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Panel on Health Services

Background brief prepared by the Legislative Council Secretariat for the meeting on 17 December 2018

Development of Chinese medicine hospital and provision of subsidized Chinese medicine services

Purpose

This paper provides background information and summarizes the concerns of members of the Panel on Health Services ("the Panel") and the Subcommittee on Issues Relating to the Development of Chinese Medicine ("the Subcommittee") appointed by the Panel in the Fifth Legislative Council ("LegCo") on the development of Chinese medicine hospital and provision of subsidized Chinese medicine services.

Background

Development of a Chinese medicine hospital

2. It was announced in the 2014 Policy Address that the Government had, on the recommendations of the Chinese Medicine Development Committee,¹ reserved a site in Tseung Kwan O for setting up a Chinese medicine hospital. The hospital, to be operated on a self-financing basis, will house about 400 beds offering a combination of inpatient and outpatient Chinese medicine services.

¹ Chaired by the Secretary for Food and Health, the Chinese Medicine Development Committee was established in 2013 to give recommendations to the Government concerning the direction and long-term strategy of the future development of Chinese medicine in Hong Kong. Its areas of study include (a) development of Chinese medicine services; (b) personnel training and professional development; (c) research and development; and (d) development of the Chinese medicines industry (including Chinese medicines testing).

In addition, it will collaborate with the Schools of Chinese Medicine of the three universities in Hong Kong² and other related institutions to support the clinical training, teaching and scientific research and assist in enhancing the professional training and the quality of scientific research in the field of Chinese medicine.

Chinese Medicine Centres for Training and Research

3. To promote the development of "evidence-based" Chinese medicine and provide training placements for graduates of local Chinese medicine undergraduate programmes, the Administration has set up one Chinese Medicine Centres for Training and Research ("CMCTR") in each of the 18 districts. CMCTRs operate on a tripartite collaboration model involving the Hospital Authority ("HA"), non-governmental organizations ("NGOs") and the three local universities offering undergraduate programmes in Chinese medicine. The NGOs concerned are responsible for the day-to-day clinic operation. The Government provides subsidy to CMCTRs³ and the NGOs concerned operate these CMCTRs on a self-financing basis. Services provided by CMCTRs are not part of the regular services of HA. The standard fee for Chinese medicine general consultation service has been maintained at \$120 (including consultation fee and two doses of Chinese medicines) since the establishment of the first CMCTR in 2003.⁴ The total number of attendances at the 18 CMCTRs exceeded 1.2 million in 2017.

Integrated Chinese-Western Medicine Pilot Programme

4. To gather experience regarding integrated Chinese-Western medicine ("ICWM") and operation of Chinese medicine inpatient services as recommended by the Chinese Medicine Development Committee, HA launched the Integrated Chinese-Western Medicine Pilot Programme ("ICWM Pilot Programme") in September 2014. Phase II and Phase III of the ICWM Pilot Programme were

² At present, six-year full-time undergraduate degree programmes for Chinese medicine accredited by the Chinese Medicine Practitioners Board of the Chinese Medicine Council of Hong Kong are offered by the Hong Kong Baptist University, the Chinese University of Hong Kong and the University of Hong Kong. The Hong Kong Baptist University is offering a four-year full-time undergraduate degree programme in pharmacy in Chinese medicines.

³ In the 2018-2019 Estimates, the Government has earmarked \$112 million for the operation of CMCTRs, maintenance of the Toxicology Reference Laboratory, quality assurance and central procurement of Chinese medicine herbs, development and provision of training in "evidence-based" Chinese medicine, and enhancement and maintenance of the Chinese Medicine Information System.

⁴ Each CMCTR is required to set aside at least 20% of the attendance quota of the Chinese medicine general consultation service for recipients of Comprehensive Social Security Assistance, who can receive the service with the fee of \$120 waived.

implemented in December 2015 and April 2018 respectively. Under the current ICWM Pilot Programme, ICWM treatment covering inpatient services and Chinese medicine outpatient follow-up services for inpatients of four selected disease areas (namely stroke care, low back pain care, cancer palliative care and shoulder and neck pain care) is provided in seven public hospitals.

Deliberations of the Panel and the Subcommittee

5. The development of Chinese medicine hospital and ICWM, as well as the provision of subsidized Chinese medicine outpatient services by CMCTRs were discussed by the Panel at a number of meetings and by the Subcommittee. The Panel also received views of deputations on the above issues at three meetings held in 2014, 2017 and 2018. The deliberations and concerns of members are summarized in the following paragraphs.

Development of the Chinese medicine hospital

Clinical framework for the hospital

6. Members were supportive of the development of a Chinese medicine hospital which would be the first of its kind in Hong Kong. However, they were concerned about the clinical practice of the hospital at which Chinese medicine would play a predominant role. Some members considered that the hospital should be solely managed and operated by the Chinese medicine personnel. Some other members urged the Administration to devise clear operational models for collaboration between Chinese medicine practitioners ("CMPs") and Western medicine doctors, the clinical pathways, and the arrangements for transferring and following up patients at different stages of illness under the ICWM approach. Question was raised if there was a need to amend the laws to clearly delineate the respective medical practice and clinical accountability of CMPs and Western medicine doctors, in particular in the handling of acute cases, to facilitate the future operation of the Chinese medicine hospital. There was also a concern over the professional indemnity issue involved in the operation of the hospital for protecting patients' interests.

7. The Administration advised that it would not be feasible to set up a Chinese medicine hospital in Hong Kong to provide only Chinese medicine services without resorting to western medical equipment and treatment for some acute cases and complex illnesses. A hospital providing ICWM services with Chinese medicine having the predominant role was considered the most feasible mode of operation of the hospital under the existing legal and administrative

frameworks. However, there were complicated legal and insurance matters which required thorough study. The ICWM Pilot Programme would shed light on the development of a clinical framework for the Chinese medicine hospital. Separately, the Chinese Medicine Practitioners Board of the Chinese Medicine Council of Hong Kong had taken note of the need to strengthen training relating to Western medicine in the Chinese medicine programme and review the restriction imposed on the practice of CMPs.

Operational model of the hospital

8. Noting the Administration's proposal that the Chinese medicine hospital would not be run by HA but by a non-profit-making organization on a self-financing basis, members were concerned about the financial sustainability of the hospital. Members surmised that the high capital cost for the construction and maintenance of the hospital building and the operating cost would be levied upon patients who would have to pay high consultation fees while CMPs employed by the hospital would be given low pay. There was also a view that the support to be provided by the hospital in the areas of teaching, clinical internships and scientific research would be limited if the three local universities offering full-time degree programmes in Chinese medicine would have no involvement in the operation of the hospital. The Panel passed a motion at its meeting on 19 May 2014 urging the Administration to, among others, incorporate the Chinese medicine hospital into the public healthcare system with the provision of recurrent funding from the Government.

9. Members were subsequently advised that after thorough consideration of the views received in a non-binding expression of interest exercise launched from January to May 2016 and in consultation with the Chinese Medicine Practice Subcommittee under the Chinese Medicine Development Committee, the Administration decided in January 2017 to finance the construction of the Chinese medicine hospital and HA was invited to assist in identifying a suitable non-profit-making organization by tender to operate the hospital. HA had also commissioned an international consultant to conduct a two-stage consultation exercise with local stakeholders and overseas experts on the mode of development of the Chinese medicine hospital covering governance structure, business model, operational model, financial model and contract management. It was expected that the consultant would finalized the analysis report by the first half of 2018. Upon completion of the consultation and the analysis report, the Administration would announce the positioning of the Chinese medicine hospital and the development framework for major areas of the hospital.

10. Members maintained the view that the Chinese medicine hospital should be incorporated into the public healthcare system or its operation should be financed by the Government such that the services provided by the hospital would be heavily subsidized by public funds and be affordable by most members of the public. This would also facilitate Chinese medicine to assume a more prominent role in promoting public health. The Administration advised that it would wait until the completion of the consultation and the analysis report by the Consultant to decide on the suitable financial arrangements for the operation of the hospital. It stressed that sufficient flexibility would be provided in the operation contract to cater for the long-term development needs of the hospital.

11. At the meeting of the Panel on 15 October 2018 to receive briefing from the Secretary for Food and Health ("SFH") on the Chief Executive's 2018 Policy Address, members were advised that recurrent funding would be provided to support the defined Chinese medicine services, training and research of the Chinese medicine hospital. The hospital would also be allowed to flexibly invest in and offer add-on market-oriented Chinese medicine services.

Chinese Medicine Centres for Training and Research

The positioning of CMCTRs

12. Members were concerned that the amount of subsidy provided by the Administration to support the operation of CMCTRs was on the low side and that the standard fee for the Chinese medicine general consultation services at CMCTRs was far higher than HA's general outpatient charge for Eligible Persons. In their views, this was not conducive to encouraging members of the public to use the Chinese medicine general consultation services. Given the increasing demand for Chinese medicine outpatient services from members of the public, members were of the view that the Administration should include the services provided by CMCTRs as part of the standard services of HA, or that CMCTRs should be run by the Government to demonstrate its commitment to promote the development of Chinese medicine and provide an additional healthcare choice for members of the public.

13. The Administration advised that while the services of CMCTRs did not form part of the standard services of HA under the tripartite collaboration model, each CMCTR was required to set aside at least 20% of the attendance quota of the Chinese medicine general consultation service for recipients of Comprehensive Social Security Assistance, who could receive the service with fee waived. This apart, individual CMCTR run by NGO also provided

discounts for different groups of people, such as the elderly. In the longer term, the dedicated Chinese Medicine Unit newly set up under the Food and Health Bureau ("FHB") would, among others, hammer out the positioning of Chinese medicine service in the public healthcare system, enhance the existing tripartite collaboration model of CMCTRs, and review the remuneration package and promotion arrangements for staff members in CMCTRs.

14. There were views that consideration should be given to including the services provided by CMCTRs in the scope of medical and dental benefits for civil service eligible persons. As announced in the Chief Executive's 2018 Policy Address, the Civil Service Bureau would explore which form to take in providing Chinese medicine services for civil service eligible persons, having regard to the existing mode of operation of different components of the civil service medical benefits and resources consideration.

Role of CMCTRs

15. There was a view that since CMCTRs were operated on a self-financing basis, its support in the promotion of the development of "evidence-based" Chinese medicine and the provision of training for CMPs was limited. Some members were of the view that the Administration should allocate more resources to enhance the role of CMCTRs in these two areas. They also expressed concern about the measures put in place to enhance the clinical professional standard of CMPs working at CMCTRs.

16. The Administration advised that HA had set up junior and senior scholarship scheme to encourage CMPs working at CMCTRs to attend courses offered by various Chinese medicine institutions in the Mainland. In addition, to equip CMPs with the relevant research knowledge and therapy technologies, HA had developed the training programmes in Chinese medicine for serving CMPs, such as training courses in modern western medicine; visiting scholar scheme under which Chinese medicine experts from Mainland institutions were invited to provide clinical teaching and experience sharing session; as well as the Chinese Medicine Research Practical Training Programme to equip CMPs with clinical research skills. In addition, HA also collaborated with CMCTRs and local universities to conduct systematic research programmes on Chinese medicine herbs and diseases.

Remuneration package for CMPs serving in CMCTRs

17. Members noted that each CMCTR was required to employ at least two full-time equivalent of senior CMPs and 12 junior CMPs or CMP trainees.

Fresh graduates of local full-time Chinese medicine undergraduate programmes who chose to apply for working and receiving training at CMCTRs would be employed as junior CMPs in the first year and as CMP trainees in the second and third years. The terms of employment and remuneration package of CMPs serving in CMCTRs were determined by NGOs and the annual adjustment to their pay levels would be based on market conditions. Members were gravely concerned about the low salary level of graduates of local full-time Chinese medicine undergraduate degree programmes so employed and the mechanism put in place by HA to monitor the salary levels and annual pay adjustments for these CMPs. Some members called on the Administration to introduce a pay scale for CMPs working at CMCTRs to enhance their career prospect.

18. According to the Administration, the operating NGOs selected by HA through tendering exercises were required to submit quarterly financial reports on the use of the annual subvention from HA covering the total personal emolument expenditure of CMCTRs. The service contract between the operating NGOs and HA also set out the minimum staffing requirements in terms of the number of CMPs. The governing board of each CMCTR comprised representatives from HA, NGOs and local universities to oversee the management and operation of CMCTRs, and to keep in view the remuneration package for CMPs. As announced in the Chief Executive's 2017 Policy Address, the Administration would review the remuneration package and promotion opportunities for staff employed in 18 CMCTRs. Apart from the additional funding for NGOs to increase the salaries of staff at CMP rank (i.e. CMPs practicing in the fourth to ninth year after graduating from the universities) of CMCTRs, HA was reviewing with the operating NGOs the remuneration package and promotion opportunities for CMCTR staff at all levels.

19. The Panel passed a motion at its meeting on 19 May 2014 and two motions at its meeting on 30 April 2018 urging the Administration to, among others, incorporate the 18 CMCTRs into the public healthcare system to provide them with recurrent funding; and set up an attractive pay scale and promotion ladder for CMPs and supporting staff working at CMCTRs.

20. At the meeting of the Panel on 15 October 2018 to receive briefing from SFH on the Chief Executive's 2018 Policy Address, members were advised that the 18 CMCTRs would be transformed to offer subsidized outpatient services at district level. They would provide around 600 000 quota of subsidized defined outpatient Chinese medicine services each year. Apart from Chinese medicine general consultation service, subsidy would also be provided for additional services such as tui-na and acupuncture as prescribed by CMPs so that fees for these services would be set at the level of \$120 per visit. Funding would also

be provided to improve the remuneration of CMPs employed by CMCTRs and enhance training opportunities for them.

Implementation of the ICWM Pilot Programme

21. Question was raised on the criteria for selecting the disease areas to be covered under the ICWM Pilot Programme. The Administration advised that those disease areas where there were clear inclusion and exclusion criteria, and where the treatment of Chinese medicine or the synergy effect generated by treatment of ICWM was effective with the support of scientific proof would be selected. This apart, a certain number of patients were anticipated for the selected disease areas.

22. Members were concerned that participating patients had to pay a daily service fee for receiving ICWM treatments at HA and the standard consultation fee for each outpatient Chinese medicine visit at the relevant CMCTRs upon discharged from the hospital. In their view, such arrangement might instil the willingness of patients to join the Pilot Programme. Members were advised that HA had commissioned an external party to evaluate the effectiveness of the ICWM Pilot Programme. Report of the evaluation study would be completed in the third quarter of 2018 for submission to FHB for considering the development of ICWM service and the Chinese Medicine hospital.

23. At the meeting of the Panel on 15 October 2018 to receive briefing from SFH on the Chief Executive's 2018 Policy Address, members were advised that the Administration would increase subsidy to reduce the additional daily fee for ICWM services (on top of the \$100 to \$120 per day for hospital stay) from \$200 to \$120 per day to encourage more patient participation.

Relevant papers

24. A list of the relevant papers on the LegCo website is in the **Appendix**.

Appendix

Relevant papers on the development of Chinese medicine hospital and provision of subsidized Chinese medicine services

Committee	Date of meeting	Paper
Panel on Health Services	21.1.2013 (Item IV)	Agenda Minutes
	18.3.2013 (Item IV)	Agenda Minutes
	20.1.2014 (Item III)	Agenda Minutes
	17.3.2014 (Item IV)	Agenda Minutes CB(2)1798/13-14(01)
	19.5.2014 (Item IV)	Agenda Minutes
	19.1.2015 (Item III)	Agenda Minutes
Subcommittee on Issues Relating to the Development of the Chinese Medicine	2.2.2016 *	Report
Panel on Health Services	26.1.2017 (Item I)	Agenda Minutes
	16.10.2017 (Item IV)	Agenda Minutes
	6.11.2017 (Item I)	Agenda Minutes
	12.2.2018 (Item VI)	Agenda Minutes CB(2)1060/17-18(01)

Committee	Date of meeting	Paper
	30.4.2018 (Item I)	Agenda Minutes
	15.10.2018 (Item III)	Agenda

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