

ITEM FOR FINANCE COMMITTEE

**HEAD 140 – GOVERNMENT SECRETARIAT :
FOOD AND HEALTH BUREAU (HEALTH BRANCH)
Subhead 000 – Operational expenses**

**HEAD 143 – GOVERNMENT SECRETARIAT :
CIVIL SERVICE BUREAU
Subhead 000 – Operational expenses**

Members are invited to approve –

- (a) a supplementary provision of \$2,313.6 million under Head 140 Government Secretariat: Food and Health Bureau (Health Branch) Subhead 000 Operational expenses in 2021-22 to meet the costs for extending the operation of community testing centres and mobile specimen collection stations to sustain the provision of the Coronavirus Disease 2019 testing services for the public; and
- (b) a supplementary provision of \$26.4 million under Head 143 Government Secretariat: Civil Service Bureau Subhead 000 Operational expenses in 2021-22 to meet the costs of regular testing for frontline employees who have yet to get vaccinated at the initial implementation stage of the “vaccination in lieu of regular testing” arrangement.

/PROBLEM

PROBLEM

To achieve the objective of “early identification, early isolation and early treatment” and to cut the transmission chains as soon as possible, it is necessary for the Government to continue to encourage and facilitate members of the public to undergo testing through expanding and enhancing the implementation of the three-pronged strategy of compulsory testing on a mandatory basis, targeted testing on an obligatory basis and testing on a voluntary basis. Therefore, the Government needs to seek a supplementary provision for maintaining the Coronavirus Disease 2019 (COVID-19) testing services.

2. In addition, large-scale vaccination of the public can help build an immune barrier to protect the entire community. This is the only and most effective way for Hong Kong to get through the epidemic. The Government has also adopted vaccination as the key measure to safeguard the health of frontline government employees and the public being served as well as to ensure that they will not become the source of new clusters of infection when carrying out their duties. In view that some frontline employees have not yet been vaccinated at the initial implementation stage of the “vaccination in lieu of regular testing” (VRT) arrangement, the Government needs to seek a supplementary provision to meet the costs of regular testing for these frontline employees as a transitional arrangement.

PROPOSAL

3. We propose –
- (a) a supplementary provision of \$2,313.6 million under Head 140 Government Secretariat: Food and Health Bureau (Health Branch) Subhead 000 Operational expenses in 2021-22 to meet the costs for extending the operation of community testing centres (CTCs) and mobile specimen collection stations to continue the provision of COVID-19 testing services for the public; and
 - (b) a supplementary provision of \$26.4 million under Head 143 Government Secretariat: Civil Service Bureau Subhead 000 Operational expenses in 2021-22 to meet the costs of regular testing for frontline employees who have yet to get vaccinated at the initial implementation stage of the VRT arrangement.

/JUSTIFICATION

JUSTIFICATION

Latest epidemic situation

4. As at 27 June 2021, Hong Kong had 11 918 cumulative confirmed cases (including 11 917 confirmed cases and one probable case). Of these, 211 were fatal cases and 11 626 patients have been discharged after treatment. In the past two weeks (from 14 June 2021 to 27 June 2021), there were 40 confirmed cases, including two local cases (one of which has an unknown source of infection) and 38 imported cases.

5. During the said period, the number of local cases remained at a very low level and there was no local case for 14 consecutive days since 7 June. However, after a family cluster of 3 local cases in early June, recently another local confirmed case involving mutant virus strain of unknown source was reported on 24 June. A colleague of the confirmed case was also diagnosed on 27 June during quarantine. The Government has immediately included the building, workplace, and places visited by the case of unknown source during incubation period and the infectious period into compulsory testing notices (CTNs). People who had been present at those locations at the specified time must also undergo compulsory testing on or before the specified date. We have conducted the first round of testing for more than 31 000 related persons within three days. According to the current quarantine arrangements for confirmed local cases involving mutated virus strains, the said persons shall be subject to more frequent compulsory testing arrangements. As such, even though the epidemic situation in Hong Kong is showing signs of easing, in view of the threat of mutant virus strains, the Government must remain vigilant and be prepared to conduct extensive testing and tracing work as swiftly as possible in order to identify the source and prevent the spread of infection.

6. Besides, although the epidemic situation in Hong Kong is relatively stable, the regional and global situation remains relatively severe. We must continue to strengthen epidemic control to guard against the importation of cases and the resurgence of domestic infections, as well as to further enhance the precision of the anti-epidemic measures to achieve the target of “zero infection”.

Enhancing our testing capacity

7. The Government has all along been providing convenient testing services to the public through various channels, e.g., free testing service through private doctors, deep throat saliva specimen collection packs at various locations in Hong Kong and testing services for the members of public through 18 CTCs. Since the fourth wave of epidemic starting in mid-November last year (from 15 November 2020 to 27 June 2021), the Government has conducted more than 15 730 000 COVID-19 tests.

8. In view of the drastic change of epidemic situation, the Government has all along adopted the approach of compulsory testing, targeted testing and voluntary testing and expanded the scope on numerous occasions to achieve the objective of “early identification, early isolation and early treatment”. The goal is to cut the transmission chains as soon as possible. After the expansion of various measures, the number of testing and the scope of testing targets have increased, resulting in a substantial increase in the demand for testing services. Therefore, the Government needs to seek a supplementary provision to fund the continuation of testing services. The testing-related efforts since the Prevention and Control of Disease (Compulsory Testing for Certain Persons) Regulation (Cap. 599J) came into effect on 15 November 2020 and the operation of first four CTCs are listed out at Enclosure.

Encl.

9. The above testing strategy has yielded positive results with the number of confirmed cases falling drastically over the past few months. Nevertheless, in view of the evolving epidemic situation, we need to continue to expand and strengthen the implementation of the approach of compulsory testing, targeted testing and voluntary testing, and provide more convenient testing services to encourage and facilitate members of the public to undergo testing.

Extending the operation of CTCs and mobile specimen collection stations

10. After reviewing the usage of CTCs and the public’s demand for testing services, the Food and Health Bureau has decided to extend the operation of 18 CTCs and will, based on actual needs, set up mobile collection specimen stations near relevant buildings to facilitate people subject to CTN to undergo viral testing as soon as possible, so as to cut the chain of community transmission.

Estimated expenditure for maintaining community testing services

11. Since the outbreak of the fourth wave of the epidemic in mid-November last year, the Government has adopted a three-pronged approach to expand the scope of testing and strengthen testing efforts, as well as substantially increase the daily testing capacity of public and private laboratories to approximately 100 000 tests per day (without sample pooling). To achieve the objective of preventing the spread of the virus in the community through “early identification, early isolation and early treatment”, we have adopted a risk-based and precision-guided testing strategy to cut transmission chains as soon as possible. We can provide free specimen collection and testing services for 30 000 to 40 000 persons daily through CTCs in all districts to facilitate them to comply with compulsory or regular testing requirements. Together with mobile specimen collection stations, we are able to provide testing services to some 60 000 persons daily to cope with unexpected testing needs as necessary.

12. In response to the fourth wave of the epidemic, we have further strengthened the overall testing arrangement which include lowering the threshold for issuing a CTN to include buildings or premises with confirmed cases and arranging large-scale testing for targeted groups as the development of the epidemic situation might deem necessary (e.g. providing free testing on a regular basis for hundreds of thousands of workers or staff in the catering business sector, construction sector, schools and some scheduled premises under Cap. 599F), leading to a rapid surge in the testing volume.

13. As mentioned above, the Government needs to continue to strengthen testing and extend the operation of CTCs and mobile specimen collection stations. Since the provision in the approved estimates of the Food and Health Bureau (Health Branch) has been set aside for other anti-epidemic work and daily operation, there is no room for redeployment to cover the additional requirements. We need to seek a supplementary provision for 2021-22 to maintain the testing services provided by CTCs and mobile specimen collection stations. To this end, we seek a supplementary provision of \$2,313.6 million under Head 140 Government Secretariat: Food and Health Bureau (Health Branch) Subhead 000 Operational expenses to maintain sufficient specimen collection and testing capacity to guard against the next wave of the epidemic which could happen any time.

VRT arrangement for specific groups of frontline government employees

14. Large-scale vaccination of the public can help build an immune barrier for the entire community. This is the only and most effective way for Hong Kong to get through the epidemic. To safeguard frontline government employees and ensure that they will not become the source of new clusters of infection when carrying out their duties, the Government has adopted vaccination as the key measure for protecting these employees and members of the public that they serve. At the same time, the Government has enhanced the Target Group Testing Scheme for government employees who are not yet vaccinated due to various reasons. Starting from 31 May 2021, the VRT arrangement is adopted for specific groups of frontline government employees. Under the arrangement, bureaux and departments would strongly encourage and provide facilitation for staff members who are regularly involved in enforcement, inspection and investigation duties having frequent and close contact with members of the public, or involved in high-risk duties, to get vaccinated as soon as possible. Frontline staff who have received the first dose of vaccine and provided their vaccination record could be exempted from regular testing. Frontline staff who are unfit for vaccination due to medical conditions and those who plan to but have not yet been vaccinated are required to undergo COVID-19 testing using combined nasal and

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throat swabs on a bi-weekly basis. To this end, we need a supplementary provision of \$26.4 million under Head 143 Government Secretariat: Civil Service Bureau Subhead 000 Operational expenses in 2021-22 to meet the costs of regular testing for frontline employees who have yet to get vaccinated at the initial implementation stage of the VRT arrangement as a transitional arrangement.

FINANCIAL IMPLICATIONS

(A) To maintain community testing service

15. In view of the volatile epidemic situation, we have made reference to the demand for testing services in the community during the fourth wave of the epidemic, the requirement for confirmed cases with a mutant strain to undergo more frequent testing as well as the number and scale of testing operations conducted in restricted areas issued with a “restriction-testing declaration” (RTD) before coming up with an estimate of the daily average testing capacity. For prudence, the calculation has been made on the assumption that a daily free testing capacity of 45 000 tests on average can be provided at CTCs and mobile specimen collection stations.

16. COVID-19 vaccination is conducive to achieving herd immunity, thereby greatly reducing the risk of outbreak in the community. COVID-19 vaccination is the most effective measure to prevent and control the epidemic, and allows us to resume normal daily life as early as possible. In general, members of the public who have been vaccinated against COVID-19 for 14 days after being vaccinated will be deemed to have complied with the requirements and are not required to undergo compulsory testing under CTN. The employees in scheduled premises received vaccination no longer need to undergo regular testing. To this end, we anticipate that the number of persons who are not vaccinated and therefore subject to regular compulsory testing will decrease starting from the fourth quarter of this year. Also, taking into account that maintaining large-scale community testing services for a long period of time involves hundreds of million dollars each month, the Government may review the need for providing free testing at CTCs. The Government will consider whether to extend the relevant testing arrangements subject to the actual circumstances, such as the development of the epidemic situation, the progress of vaccination, and the availability of funds.

17. We seek a supplementary provision of \$2,313.6 million under Head 140 Government Secretariat: Food and Health Bureau (Health Branch) Subhead 000 Operational expenses in 2021-22. The estimated expenditure for testing services is as follows –

/(a)

	FY2021-22 (\$ million)
(a) Testing services at CTCs and mobile specimen collection stations (maintaining a testing capacity of about 45 000 tests per day)	2,268.0
(b) Testing operations in restricted areas under RTDs	7.2
(c) SMS notifications for test results	38.4
Total	<u><u>2,313.6</u></u>

(B) VRT arrangement

18. According to the estimates of bureaux and departments as at late May, the VRT arrangement will cover around 55 000 frontline employees^{Note}. To this end, we propose to provide a supplementary provision of \$26.4 million under Head 143 Government Secretariat: Civil Service Bureau Subhead 000 Operational expenses in 2021-22 to meet the costs of regular testing for frontline employees who have yet to get vaccinated at the initial implementation stage of the VRT arrangement as a transitional arrangement.

19. With a number of measures put in place to encourage and facilitate vaccination by government employees, including the grant of one day of vaccination leave for each vaccination dose received, and following the launch of the “Early Vaccination for All” campaign on 31 May 2021, it is expected that the number of frontline employees who are required to undergo regular testing under the arrangement will decrease. The Government will closely monitor and review in a timely manner the implementation of the VRT arrangement and will make adjustments where necessary.

PUBLIC CONSULTATION

20. We consulted the Legislative Council (LegCo) Panel on Health Services on the proposal on 11 June 2021. Members supported the submission of the proposal to the Finance Committee of the LegCo for approval.

/BACKGROUND

^{Note} Since the number of frontline positions varies according to operational needs, and the frontline positions may not be held by the same employees as frontline employees are subject to posting arrangements, the number of frontline employees required to undergo regular testing will vary from time to time.

BACKGROUND

21. CTCs provide paid and free testing services (including specimen collection services using combined nasal and throat swabs and COVID-19 nucleic acid testing services) for the public through private laboratories which have passed the External Quality Assessment Programme for COVID-19 testing of the Department of Health and possess relevant laboratory accreditation. Members of the public will receive a test result notification within 24 hours under normal circumstances.

22. Currently, the 18 CTCs plays a flexible role in supporting our testing approach of compulsory testing, targeted testing and voluntary testing by providing a daily capacity of 30 000 to 40 000 appointment quota. Besides, we have been setting up mobile specimen collection stations in various districts in view of the need of the development of the epidemic situation to provide free testing services for around 20 000 people every day.

Food and Health Bureau
Civil Service Bureau
June 2021

Details of the community testing work

Compulsory testing on a mandatory basis

Since the Prevention and Control of Disease (Compulsory Testing for Certain Persons) Regulation (Cap. 599J) (the Regulation) came into effect on 15 November 2020, the Government has exercised the power under the Regulation to issue compulsory testing notices (CTNs) multiple times to fully implement the strategy of compulsory testing on a mandatory basis. Meanwhile, the Government also adjusted from time to time the scope of and threshold for compulsory testing with a view to identifying and cutting transmission chains more proactively and promptly.

2. As at 27 June 2021, the Government required various groups or persons to undergo compulsory testing by respective deadlines, including persons who had been to 1 670 specified premises and 50 restricted areas, symptomatic persons clinically suspected to have contracted Coronavirus Disease 2019 (COVID-19)¹, staff of residential care homes for the elderly (RCHEs) and those for persons with disabilities (RCHDs), nursing homes and day service units attached to the premises of RCHs², taxi drivers³, airport staff⁴ and foreign domestic helpers.

3. On residential buildings, the Government has actively expanded the scope of compulsory testing in a proactive and gradual manner. Since 6 February 2021, the threshold for issuing CTNs to residential buildings (including buildings for both commercial and residential uses) in all districts in Hong Kong has been lowered such that when a building has one or more new confirmed cases, or when its sewage samples are tested positive, or where there are other factors

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¹ During the period from 28 November 2020 to 27 June 2021, over 204 000 symptomatic persons were issued with a written direction to undergo compulsory testing by private doctors, of which 344 positive cases (representing a positive rate of 0.16%) were recorded.

² Under 17 rounds of compulsory testing for staff of RCHEs for the elderly, RCHDs for persons with disabilities and nursing homes, over 540 000 staff underwent compulsory testing at community testing centres (CTCs) or mobile specimen collection stations, 17 of which were tested preliminarily positive (representing a positive rate of 0.003%) and referred to the CHP for confirmation and follow-up.

³ Under the one-off compulsory testing scheme for taxi drivers implemented from 9 December 2020 to 22 December 2020, over 46 000 taxi drivers underwent compulsory testing, three of which were tested positive (representing a positive rate of 0.006%).

⁴ During the period from 4 February 2021 to 25 February 2021, over 87 000 airport staff underwent testing in accordance with the CTN issued by the SFH on 2 February 2021. No positive cases were recorded.

indicating possible infection risks, it will be included in a CTN. From 23 January 2021 to 27 June 2021, we delineated 50 “restricted areas” in various districts and issued “restriction-testing declaration” in respect of buildings with a relatively high number of confirmed cases, poor building quality, sewage samples tested positive or cases involving mutant strains. About 43 000 residents within the “restricted areas” underwent testing. As for workplaces, the testing threshold has been lowered such that when a workplace has one or more confirmed cases, it will be included in the CTN.

4. Having regard to advice of experts, the Government has also strengthened testing for close contacts of confirmed cases. Apart from tracing close contacts of each confirmed case and placing them under isolation as swiftly as possible, the Government also issued a CTN on 2 February 2021 to require persons who have household members subject to compulsory quarantine to undergo compulsory testing. Besides, as recently there has been a continued increase in cases of upper respiratory tract infection and/or influenza-like illness in schools, and having regard to that symptoms of upper respiratory tract infection, influenza-like illness and other respiratory infections, including COVID-19, could be similar, the Centre of Health Protection has issued CTNs to all staff and students of the schools concerned.

Targeted testing on an obligatory basis

5. The Government has continued to arrange testing for targeted groups based on risk assessment. At present, testing is provided on a continuous basis for targeted groups including staff and personnel working in markets, licensed hawkers, persons working in cold stores, designated frontline employees of Kwai Tsing Container Terminals. New targeted groups, including foreign domestic helpers, construction site workers, couriers (including takeaway food couriers) and security and guarding personnel, have also been added. During the period from 15 November 2020 to 27 June 2021, around 2 180 000 samples from targeted groups were tested, with an average of around 9 700 tests per day. The Government will regularly review the scope and frequency of targeted group testing based on the latest epidemic risk assessment.

6. To tie in with the reopening of and relaxation of restrictions on restaurants and multiple scheduled premises, it is necessary to step up anti-epidemic measures, including requiring staff of such premises to undergo testing. Since mid-February 2021, the Government has been providing free testing services with online booking for these targeted groups at CTCs. With effect from 29 April 2021, under the relaxed social distancing measures with “vaccine bubble” as the basis, staff who are unfit to receive vaccination due to health reasons are required to submit a declaration form and a medical certificate to their employer, and undergo

a nucleic acid test using combined nasal and throat swabs every seven days. As a result of regular testing conducted for workers from different sectors at CTCs or mobile specimen collection stations starting from mid-February 2021, the daily average testing demand surged from some 6 000 tests in January to over 20 000 tests in late February.

Testing on a voluntary basis

7. To achieve testing on a voluntary basis, the Government has continued to provide convenient testing services for the public through various channels, including free testing through 188 distribution points and 83 collection points. During the period from 15 November 2020 (the commencement date of the operation of the first four CTCs) to 27 June 2021, over 865 000 persons underwent self-paid testing services at CTCs.
