

**Speaking Note for the Secretary for Food and Health  
at the Special Meeting of the Finance Committee  
on 6 April 2017**

**Health**

Chairman and Honourable Members,

In 2017-18, the estimated recurrent government expenditure on health is \$61.9 billion, which amounts to 16.7% of the Government's total recurrent expenditure and represents an increase of about \$3.16 billion or 5.4% as compared with the previous year.

2. New and additional resources available in this financial year are mainly used for the following services:

(1) The Government will increase the annual recurrent provision for the Hospital Authority (HA) by \$2 billion<sup>1</sup> from 2017-18 onwards. In 2017-18, the recurrent subvention to the HA amounts to \$54.4 billion, representing an increase of about 3.4% over the previous year. The additional recurrent subvention is to be used to cope with the growth in service demand arising from an ageing population, implement new initiatives and enhance various types of service in the HA including the following key initiatives:

- i. extending the medical fee waiver for public healthcare services to cover Old Age Living Allowance recipients aged 75 or above with

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<sup>1</sup> According to the 2017-18 Estimates, there will be a net increase of \$1.8 billion in the recurrent provision. This is mainly due to the lapse of certain time-limited funding by 2016-17.

assets not exceeding the prescribed limits;

- ii. recruiting additional healthcare staff to enhance mental health services;
- iii. recruiting additional pharmacists to enhance pharmacy services;
- iv. implementing Newborn Screening for Inborn Errors of Metabolism in three public hospitals. It is expected that about 17 000 newborn babies will receive screening services in the coming year;
- v. continuing the Pilot Programme of Integrated Chinese Western Medicine in seven public hospitals for five more years;
- vi. strengthening medical-social collaboration to provide a full range of home-based rehabilitation and care support services for those elderly persons discharged from public hospitals;
- vii. Other major items include:
  - enhancing the management and treatment of life-threatening diseases;
  - increasing the operating theatre sessions for surgery and traumatology;
  - enhancing the services provided by the Community Geriatric Assessment Teams for terminally ill patients living in residential care homes for the elderly;
  - enhancing the service quota of chemotherapy, radiotherapy and haemodialysis;
  - increasing public hospital beds by about 230, the number of operating theatre sessions and the quota for endoscopy examination and diagnostic radiological service;

- increasing the quota for general out-patient and specialist out-patient consultation and enhancing Accident & Emergency Services. The service quota for general out-patient clinics in the New Territories East Cluster and New Territories West Cluster will increase by 27 500 this year and 44 000 in the following year; and
  - widening the scope of the HA Drug Formulary.
- (2) An additional amount of about \$1.07 billion will be allocated to the Department of Health (DH) for service enhancement and new initiatives, which include:
- lowering the eligibility age for the Elderly Health Care Vouchers from 70 to 65 to benefit about 400 000 more elderly persons;
  - enhancing protection of the elderly against invasive pneumococcal disease. It is estimated that more than 800 000 high-risk elderly persons are eligible for free or subsidised vaccines;
  - topping up the drug cost for the DH's services;
  - supporting the recurrent expenditure of the Electronic Health Record Management Team;
  - rolling out the Pilot Scheme of the Accredited Registers for Healthcare Professions;
  - strengthening the administrative support to the Medical Council of Hong Kong (MCHK) in handling complaints and conducting inquiries;
  - topping up the cost for enhancing the enforcement of the statutory smoking ban and smoking cessation services;
  - enhancing the elderly health service and promoting breastfeeding; and

- providing support for the legislative work for introducing the regulatory regime to prohibit commercial sale of liquor to minors, and enhancing the relevant education work.

### **Hospital Development Plan**

3. On public healthcare services, Tin Shui Wai Hospital has come into operation in phases since early this year, while the Hong Kong Children's Hospital is expected to commence service in 2018 upon its completion this year. In 2016, the Government set aside a provision of \$200 billion to implement the 10-year hospital development plan, which includes the construction of new hospitals as well as the redevelopment and expansion of a number of existing hospitals. Around 5 000 additional hospital beds and more than 90 additional operating theatres will be provided upon completion of the projects. At the district level, the Government will set up community health centres in Mong Kok, Shek Kip Mei and the North District, increasing the service capacity of general out-patient clinics by 410 000 attendances per year.

4. As regards healthcare information, the first stage of the territory-wide Electronic Health Record Sharing System (eHRSS) was launched in March 2016. So far, in addition to the HA and the DH, more than 440 000 patients and more than 1 200 private healthcare providers have participated in the eHRSS. We have obtained funding approval from the Finance Committee of the Legislative Council on 25 March 2017 for the second stage development of the eHRSS.

## **Mental Health**

5. The Review Committee on Mental Health, which was established by the Government in May 2013, has completed its review on mental health policy. The review report will be published shortly. Subsequently, the Government will set up an advisory committee on mental health to take forward the recommendations accordingly.

## **Healthcare Reform**

6. With regard to healthcare manpower, we are about to complete the first territory-wide Strategic Review of Healthcare Manpower Planning and Professional Development. The report and recommendations of the review are expected to be published in the coming months. Apart from increasing the number of degree places in relevant healthcare disciplines by the Government, the HA will continue to implement other measures (including engaging doctors under limited registration and re-employing suitable retirees) to meet service demand.

7. On improving the operation of the MCHK, apart from providing more administrative support to the MCHK that I mentioned a moment ago, the Tripartite Platform comprising medical sector representatives, persons representing patients' and consumers' interests and Legislative Councillors held its last meeting in early March to deliberate on the amendment proposals to the Medical Registration Ordinance. We will duly consider the views of the Tripartite Platform and different parties in formulating legislative amendment proposals and re-introduce a Medical Registration (Amendment) Bill into the Legislative Council as soon as possible. The aims of the bill are to improve the complaint handling and disciplinary inquiry mechanism of the MCHK, allow more lay participation in the MCHK, and extend the valid

period of limited registration of doctors to be approved by the MCHK to not exceeding three years.

8. For healthcare professions currently not subject to statutory regulation, the Government launched the Pilot Scheme of the Accredited Registers for Healthcare Professions at the end of 2016. The Pilot Scheme aims to enhance the existing society-based registration arrangements and ensure the professional competency of healthcare professionals. The accreditation agent is conducting preliminary assessment on the applications received. The final accreditation results are expected to be announced by end 2017.

9. The consultation report of the Voluntary Health Insurance Scheme was published in January this year. We will implement the scheme via a non-legislative means and aim to finalise the details in 2018. Besides, we are ironing out the details of the new regulatory regime for private healthcare facilities having regard to the views of various stakeholders. We plan to introduce the Private Healthcare Facilities Bill into the Legislative Council in the first half of 2017.

### **Chinese Medicine Development**

10. As regards the development of the Chinese medicine industry, we have progressively implemented the recommendations of the Chinese Medicine Development Committee, which include the establishment of a Chinese medicine hospital, development of the integrated Chinese-Western medicine, expansion of the Hong Kong Chinese Materia Medica Standards (HKCMMS) Project as well as preparation for the setting up of a testing centre for Chinese medicines. We have decided to finance the construction of the Chinese medicine hospital and invite the HA to assist in identifying by

way of tender a suitable non-profit-making organisation to take forward the project and operate the hospital. We will announce further details later this year. Moreover, we are actively planning on the establishment of the Government Chinese Medicines Testing Institute to be managed by the DH. Before the establishment of the permanent institute, a temporary one was set up at the Science Park in March this year to kick start some of the work as soon as possible.

11. Chairman, my colleagues and I are happy to answer questions from Members.