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Panel on Manpower

Information note prepared by the Legislative Council Secretariat for the meeting on 18 July 2017

Adjustment of the maximum rates of medical expenses under the Employees' Compensation Ordinance and the Pneumoconiosis and Mesothelioma (Compensation) Ordinance

The Employees' Compensation Ordinance (Cap. 282) ("ECO") provides for the payment of statutory compensation to injured employees and family members of deceased employees for specified occupational diseases, injuries or deaths caused by accidents arising out of and in the course of employment. The Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Cap. 360) ("PMCO") provides for the payment of compensation to persons and their family members in respect of incapacity or deaths resulting from pneumoconiosis and/or mesothelioma.

2. Under ECO and PMCO, a claimant who has received medical treatment as a result of work injury or in connection with pneumoconiosis and/or mesothelioma may claim reimbursement of the actual amount of medical expenses incurred, subject to a daily maximum i.e. \$200 for receiving outpatient treatment or inpatient treatment on any one day and \$280 for receiving both outpatient treatment and inpatient treatment on the same day.

3. The Panel on Manpower ("the Panel") has not specifically discussed the adjustment of maximum rates of medical expenses under ECO and PMCO. However, when discussing the Administration's proposal to adjust the levels of compensation under ECO and PMCO in accordance with the established mechanism, members noted with concern that the daily maximum rates for medical expenses under the two Ordinances were last revised on 4 April 2003 to align with the revision of

the fee structure of public healthcare services in 2003. Since then, the charges in public hospitals and clinics for these treatments had been remained at the same level, and hence a freeze in the daily limits for reimbursement.

4. According to the Administration, the maximum amounts were set to cover the costs for consultation, medicine, injection and dressing, physiotherapy and hospitalization on any one day in a public hospital or clinic. In the absence of a standard fee structure in the private healthcare sector, the Administration considered it appropriate to adopt the charges for public healthcare services as the basis for medical expenses under ECO and PMCO. It would consider reviewing and revising the reimbursable ceilings for medical expenses in accordance with changes in the standard fees and charges in public hospitals and clinics as appropriate.

5. Following the revision of fees and charges for public hospital services from 18 June 2017, the Administration will brief the Panel at the meeting on 18 July 2017 on the proposal to adjust the maximum rates of medical expenses under ECO and PMCO.

Council Business Division 2 <u>Legislative Council Secretariat</u> 11 July 2017