



智經研究中心

Bauhinia Foundation Research Centre

5 June 2008

Dr the Hon York Chow Yat-ngok, SBS, JP  
Secretary for Food and Health  
Food and Health Bureau  
19/F Murray Building  
Garden Road  
Hong Kong

*Dear York,*

**"Your Health, Your Life"  
Healthcare Reform Consultation Document**

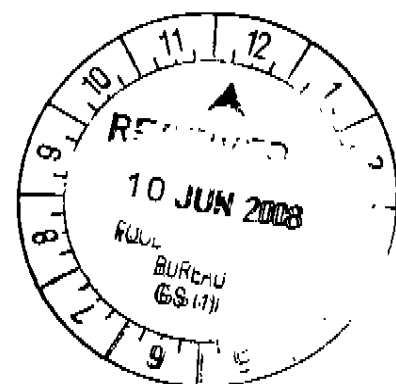
Attached please find a position paper the Bauhinia Foundation Research Centre has prepared in response to the captioned consultation document.

We congratulate the Government for producing one of the most comprehensive documents in healthcare reforms in the past 20 years. The attached paper sets out, for your consideration, our views and observations on various issues outlined in the consultation.

Yours sincerely,

(Leung Wing Lup, Gregory)  
Secretary-General

*Enclosure*





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# A Position Paper on Healthcare Reform Consultation Document

Prepared by  
Bauhinia Foundation Research Centre

June 2008



## Background

This paper is prepared by the Bauhinia Foundation Research Centre ("the Centre") in response to the Healthcare Reform Consultation Document issued by Food and Health Bureau ("FHB") in March 2008. A Focus Group has been formed to collate views on the proposed healthcare reforms from its former Health Care Study Group members, healthcare professionals as well as other stakeholders.

2. The Universal features of health care systems across the developed world suggest that today's reformers, who tend to take a piecemeal approach to their proposals, would benefit from a more holistic approach: **one that recognizes the strong interdependency of seemingly autonomous actions.** We feel that in any healthcare reform, a comprehensive perspective is essential lest a remedy for one aspect of a health care system unintentionally generates an unintended – and potentially negative and costly – implication for another part. To create a system-based overview of the complicated relationships between competing goals common to all health systems, we utilized the seven guiding principles for healthcare reforms developed by Diana Farrell, Nicolaus P. Henke, and Paul D. Mango in 2007 to guide our discussions.

3. This approach allows us to identify and unbundled the primary elements of supply and demand. Two components which relate to demand are: (1) **preventing illness and injury;** and (2) **promoting value-conscious consumption.** Other components relate to supply: (3) **analyzing under- and over-capacity;** (4) **safeguarding the quality of suppliers;** (5) **promoting cost effectiveness;** (6) **improving finance mechanisms;** and (7) putting in place an organizational and operational framework necessary to implement these concepts to **ensure successful implementation.**

4. Based on these guiding principles, our views and observations are set out in the following paragraphs in respect of the five healthcare reforms outlined in the Consultation Document.



### Generalities

5. In general, we are in support of the visions set for the document and the importance of healthcare reforms. We congratulate the authors on producing one of the most comprehensive documents in healthcare reforms in the past 20 years. We agree that Hong Kong's healthcare system, like healthcare systems in many parts of the world, is under increasing strain, and its financial sustainability in the long run is questionable. We see the urgent need for future planning to promote the health of our population, to ensure continued high quality healthcare and to maintain its accessibility, affordability and sustainability. We believe it is essential to recognise that reform is more than a financial exercise and congratulate the government on its recognition of this fact.

6. Notwithstanding the above, it is clear that the issues and options highlighted in the document are complex and, in some cases, confusing. While the first stage of the Government consultation is to focus on key principles and concepts, there is a lack of clear directions and strategies in the present document on how to achieve targets. Specific health targets and outcomes are also missing. Further details are necessary for informed deliberations at the community level, and many of the points need further substantiation, without which it would be difficult to assess the Government's commitment to healthcare reforms. We do understand that these will be forthcoming in the next document and look forward to obtaining more details.

7. Because of lack of details as mentioned above, different stakeholders have yet to be convinced as to what difference the reforms will make, what benefits they will generate, and what impact they will create, not just for themselves, but for the long-term interest of society as a whole. We feel that there are too many assumptions that the lay public would understand the underlying targets, how could we achieve them, what detailed changes are required and what differences will these make to our healthcare system ultimately.



## Specifics

### *Enhance Primary Care*

8. We support the need to strengthen and enhance primary care that aims at promoting health and reducing illnesses and injuries. And better primary healthcare, through continuous and comprehensive healthcare screening and testing, can help prevent abuses in secondary and tertiary healthcare and overload in hospitals, which are more expensive. We applaud the emphasis on prevention and would encourage holistic systematic approaches which engage the private doctors, HA, DH and others in working towards common goals and targets.

9. Yet, we believe it is important to adopt a holistic "teamwork" approach with the establishment of interdisciplinary and multidisciplinary teams that will involve not only medical doctors, but other healthcare workers such as nurses, Traditional Chinese Medicine (TCM) practitioners, dentists, pharmacists, physiotherapists and other health professionals in the provision of primary healthcare. Primary care should not and cannot be limited to the role of medical doctors (or just private doctors as set out in the Consultation Document). The participation of other health professionals is crucial and may be more cost effective. In addition, primary care is not just the concern of the health sector. Joining up with social care and with the voluntary sector to provide community-based care services is essential.

10. Community-oriented and community-based primary health care is an important area, but we are also concerned about the lack of understanding of the concept and the significance of the role of family doctors as the main drivers of an efficient primary care system within the society. We note that there is skepticism among some quarters of the community of the family doctor concept, and some may see doctors' referrals as an obstacle to their access to specialist care. Patients' attitudes have to be changed, and more public education work has to be done with a view to driving patients' behavioral changes.

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11. The supply of well-trained and highly competent family doctors in Hong Kong is clearly an issue of great concern. So is quality assurance. Both are essential to fostering trust and confidence as well as changing patients' attitudes. While more stringent requirements are necessary to ensure quality and to monitor standards, there should be greater empowerment of as well as proper incentives for the practitioners to provide quality care in the new system. How the proposed healthcare financing reforms will lead to enhancement of primary care in practice is a question that needs to be answered.

12. To improve health for all, emphasis should not be just on provision of healthcare services, though. We also see the need for joining up various government agencies to provide a proper infrastructure and environment for health, e.g., by ensuring healthy food supply and proper sanitation, building more parks, improving environmental pollution and promoting healthy lifestyles. The role of the Department of Health is important, and should be clearly defined in partnership with others who have shared responsibilities. Clearly there should be cross co-operation between different government bureaus and departments.

13. There seems to be lack of plans in workforce reform and manpower planning. To enhance primary care, there needs to be a sufficient workforce. At present, the Family Medicine departments of medical schools of both universities are not funded at levels to permit best international practice, for example through funded research and teaching networks in communities as in Australia and UK. The majority of post graduate training of family doctors is conducted by the Hospital Authority. Yet 70% of primary care is delivered by private practitioners. Involvement of private family medicine specialists in training family doctors is very important. Likewise the training of other primary healthcare workers such as nurses, dentists, TCM practitioners and other ancillary primary healthcare workers is equally important. More emphasis on teamworking and developing new roles is needed

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*Promote Public-private Partnership (PPP) in Healthcare*

14. We support the principles of PPP to provide more choices of quality, efficient and cost-effective services, but we have yet to see how “healthy competition” and “collaboration” can be promoted between the public and private sectors along the PPP route. We look forward to more details in the future document, particularly details regarding mechanisms for the effective coordination, supervision and monitoring of such initiatives.

15. We believe that innovation is a key in the reform process; it is not simply a matter of juggling with limited resources or transferring the excessive workload of the public sector to the private market. The supply of private doctors and health facilities is one thing, and there should be a macro policy together with plans and incentives to develop the private market and encourage private investments.

16. Given the right policy-setting and environments, there is good potential for Hong Kong to develop itself into a medical centre of excellence, which could be revenue-generating.

17. Patients’ perspectives and input are also crucial in the PPP reforms, which are viewed with a certain degree of suspicion by patients who fear that their interests may be compromised in the process. A transparent fee mechanism as well as a mechanism for the stringent control of quality and standards of providers are essential. These should also be the prerequisites to the progressive use of vouchers to drive a drift from public to private service providers. Again more details are necessary for further deliberation.

*Develop Electronic Health Record (eHR) Sharing*

18. We strongly support the proposed reform, which will promote better integration of different healthcare services for the benefit of individual patients. All these are essential to continuity of healthcare and provision of holistic healthcare services.

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19. Privacy is a crucial issue, and patients' rights should be respected and duly protected. We believe that patients should have ownership of and access to their own eHR, which may be retained by different healthcare providers for timely investigations, treatments, referrals and follow-up of cases. Special attention should also be paid to the elderly and other special groups in the community, who may not have easy access (or sometimes lack the knowledge and computer skills) to eHR as the younger generation do.

20. It should also be noted that eHR is just one of the means of emerging technologies that can be leveraged on to improve the efficiency of healthcare delivery. What is more important is the better use of technology to provide innovative healthcare services for the benefit of patients.

#### *Strengthen Public Healthcare Safety Net*

21. There seems to be a lack of understanding of what it means to different stakeholders. The "safety net" concept itself is subject to different interpretations by different stakeholders - low-income families, CSSA recipients and the middle class. The intention may be to extend the safety net to the middle class who could also be financially vulnerable in cases of serious and chronic illnesses, which require costly treatments. But the message is not clear in the document. The document also refers to the fee structure of the HA and it would be helpful to have further elaboration on the intentions of the government /HA. Clarification and further elaborations of the concept of a safety net are needed, with reference to equity and inequality as values and drivers of the reform. In particular, there is a need to clarify in what specific ways, by what specific measures, and with what specific outcomes does the government intend to strengthen the public healthcare safety net through the reform proposal.



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22. We welcome the idea of setting a personal limit on medical expenses, which, if implemented properly, could function as a "second healthcare safety net" for the middle class. The proposed injection of funding into the Samaritan Fund is also a welcome move, but it would be important to review and elaborate on the way the Fund is operated and the basis of awarding funding to those in need.

23. Insofar as the proposed review of the fee structure is concerned, equity is an important principle that should be taken into account in addition to resources prioritization, affordable services, judicious and appropriate use and shared responsibility.

#### *Reform Healthcare Financing Arrangements*

24. We believe that it is a matter of choices for different stakeholders, and we would like to see more deliberations of the supplementary financing options.

25. To facilitate informed deliberations of the issue, there is a need to further elaborate on the merits of the various options and **how they are related to the reform objectives**. It should be noted, however, that the benefits of each option should not be assessed purely on the basis of financial perspectives; health outcome is equally, if not more, important in the analysis and it would be helpful to have a clearer understanding about how government will assess the impact of its reforms on the health of its people and on the shared values of the society.

26. Whichever option is taken, it is important that the financing model should be seen to be fair, inclusive, well-justified and easy to understand. Cost effectiveness is also a concern, and it is considered necessary to put in place institutional arrangements which are transparent and involving public participation to drive cost control and manpower efficiency, optimize the use of the pooled financial resources and safeguard the healthcare system performance.

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27. We are concerned about resource allocation of the extra funds generated by any one of the proposed financing options. The document seems to suggest that resources are for hospital based secondary and tertiary healthcare. Where will the funding for enhanced primary care come from? Medical Vouchers could fund more primary healthcare services but are of limited use in the longer term and new organizational structures need to be considered. Training of these healthcare professionals needs greater emphasis and support.

28. With the population rapidly ageing, our healthcare financing options should also cover long-term care, which is currently under the purview of social welfare. We believe health and social care systems must be better aligned and would like to know how the government will enable long term care not only of the elderly but of those with mental health and physical disabilities

29. Last but not the least, we stress the importance of behavioral changes and shared responsibility in the financing reforms. We consider that no matter how much funding is available, health care resources will not be adequate if there is indiscriminate use and insatiable demand. Systems of governance to ensure best practice of clinically and cost effective care could helpfully be elaborated.

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