

**立法會**  
**Legislative Council**

LC Paper No. CB(2)935/13-14

(These minutes have been  
seen by the Administration)

Ref : CB2/PL/HS

**Panel on Health Services**

**Minutes of meeting**  
**held on Monday, 28 October 2013, at 4:30 pm**  
**in Conference Room 2 of the Legislative Council Complex**

- Members present** : Dr Hon LEUNG Ka-lau (Chairman)  
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN (Deputy Chairman)  
Hon Vincent FANG Kang, SBS, JP  
Hon CHAN Kin-por, BBS, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Hon CHEUNG Kwok-che  
Hon Mrs Regina IP LAU Suk-ye, GBS, JP  
Hon Albert CHAN Wai-yip  
Hon Charles Peter MOK  
Hon CHAN Han-pan  
Dr Hon KWOK Ka-ki  
Dr Hon Fernando CHEUNG Chiu-hung  
Dr Hon Helena WONG Pik-wan  
Hon POON Siu-ping, BBS, MH  
Dr Hon CHIANG Lai-wan, JP
- Member attending** : Hon WU Chi-wai, MH
- Members absent** : Hon Albert HO Chun-yan  
Hon WONG Ting-kwong, SBS, JP  
Hon Alice MAK Mei-kuen, JP  
Dr Hon Elizabeth QUAT, JP

**Public Officers : Item IV  
attending**

Prof Sophia CHAN Siu-chee, JP  
Under Secretary for Food and Health

Ms Estrella CHEUNG  
Principal Assistant Secretary for Food and Health (Health)1

Dr LEUNG Ting-hung, JP  
Controller, Centre for Health Protection  
Department of Health

Dr Henry NG  
Head, Programme Management and Professional Development  
Branch  
Department of Health

Item V

Prof Sophia CHAN Siu-chee, JP  
Under Secretary for Food and Health

Ms Angela LEE  
Principal Assistant Secretary for Food and Health (Health) 2

Dr LEUNG Ting-hung, JP  
Controller, Centre for Health Protection  
Department of Health

Dr Andrew WONG  
Head (Infection Control Branch)  
Centre for Health Protection, Department of Health

Dr LIU Hing-wing  
Director (Quality and Safety)  
Hospital Authority

Dr Dominic TSANG  
Chief Infection Control Officer  
Hospital Authority

Prof YUEN Kwok-yung, SBS, JP  
Member, Board of Scientific Advisers, Centre for Health Protection /  
Chair Professor, Department of Microbiology, University of  
Hong Kong

Item VI

Dr KO Wing-man, BBS, JP  
Secretary for Food and Health

Miss Janice TSE, JP  
Deputy Secretary for Food and Health (Health)1

Dr CHEUNG Wai-lun  
Director (Cluster Services)  
Hospital Authority

Ms Clara CHIN  
Director (Finance)  
Hospital Authority

Dr LO Su-vui  
Director (Strategy and Planning)  
Hospital Authority

Mr Donald LI  
Chief Manager (Capital Planning)  
Hospital Authority

**Clerk in attendance** : Ms Maisie LAM  
Chief Council Secretary (2) 5

**Staff in attendance** : Ms Mina CHAN  
Senior Council Secretary (2) 5

Ms Priscilla LAU  
Council Secretary (2) 5

Ms Michelle LEE  
Legislative Assistant (2) 5

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**I. Confirmation of minutes**  
[LC Paper No. CB(2)113/13-14]

The minutes of the meeting held on 10 October 2013 were confirmed.

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**II. Information paper(s) issued since the last meeting**

[LC Paper Nos. CB(2)1696/12-13(01) and (02), CB(2)1741/12-13(01)]

2. Members noted that the following papers had been issued since the meeting on 15 July 2013 -

- (a) Letter dated 13 July 2013 from Mr Stanley TAM, Sai Kung District Council member, on manpower deployment of Hong Kong Buddhist Hospital and the Administration's response dated 7 August 2013; and
- (b) Referral from the meeting between Legislative Council Members and Tsuen Wan District Council members on 6 June 2013 on dental care services for the elderly.

**III. Items for discussion at the next meeting**

[LC Paper Nos. CB(2)112/13-14(01) and (02)]

3. The Chairman informed members that pursuant to the discussion at the informal meeting between himself and the Deputy Chairman and the Secretary for Food and Health ("SFH") on the work plan of the Panel for the 2013-2014 session on 16 October 2013, the list of outstanding items for discussion by the Panel had been updated. The Administration had proposed to discuss the following two items at the next regular meeting on 18 November 2013 at 4:30 pm -

- (a) Regulation of pharmaceutical products in Hong Kong; and
- (b) Regulation of medical beauty treatments or procedures.

4. Dr Fernando CHEUNG considered that the discussion of the subject "Dental care services for the elderly and people with disabilities" (i.e. item 10 of the list of outstanding items for discussion) should be advanced from the first quarter of 2014 to the next regular meeting or the latest the regular meeting in December 2013. In so doing, the Food and Health Bureau ("FHB") could, where appropriate, take on board members' suggestions to enhance public dental care services for these vulnerable groups and propose new initiatives in this respect for possible inclusion in the 2014 Policy Address and the 2014-2015 Budget.

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5. The Chairman asked whether the Administration was in a position to discuss the subject before the end of 2013. Under Secretary for Food and Health ("USFH") responded that she would revert after the meeting.

6. The Chairman suggested that items (a) and (b) in paragraph 3 above would be discussed at the November regular meeting, and the inclusion of the item "Dental care services for the elderly and people with disabilities" into the agenda for the meeting would be subject to the Administration's response. Members agreed.

*(Post-meeting note: At the suggestion of the Administration, members agreed at the meeting on 18 November 2013 to discuss the subject on "Dental care services for the elderly and people with disabilities" at the regular meeting in December 2013.)*

**IV. Injection to the AIDS Trust Fund**

[LC Paper Nos. CB(2)112/13-14(03) and (04)]

7. The Chairman reminded members that in accordance with Rule 83A of the Rules of Procedures ("RoP"), they should disclose the nature of any direct or indirect pecuniary interests relating to this funding proposal before they spoke on the subject.

8. USFH briefed members on the proposal of injecting \$350 million into the AIDS Trust Fund ("ATF") in 2013-2014 to continue the support in prevention and control of Human Immunodeficiency Virus ("HIV")/Acquired Immunodeficiency Syndrome ("AIDS") in Hong Kong, details of which were set out in the Administration's paper (LC Paper No. CB(2)112/13-14(03)).

9. Members noted the background brief entitled "AIDS Trust Fund" (LC Paper No. CB(2)112/13-14(04)) prepared by the Legislative Council ("LegCo") Secretariat.

Funding granted by ATF

10. Mr POON Siu-ping said that he was in support of the proposed funding injection into ATF. Noting that publicity and public education, and medical and support services were two major categories of funding granted by ATF, he sought explanation on why the funding amount granted for these two categories had respectively surged from \$10 million and \$3.7 million in 2010-2011 to \$40 million and \$9 million in 2011-2012.

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11. Controller, Centre for Health Protection ("Controller, CHP") advised that past programmes funded by ATF were required to be completed within one year. Many of these programmes were of a smaller scale and a pilot nature. Under the present arrangement, programmes could be of duration of up to three years, and hence would require a greater amount of funding support. Given the rising HIV epidemic in men who have sex with men ("MSM"), additional funding support had also been granted to publicity and public education programmes targeted at preventing HIV infections in MSM.

12. Expressing support for the proposed funding injection into ATF, Dr Fernando CHEUNG urged ATF to accord higher priority to programmes targeted at high-risk groups identified by the Advisory Council on AIDS ("ACA"), namely, MSM; male clients of female sex workers; injection drug users; sex workers; and people living with HIV. Efforts should also be made to engage more relevant non-governmental organizations ("NGOs"), such as local sexual workers concern groups (e.g. Action for REACH OUT, Midnight Blue and Zi Teng), as active partners in HIV prevention work.

13. Mr CHEUNG Kwok-che expressed concern that while more than \$10 million had been granted for programmes targeting at MSM in each of the financial years of 2011-2012 and 2012-2013, he was not aware of any large scale publicity campaigns in this regard. Controller, CHP explained that a major proportion of work carried out by the ATF-funded NGOs targeting at MSM had focused on outreach activities in high-risk venues. At the request of Mr CHEUNG Kwok-che, Controller, CHP agreed to provide after the meeting written information on, in respect of programmes targeting at MSM which were funded by ATF during the period from 2007-2008 to 2012-2013, the amount of grant used by those three-year programmes on a yearly basis; the number of organizations involved and the number of staff employed by each of them; as well as the number of MSM that had been reached.

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HIV prevention interventions for the at-risk populations

14. Mr CHAN Kin-por surmised that the HIV prevention efforts might be undermined by prevalence of risk behaviours in the at-risk populations due to the fact that modern medical treatment could control the viral load of people living with HIV. In particular, he noted with concern that the HIV prevalence rate among MSM, which stood at around 4%, was much higher than that of other at-risk populations, such as that of female sex workers which stood at 0.05%. While a two-year Special Project Fund was launched under ATF in December 2006 to support community projects for preventing HIV infections in MSM, only some 40 applications had been approved during the financial years of 2007-2008 and 2008-2009. He cast

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doubt on whether existing HIV prevention interventions carried out by the ATF-funded NGOs could effectively reach all at-risk communities.

15. USFH advised that MSM was the highest priority community for HIV prevention. The Administration attached great importance to the need to scale up prevention in this community. Given that at-risk populations were more receptive to HIV/AIDS-related services provided by NGOs, ATF played a crucial role in providing financial support to NGOs for the delivery of targeted preventions and surveillance to these populations.

16. Controller, CHP supplemented that enhancing publicity and public education on safer sex practice and early identification of HIV carriers for appropriate counselling and treatment were effective interventions against HIV/AIDS epidemic as recommended by the World Health Organization. It should be noted that effective treatment would not only prolong the lives of people living with HIV, but also reduce the risk of HIV transmission by 95%. With the continued and concerted efforts of the Government and NGOs on all the aforesaid fronts, the HIV prevalence rate among MSM in Hong Kong had remained relatively low at below 5% over the last decade, whereas that of the Western countries and the African or Southeast Asian countries were, respectively, 7% to 10% and as high as 25%. Controller, CHP further pointed out that the present arrangement that the ATF funded-programmes could be of duration of up to three years would provide greater flexibility in the delivery of services by NGOs and further enhance the effectiveness of the programmes.

17. Dr Fernando CHEUNG noted that ACA's targets were to expand the HIV testing coverage to at least 50% of MSM population, ensure regular condom use among 80% of the at-risk populations and increase the coverage of HIV prevention message to at least 75% and 95% of MSM and female sex workers by 2015. He asked whether ACA had captured statistics on the size of these hidden populations for measuring the achievability of these targets. Dr Helena WONG raised a similar question, adding that ACA should consider raising its target levels on regular condom use among the at-risk populations and coverage of HIV prevention message to female sex workers to ensure safer sex practice in these groups. ATF should also enhance its support to NGOs to step up dissemination of these messages.

18. Replying in the positive, Controller, CHP advised that universities and NGOs would collect samples among the high-risk populations on a regular basis to assess prevalence of HIV in these populations. All donated blood would also be tested for the presence of HIV antibodies by the Hong Kong Red Cross Blood Transfusion Service of the Hospital Authority

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("HA"). This would shed light on HIV prevalence among the general population of Hong Kong.

Education on safer sex

19. Dr Helena WONG expressed concern that the emphasis placed by ACA and ATF on the high-risk populations might give rise to the public misconception that only members of these populations would have the risk of contracting HIV. She considered that apart from supporting NGOs to encourage at-risk populations to reduce their risky behaviour, ATF should also promote condom use as a norm for safer sex in all sexual relationships. Controller, CHP advised that based on the recommendations of ACA, the Administration adopted a two-pronged approach to promote safer sex practice to both the high-risk populations and the general public. For the latter, cases in point were that NGOs would provide outreach activities and utilize new media such as the internet to provide sex education to the youth.

20. Dr Helena WONG enquired whether primary and secondary students would receive sex education in schools. Mrs Regina IP asked whether sex education was an element of Personal, Social and Humanities Education ("PSHE"), which was a Key Learning Area of the school curriculum.

21. Controller, CHP advised that a holistic curriculum framework of sex education embracing knowledge, skills and values for students of different developmental stages had been set out in the PSHE Key Learning Area Curriculum Guide developed by the Curriculum Development Council ("CDC") for schools' adoption. Mrs Regina IP called on the Administration to provide the up-to-date information collected by the ATF-funded NGOs on sexuality issues of the youth to CDC's Committee on Personal, Social and Humanities Education for reference. In response to Mrs Regina IP's further enquiry on whether local universities would make reference to the practice of the universities in the United States to provide students with free and confidential testing for sexually transmitted diseases, USFH advised that it was up to the local universities to consider and decide the scope of services to be provided by their clinics or health service centres.

Monitoring and evaluation mechanism of ATF

22. Mr POON Siu-ping sought information about the mechanisms put in place by ATF to assess the effectiveness of its funded programmes. USFH advised that applicants were required to set out in their applications the monitoring and evaluation plans for measuring the process, outcome and impact of their programmes. The approved funding would be made available by instalments, subject to the submission of satisfactory progress and final reports. The Council for ATF might also adjust the amount of



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grants, and suspend or terminate funding support if changes and irregularities were detected.

Conclusion

23. In closing, the Chairman concluded that the Panel supported the proposed injection of \$350 million into ATF in 2013-2014.

**V. Prevention and control of Multidrug Resistant Organisms**

[LC Paper Nos. CB(2)112/13-14(05) and (06)]

24. USFH, Controller, CHP and Director (Quality and Safety), HA ("D(Q&S), HA") briefed members on the Administration and HA's efforts in the prevention and control of the transmission of Multidrug Resistant Organisms ("MDRO"), notably the Vancomycin Resistant Enterococcus ("VRE") bacteria, details of which were set out in the Administration's paper (LC Paper No. CB(2)112/13-14(05)).

25. Members noted the information note entitled "Prevention and control of Multidrug Resistant Organisms" (LC Paper No. CB(2)112/13-14(06)) prepared by the LegCo Secretariat.

Measures to control VRE

26. Pointing out that Methicillin-resistant *Staphylococcus aureus* ("MRSA"), a type of MDRO, had become endemic in Hong Kong and was increasingly difficult to control, Dr Fernando CHEUNG considered it of paramount importance to prevent the outbreak of VRE in healthcare and institutional settings during the current non-endemic window period. He sought advice from Prof YUEN Kwok-yung on appropriate control measures in this regard, including whether elders residing in residential care homes for the elderly ("RCHEs") should be screened for VRE colonization.

27. Prof YUEN Kwok-yung advised that the current carriage rate of MRSA among elders residing in RCHEs was in the range of 20% to 60%. These elders might spread MRSA to other patients when hospitalized. This partly explained why about 50% of inpatients with *Staphylococcus aureus* bacteraemia were caused by MRSA. He pointed out that MDRO transmitted mainly through the contaminated hands of healthcare workers who had contacted with an infected patient or contaminated areas, such as bed rails and curtains, in the patient's environment. Hence, encouraging good hand hygiene practice among patients and healthcare workers and

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enhancing environmental decontamination were the most important steps to combat the emerging VRE problem during the current window period. For instance, alcohol hand rub should be accessible to all staff and patients at critical control points of routine patient care, such as before medication and tube feeding. The goal was to cut off VRE transmission in hospitals and institutions concerned, which would help prevent its spillage into the community.

28. In response to the Chairman's enquiry about the treatment options of VRE infection and duration of colonization with VRE, Controller, CHP advised that VRE infection could be treated with antibiotics other than vancomycin. In most cases, the bacteria would be cleared within four to eight weeks.

VRE prevalence in public hospitals

29. Given the rising trend of VRE carriers screened in public hospitals, in particular the Queen Elizabeth Hospital ("QEHA"), in recent months, Dr KWOK Ka-ki sought clarification as to whether the prevalence of VRE was caused by institutional factors, such as heavily congested inpatient wards and insufficient space between beds to prevent the spread of the pathogen. The Chairman asked whether HA had collected environmental samplings to assess the degree of contamination of its facilities.

30. Chief Infection Control Officer, HA ("CICO, HA") explained that the majority of VRE cases in QEHA involved vulnerable patients with repeated admission and prolonged hospital stay. However, the fact that over 90% of VRE cases were asymptomatic carriers had posed difficulty to their identification and isolation. In addition, VRE could be transmitted from person to person not only by contact with contaminated hands, but also after contact with contaminated environmental surfaces. Hence, the ability of this pathogen to survive on environmental surfaces for weeks had increased the risk of transmission. At present, 10 environmental samplings of high touch animate surfaces would be collected from high-risk wards of QEHA, such as the medical, surgical and orthopaedics wards, each week to track the infection sources from the environment. Patient segregation and environmental decontamination measures would be carried out as appropriate following the identification of VRE carriers in order to prevent further transmission.

31. The Chairman enquired whether the VRE infections by patients of QEHA were healthcare-associated or community-associated. Controller, CHP advised that more than 1 000 VRE-positive isolates had been sent to

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the Centre for Health Protection for serotyping and characterization testing in 2013. All these bacterial isolates were from public and private hospitals.

32. Prof Joseph LEE said that according to the findings of the survey conducted by the Association of Hong Kong Nursing Staff in October 2013, about 80% and 65% of the some 400 QEH nurses who responded to the survey respectively considered that the nursing manpower and the isolation and infection control measures of QEH were inadequate to control the spread of VRE. The Accident and Emergency Department of QEH had also become heavily congested due to increased number of attendants. About 95% of the respondents were of the view that the measures put in place by QEH to guard against VRE, including the launch of a pan-screening programme, had exerted much pressure on frontline nurses. Noting that as a next step, HA would conduct a targeted screening for VRE carriers in all public hospitals, he urged HA to deploy additional resources for the screening exercise and employ part-time workers to perform the related tasks, say, collecting rectal swabs from patients for VRE testing. Dr Helena WONG said that to her understanding, there was a shortfall of General Services Assistants, who were responsible for performing cleaning duties, in HA. She called on HA to review the employment terms of this rank. USFH agreed to relay members' views to HA.

33. Dr KWOK Ka-ki noted that QEH would reschedule around 300 to 600 elective investigations and operations in order to minimize disruption of possible prolonged stay of patients confirmed as VRE carriers to its clinical and emergency services. He considered that instead of requiring the patients of QEH to reschedule their operations to a few months later, HA should arrange these patients to undergo operations at other public hospitals with spare capacity. CICO, HA advised that the scheduling of elective investigations and operations of QEH had now resumed normal.

Infection control in private hospitals and long-term care facilities

34. Prof Joseph LEE enquired about the monitoring of the infection control measures implemented by RCHEs. Dr Fernando CHEUNG was particularly concerned about infection control in private RCHEs and residential care homes for the disabled ("RCHDs") given the manpower constraint in these institutions and the frail condition of their residents. Dr Helena WONG enquired about the number of checks conducted by the Social Welfare Department ("SWD") and the Department of Health ("DH") to RCHEs on infection control matters.

35. Controller, CHP advised that SWD and DH would conduct annual checking of all 700-odd RCHEs to respectively assess their compliance

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with the licensing requirements on infection control facilities and their infection control practices. Given the high turnover rate of staff of RCHEs, additional training on promoting hand hygiene and proper infection control practices would be provided for certain homes with needs. Focused training on infection control related to MDRO was also provided for RCHEs in May 2013. Taking into account the importance of good hand hygiene in preventing the transmission of VRE, CHP rolled out a territory-wide hand hygiene campaign for RCHE staff, residents and their carers in September 2013 to tie in with the launch of the pan-screening programme on VRE at QEH. Controller, CHP further advised that in case a resident was identified to carry VRE, the RCHE concerned would screen selected residents who had contact with the index resident to mitigate the risk of cross transmission. At present, there was no outbreak of VRE in RCHEs.

36. Dr Fernando CHEUNG expressed concern about the infection control capacity of private RCHEs and RCHDs to receive VRE carriers discharged from hospitals. USFH advised that some infected elderly patients might not be discharged back to RCHEs that were not capable of taking care of VRE carriers. Controller, CHP and D(Q&S), HA supplemented that the enhancement of RCHEs' infection control capacity required RCHEs to ensure hand and environmental hygiene by, say, making alcohol hand rub readily available and accessible to all staff and residents and thorough disinfection of high touch animate surfaces, which were the most effective measures to prevent the ongoing transmission of VRE.

37. Prof Joseph LEE was concerned about the infection control measures put in place by private hospitals. The Chairman remarked that to his understanding, private hospitals had taken steps to enhance infection control.

Public awareness

38. Dr Helena WONG urged the Administration to step up publicity to promote hand hygiene and awareness of antibiotic resistance. USFH advised that CHP had set up a dedicated webpage on its website which carried information on control of MDRO.

**VI. One-off grant to the Hospital Authority for minor works projects [LC Paper Nos. CB(2)112/13-14(07)]**

39. The Chairman reminded members that in accordance with Rule 83A of RoP, they should disclose the nature of any direct or indirect pecuniary interests relating to this funding proposal before they spoke on the item.

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40. Secretary for Food and Health ("SFH") briefed members on the proposal to provide a one-off grant of \$13 billion to HA for carrying out minor works projects, subject to a financial ceiling of \$75 million for each individual item, details of which were set out in the Administration's paper (LC Paper No. CB(2)112/13-14(07)).

Justification for the proposed one-off grant

41. Prof Joseph LEE sought clarification as to whether the provision of the proposed \$13 billion one-off grant to HA for carrying out minor works projects would result in a corresponding reduction in the recurrent annual subvention from the Government to HA.

42. Replying in the negative, SFH advised that apart from major new hospital and hospital redevelopment projects, the Government had been providing funding to HA for implementing minor improvement and planned maintenance projects through the Capital Works Reserve Fund block allocation Head 708 Subhead 8100MX on a lump-sum basis annually. The ambit of Subhead 8100MX covered improvement and maintenance works, preliminary project feasibility studies, and pre-contract consultancy services including design and preparation of tender documents for building projects. The proposed one-off grant would replace the existing annual block allocation to HA through Subhead 8100MX until it was depleted, and it was expected that the grant would be able to support the minor works of HA for about 10 years or so. In response to Mr Vincent FANG's enquiry as to whether no provision would be earmarked under Subhead 8100MX before the depletion of the proposed one-off grant, Deputy Secretary for Food and Health (Health)1 ("DSFH(H)1") replied in the affirmative.

43. Dr KWOK Ka-ki expressed support to provide additional resources to HA to improve its facilities and enhance its service capacity. However, given the considerable amount of the proposed grant and the long span of time between now and 2023 or so, he considered that the proposal had violated the Administration's established fiscal discipline and went against its principle of prudent use of public money. He was concerned that once a bad precedent was set in the present case, there would be far-reaching consequences in fund allocation in the future. Pointing out that HA currently managed 42 public hospitals or institutions, 48 specialist outpatient clinics and 73 general outpatient clinics, which involved around 300 buildings that were subject to quick wear and tear due to their high utilization rate, Mr Vincent FANG held another view that a grant of \$13 billion was not a significant amount of resources for the carrying out of minor works of HA in the next 10 years and he was supportive to the proposal.

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44. SFH explained that the current annual funding arrangement under Subhead 8100MX for minor works projects had constrained HA's ability to flexibly plan and implement the necessary minor works projects for improving and maintaining the facilities in longer term. The proposed new arrangement would give HA more certainty of the funds available for a reasonably long period of time. This could allow HA and individual hospitals to plan for multi-stage improvement works involving decanting and renovation in phases, so as to accelerate progress of the improvement programmes. These programmes were needed to complement other major new hospital or hospital renovation projects, which would typically take a long time to materialize.

45. While considering that there was no reason to object to the provision of additional resources to the public healthcare system, Dr Helena WONG cast doubt on whether it was an opportune time to provide a large amount of grant to support the minor works of HA for the next 10 years or so when the comprehensive review conducted by the Hospital Authority Review Steering Committee on the operation of HA, which included, among others, its resource management system, was underway. In her view, a better way was to increase the allocation under Subhead 8100MX or provide a smaller one-off grant for supporting the minor works of HA for a period of three to five years. SFH responded that whether or not a grant in the amount of \$13 billion could be provided to HA in one go would depend on, among others, the fiscal position of the Government. FHB considered that it should seize the opportunity to provide the one-off grant to HA at this stage.

46. Expressing support to the provision of additional resources to HA for carrying out minor works projects, Mr POON Siu-ping asked whether the Administration would seek additional funding from the Finance Committee ("FC") for the carrying out of the minor works of HA if the proposed grant turned out to be inadequate to support the works for the next 10 years due to various reasons. Replying in the positive, SFH added that proper justification for the funding proposal would be provided if such a need arose in the future. That said, it should be noted that the annual expenditure under Subhead 8100MX in the past few years was in the range of about \$600 million to \$700 million. Hence, the proposed one-off grant, if averaged out among 10 years, was already about two-fold of the present level.

47. Noting that a financial ceiling of \$75 million was proposed to be imposed on each individual project item, Mr Vincent FANG asked about the source of funding for those works projects costing more than \$75 million. SFH advised that projects exceeding the ceiling in cost would be submitted to FC for funding approval on a project basis.

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Project items to be funded by the proposed grant

48. Prof Joseph LEE noted that the rough indication of cost for the project items to be funded by the proposed one-off grant under the facility rejuvenation, capacity enhancement, safe engineering and universal accessibility programmes was \$10.5 billion. He sought explanation for the provision of a one-off grant of \$13 billion to HA.

49. Chief Manager (Capital Planning), HA ("CM(CP), HA") explained that apart from the four specific programmes of improvement works, the one-off grant would also be used to cover regular maintenance or minor works and preparatory works for major capital works projects which were currently funded by Subhead 8100MX block allocation. It was envisaged that around \$4.4 billion was required for the purpose. With the proposed one-off grant of \$13 billion, HA would invest the funds which were not immediately required in low-risk investment to achieve the highest prudent return. It was expected that the approved grant together with the estimated investment return could meet the costs of the planned projects.

50. Dr KWOK Ka-ki expressed concern that the implementation of the projects would be unduly affected if HA suffered an investment loss. SFH responded that there was no cause for such concern, as HA's guiding principles in the investment were capital preservation. DSFH(H)1 supplemented that the option under consideration was to place the committed funds with the Exchange Fund managed by the Hong Kong Monetary Authority for investment, as in the case of the Samaritan Fund. Mr Vincent FANG opined that HA should not place all the funds which were not immediately required with the Exchange Fund to reduce the investment risk.

51. Dr Fernando CHEUNG said that he was supportive of the proposal, and expressed appreciation of the putting in place of a programme to enhance universal accessibility to hospitals and clinics managed by HA which he had long called for. He sought information as to whether the Caritas Medical Centre ("CMC"), the Princess Margaret Hospital ("PMH") and QEH would be covered under this programme.

52. SFH advised that improving the provisions for barrier-free access to HA facilities would involve a number of practical issues, such as the ownership, liability and management responsibility of the land in the vicinity of the hospitals or clinics concerned, which needed to be resolved. That said, HA had taken steps to improve the accessibility to its hospitals and clinics in recent years. On the accessibility to individual hospitals, CM(CP), HA advised that with an earlier donation from the Hong Kong Jockey Club, the

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design works for improving barrier-free access in PMH were underway. As regards CMC, a new lift tower had been constructed under the phase two redevelopment of the hospital to facilitate access of patients and visitors from Wing Hong Street to the hospital compound. For QEH, the provision of escalators at the Ambulatory Care Centre of the Hospital was one of the project items to be funded by the proposed one-off grant.

53. Referring to the use of the proposed grant to cover the preparatory works for major capital works projects, Mr Vincent FANG was of the view that the Administration should demolish rather than redevelop the ageing hospital buildings. In his view, constructing new hospitals at new sites would be more cost-effective and could better meet the increasing demand for public healthcare services arising from an ageing population.

54. SFH advised that in planning the development of new hospitals and the redevelopment or expansion of existing hospitals, the Administration and HA would take into account a number of factors including, among others, the projected demand for healthcare services having regard to future population growth and demographic changes in the catchment area of each hospital cluster. For instance, the proposal of constructing a new acute hospital at the Kai Tak Development Area was aimed at meeting the long-term demand of residents in the Kowloon region. In circumstances when the projected change in the population in the region did not justify construction of a new hospital, expanding or redeveloping the existing hospitals was more desirable and cost-effective. Details of an overview of the redevelopment or expansion plans of existing public hospitals and development of new hospitals were set out in the Administration's paper provided for the Panel meeting in July 2013.

55. Mr Charles MOK agreed that the current annual funding arrangement under Subhead 8100MX had hampered HA's ability to flexibly plan and implement its minor works projects in longer term. He however was concerned about how HA could ensure that prioritization of the project items to be funded by the one-off grant would be in the best interest of patients given the existence of fiefdoms among public hospitals.

56. CM(CP), HA advised that priority would first be given to project items for compliance with statutory requirements (e.g. periodic inspection, testing and certification of fixed electrical installation works as stipulated in the Electricity Ordinance (Cap. 406)) and corporate initiatives (e.g. the Filmless HA project). This apart, HA would take into account the ages and floor areas of its hospital buildings in the annual allocation of resources among hospital clusters for funding the minor works projects. For instance, the amount of resources to be allocated per square meter to a 60-year-old



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building would be two and a half fold of that for a new building. HA would also conduct a yearly review on the conditions of the structures and facilities of its public hospitals. On the basis of the outcome of the review, each hospital cluster would determine the order of priority and the amount of funding for implementation of various minor maintenance and improvements works in the coming three years.

57. Mr Charles MOK sought clarification as to whether the project items to be funded by the grant as provided in the Annex to the Administration's paper were finalized. Prof Joseph LEE enquired about the reason why items subject to site availability or technical feasibility were also included in the list. SFH advised that the arrangement was in line with the existing practice that preliminary feasibility studies and investigations would be part of the preparatory work for each works item. The list was prepared based on information currently available. Adjustment might be made to the list to cater for changing circumstances during the course of the planning process.

Mechanism to process applications from HA

58. Noting that apart from the ongoing projects, around 500 new projects could be initiated annually using the proposed \$13 billion one-off grant, Prof Joseph LEE sought information on the estimated annual expenditure under the grant. SFH responded that a report on the key minor works projects implemented together with the audited financial statements, as well as the forecast expenditure under the grant and key minor works projects planned to be implemented in the coming year, would be provided to the Panel and the Public Works Subcommittee ("PWSC") annually.

59. Dr KWOK Ka-ki was concerned about how the Administration could ensure the prudent use of the one-off grant. In particular, the fund should be used in areas for the benefit of patients but not for the construction of extravagant facilities. Mr Charles MOK enquired about the mechanism to be put in place by the Administration to monitor the use of fund under the proposed one-off grant by HA. Mr POON Siu-ping asked whether there was any mechanism for monitoring the adjustments made by HA in the scope of and cost estimate for individual project items.

60. SFH assured members that extravagancy would not be a factor to be taken into account in designing the improvement works. On the use of the fund, DSFH(H)1 advised that there had been a well-established governance mechanism within FHB for the use of fund under the existing block allocation under Subhead 8100MX. Under the mechanism, HA was required to submit information on the scope, objectives and estimated costs of each individual project item proposed to be funded by the block

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allocation, as well as any adjustment to the approved project items, to FHB for approval. All the decisions made by FHB were at directorate level. The governance mechanism within FHB for the proposed one-off grant would mirror the existing mechanism for Subhead 8100MX except that the financial ceiling for individual project would be revised from \$30 million to \$75 million per item as proposed. DSFH(H)1 added that the revised financial ceiling, which took into consideration the scale and complexity of many of the planned improvement works of HA (e.g. construction of hillside lifts or escalators which might entail associated geotechnical works), was in line with the arrangement for the implementation of the Universal Accessibility Programme funded under Subhead 6101TX.

*[At this juncture, the Chairman informed members of his decision to extend the meeting for 15 minutes beyond its appointed time to allow more time for discussion of this item.]*

Monitoring role of LegCo

61. The Chairman pointed out that at present, the Administration would seek PWSC's support and FC's approval for the funding allocation for the existing block allocations under different Heads of Expenditure of the Capital Works Reserve Fund, which included, among others, Subhead 8100MX under Head 708, on an annual lump-sum basis. The list of key expenditure items to be funded by Subhead 8100MX in the coming year would be provided to PWSC and FC to facilitate members' consideration. In the context of scrutinizing the annual Appropriation Bill, Members would also have a chance to vet and move amendments to Head 708 to reduce the sum allotted thereto in respect of Subhead 8100MX. However, once the current proposal to provide a one-off grant for HA to carry out its minor works projects was approved by FC, there would be no room for Members to consider the use of the grant on an annual basis. Mr Charles MOK was concerned that the monitoring role of LegCo on the use of the one-off grant would be confined to being updated annually on the forecast expenditure under the grant and key minor works projects planned to be implemented in the coming year. Mr POON Siu-ping raised a similar concern. Holding the view that the proposed one-off funding arrangement would diminish LegCo's role in approving and monitoring the use of public money by the Government and HA, Dr Helena WONG said that she might oppose the proposal.

62. SFH reiterated that the reason for proposing the one-off funding arrangement for HA to carry out its minor works projects was to accelerate the progress of HA in planning and implementing the necessary projects to improve and maintain its facilities. He assured members that he had been

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and would continue to be actively involved in the drawing up of the list of project items to be funded by the one-off grant, in particular those relating to capacity and service enhancement. DSFH(H)1 supplemented that the Administration would deposit with the LegCo Secretariat annually a full list of all the items proposed to be funded by the proposed one-off grant in the following financial year. It would take into account Members' concern, if any, about the merits of individual project items when considering the funding applications from HA.

Conclusion

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63. In closing, the Chairman concluded that the Panel supported in principle the Administration's proposal to provide a one-off grant of \$13 billion for HA to carry out minor works projects. At the Chairman's request, SFH agreed to provide details on the respective governance mechanism within FHB for the use of fund under Subhead 8100MX and the proposed one-off grant, as well as the monitoring role of LegCo in the use of fund under the above two funding arrangement before submitting the funding proposal for the consideration of PWSC.

*[Note: At this juncture, the Chairman proposed and members agreed that the meeting be further extended for five minutes.]*

**VII. Any other business**

Proposed continuation of work of the Subcommittee on Health Protection Scheme

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[LC Paper No. CB(2)154/13-14(01)]

64. The Chairman sought members' views on the proposed continuation of work of the Subcommittee on Health Protection Scheme up to 30 September 2014, details of the justifications for which were set out in the paper prepared by the LegCo Secretariat (LC Paper No. CB(2)154/13-14(01)). Members agreed to the proposal.

65. There being no other business, the meeting ended at 6:47 pm.