Submission from the Hong Kong Private Hospitals Association

Re: Regulation of Private Healthcare Facilities Consultation Document

Introduction

The Hong Kong Private Hospitals Association (HKPHA) comprises all 11 private hospitals in Hong Kong, with the Mission that "Through effective clinical governance, external accreditation, mutual encouragement and cooperation, the Private Hospitals Association strives to attain and maintain excellence in health care for the benefit of the community."

Overall Comments

As the private sector is expanding and playing an increasingly important role in the local healthcare scene, the HKPHA welcomes the Government's initiative to improve on the regulation of private healthcare facilities, so as to safeguard the interests of patients and promote healthy development in the system.

While private hospitals are under tight control and inspections from the Department of Health, the HKPHA has noted with concern the unregulated proliferation of other healthcare providers in the ambulatory setting. We support the regulation towards these providers as proposed in the consultation document, which however excludes them from such important regulatory aspects as Credentialing, Clinical Audit, Sentinel Event Reporting and Provision of Quotation. This may not be tenable given that increasing number of similar procedures are performed in these ambulatory settings as in hospitals and carrying similar risks.

Specific Comments

(1) Corporate Governance

The HKPHA supports recommendations (A1) Appointment of Person-in-charge, (A2) Establishment of Medical Advisory Committee, (A3) Complaints Management System, and (A5) Maintenance of Hospital Accreditation Status.

As regards (A4) Establishment of an Information System Connectable with the Electronic Health Record Sharing System (eHRSS), the HKPHA supports in principle and as a long term goal. It should be noted however that there exists wide variation in the degree and structure of computerization among different private hospitals, given their variation in sizes and history of development in this aspect. Small hospitals with less sophisticated IT systems may need more assistance from the Government not only in terms of the hard and software, but also knowhow in the very substantial change process. Conversely, those already with sophisticated but very different IT system environments may find it difficult to connect with the eHRSS without very major work or changes on their own system. We wish the eHRSS project team can take these into account and provide the necessary assistance.

(2) Standard of Facilities

The HKPHA supports recommendations (B6) Premises Management, (B7) Physical Conditions and (B8) Infection Control, as important regulatory aspects to ensure quality and patient safety.

(3) Clinical Quality

The HKPHA supports recommendations (C9) Service Delivery and Care Process, (C10) Resuscitation and Contingency, (C11) Standards Specific to Procedures Performed, (C12) Credentialing of Visiting Doctors, (C13) Establishment of Clinical Audit System and (C14) Sentinel Events Management. On the last item, we have emphasized in the Working Group on Regulation of Private Hospitals the importance of legal privilege of information produced in the investigation and root cause analysis. Most patients of private hospitals are admitted by visiting doctors, and their participation is essential to realize the goal of clinical quality improvement. Hence assurance in the form of legal protection will encourage open discussion among clinicians to learn from these events.

(4) Price Transparency

The HKPHA supports recommendation (D15) Provision of Fee Schedule, and supports the spirit of improving on price transparency to ensure consumer protection and satisfaction as proposed in the other recommendations. However, we have emphasized to the Administration the need to take into account practical issues not adequately reflected in the consultation document.

For recommendation (D18) Disclosure of Historical Bill Sizes Statistics, some private hospitals have already published such statistics on their web sites, while others not as developed in their computer systems may need more time to accomplish it.

For recommendation (D16) Provision of Quotation, we have emphasized the fact that hospitals have little control or prior knowledge over the doctors' orders, which in turn determine the patient's length of stay, duration of operation and procedures, number and type of radiological and laboratory investigations, medications, and use of other consumables. The practice and price variation among doctors for the same standard procedure is great, and most are visiting doctors not under the employ of the hospital. Even for the same doctor and same procedure, the patient's condition and severity may be different so that the doctor, rather than the hospital, will have better idea on what may be needed in the hospitalization episode. So while it is normal for doctors to inform their patients the surgeon's and anaesthetist's fees for the operations, and for hospitals to quote the daily room charges, it is quite impossible for the hospital to quote the ultimate total hospital charges. What some private hospitals are now doing is to provide individual doctors historical statistics of their own patients' total fees with breakdown, by diagnosis, so as to enable them to estimate the total charges (including hospital charges incurred) to their patients with similar diagnosis. Given the large number of visiting doctors per private hospital, and the large variety of their patients (hence number of diagnoses), only a few private hospitals are currently capable of providing such periodic information to the doctors. We would also like to point out that the majority of patients with medical diseases such as stroke or symptoms such as abdominal pain for investigation, do not fall into the category of "elective, non-emergency therapeutic operations/ procedures for known diseases" referred to in the

consultation document, nor do patients developing complications even when they come in for standard elective procedures. This should be clearly communicated to the public. In any case, unlike the case of e.g. daily room charge that can be accurately quoted, any estimation of the total charges likely to be incurred should preferably be called Estimates rather than Quotes to reflect the intrinsic uncertainties.

For recommendation (D17) Provision of Recognized Service Packages (RSPs), we support the approach of encouraging private healthcare facilities to offer them to patients at this stage. The consultation document noted that some hospitals are already offering service packages of certain procedures. Market forces will determine whether such practice will become common, such as in obstetrics. We know for a fact that for some other existing packages on offer, only a small minority of patient with the relevant diagnosis end up included in the package, for various reasons. Some are not eligible because of other patient factors. Doctors have the choice not to participate. Patients may find the exclusion list not advantageous to them. And often patients do not choose the packages because of price difference, as providers might need to factor in a buffer to cover the occasional ones with unexpected higher expenses incurred for medical reasons.

(5) Sanctions

The HKPHA supports appropriate sanctions for regulatory non-compliance, with penalties commensurate with the fairness principle taking into account the business size and other regulatory benchmarks.

(6) Power of the Regulatory Authority

The HKPHA supports in principle the recommended changes in the power of the regulatory authority, provided fairness is maintained in the exercise of such power. For example, what constitutes a "proportionate response" as mentioned in paragraph 10.10 would be when the same would apply to a public hospital with the same condition. We support the proposed establishment of an Independent Review Committee on Regulatory Actions that accompanies the stepping up of regulatory measures. We also welcome the continued involvement of stakeholder parties in the proposed Advisory Committee on Regulation of Private Healthcare Facilities as the way forward. While we hope the proposed Independent Committee on Complaints against Private Hospital would serve as an independent party offering fair judgment on patient complaints, its relation to the Department of Health currently also serving as a channel for patient appeal needs to be clarified. Lastly, we support the continued work on Regulation for High-risk Medical Procedures/Practices so as to plug loopholes in high-risk procedures performed outside the stringently regulated environment of private hospitals, to protect patient safety.

Hong Kong Private Hospitals Association
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