

**Speaking Note for the Secretary for Food and Health  
at the Special Meeting of the Finance Committee  
on 15 April 2021**

<b>Health</b>
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**Chairman and Honourable Members,**

In 2021-22, the estimated recurrent government expenditure on healthcare is \$95.9 billion<sup>1</sup>, which accounts for 18.5% of the Government's total recurrent expenditure. From 2018-19 to 2021-22, the recurrent provision on healthcare has recorded a cumulative growth of 32%.

2. New and additional resources available in this financial year are mainly used for various enhanced or newly introduced public healthcare services, including:

On the support for the Hospital Authority (HA), the Government will continue to increase progressively the recurrent provision for the HA on a triennium basis having regard to population growth rates and demographic changes. In 2021-22, a recurrent subvention of \$80.7 billion will be provided to the HA, representing an increase of nearly 30% over the provision in 2018-19. The HA will utilise the funding to enhance its services, including:

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<sup>1</sup> An increase of about \$7 billion or 7.9% as compared with the previous year.

- (i) opening around 300 additional public hospital beds and providing additional operating theatres sessions;
- (ii) enhancing endoscopy and diagnostic radiological services;
- (iii) increasing the quota for general out-patient clinics and specialist out-patient clinic attendances; and
- (iv) enhancing cancer diagnosis and treatment services, including extending the service hours of radiotherapy, recruiting additional Cancer Case Managers, and piloting one-stop diagnostic service in hospital clusters through enhanced co-ordination among specialties to streamline and expedite the diagnosis process.

3. In 2021-22, an additional provision of about \$2.7 billion will be provided to the Department of Health (DH) for implementing various measures to combat COVID-19, including operating quarantine centres, implementing health quarantine arrangements at control points and enhancing the testing capacity. In the coming year, the DH will continue to strengthen the existing public health services and introduce new services, including:

- (i) enhancing various vaccination schemes, such as the Seasonal Influenza Vaccination Programme and the Childhood Immunisation Programme; and
- (ii) introducing risk-based breast cancer screening service for eligible women.

**“Anti-epidemic Fund” – Enhancing Support to the HA in Combating the Epidemic**

4. The Government has earlier allocated \$4.7 billion from the Anti-epidemic Fund to support the HA in tackling the epidemic and ensuring sufficient support and protection for frontline healthcare staff. To further support the HA in combating the winter surge and the fourth wave of the epidemic, the Government has also allocated an additional funding of \$3,044 million for the HA to establish and operate the Community Treatment Facility at AsiaWorld-Expo and the North Lantau Hospital Hong Kong Infection Control Centre, and to sustain its anti-epidemic efforts. The two facilities commenced services by phases in August last year and end February this year respectively.

**Healthcare Facilities**

5. The HA will press ahead with the implementation of the projects under the First Ten-year Hospital Development Plan (HDP) and the planning of the Second Ten-year HDP. We plan to seek funding approval from the Finance Committee (FC) for three projects<sup>2</sup> under the First Ten-year HDP in the current legislative session and look forward to Members’ support. The HA will review the design of hospital projects under the two Ten-year HDPs taking into account the experience in combating COVID-19 and incorporate

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<sup>2</sup> The three projects include the New Acute Hospital at Kai Tak Development Area; Expansion of North District Hospital – site formation and foundation works; and Expansion of Lai King Building in Princess Margaret Hospital – site formation and foundation works.

required provisions for two to three general wards in each selected hospital to be readily converted into Tier-2 isolation wards in epidemic situation.

6. To enhance the capacity for the training of healthcare profession, the Government has earmarked around \$20 billion to upgrade and increase the teaching facilities of The University of Hong Kong, The Chinese University of Hong Kong and The Hong Kong Polytechnic University. Around \$1.9 billion were allocated to the three universities in the past two financial years for carrying out some of their short-term and medium-term projects. The Government will submit funding applications for another two projects, totalling some \$160 million, to the FC in the current legislative session, and will continue to follow up with the three universities on the remaining medium and long-term projects, with a view to further upgrading and increasing their healthcare teaching facilities.

### **Primary Healthcare**

7. The Government will continue to vigorously promote district-based primary healthcare services, with a view to enhancing the public's capability in self health management and providing community support for chronic patients. Following the commencement of service of the first District Health Centre (DHC) in Kwai Tsing District in 2019, we are preparing for the setting up of DHCs in Sham Shui Po and five other districts, which are expected to commence operation within this year and the next.

8. Last year, the Government allocated around \$600 million to

subsidise the establishment of smaller interim “DHC Expresses” in the remaining 11 districts by non-governmental organisations, with a view to expediting the provision of primary healthcare services at the district level. All “DHC Expresses” are expected to start operation in the fourth quarter of this year.

### **Mental Health Services**

9. The Government has earmarked around \$156 million for further strengthening mental health services, including enhancing child and adolescent psychiatric, community psychiatric and psychogeriatric services of the HA, so as to address the escalating demand for psychiatric services across different age groups in both hospital and community settings. Besides, the Advisory Committee on Mental Health will continue to co-ordinate and follow up with relevant bureaux/departments for taking forward measures for the enhancement of mental health services.

### **Development of Chinese Medicine**

10. The Government has incorporated Chinese medicine (CM) into the healthcare system of Hong Kong and allocated more recurrent resources to develop CM services.

11. The assessment of tenders for the operation of the Chinese Medicine Hospital (CMH) is underway in parallel with that for the works project. We plan to seek funding approval from the FC for the preparation for the

commissioning, the development of information technology systems and the works project for the CMH in the middle of this year. The service deed for the operation of the CMH and the contract for the construction works will be awarded upon funding approval.

12. The Government will also establish a permanent Government Chinese Medicines Testing Institute (GCMTI), to be managed by DH, adjacent to the CMH. The GCMTI will specialise in the testing of and scientific research on CM drugs, with a view to setting reference standards for the safety, quality and testing methods of CM drugs, and empowering the CM drug industry through transfer of technology to strengthen quality control of CM drugs and their products.

13. The Architectural Services Department commenced the tendering procedures for the design and construction of the CMH and the GCMTI in October last year. The projects are tentatively scheduled to commence in the second quarter of this year for completion in about four years' time.

14. We will continue to further promote the development of CM in Hong Kong through various measures, including continuous provision of Government-subsidised CM out-patient services at the district level through the 18 district CM clinics administered by the HA; further provision of in-patient services with Integrated Chinese-Western Medicine treatment in HA hospitals; and provision of funding through the \$500 million Chinese Medicine Development Fund for the CM sector to, inter alia, nurture talent, conduct scientific research and promote CM.

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