

For discussion on
18 December 2023

Legislative Council Panel on Welfare Services

Expansion of the Residential Care Service Voucher Scheme for the Elderly

Purpose

The 2023 Policy Address announced that, starting from the second quarter of 2024, the Government will expand the coverage of the Residential Care Service Voucher for the Elderly (RCSV) and increase the number of such vouchers. This paper briefs Members on the RCSV Scheme (Scheme) and expansion measures.

Background

2. The Social Welfare Department (SWD) launched the Pilot Scheme on RCSV in March 2017 and made it permanent in April 2023. Adopting the principles of “money follows the user” and “users pay in accordance with affordability”, RCSV provides an additional choice for elderly persons assessed with need for residential care services and waitlisted for subsidised care-and-attention (C&A) places. Elderly persons using RCSV may freely choose and switch residential care homes for the elderly (RCHEs) participating in the Scheme, known as recognised service providers (RSPs), without having to wait. RCHEs participating in the Scheme must meet specified space¹, staffing² and track record³ requirements.

¹ That is, area of floor space requirement of at least 9.5 m² per resident provided by EA1 homes under the Enhanced Bought Place Scheme (EBPS).

² That is, staffing requirement of EA1 homes under EBPS.

³ In the 60-month period immediately preceding the submission of application form to the Social Welfare Department (SWD), the residential care home for the elderly (RCHE) must not have any record of conviction of any contravention under the Residential Care Homes (Elderly Persons) Ordinance (Cap. 459) or criminal offence directly related to the operation of RCHE; and in the 12-month period immediately preceding the submission of application form, the RCHE (i) did not receive any warning letter from the SWD; or (ii) received from the SWD one warning letter but it related to no more than two items of default, provided that the warning letter was not received within the six-month period immediately preceding the submission of the application form; or (iii) received two warning letters from the SWD and each related to no more than one item of default, provided that such warning letters were not received within the six-month period immediately preceding the submission of application form.

Features of the Scheme

3. The SWD provides casework support services to elderly persons holding RCSV to assist them in choosing suitable RSPs and provides follow-up support after their admission to RCHEs, including assisting the elderly persons to adapt to new environment and assisting the elderly persons to switch RSP as necessary. RSPs provide elderly persons using RCSV a “standard service package” covered by the RCSV⁴. Elderly persons may top up payment to purchase value-added services⁵ according to their needs. The Scheme has a six-month trial period for elderly persons to adapt to life in RCHEs. If an elderly person chooses to opt out from the Scheme before or upon the expiry of the trial period, his/her original position on the Central Waiting List for Subsidised Long Term Care Services (CWL) is resumed, and the elderly person does not have to start queuing for subsidised places afresh. This measure encourages elderly persons to try out RCSV without worries⁶.

4. The SWD determines the co-payment level for using RCSV of elderly persons based on their individual financial situation (Annex 1). Elderly persons at co-payment Level 0 of RCSV are provided with a medical fee waiver certificate and may receive medical services at public hospitals or clinics free of charge. If the elderly persons meet relevant eligibility criteria, they may also apply full subsidies under the Samaritan Fund and Community Care Fund Medical Assistance Programmes. In addition, the Public-Private Partnership Programme of the Hospital Authority offers elderly persons at co-payment Level 0 of RCSV medical services equivalent to those provided to Comprehensive Social Security Assistance recipients. If these elderly persons are certified by medical practitioners at the public hospitals or clinics as having medical needs, the SWD will disburse care supplement to the RCHEs the elderly persons reside in to pay for relevant charges such as diapers, special diets, medical consumables, etc.

5. To ensure the service quality of the RSPs, the SWD has established a monitoring mechanism under which it visits RSPs, conducts unannounced checks, audits their records, and investigates complaint against the RSPs, etc. The RSPs must join the SWD’s Service Quality Group Scheme, where group

⁴ The monthly voucher value in 2023-24 is \$16,161. The “standard service package” includes: (i) accommodation in shared rooms; (ii) at least three meals a day plus snacks; (iii) basic and special nursing care; (iv) staff on duty 24 hours per day; (v) personal care service; (vi) two rehabilitative services sessions per week, on an individual or group basis; (vii) regular visits by registered medical practitioner; (viii) regular social and recreational activities; and (ix) laundry service.

⁵ The maximum top-up payment is 150% of the voucher value. In 2023-24, the cap is \$24,241.

⁶ During the RCSV trial period, the elderly person’s application for residential care services and community care services (if any) on the Central Waiting List for Subsidised Long Term Care Services (CWL) is categorised as an “inactive case”. If the elderly person does not use RCSV during the trial period, he/she will be deemed to have opted out of the Residential Care Service Voucher Scheme for the Elderly (Scheme) upon the expiry of the trial period; if the elderly person choose to opt out of the Scheme during the trial period or upon the expiry of the trial period, his/her position on the CWL will be resumed and his/her position on the CWL will be based on the original application date. If the elderly person decides to continue to use RCSV after the trial period, his/her application on the CWL will be closed.

members, comprising mostly community stakeholders, pay regular visits to inspect the RCHEs' facilities and services and offer views.

Scheme Implementation

6. When the SWD launched the Pilot Scheme in 2017, it provided a maximum of 3 000 RCSVs, and eligible elderly persons were invited to join the Scheme according to the order of their applications for subsidised long term care services. Starting from 22 August 2022, the SWD accepts applications for RCSV from all elderly persons waitlisted for C&A places on the CWL. SWD continues to promote the Scheme, including visiting various elderly service units, integrated family service centres and RCHEs to organise briefing sessions, attending District Co-ordinating Committee on Elderly Service and media interviews, etc., to raise awareness of the Scheme among elderly persons and their family members.

7. The number of elderly persons holding RCSV increased continuously from around 300 in end March 2018 to around 3 600 in end November 2023, of which around 3 300 were using RCSV and the remaining around 300 elderly persons holding RCSV were selecting suitable RSPs. During the same period, the number of RSPs increased from 86 to 202, including 139 EA1 homes of the Enhanced Bought Place Scheme (EBPS), 48 subvented/contract/self-financing homes and 15 non-EBPS private homes.

8. To implement RCSV more effectively and support continuous development, the SWD has launched the Voucher Information System for the Elderly (VISE) in phases since July 2023 to facilitate RSPs' handling of admission cases of elderly persons, updating of place vacancies, application for amending place information and reimbursement of government subsidies, etc. Elderly persons holding RCSV and their family members may check the usage status of their RCSV on the system. Eligible elderly persons or their family members may also apply to use RCSV through the system.

Expansion Measures

9. The 2023 Policy Address announced that, starting from the second quarter of 2024, the coverage of RCSV will be expanded from the existing C&A places to nursing home (NH) places, and the number of vouchers will increase to 5 000.

10. The Scheme will continue to adopt the principles of “money follows the user” and “users pay in accordance with affordability” upon expansion, and the operation mode and monitoring mechanism will be similar to the existing arrangements. Major features of the expansion measures are as follows:

- (a) Service target: cover elderly persons waitlisted for NH places on the CWL. As at November 2023, there were around 2 600 of them.
- (b) Service scope: provide regular basic medical care services and social work services, e.g. case assessment, counselling, referrals, programme activities, etc., to RCSV users of NH places.
- (c) RSP: extend to RCHEs with NH licence. These NHs must satisfy the specified space and track record requirements set out in paragraph 2 above. As for staffing, these NHs must comply with the staffing requirements set out in the SWD's Code of Practice for Residential Care Homes (Nursing Homes) for the Elderly, and arrange a social worker and physiotherapist(s) / occupational therapist(s) to provide services for no less than a specified number of hours. In end November 2023, there were 44 NHs providing non-subsidised NH places which meet the eligibility criteria for joining the extended Scheme, including 43 contract homes and one self-financing home⁷.
- (d) Voucher value and co-payment amount: with reference to current arrangement of pegging the existing voucher value of a C&A place to the monthly cost of an EA1 place under the EBPS, the voucher value of an NH place will be pegged to the monthly cost of a place under the Nursing Home Place Purchase Scheme (NHPPS). In 2023-24, the monthly cost of a place under the NHPPS is \$20,838.

SWD proposes that the co-payment levels, user co-payment percentage, income limits and asset limits currently applicable to vouchers for a C&A place should also apply to vouchers of an NH place. The proposed eight co-payment levels and amounts are set out in Annex 2.

Preparation

11. The SWD will launch the expansion measures in the second quarter of 2024, and has begun preparation, including organising a briefing session for RSPs with NH licenses in early December 2023 to prepare them to submit expression of interest to join the to-be-expanded Scheme in early 2024. SWD also plans to organise a briefing session for responsible workers of respective service units in the first quarter of 2024 to introduce the details of expanding the Scheme, so that the responsible workers can provide information and assistance to eligible elderly persons. The SWD will also enhance the functions of VISE in the second quarter of 2024 to tie in with the expansion of the Scheme.

⁷ Among them, 34 contract homes and the self-financing home also provide non-subsidised care-and-attention places and are recognised service providers of the existing Scheme.

Advice Sought

12. Members are invited to note the content of this paper.

Labour and Welfare Bureau
Social Welfare Department
December 2023

Co-payment levels and amounts of
existing Residential Care Service Voucher Scheme for the Elderly

Level	Income Limit		Asset Limit Amount (\$)	User Co-payment		Government Subsidy (\$)
	MMDHI [^] for one- person household	Amount (\$)		Percentage	Amount (\$)	
0	≤50%	≤5,250	52,000	0%	0	≤16,161
1	≤75%	≤7,875	546,000	10%	≤1,616	≤14,545
2	≤100%	≤10,500		20%	≤3,232	≤12,929
3	≤125%	≤13,125		30%	≤4,848	≤11,313
4	≤150%	≤15,750		40%	≤6,464	≤9,697
5	≤200%	≤21,000		50%	≤8,081	≤8,080
6	≤300%	≤31,500		62.5%	≤10,101	≤6,060
7	No limit		No limit	75%	≤12,121	≤4,040

[^] Median Monthly Domestic Household Income

Proposed co-payment levels and amounts for Residential Care Service Voucher
for the Elderly of a nursing home place ^{Note}

Level	Income Limit		Asset Limit Amount (\$)	User Co-payment		Government Subsidy (\$)
	MMDHI [^] for one- person household	Amount (\$)		Percentage	Amount (\$)	
0	≤50%	≤5,250	52,000	0%	0	≤20,838
1	≤75%	≤7,875	546,000	10%	≤2,084	≤18,754
2	≤100%	≤10,500		20%	≤4,168	≤16,670
3	≤125%	≤13,125		30%	≤6,251	≤14,587
4	≤150%	≤15,750		40%	≤8,335	≤12,503
5	≤200%	≤21,000		50%	≤10,419	≤10,419
6	≤300%	≤31,500		62.5%	≤13,024	≤7,814
7	No limit		No limit	75%	≤15,629	≤5,209

[^] Median Monthly Domestic Household Income

^{Note} Calculation based on the \$20,838 monthly cost of a place under the Nursing Home Place Purchase Scheme in 2023-24.