

APPENDIX A GLOSSARY OF TERMS

Acute Medicine / Acute Care	Refers to the immediate and early specialist management of patients with a wide range of medical conditions who present in hospital as emergencies.
Ambulatory Care	Medical care (including diagnosis, observation, treatment and rehabilitation) that is provided on an out-patient basis. This care is particularly given to patients who are mobile (ambulatory) and not confined to hospital.
Anti-selection / Adverse Selection	In the context of insurance, anti-selection or adverse selection refers to a situation whereby individuals with higher risks are more likely to take out insurance, resulting in the insured having a higher chance of making claims for the insurance benefits.
Benefit Limits	The maximum amount that the insurance company will pay out to an insured person who makes a claim for a particular item covered by the insurance package.
Benign Prostatic Hyperplasia Surgery	A surgery that involves removing part of the prostate (a gland within the male reproductive system) that is pressing against the urethra (the tube that excretes urine from the bladder to the outside of the body) and restricting the flow of urine. Benign prostatic hyperplasia is a non-malignant (non-cancerous) enlargement of the prostate gland, making urination difficult and painful and in extreme cases, completely impossible. It often occurs in older men.
Cataract Surgery	Removal of the clouded lens of the eyes (the cataract) in its entirety by surgery.
Catastrophic Illness	A severe illness that is life-threatening or may lead to serious disability. Such illnesses usually require prolonged hospitalisation or recovery, and involve high costs for medical care.
Chemotherapy	Drug treatment to kill cancer cells.
Chiropractors	Health professionals who seek to diagnose, treat, correct, and prevent neurological, skeletal, or soft tissue dysfunction by employing manual therapies.
Chronic Disease	A disease that is long-lasting or recurrent, and with slow progression. Examples of chronic diseases include diabetes and arthritis (a condition where there is damage caused to the joints of the body).

Clinical Protocols	Precise and detailed plans for the study or treatment of a medical problem or disease. They provide the standards in which healthcare providers can follow in their daily practice.
Colorectal Cancer	Cancer that starts in the large intestine (colon) and/or the rectum (end of the colon).
Communicable Diseases	Diseases that can be transmitted directly or indirectly from one person to another. Examples include influenza, tuberculosis (TB), dengue fever and hepatitis B.
Community-rated Premium	All the insured persons pay the same premium rate for the same insurance plan irrespective of age, gender and medical conditions.
Continuity of Care	Care is provided to a patient by the same service provider over a period of time. Even if different service providers are involved in the care, they communicate with each other to coordinate healthcare, so that the care provided to the patient is continuous and not being disrupted by any changes in service providers or places of care.
Convalescent Care	Nursing care or therapeutic services for patients to help them to recuperate and recover after a surgery or serious illness.
Co-payment	An amount that a patient has to pay as his/her share of the cost of health services received.
Cost-effectiveness	The minimal expenditure of financial and other resources necessary to achieve the appropriate healthcare result.
Curative Care	Healthcare services that are concerned with treatment of acute episodic illness and injury.
Deductible	Deductible (also called "excess") refers to the initial portion of any insurance claim that is not covered by the insurance provider. It is normally quoted as a specified dollar amount or a percentage of the claim amount that must be paid by the policyholder before the benefits of the policy can apply.
Disease Surveillance	The continuing collection and analysis of information of all aspects related to the occurrence of a disease that is pertinent to effective control of the disease.
Doctor-shopping	Refers to patients going to numerous different doctors to seek investigation and treatment for the same health conditions.

Domestic Health Accounts (DHA)	A set of descriptive account that traces all the financial resources that flow through Hong Kong's health system over time. It is compiled according to the International Classification for Health Accounts (ICHA) Framework developed by Organisation for Economic Co-operation and Development (OECD) to describe systematically the totality of health expenditure flows in both government and non-government sectors.
Efficiency	A proper allocation of services such that waste and unnecessary use of medical services are minimized.
Elderly Dependency Ratio	Refers to the number of persons aged 65 and above per 1,000 persons aged between 15 and 64.
Employer-provided Medical Benefits	Healthcare services provided by employers to their employees (often including employees' dependents as well) usually through a group-based health insurance arrangement. Employers may also provide staff medical benefits in the form of medical fee reimbursement.
Equitable Access (to healthcare services)	A fair opportunity to use healthcare services.
Family-doctor Model	A model in which a personal doctor, who can be a general practitioner, a family medicine specialist or any other specialist, provides primary care to patients and refers them to other healthcare services when necessary.
Family Medicine	The medical specialty that provides continuing, comprehensive healthcare for the individual and family irrespective of age, gender and illness. The core role of family medicine is in the provision of primary care, that is, in promoting health, preventing disease and providing curative or palliative care to patients in the community.
Fee-for-service	Refers to a payment method for healthcare whereby doctors and other healthcare providers receive a fee for each service provided, such as a consultation, test, procedure, or other episode of administering healthcare service.
Gamma Knife	A neurosurgical device used to treat brain tumours with radiation therapy.
Geriatric Assessment	An evaluation of an elderly person's physical, mental and psycho-social health conditions as well as his/her ability to perform the basic activities of daily living such as dressing and bathing.
Global Budget	An aggregate cash sum, fixed in advance, intended to cover the total cost of a service, usually reserved one year before.

Gross Domestic Product (GDP)	GDP is a way of measuring the size of an economy. It is a measure of the total value of production of all resident producing units of a country or territory in a specified period, before deducting allowance for consumption of fixed capital.
Gynaecology	The specialty that deals with health of the female reproductive system.
HA Drug Formulary	A reference guide produced by the Hospital Authority (HA) in 2005 to standardize drug policy and utilization across public hospitals and clinics. Drugs that are listed in the Drug Formulary are charged at a standard fee that is heavily subsidized regardless of the actual costs of the prescriptions. Drugs not listed in the Drug Formulary have to be purchased at cost by the patients.
Haemodialysis	A method for removing waste materials, such as urea, in the blood by taking blood from the body to be cleaned in a filter known as a dialyser (artificial kidney), for patients with kidney failure.
Hereditary Illness	An illness or disorder that is passed genetically from the biological parents to offspring.
Holistic Care	A philosophy of healthcare that views the physical, psychological, social and spiritual aspects of a person as all important in the provision of care.
Immunosuppressant Treatment	Drugs or therapy that are used to prevent rejection of transplanted organs and tissues, and to treat autoimmune diseases (i.e. diseases that are caused by attacks of cells, tissues and organs of a person's body by his/her own immune system) such as rheumatoid arthritis, which is a disorder that causes the body's immune system to attack the bone joints.
Individual Medical Insurance	Private health insurance purchased on an individual rather than on a group basis. Premium of an individual medical insurance is usually determined according to the insured individual's age and health risks.
Infirmity Services	Intensive nursing and personal care services that are provided to persons with severe physical and/or mental disability on an in-patient basis. Infirm persons include those who are constantly bed-bound and are fully dependent on others in carrying out activities of daily living.
Inflation	The amount by which prices increase from one year to the next.
Information Asymmetries	A state when one party to a transaction has more or better information than the other party.

Integration of Care	The provision of care that involves collaboration and coordination, joint planning and shared activity between healthcare providers across all settings to ensure consistent and comprehensive care over time.
International Classification for Health Accounts (ICHA) Framework	A framework developed by Organisation for Economic Co-operation and Development (OECD) to trace all the financial resources that flow through a health system over time. In the framework, health expenditures are classified according to three dimensions: health financing sources; healthcare providers; and healthcare functions. Many countries have compiled their own National Health Accounts (NHA) using this framework, which allows for international comparison of healthcare financing and expenditure.
Inverse Care Law	Proposed by a British doctor, Professor Julian Tudor Hart in 1971, the law states that “the availability of good medical care tends to vary inversely with the need of the population served.” In other words, those who need medical care the most are least likely to receive it; conversely, those with the least need of healthcare tend to use health services more.
Labour Force Participation Rate	Labour force participation rate refers to the proportion of labour force in the population aged 15 and over. It is a measure of the propensity of the persons of working age to be economically active.
Means-test	A process undertaken to assess an applicant’s income or wealth to determine whether he/she is eligible to receive certain types of benefits from the Government.
Medical Centres of Excellence	Specialty medical centres that deliver quality tertiary and specialised healthcare services and treatments by top-notch medical professionals.
Medical Inflation	The increase in costs/prices of medical goods and services. Medical inflation is mainly due to advances in medical technology and relative price movement in the supply of health services, which are distinct from the effects of demographic changes on medical utilization. For example, new medical technologies may increase demand by increasing the variety and quality of products, which in turn will drive up the medical cost.
Moral Hazard	A situation where the existence of insurance changes the behaviour of an insured party and/or service provider, such as resulting in the insured person over-using an insured service or the service provider over-supplying the service. Moral hazard arises when the insured persons or service providers do not have to bear the full costs of their actions under the insurance coverage, and thus have a tendency to act less carefully than they otherwise would.

Multi-partite	Involving more than two parties working in co-operation.
Neuroscience	Refers to the scientific study of the nervous system. It covers a range of activities, from scientific experimentation to diagnostic investigation and medical treatment for diseases that are related to neurological disorders, such as Alzheimer's disease, stroke, brain tumour and brain injury.
Nominal Fee	Fee that involves only a very small amount of money.
Notional Waiting Time	The estimated length of time between registering for a certain service and the actual receipt of the service.
Obstetrics	The specialty that deals with the care of a woman and her offspring during pregnancy, childbirth and the postnatal period.
Oncology	The specialty that deals with the medical treatment of tumours, in particular malignant tumours, i.e. cancer.
Optometrists	Health professionals trained to provide comprehensive eye and vision care, such as eyesight correction and diagnosis of common conditions related to the eyes or vision. They are not medical doctors but may refer patients to an ophthalmologist (who is a medical doctor specializes in eye care) for treatment when needed.
Optometry	A healthcare profession that is concerned with eyes and related structure, vision, and visual system.
Orthopaedics	The specialty that deals with the medical treatment for injury, illness and other disorders concerning the muscles and skeletal system.
Out-of-pocket Payments	Expenditures paid directly by individuals for health services at the point of use. They are often referred to as user fees or co-payments.
Paediatrics	The specialty that deals with the medical care of infants, children and adolescents.
Pre-existing Medical Conditions	Refer to medical conditions that have been diagnosed or are being investigated or treated for, or ongoing medical conditions of which an insured person is aware before he/she takes out an insurance plan.
Preventive Healthcare	A scope of healthcare services that aims at preventing diseases or injury.

Primary Healthcare	According to the World Health Organization's definition, primary healthcare is essential healthcare made accessible at a cost a country and community can afford, with methods that are practical, scientifically sound and socially acceptable. It constitutes the first element of a continuing healthcare process and includes public education of prevailing health problems, adequate food supply and proper nutrition, safe drinking water and basic sanitation, maternal and child healthcare (including family planning), immunization, treatment of common diseases and injuries, and the provision of essential drugs. This discussion paper mainly refers to the healthcare services component of primary healthcare, which includes preventive, curative and rehabilitative services provided by medical doctors (in particular, general practitioners), dentists, nurses, pharmacists, and allied health professionals.
Primary Medical Care / Primary Care	Refers to the medical part of primary healthcare. It is the first point of contact that patients make with their doctors, such as general practitioners. It covers curative and preventive care, continuing care, health promotion and education, as well as referral to specialists.
Primary Prevention	Healthcare activities that aim at avoiding the development of a disease or injury. Most population-based health promotion and disease prevention activities such as public education to minimize falls and vaccinations are primary preventive measures.
Private Health Expenditure	Health expenditure financed by private sector (e.g. employer-provided medical benefits, private health insurance, and private household out-of-pocket expenditure).
Private Health Insurance	Medical insurance offered by private insurance companies. It is either purchased on an individual basis or group-purchased by employers as staff medical benefits.
Privately-purchased Medical Items (PPMI)	Medical items that are not covered by the subsidized medical fees of the Hospital Authority and so are required to be purchased by the patients on their own. These include prostheses and consumables, items purchased by patients for home use such as wheelchairs and home use ventilators, as well as costly medical procedures not available in public hospitals, such as gamma knife surgery and harvesting of bone marrow outside Hong Kong.
Public Health Expenditure	Health expenditure financed by public sector (e.g. the Government, and statutory organisations managing social health insurance).

Public-private Partnership (PPP)	A business relationship between the public and private sectors whereby there is a contractual arrangement in which infrastructure or services that are traditionally provided by the public sector are being undertaken by the private sector.
Radiographers	Healthcare professionals who use radiation technology such as X-rays and CT scans to create medical images of the body to help doctors diagnose and treat illness and injury.
Radiography	A discipline in health sciences that is concerned with the use of radiation technology such as X-rays for diagnostic or therapeutic purposes.
Radiosurgery	A procedure which allows non-invasive brain surgery, i.e. without actually opening the skull, by means of radiation.
Real Terms	After removing the effect of inflation. For example, real GDP growth is the increase in the value of GDP after discounting the effect of inflation.
Recurrent Cost	Ongoing expense of operating a service, such as expenditure on salaries, utilities, and in the case of a medical service, the purchase of medical supplies.
Renal Replacement Therapy	A treatment to replace the function of the kidney for patients with kidney failure. An example is haemodialysis, which is a method for removing waste materials, such as urea, in the blood by taking blood from the body to be cleaned in a filter known as a dialyser (artificial kidney).
Risk-adjustment	A method for setting insurance premiums or payments to account for differences in individuals (e.g. age, gender, income and type of illness needing treatment) that are likely to affect their use of healthcare services and the associated costs.
Risk Pooling	Spreading the loss incurred by a few over a larger group, so that each individual group members' losses are limited to the average loss (premium payments) rather than the potentially larger actual loss that might be sustained by an individual.
Risk Selection	A process whereby an insurer tries to attract people with a low risk of health problems but deter people with a high health risk in order to increase profits.
Risk Sharing	Sharing with another party the burden of loss or benefit of gain from a particular risk. Risk sharing can be carried out through insurance or other agreements.

Safety Net (in the context of the public healthcare system in Hong Kong)	To safeguard and promote the general public health of the community as a whole and to ensure the provision of medical and health facilities for the people of Hong Kong, including the provision of public assistance to help a person meet his basic and special medical needs in cases where he does not have the means to access them as well as to protect him from undue financial burden.
Samaritan Fund	A charitable fund established by resolution of the Legislative Council in 1950. It is currently administered by the Hospital Authority and is financed by donations and government grant. The Fund provides financial assistance to needy patients who require Privately-purchased Medical Items (PPMI) or new treatment technologies that are not subsidized by the public healthcare system.
Secondary Care	Secondary care refers to specialist medical care and hospital care. Secondary care services include acute and convalescent in-patient care, day surgery, specialist out-patient, and Accident and Emergency services.
Secondary Prevention	Healthcare activities that aim at early detection of disease, thereby increasing opportunities for interventions to prevent progression of the disease. Health check-ups (e.g. blood pressure assessment) and disease screening, such as Pap smear (a test to screen for cervical cancer), followed by necessary interventions after making the diagnosis, are examples of secondary preventive measures.
Self-financed Drug Items (SFIs)	Drugs that are not listed in the HA Drug Formulary and thus have to be purchased at cost by the patients. Patients in need may receive a partial subsidy or even full financial support from the Samaritan Fund for their expenses on self-financed drugs.
Social Health Insurance	Medical insurance that are mandated by law and managed by statutory sickness funds or by a government agency, and of which contributions are usually employment-based and levied as a proportion of an employee's salary. Employees and their employers usually share the contributions.
Tertiary Care	Tertiary care refers to highly complex and costly hospital care, usually with the application of advanced technology and multi-disciplinary specialized expertise. Examples of tertiary care services include organ transplants.
Therapeutic Products	Therapeutic products refer to pharmaceutical products, biological products (including vaccines and products intended for transfusion), and medical devices for the treatment of medical conditions.

Third-party-pay / Third-party-funding	The source of payment or funding to cover the charges of a medical service comes from a third party rather than from the service user, for example, from an insurance company, an employer, or the Government.
Total Health Expenditure	The aggregate of public and private health expenditures. Under the Domestic Health Accounts (DHA) framework, health expenditures consist of all expenditures or outlays for medical care, disease prevention, health promotion, rehabilitation, long-term care, community health activities, health administration and regulation, and capital formation with the predominant objective of improving health.
Total Public Expenditure	The aggregate of operating expenditure and capital expenditure incurred by the public sector. In Hong Kong, total public expenditure is government expenditure plus expenditure (operating and capital) of the Trading Funds and the Housing Authority.
Triage	The sorting out and classification of casualties to determine the priority of need and proper place of treatment.
Value-for-money	Achieving the desired outcome at the best possible price.
Voucher	A kind of coupon with a prescribed purchasing power, over a specified service.