

立法會
Legislative Council

LC Paper No. CB(2)331/12-13(04)

Ref : CB2/PL/HS

Panel on Health Services

**Updated background brief prepared by the Legislative Council Secretariat
for the meeting on 17 December 2012**

**Fees and charges for private patients and
non-eligible persons in the Hospital Authority**

Purpose

This paper summarizes the concerns of the members of the Panel on Health Services ("the Panel") on fees and charges for private patients and non-eligible persons ("NEPs")¹ in the Hospital Authority ("HA").

Background

2. It has been the Government's policy to provide public healthcare services to Hong Kong residents at highly subsidized rates. Given that public funds should not subsidize for those who wish to use private services at public hospitals, HA charges market rates for its private services, which should at least equal the full costs of providing such services. It is also a well established principle that heavily subsidized healthcare services should not be diverted to non-residents and visitors at the expense of local residents. Hence, non-Hong Kong residents seeking access to public healthcare services will need to pay the fees applicable to NEPs, which are in general set on a cost recovery basis.

¹ HA has implemented a package charge for obstetric service for NEPs since 2005. This paper will only cover the fees and charges for NEPs for services other than obstetric service.

3. At present, private services are charged on an itemized basis, with each service (e.g. hospitalization, physiotherapy) and procedure/test (e.g. operations, diagnostic radiology or pathology tests) charged separately. The full list of private charges is published in the Gazette. The current consultation or doctor fees for private patients, which were last revised in 2005, are as follows: \$550-\$1,750 per attendance for the first specialist outpatient consultation; \$450-\$1,150 per attendance for subsequent follow-up specialist outpatient consultation; and \$550-\$2,250 per attendance for inpatient service. The respective charges for the first and second class private wards of acute hospitals are \$3,900 and \$2,600 per day, and that of non-acute hospitals are \$3,300 and \$2,200 per day.

4. The current NEP charges of major services of HA, which were last revised in April 2003 based on the then prevailing costs of the services, are as follows: \$3,300 per day for inpatient service (General); \$570 per attendance for accident and emergency service; \$700 per attendance for specialist outpatient service; and \$215 for general outpatient service.

Deliberations of the Panel

5. The Panel held four meetings between 2004 and 2007 to discuss the fees and charges for NEPs and private patients. The deliberations and concerns of members are summarized below.

Rationale for the provision of private services at public hospitals

6. While noting that the practice of providing private services at public hospitals could be traced back to the time of the former Medical and Health Department, some members were of the view that HA should not compete with the private sector in providing private services.

7. The Administration explained that the main rationale for the provision of private services at public hospitals was to offer the public a means to access specialized expertise and facilities (especially at the two teaching hospitals, i.e. the Queen Mary Hospital and the Prince of Wales Hospital) not generally available in the private sector. The majority of the private specialist out-patient

services were concentrated at the two teaching hospitals. Other non-teaching public hospitals, such as the Queen Elizabeth Hospital ("QEH"), also provided some private specialist outpatient services, but on a much smaller scale. As regards HA's private inpatient services, the majority of such were provided by the two teaching hospitals and QEH, although private beds were available at 14 other public hospitals.

8. Members were concerned that the provision of private services at public hospitals might adversely affect the public services, particularly the waiting time for patients seeking public specialist outpatient service. The Administration advised that private patient services only accounted for a small part of the overall services provided at HA. To ensure that public services would not be adversely affected by the provision of private services, there were guidelines in place at public hospitals that restricted the time each doctor could devote to private specialist outpatient services to one consultation session a week (i.e. three to four hours). HA would not vary the number of sessions and consultations available for its public specialist outpatient service due to changes in the demand of its private service. Similar guidelines were in place in The University of Hong Kong and The Chinese University of Hong Kong restricting the time that each teaching staff of the Faculties of Medicine could provide private patient services. There was also agreement between the Government and HA that the total number of private beds in public hospitals should be limited to a maximum of 379 beds.

Range of fees for private consultation services

9. Question was raised on the methodology for adopting pre-set ranges for the private service consultation fees.

10. The Administration advised that the cost of private consultations in public hospitals could be attributed to two main factors, namely, the level of medical expertise required in the provision of the service and the complexity of the patients' clinical conditions. In respect of the factor of medical expertise, there were two main levels, i.e. the Associate Professor/Specialist level and the Professor/Consultant level. As for the factor of the complexity of the patients' clinical conditions, it was mainly accounted for by the time spent by the doctor in consultation. For the purpose of setting the charges, HA categorized private consultations into three levels of complexity, namely, low, medium and high,

and determined the charges on the basis that they would take up 20 minutes, 40 minutes and 60 minutes of the doctor's time respectively. Taking the specialist outpatient consultation as an example, the lower limit of the range at \$550 would be for the treatment for a relatively simple case taking reference to the time cost of a 20-minute consultation by an Associate Professor/Specialist, whereas the upper limit of the range at \$1,750 would be for the treatment of a complex case taking reference to the time cost of a 45-minute consultation by a Professor/Consultant.

Recent development

11. On 26 November 2012, the HA Board endorsed the review of hospital fees and charges levied on NEPs and private patients. The respective fees and charges for NEP and private services were proposed to be increased by 44.5% and 45% on average when compared to the level of fees and charges in 2003. The proposed revisions were projected to lead to an increase of revenue of \$133 million per year. The fee revisions proposed for implementation on 1 April 2013 would be gazetted for public notice following necessary resolution from Hospital Governing Committees and direction from Government.

Relevant papers

12. A list of the relevant papers on the Legislative Council website is in the **Appendix**.

Appendix

Relevant papers on the fees and charges for private patients and NEPs in HA

Committee	Date of meeting	Paper
Panel on Health Services	13.12.2004 (Item V)	Agenda Minutes
Panel on Health Services	17.5.2005 (Item VI)	Agenda Minutes
Panel on Health Services	13.6.2005 (Item IV)	Agenda Minutes CB(2)2986/05-06(01)
Panel on Health Services	2.4.2007 (Item III)	Agenda Minutes

Council Business Division 2
Legislative Council Secretariat
13 December 2012