

**For information  
on 24 June 2013**

**LEGISLATIVE COUNCIL**

**PANEL ON WELFARE SERVICES  
PANEL ON HEALTH SERVICES**

**JOINT SUBCOMMITTEE ON LONG-TERM CARE POLICY**

**Pilot Scheme on Community Care Service Voucher for the Elderly**

**Purpose**

This paper informs Members of the progress of preparation and implementation details of the Pilot Scheme on Community Care Service Voucher for the Elderly (Pilot Scheme).

**Background**

2. “Ageing in place” is the underlying principle of the Government’s elderly care policy. This is also in line with the wish of most elderly people. To this end, the Government provides a range of subsidised community care services (CCS), including centre-based day care services and home-based services.

3. In 2010, the Elderly Commission (EC) commissioned the Consultancy Study on Community Care Services for the Elderly (Consultancy Study). The Consultancy Study examined how CCS could be strengthened through a more flexible and diverse mode of service delivery to provide better support for the elderly who age at home. The Consultancy Study report was released in July 2011. The EC recommended, among others, that the Government introduce a voucher scheme to allow eligible elderly persons to choose the CCS that suited their needs.

## **Preparatory Development of the Pilot Scheme**

4. Taking on board EC's recommendation, the Administration will implement a pilot scheme to test the viability of the new funding mode, adopting the "money-follows-the-user" approach whereby the Administration will provide subsidy directly to the service users (instead of service providers) in the form of service vouchers. Eligible elderly persons (as voucher holders) can choose the service provider, the type of service and the service package that suit their individual needs.

5. In designing the parameters of the Pilot Scheme, the Administration has conducted in-depth briefings, consultation sessions and discussions with relevant stakeholders, including EC, non-governmental organisations (NGOs), concern groups, etc. We have also briefed Members of the Panel on Welfare Services of the Legislative Council on the preliminary design of the Pilot Scheme on 13 February 2012 and listened to deputations' views and concerns on 27 April 2012.

6. The Social Welfare Department (SWD) conducted the Expression of Interest (EOI) exercise in August 2012, where NGOs and social enterprises (SEs) were invited to indicate interest in becoming Recognised Service Providers (RSPs) under the Pilot Scheme. The opportunity was taken to collect information and views from the interested NGOs and SEs, including the estimated number of possible operating service units, their service capacity, use of premises, earliest date of provision of service and the financial support required.

7. Following the EOI exercise, an amount of \$380 million has been allocated to SWD from the Lotteries Fund for the implementation of the First Phase of the Pilot Scheme which includes the subsidy on voucher value and seed money grant to RSPs for the purchase of vehicle and/or furniture and equipment that they need to implement the Pilot Scheme. SWD also drew up the implementation details for the First Phase of the Pilot Scheme as set out in the paragraphs below.

## **Implementation Details of the Pilot Scheme**

### ***Pilot Period***

8. The Pilot Scheme will last for four years. The First Phase (lasting for two years) will start from September 2013, and the Second Phase will commence in 2015-16. The first phase will focus on the elderly persons with moderate impairment. Based on the outcome of the First Phase, we may include elderly persons with severe impairment, whose care needs are more complicated, in the Second Phase.

### ***Participants***

9. Taking into consideration the EOI received and the district profile including the number of elderly people who are living in the community and waiting for placements at day care centres for the elderly (DE) and/or care and attention homes, the First Phase of the Pilot Scheme will serve eligible elderly in eight districts, namely Eastern, Wong Tai Sin, Kwun Tong, Sham Shui Po<sup>1</sup>, Shatin, Tai Po, Tsuen Wan and Tuen Mun.

10. The eligible participants of the First Phase of the Pilot Scheme are those elderly persons living in the selected districts listed in paragraph 9 above who have been assessed by the Standardised Care Need Assessment Mechanism for Elderly Services of SWD as moderately impaired and are waiting for subsidised CCS and/or residential care service (RCS) in the Central Waiting List (CWL) of the Long Term Care (LTC) Services and not receiving any kind of RCS or subsidised CCS.

### ***Recognised Service Providers***

11. SWD invited eligible NGOs and SEs to submit applications for being RSPs in January 2013. A Vetting Committee was set up to conduct assessment of the applications. A total of 62 eligible RSPs to be operated by 29 NGOs and two SEs were selected. Among them, 48 eligible RSPs also received seed money at a total amount of around \$78 million. The distribution of the 62 eligible RSPs by district is at the **Annex**.

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<sup>1</sup> RSPs in Sham Shui Po district will serve the elderly living in Sham Shui Po as well as those in Kowloon City and Yau Tsim Mong districts.

### ***Scope of Services***

12. The recognised scope of services under the Pilot Scheme is similar to the existing subsidised DE and Enhanced Home and Community Care Services (EHCCS).

13. The scope of the day care services under the Pilot Scheme would include personal care services, rehabilitation exercise, nursing care, health education, carer support services, counselling and referral services, meals, social and recreational activities, and transportation services to and from the DE.

14. The scope of home care services under the Pilot Scheme should include care management, basic and special nursing care, personal care, rehabilitation exercise, carer support services, day respite service, counselling services, 24-hour emergency support, environmental risk assessment and home modifications, home-making and meals delivery services, transportation and escort services.

### ***Service Capacity and Mode***

15. The number of vouchers to be issued in the First Phase of the Pilot Scheme is 1 200. The voucher services will be delivered in two modes:

- (a) Mixed mode: day care (part-time) and home care services; or
- (b) Single mode: day care services (part-time) only.

### ***Voucher Value***

16. The voucher value is the amount available to the participants for procuring care services in a month. In the First Phase, one single voucher value will be offered to all voucher holders. Making reference to the respective unit costs of the subsidised DE and EHCCS in 2013-14, the voucher value will be adjusted from \$5,000 (as announced in early 2012) to \$5,800 per month when the Pilot Scheme is launched in September 2013 and from then the RSP has to provide services in the

value of \$5,800 to each voucher holder in a month. The voucher value cannot be carried forward to the following month(s). There will be annual adjustment of the voucher value based on the Composite Consumer Price Index (CCPI).

### ***Co-payment and Means Test***

17. The services provided under the Pilot Scheme would remain subsidised. A sliding scale of co-payment will be put in place with five levels of government subsidy, so that the less the user can afford, the more the Government will pay. The five levels of the voucher holder's co-payment amount (i.e. \$500, \$750, \$1,000, \$1,500 and \$2,500) in the First Phase will be fixed and remain unchanged throughout the First Phase, while the voucher value will be adjusted annually based on CCPI.

18. SWD will conduct means test to assess the household income of the voucher holder to determine his/her level of co-payment. The asset value of the voucher holder and his/her household is, however, not subject to such means test. Reference will be made to the updated quarterly Median Monthly Domestic Household Income when setting the household income thresholds for households of different sizes.

19. For voucher holders on Comprehensive Social Security Assistance (CSSA), they may apply for a special grant under CSSA to cover part of the co-payment under the Pilot Scheme. During the First Phase, eligible CSSA recipients need to pay a monthly co-payment of \$500 but may receive reimbursement of either \$207 (under mixed mode) or \$149 (under single mode) per month from Social Security Field Units of SWD. The reimbursement shall put them in a similar position as those CSSA recipients who are receiving CCS under the conventional approach.

### ***Invitation of participants***

20. Each elderly person on CWL is being taken care of by a Responsible Worker (RW) regarding his/her LTC services application. Based on the application dates for the LTC service in the CWL, SWD will, in mid-July 2013, invite eligible elderly persons via their RWs to join the Pilot Scheme.

21. As and when an elderly person participates in the Pilot Scheme, SWD will inactivate his/her LTC services application in the CWL. Nevertheless, upon request of the elderly concerned, his/her application will be re-activated with the waiting position resumed according to the original application date.

### ***Transparency of Information***

22. To facilitate the voucher holders to select the service provider and the CCS that best suit their needs, RSPs would have to make available the service-related information, including service packages, the price lists of the additional and/or non-essential service, and target group of elderly to be served (e.g. elderly with dementia), if any, to the voucher holders, their carer(s), the RWs, and SWD. Such information would be uploaded on the RSPs' and SWD's webpages for reference by the public as well. At the same time, promotional leaflet of the Pilot Scheme as well as a service catalogue which consists of the relevant information of all the RSPs will be produced by SWD to facilitate the elderly participants to choose their desired service providers.

### ***Service Quality Assurance and Monitoring***

23. SWD will conduct review visits, random checks (with or without prior notice) to RSPs to audit all relevant records and files (such as service packages of individual voucher holder, records on payment and service hours of the individual voucher holder, and fee-charging, complaint investigations, compliance with the 16 Service Quality Standards etc.) as appropriate, to ensure the quality of services. RSPs will also be subject to financial monitoring in accordance with the requirements of the Lotteries Fund.

24. SWD reserves the right to suspend or terminate the RSP's status of a RSP when it fails to deliver the agreed scope, level, volume and quality of service.

### **Evaluation**

25. SWD will commission a consultant to conduct an evaluation on the First Phase of the Pilot Scheme, taking into account the user

satisfaction, outcome measurement, feedback from RSPs and users before launching the Second Phase of the Pilot Scheme.

### **Case Mix Study on Community Care Service for the Elderly**

26. To prepare for the Second Phase, SWD has also commissioned a Case Mix Study on Community Care Service for the Elderly (the Study). The Study will mainly examine the services needs of elderly persons at moderate to severe levels of impairment and different care needs of groups of elderly persons within the same impairment level. The result of the Study would assist the Administration in determining the suitable level of different voucher values for the Second Phase of the Pilot Scheme, the potential service users at moderate to severe levels of impairment and their care needs which would be more diverse.

### **Advice Sought**

27. Members are invited to note the content of this paper.

**Labour and Welfare Bureau  
Social Welfare Department  
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**The First Phase of the Pilot Scheme on  
Community Care Service Voucher for the Elderly  
Distribution of Recognised Service Providers (RSPs)  
in the Eight Selected Districts**

<b>Selected Districts</b>	<b>Number of RSPs</b>
Eastern	9
Wong Tai Sin	6
Kwun Tong	12
Sham Shui Po (including Kowloon City & Yau Tsim Mong)	9
Shatin	11
Tai Po	6
Tsuen Wan	4
Tuen Mun	5
Total	62