10
Kowloon East Cluster Office				7.00	7.00
Tseung Kwan O Hospital	142.15	519.96	140.04	575.99	1,378.14
United Christian Hospital	465.22	1,452.26	419.27	1,863.26	4,200.01
Kowloon West Cluster	1,267.01	4,884.16	1,294.00	6,007.54	13,452.71
Caritas Medical Centre	230.91	752.04	207.06	977.43	2,167.44
Kowloon West Cluster Office	3.00	4.00	3.00	210.97	220.97
Kwai Chung Hospital	69.72	567.64	96.00	518.27	1,251.63
Kwong Wah Hospital	314.64	1,076.41	286.78	1,318.76	2,996.59
North Lantau Hospital	3.00	3.00	1.00	7.00	14.00
Our Lady of Maryknoll Hospital	63.92	233.56	68.72	286.65	652.85
Princess Margaret Hospital	391.39	1,432.89	441.44	1,600.20	3,865.92
TWGHs Wong Tai Sin Hospital	23.59	233.78	40.00	291.20	588.57
Yan Chai Hospital	166.84	580.84	150.00	797.06	1,694.74

No. of Full-time Equivalent (FTE) Staff (as at 31.3.2012)*

Institution	Medical	Nursing	Allied Health	Others	Total
New Territories East Cluster	926.68	3,388.22	961.50	4,404.03	9,680.43
Alice Ho Miu Ling Nethersole Hospital	146.07	507.68	175.00	638.00	1,466.75
Bradbury Hospice	3.23	27.94	4.50	23.00	58.67
Cheshire Home, Shatin	1.00	82.96	8.00	121.00	212.96
New Territories East Cluster Office	1.00	10.00	1.00	404.02	416.02
North District Hospital	166.40	603.14	151.00	667.00	1,587.54
Prince of Wales Hospital	525.98	1,551.74	492.00	1,734.01	4,303.73
Shatin Hospital	40.00	296.76	69.00	390.00	795.76
Tai Po Hospital	43.00	308.00	61.00	427.00	839.00
New Territories West Cluster	693.69	2,731.09	704.17	3,832.69	7,961.64
Castle Peak Hospital	75.31	549.08	76.00	593.53	1,293.92
New Territories West Cluster Office				74.00	74.00
Pok Oi Hospital	104.46	375.54	103.00	523.00	1,106.00
Siu Lam Hospital	2.00	89.39	2.00	223.00	316.39
Tuen Mun Hospital	511.92	1,717.08	523.17	2,419.16	5,171.33
Total	5,433.29	20,858.10	5,878.98	27,432.32	59,602.69

* This figure excludes 1,625.07 staff in the Hospital Authority Head Office.

Manpower on full-time equivalent (FTE) basis includes all staff in HA's workforce i.e. permanent, contract and temporary.

Appendix 11(b)

Manpower Position – by Staff Group

No. of Full-time Equivalent (FTE) Staff 2007-08 – 2011-12 *

	2007-08	2008-09	2009-10	2010-11	2011-12
Medical					
Consultant	530.9	563.4	590.1	630.5	699.3
Senior Medical Officer / Associate Consultant	1,085.4	1,172.9	1,241.5	1,295.5	1,504.3
Medical Officer / Resident (excluding Visiting Medical Officer)	3,091.4	3,110.5	3,147.4	3,109.8	2,945.1
Visiting Medical Officer	14.7	16.3	15.6	16.1	16.2
Intern	329.0	292.0	277.0	280.0	275.0
Senior Dental Officer / Officer	5.5	5.5	6.3	5.3	7.0
Medical Total:	5,057.0	5,160.5	5,277.9	5337.2	5,446.9
Nursing					
Senior Nursing Officer and above	69.0	83.0	81.0	81.0	127.0
Department Operations Manager	157.0	158.0	163.0	163.0	168.0
General –					
Ward Manager / Nurse Specialist/Nursing Officer /Advanced Practice Nurse	2,521.5	3,038.4	3,161.6	3,283.1	3,525.5
Registered Nurse	11,731.0	11,478.1	11,780.1	11,971.3	12,293.3
Enrolled Nurse	2541.9	2,375.4	2,199.4	2,198.7	2,289.8
Midwife / Others	37.7	35.3	28.6	24.6	22.8
Student Nurse / Pupil Nurse / Temporary Undergraduate Nursing student	260.7	397.8	487.0	406.1	447.0
Psychiatric –					
Ward Manager / Nurse Specialist / Nursing Officer / Advanced Practice Nurse	347.0	397.7	415.3	436.3	493.4
Registered Nurse	1,107.7	1,061.5	1,067.5	1,058.8	1,024.8
Enrolled Nurse	491.7	496.4	473.8	473.0	508.9
Student Nurse / Pupil Nurse	8.0	0.0	9.0	6.0	
Nursing Total:	19,273.3	19,521.6	19,866.3	20,101.8	20,900.6

No. of Full-time Equivalent (FTE) Staff 2007-08 – 2011-12 *

	2007-08	2008-09	2009-10	2010-11	2011-12
Allied Health					
Audiology Technician	9.0	9.0	9.0	9.0	7.0
Clinical Psychologist	85.0	92.0	92.3	100.3	110.3
Dietitian	84.0	85.7	92.2	91.9	106.1
Dispenser	886.8	919.0	949.0	971.0	996.6
Medical Technologist / Medical Laboratory Technician	1,081.0	1,106.1	1,148.0	1,175.7	1,221.2
Mould Technologist / Mould Laboratory Technician	27.0	27.0	27.0	27.0	27.0
Optometrist	29.0	29.0	32.0	42.0	60.0
Orthoptist	12.0	12.0	12.0	14.0	13.0
Occupational Therapist	480.5	498.6	531.6	572.6	613.1
Pharmacist / Resident Pharmacist	330.7	353.7	375.7	391.7	436.7
Physicist / Resident Physicist	51.0	55.0	56.0	58.0	61.0
Physiotherapist	709.0	729.2	755.0	774.9	813.6
Podiatrist	19.1	22.2	24.0	26.8	31.4
Prosthetist-Orthotist	98.0	100.2	107.0	105.0	116.0
Radiographer	853.5	869.7	898.0	906.7	924.6
Scientific Officer (Medical)	65.6	64.6	65.6	66.9	70.9
Speech Therapist	54.0	58.0	61.0	58.5	68.5
Medical Social Worker	186.0	198.0	210.0	223.9	265.0
Dental Technician	2.0	2.0	2.0	2.0	2.0
Allied Health Total:	5,063.1	5,231.1	5,447.4	5,617.8	5,944.0

No. of Full-time Equivalent (FTE) Staff 2007-08 – 2011-12 *					
	2007-08	2008-09	2009-10	2010-11	2011-12
Care-related Support Staff					
Health Care Assistant	3,598.0	3,465.0	3,283.0	3,087.0	2,878.0
Ward Attendant	668.0	599.0	537.0	478.0	400.0
General Services Assistant / Technical Services Assistant (Care-related) / Theatre Technical Assistant / Patient Care Assistant	3,503.6	4,265.9	5,133.2	5,661.2	7,110.8
Care-related Support Staff Total:	7,769.6	8,329.9	8,953.2	9,226.2	10,388.8
Direct Patient Care Total:	37,163.0	38,243.1	39,544.9	40,283.0	42,680.2
Others					
Chief Executive / Director / Deputy Director / Head	7.0	7.0	7.0	6.0	7.0
Cluster Chief Executive / Hospital Chief Executive	23.0	27.0	27.0	27.0	27.0
Chief Manager / Senior Manager / Executive Manager / General Manager	89.0	86.6	87.6	86.6	89.6
Other Professionals / Administrator, System Manager, Analyst Programmer etc	1,032.4	1,213.7	1,407.4	1,521.8	1,744.9
Other Supporting Staff – Clerical, Secretarial, Workman, Artisan, Property Attendant etc	15,774.8	16,333.9	16,638.9	16,593.7	16,679.0
Non-direct Patient Care Total:	16,929.2	17,668.2	18,167.9	18,235.1	18,547.6
HA Total:	54,089.2	55,911.3	57,712.8	58,518.1	61,227.8

Note:

* Manpower on full-time equivalent (FTE) basis includes all staff in HA's workforce i.e. permanent, contract and temporary.

Appendix 12(a)

Resource Utilisation for 2011-12

Clusters	Total Recurrent Expenditure (\$Mn)
Hong Kong East Cluster	4,289
Hong Kong West Cluster	4,762
Kowloon Central Cluster	5,449
Kowloon East Cluster	3,903
Kowloon West Cluster	8,688
New Territories East Cluster	6,401
New Territories West Cluster	4,991
Hospital Authority Head Office and Others ^(Note)	1,319
Total	39,802

Note:

Others include resources for hospital services (e.g. intern) and corporate programmes (e.g. insurance premium, legal costs / claims and information technology / information systems services, etc) and others.

Appendix 12(b)

Hospital Authority Training and Development Expenditure 2011-12 ^(Note)

Clusters	Amount
Hong Kong East Cluster	\$5,862,598
Hong Kong West Cluster	\$8,175,128
Kowloon Central Cluster	\$8,415,321
Kowloon East Cluster	\$3,318,333
Kowloon West Cluster	\$7,762,075
New Territories East Cluster	\$8,853,117
New Territories West Cluster	\$6,915,041
Hospital Authority Head Office	\$59,521,092
Total	\$108,822,705

Note:

Expenditure in providing training and development for HA workforce with items including course / conference fees, passages and travel, scholarships, subsistence allowances, teaching aids and devices, publications, trainer fees, refund of exam fee and other relevant charges.

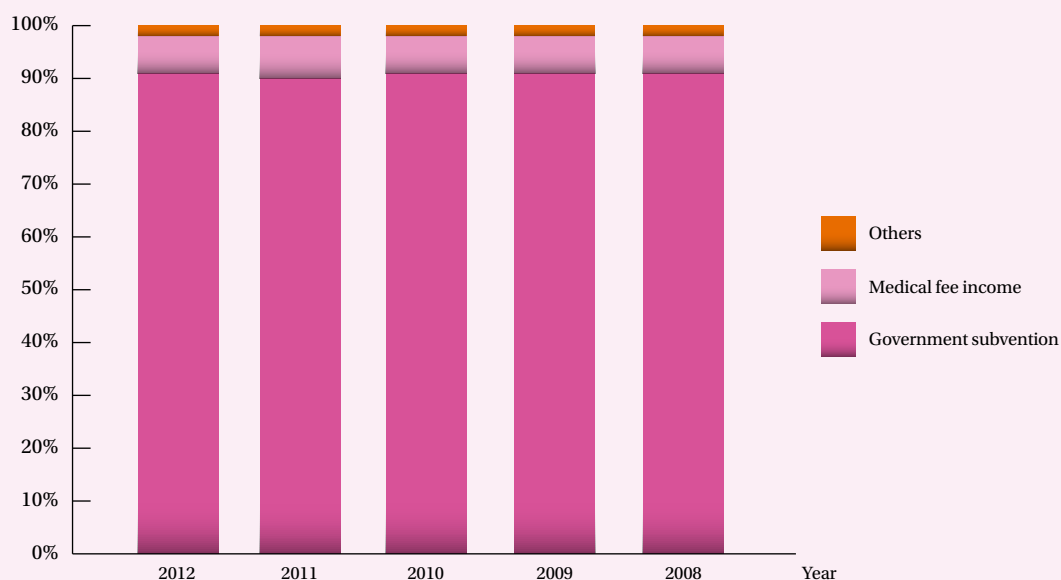
Appendix 13

Five-Year Financial Highlights

Financial Results (for the Year ended 31 March)

	2012 HK\$Mn	2011 HK\$Mn	2010 HK\$Mn	2009 HK\$Mn	2008 HK\$Mn
Income					
Government subvention (recurrent and capital)	38,348	34,366	33,098	31,915	29,915
Medical fee income (net of waivers)	3,030	2,994	2,726	2,527	2,296
Non-medical fee income	685	562	478	454	564
Designated donations	145	143	132	112	108
Capital donations	109	113	110	98	93
	42,317	38,178	36,544	35,106	32,976
Expenditure					
Staff costs	(29,616)	(26,904)	(26,680)	(26,387)	(24,468)
Drugs	(4,069)	(3,639)	(3,209)	(2,812)	(2,596)
Medical supplies and equipment	(1,846)	(1,354)	(1,210)	(1,211)	(1,105)
Other operating expenses (include depreciation)	(6,289)	(6,039)	(5,473)	(4,879)	(4,546)
	(41,820)	(37,936)	(36,572)	(35,289)	(32,715)
Surplus / (Deficit) for the Year	497	242	(28)	(183)	261

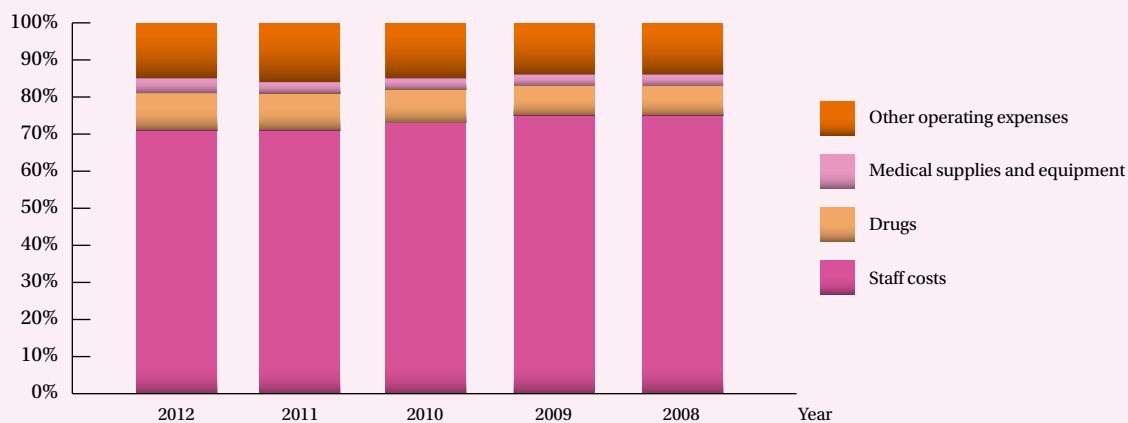
Income by Source (in % of Total Income)



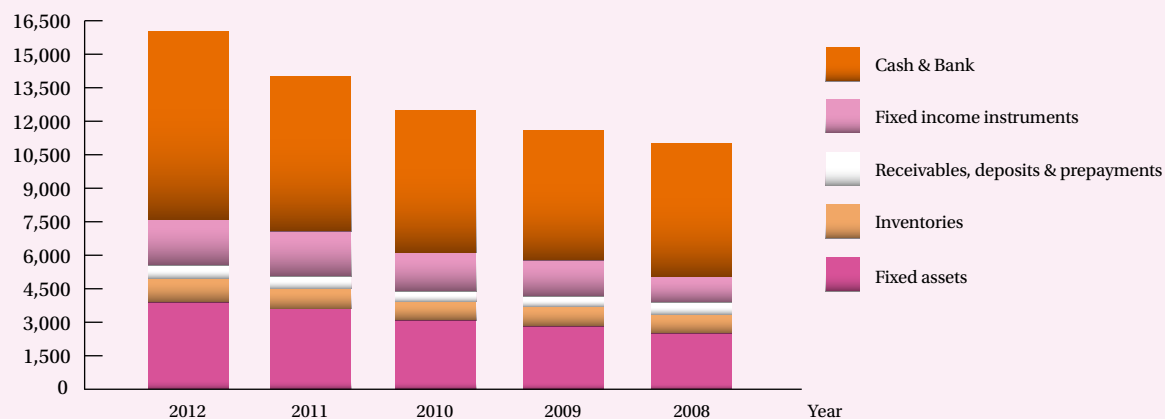
Key Financial Indicators

	2012 HK\$Mn	2011 HK\$Mn	2010 HK\$Mn	2009 HK\$Mn	2008 HK\$Mn
Medical fee income					
Inpatient fees	1,164	1,269	1,174	1,169	1,110
Outpatient fees	1,188	1,169	1,128	1,083	1,046
Itemised charges	1,134	1,032	887	711	590
Other medical fees	71	66	60	61	61
	3,557	3,536	3,249	3,024	2,807
Less: Waivers	(527)	(542)	(523)	(497)	(511)
Medical fee income (net of waivers)	3,030	2,994	2,726	2,527	2,296
Write-off of medical fees	37	29	36	34	62

Expenditure by Category (in % of Total Expenditure)



Total Assets (in HK\$ millions)



Financial Position (as at 31 March)

	2012 HK\$Mn	2011 HK\$Mn	2010 HK\$Mn	2009 HK\$Mn	2008 HK\$Mn
Non-current assets	4,204	5,636	4,539	3,127	2,935
Current assets	11,815	8,425	7,931	8,476	8,075
Current liabilities	(5,929)	(4,795)	(4,007)	(3,316)	(2,908)
Net current assets	5,886	3,630	3,924	5,160	5,167
Non-current liabilities	(683)	(658)	(600)	(661)	(626)
Net assets	9,407	8,608	7,863	7,626	7,476
Capital subventions and donations	3,895	3,593	3,090	2,825	2,492
Designated fund	5,077	5,077	5,077	5,077	5,077
Revenue reserve	435	(62)	(304)	(276)	(93)
	9,407	8,608	7,863	7,626	7,476

Key Financial Indicators

	2012 HK\$Mn	2011 HK\$Mn	2010 HK\$Mn	2009 HK\$Mn	2008 HK\$Mn
Inventories					
Drugs	840	713	640	680	639
Other medical and general consumable	209	180	183	184	200
	1,049	893	823	864	839
Average stock holding period (weeks)					
Drugs	10.8	10.2	10.0	12.5	12.8
Other medical and general consumable	10.0	9.4	8.2	7.2	8.0

Appendix 14

Analysis of Hospital / Clinic Fees and Charges

The fees and charges for medical services provided by the Hospital Authority are levied in accordance with those stipulated in the Gazette. The fees and charges are recognised as income in the Statement of Income and Expenditure when services are provided. Different charge rates are applicable for Eligible Persons and Non-Eligible Persons. Eligible Persons of public health services are holders of Hong Kong Identity Card issued under the Registration of Persons Ordinance or children under 11 years of age with Hong Kong resident status. Persons who are not Eligible Persons are classified as Non-Eligible Persons.

Fees and charges that are uncollectible after all possible attempts have been made are written off in the Statement of Income and Expenditure for the year. In addition, provision is made for outstanding fees and charges. Such provision is assessed based on both the aging as well as the recoverability rate of outstanding hospital fees and charges as at the end of the financial year. The amount of provision for doubtful debts as at 31 March 2012 is HK\$38,960,000 (as at 31 March 2011: HK\$42,699,000).

Fees and charges for public medical services are waived for recipients of Comprehensive Social Security Assistance ("CSSA"). Other patients who have financial difficulties in paying fees and charges for medical services can approach the Medical Social Workers to apply for waivers which may be granted after assessment of the patients' financial condition.

The analysis of the hospital / clinic fees and charges of the Hospital Authority is as follows:

	2011/2012			2010/2011		
	HK\$'000	HK\$'000	(%)	HK\$'000	HK\$'000	(%)
Net hospital / clinic fees and charges		2,996,705	(84.3%)		2,956,360	(83.6%)
Hospital / clinic fees written-off and changes in provision for doubtful debts						
Actual write-off	36,900			29,126		
(Decrease) / Increase in provision	(3,739)			8,228		
		33,161	(0.9%)		37,354	(1.1%)
Waiver of hospital / clinic fees for:						
Eligible Persons		488,653	(13.7%)		501,481	(14.2%)
Non-Eligible Persons		38,275	(1.1%)		40,614	(1.1%)
Total hospital / clinic fees and charges		3,556,794	(100%)		3,535,809	(100%)

The Hospital Authority is committed to environmental protection.
You may access this Report on our website www.ha.org.hk

Hospital Authority

Hospital Authority Building
147B Argyle Street, Kowloon, Hong Kong
Telephone: (852) 2300 6555
Facsimile: (852) 2890 7726
Email: enquiry@ha.org.hk

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