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*Our Health Responsibility Your*

Civic Party's Position on the  
Healthcare Reform Consultation Document



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## Conclusions

## Weaknesses of the Current Healthcare System

- Ø ***Insufficient emphasis on holistic primary care***  
*Holistic primary care, especially preventive care and wellness promotion, is not sufficiently emphasized.*
- Ø ***Over reliance on the public hospital system***  
*The public rely heavily on the public hospital system, which provides over 90% of all inpatient services.*
- Ø ***Significant public-private imbalance***  
*The public sector dominates inpatient care while the private sector provides the majority of outpatient care.*
- Ø ***Limited continuity and integration of care***  
*Lack of continuity of relationship between the primary care doctor and the patient, and also on the interface and integration of different levels of healthcare.*

## Future Challenges

- Ø *Increasing healthcare needs due to ageing population*
- Ø *Rising medical costs due to advances in medical technology*
- Ø *Health expenditure growing much faster than the economy*
- Ø *Increasing burden on future generations in order to maintain the present financing arrangements*

## Consequences of a Status Quo

- Ø *Waiting list and time for specialist outpatient and special services will continue to lengthen*
- Ø *Inpatient wards will become more overcrowded and ward conditions will deteriorate*
- Ø *Cannot sustain investment in healthcare facilities and equipment*
- Ø *Cannot keep up with proven new medical technology*



## Areas of Reform Suggested

- Ø *Enhancing primary care to put greater emphasis on preventive care*
- Ø *Promoting public-private partnership in healthcare*
- Ø *Developing electronic health- record sharing*
- Ø *Strengthening the public healthcare safety net*
- Ø *Reforming healthcare financing arrangements*



# The 6 Supplementary Financing Schemes

## Ø *Social health insurance*

*To require the workforce to contribute a certain percentage of their income to fund healthcare for the whole population.*

## Ø *Out-of-pocket payments*

*To increase user fees for public healthcare services.*

## Ø *Medical savings accounts*

*To require a specified group of the population to save to a personal account for accruing savings to meet their own future healthcare expenses*

## Ø *Voluntary private health insurance*

*To encourage more individuals to take out private health insurance in the market voluntarily.*

## Ø *Mandatory private health insurance*

*To require a specified group of the population to subscribe to a regulated private health insurance scheme for their own healthcare protection.*

## Ø *Personal healthcare reserve*

*To require a specified group of the population to deposit part of their income into a personal account*



## CP's Position

*We do not quarrel with all the areas set out by the government in reforming the current healthcare system.*

*More results from the reform are prerequisite in order to convince the public about the need to fork out more moneys.*

## Problems of the Public Healthcare System

- Ø *Lengthening of waiting time for treatments in public hospitals.*
- Ø *Shortening of time for consultation and treatment of patients in public hospitals.*
- Ø *An exodus of frontline medical personnel from the public sector.*
- Ø *The vicious cycle of the above three, if not broken, will go on until the public healthcare system breaks down.*
- Ø *The life of patients caught in the vicious cycle is made worse by the Drug Formulary maintained by the Hospital Authority.*



## Criticisms on the Consultation Document

- Ø *The problems had been identified for more than a decade without adequate corrective actions  
Yet again, solid measures to resolve these problems are missing in this document.*
- Ø *More budget spending for education than public healthcare, whereas as the reverse is applied in most developed cities.*

## Criticisms on the Consultation Document (cont)

- ∅ *Oversimplifying the correlation between ageing and healthcare expenditure. For instances:*
  - a) *Increase in public healthcare expenditure due to ageing is between 0.4% and 0.7% per annum for OECD and European Commission.*
  - b) *Advancement in technology can reduce cost of treatment, thus reducing overall medical expenditure.*
  - c) *The sum to be spent during the last few years of his life's journey, whether 60s or 90s, will remain more or less the same.*
  - d) *More and more of the aged population remain gainfully employed after retirement. It is wrong to assume an over-reliance on the younger generation.*

## Criticisms on the Supplementary Healthcare Financing

Ø *Predictions and projections are not an exact science.*

*Our spending has consistently been capped at an annum average of HK\$30 billion or thereabout.*

Ø *For every \$100 spent on healthcare, \$54 comes from the public coffers and \$46 comes from the private purse.*

Ø *Lack of transparency in the healthcare expenditure, and hence no guarantee in the effectiveness and efficiency.*

Ø *Lack of information on where the new moneys will go.*

Ø *The relevant concepts for the 6 financing schemes have not been articulated enough.*

*e.g. “regulated private health insurance” and “mandatory regulated health insurance”.*

## Criticisms on the Supplementary Healthcare Financing (cont'd)

*A supplementary financing would result in a redistribution of wealth*

- Ø Any shift from tax financing to private financing will benefit the healthy and wealthy at the expense of the unhealthy and non-wealthy, and vice versa.*
- Ø The Administration repeatedly arguing a low taxation in HK, the population is paying a substantial amount of indirect taxes via the spending on house rentals and purchase.*
- Ø Choices will be more limited for the have-nots than the haves for a two-tier system.*



## An Immediate Reform without Supplementary Financing

*Identical problems have been identified in the  
consecutive consultancy studies without  
serious actions*

*We urges the Administration to immediately  
implement measures to tackle the identified  
problems in order to demonstrate its  
determination and commitment to  
improving Hong Kong's Healthcare System*



## An Immediate Reform without Supplementary Financing (cont'd)

- Ø *Improve the quality and scale of the primary care services within community*
- Ø *To use the \$50 billion reserved to implement new measures:*
  - a) *To issue to the poorest 20% of the population a certain number of medical vouchers every year*
  - b) *To promote the electronic health-record sharing system to private practitioners*
  - c) *To train more community doctors and nurses conducive to a community-based integrated primary healthcare service*
  - d) *To outsource to the private sector treatments that have proven to be a heavy burden on public hospitals*
  - e) *To finding out the best ratios between doctors and patient and between public and private healthcare services*
  - f) *To immediately expand the drug list and abandon it eventually*

# Conclusions:

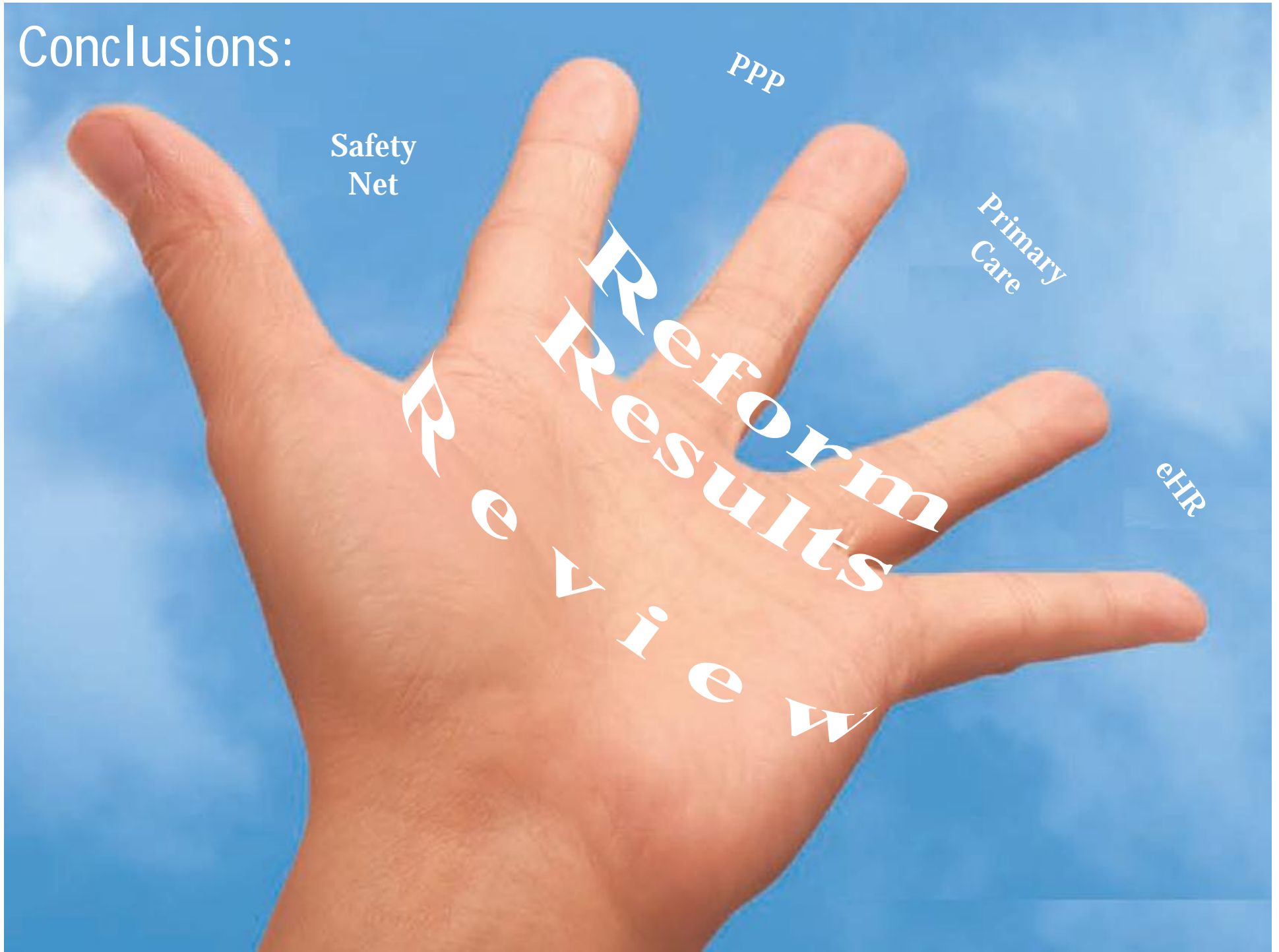
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Backup slides



## The healthcare reform papers

1993 - Towards Better Health

1999 - Improving Hong Kong's Health Care System Why and For Whom

2000 - Lifelong Investment in Health

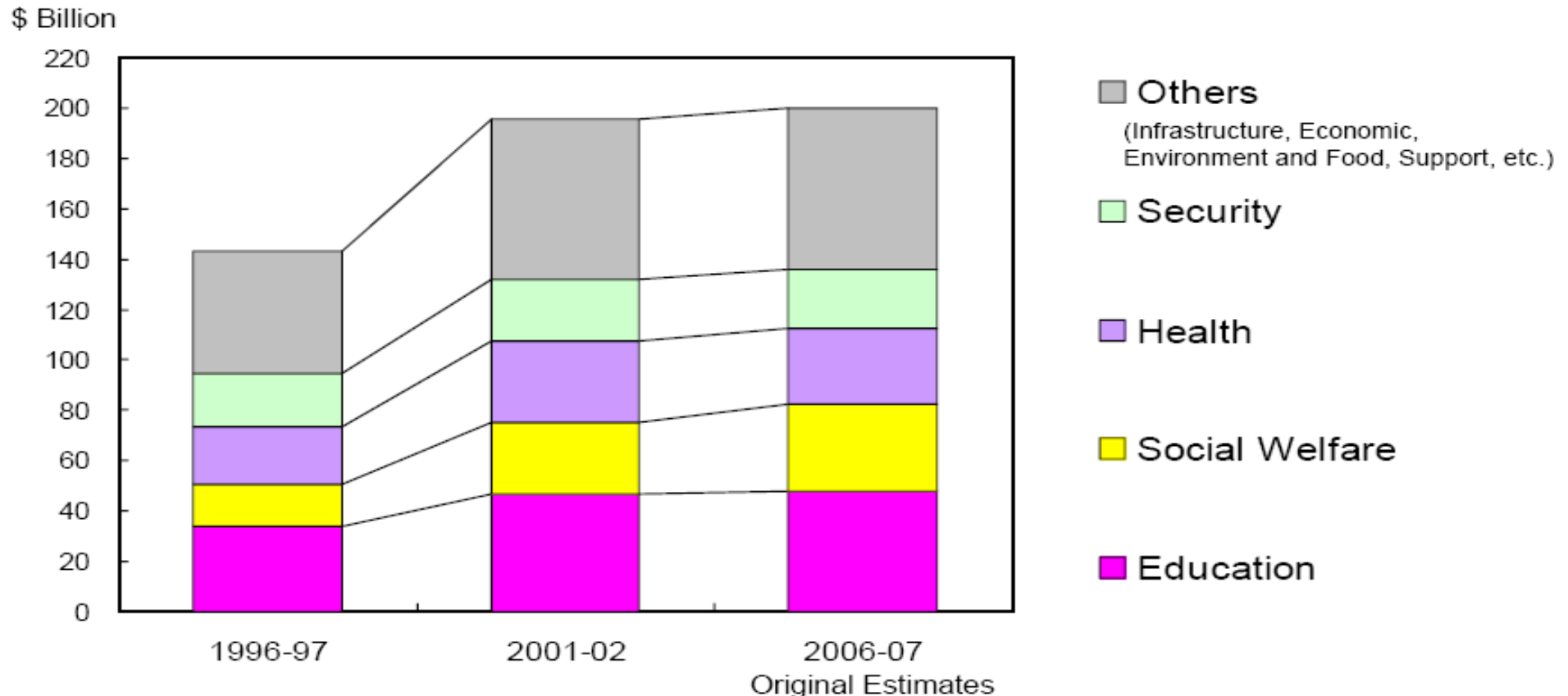
2005 - Building a healthy tomorrow

2008 - Your Health Your Life

## Healthcare expenditure of some countries

Countries	Public	Private
<b>Tax-based Model</b>		
Norway	83.48%	16.52%
UK	83.36%	16.64%
New Zealand	78.67%	21.33%
Canada	69.91%	30.09%
Australia	67.78%	32.22%
Hong Kong	53.8%	46.2%
Greece	51.3%	48.7%
<b>Social Insurance Model</b>		
Japan	81.48%	18.52%
Taiwan	66.00%	34.00%
Netherland	62.38%	37.62%
<b>Private Insurance Model</b>		
USA	44.43%	55.57%
China	33.70%	66.30%
<b>Medical Savings Model</b>		
Singapore	30.9%	69.1%

## Expenditure profile in past ten years



- Ø The administration has pledged to increase the current expenditure in healthcare from 15% to 17% by 2011-12.
- Ø Healthcare vs Education: 15% vs 23.9%.



# Charges of public and private healthcare services (for reference only)

公營			私營
	香港居民	非香港居民	
急症室 每次診症	100	570	住院服務 (急症醫院)
住院服務 (急症病床) 入院費/每天	50 / 100	570 / 3300	頭等 二等
每天住院服務 (普通科)	68	3300	嬰兒護理室 每天\$3,900 每天\$2,600 每天\$640
每天住院服務 (精神科)	68	1200	
專科門診 首次診症 / 其後每次診症 / 每種藥物收費	100 / 60 / 10	700	住院服務 (其他醫院)
普通科門診	45	215	頭等 二等
敷藥及注射	17	70	每天\$3,300 每天\$2,200
老人科及復康科日間醫院	55	1400	
精神科日間醫院	55	880	特別深切治療病房 每天\$12,700 深切治療病房 每天\$9,900 加護病房 每天\$7,000
社康護理 (普通科)	80	340	住院時醫生診症 (每一專科) (二〇〇五年九月一日開始實施) 每次 \$550 - \$2,250
社康護理 (精神科)	Free	1050	
社區專職醫療服務 (普通科)	64	1050	
社區專職醫療服務 (精神科)	Free	1050	
特別深切治療病房 每天		18100	
深切治療病房		13900	
加護病房		9800	門診服務 首次診症 覆診
嬰兒護理室		640	(二〇〇五年九月一日開始實施)
產科分娩服務 (二〇〇五年九月一日開始實施) - 包括分娩及三日(兩晚)普通病房住院		20000	每次 \$550 - \$1,750 每次 \$450 - \$1,150