



## Position Paper on the Private Healthcare Facilities Bill

11<sup>th</sup> December 2017

To better regulate private healthcare services amid the evolving landscape of healthcare services, a Steering Committee was established in October 2012 to conduct a review on the regulation of Private Healthcare Facilities (PHFs). The Food and Health Bureau (FHB) adopted a risk-based approach and identified three categories of PHFs (i.e. private hospitals, day procedure centres and clinics under the management of incorporated bodies) to be regulated. On 21 June 2017, the Government introduced to the Legislative Council a bill that provides for a new regulatory regime for private healthcare facilities, i.e. the PHF Bill.

Quality HealthCare Medical Services, Human Health Holdings, Town Health International Medical Group and UMP Healthcare Holdings are four leading private clinic groups in Hong Kong. We strongly support the Government's proposals as included in the PHF Bill that aim to protect patients' safety and consumer rights through establishing transparent, well-defined, and proportionate minimum standards for private healthcare facilities in Hong Kong. However, we show great concern over fairness and different treatments towards small practice clinics over licensed clinics.

### Differentiated Standards Applied to Small Practice Clinics and Licensed Clinics

- Clauses 41, 42 and 43 provide for a scheme that allows a person/partnership/company operating a small practice clinic to request for a letter of exemption which permits him/her to operate the clinic without a PHF license.

We are concerned that exempting small practice clinics from licensing requirements while enforcing them on an incorporated body could create a two-tiered, unequal system in the private sector. Under a risk-based approach, the Healthcare Facilities itself and the medical procedures conducted within the said facility should be the subject of regulation. Hence, clinics performing similar procedures should be regulated under the same set of standards. However, under the current proposal, small practice clinics which are allowed to request letters of exemption per a separate set of standards will be regulated differently to other players such as clinic groups. Evidently, clinic groups usually adhere to a well-accepted level of medical standards and exert strict internal clinical governance.

Not only for clinic operators, this exemption for PHF license also unfairly grants different treatments to doctors in small practice clinics over those in licensed clinics as the latter will be held responsible for another layer of standards as prescribed in the licensing requirements.

It is our position that the same level of standards should apply to all private healthcare facilities of similar risks. Where a clinic operated by an incorporated body is in substance performing similar medical procedures as a small practice clinic, it should be regulated in the same way that is commensurate with the risk incurred.



We recommend the following options for the FHB to consider.

Option 1:

- *Clinics operating under incorporated bodies that are of similar size (in terms of the number of doctors practicing in the clinic) and procedures being delivered as a small practice clinic, should be eligible to apply for a letter of exemption.*

Option 2:

- *For clinic groups, rather than requiring a doctor/dentist, we recommend appointing a Clinic Manager with minimum of 3 years of clinic operations experience who reports to the Medical Advisory Committee and the CME to assist the CME on day-to-day administration of the respective clinics. A regulatory review procedure on clinical governance can be demonstrated as a precondition for first issuance / renewal of facility license to achieve the same objective in a more efficient manner.*

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