Hong Kong Policy Research Institute Medical Policy Group
Views on Hong Kong Healthcare Reform

1. Foreword

1.1 The Hong Kong healthcare reform is a huge task and commitment undertaken by the Hong Kong government. The issues related to the reform are admittedly most difficult to be resolved.

1.2 In response to the "Consultation Document on Healthcare Reform" published by the Food and Health Bureau in March 2008, we would like to share with the government some of our thoughts.

1.3 Generally speaking, we agree that healthcare reform is necessary. With regard to the ageing population condition and the increase in healthcare needs in future, reforms in both the finance and service provision are much needed. Hereunder we would like to express our comments on the Consultation Document as it is and to make other recommendations for the government to consider.

2. Comments on the Consultation Document

2.1 We agree that the community should tackle the financial issue of public healthcare. We cannot assume that all individuals are able to fully self-finance their medical expenses. Some are even unable to finance partly. However, other than the financial issues addressed by this Consultation Document, we firmly believe that other healthcare concerns should also be considered, including the healthcare system, the operational approaches of doctors and nurses, preventive measures and para-medical treatments.

2.2 To be more exact, the present healthcare reform discussed in the Consultation Document is in fact only a "healthcare finance reform" (醫療融資改革). In the subsequent paragraphs, we, however, have adopted a broad meaning of "healthcare reform" that not only we should take into consideration reform on financing for healthcare but also re-engineering of the existing system.

2.3 Of the six options proposed in the document for providing supplementary financing for healthcare, we believe the sixth one (that is, personal healthcare

reserve) would be the most feasible as it has the broadest financial base that includes government, individual citizens and the insurance market. Yet, as this option is comprehensive, careful planning is essential in practice so as to prevent any undesirable outcomes.

2.4 We suggest that certain principles should be adopted when analyzing the supplementary financial options. These principles are:

i) Enhance the Safety Net;

ii) User pays for basic healthcare services;

iii) Those paying more should enjoy better services (this being akin to the housing policy);

iv) Government should use the tax revenue to cover particular diseases/ illness, which require expensive treatments or medications. The taxation policy should fulfill the principle of wealth re-distribution. Thus, we suggest to increase stamp duty and tax on alcohol and tobacco; and

v) Government should take care of healthcare problems affecting the whole population, e.g., SARS.

2.5 The finance for healthcare should reach a certain level of sustainability. In this connection, we suggest that the 50 billion dollars already allocated for healthcare should not be distributed to individuals but should:

i) mostly be kept as capital to generate funds for healthcare expenses;

ii) be used to sponsor the underprivileged; and/or

iii) be partly used to cover serious and long-term diseases/ illness so as to reduce the burden on the patient and his family.

3. Other Recommendations

3.1 As mentioned above, other than the financial issues addressed by this Consultation Document, we firmly believe that other healthcare concerns should also be considered.

(1) Preventive measures

3.2 The Consultant Document has mentioned enhancing primary care and preventive measures. Such means as establishing family doctor register and encouraging healthy lifestyle are only discussed very briefly.

3.3 We believe that preventive measures are of utmost importance that the World

Health Organization emphasizes on preventive care, which reveals in their slogan: 'Working together For Health'. In helping to build healthy bodies among the population, these measures can reduce the burden on the medical care system and, hence, the available finance can be better used. These measures include exercises, healthy food, healthy life-style and habits, regular body checks and disease prevention medical treatments.

(2) Allied healthcare profession

3.4 The contributions of the allied medical professions, such as chiropractice, optimists, and pharmacist are primary healthcare providers too. The primary healthcare provider is defined as the first contact point of the patient. They are all well-trained to refer to other healthcare professional disciplines. The allopathic medical professional has been denying other healthcare professionals participating in the overall healthcare system. To illustrate with an example, the chiropractor professional was trained to diagnosis, refer and treat that is similar to the training of allopathic medical doctor. However, there is no chiropractor doctor participating in any government-run healthcare system. The allied medical professions are not counted by those trained to apply western medicine. It nevertheless cannot be denied that for some people and some illnesses, these para-medical treatments can be more effective. What is more, non-medical healthcare sectors, which are also part of healthcare industry, such as insurance, lifestyle sectors (health food, healthy living, sports), are ignored in the reform too.

(3) Registered Chinese medicine practitioner

3.5 Similarly, the traditional Chinese medical doctor is unable to work with allopathic medical doctor because this accessibility is not available although the Chinese Medicine Ordinance was enacted in 1999 to form a regulatory system for the Chinese medicine and the Chinese medicine practitioners.

(4) Enable patient's choice

3.6 Choice depends on greater availability of expertise, facilities and technology as well as on price ranges. The new reform programme encourages the general public to save certain amount of their money for later use. However, if a patient wants to go to overseas for treatment (for example, to Shenzhen because it is cheaper and faster, or to USA because of expertise or better technology) public financial assistance is not allowed to follow the patient. The individual concerned would fall through the system. This means that the person has no choice. Therefore, the government should help to enable the use of money from

insurance policies and savings to cover expenses in overseas hospitals or private doctors or Chinese medicine practitioners. With such indication from the government, the insurance market would automatically propose details in practice.

(5) Open opportunities to non-local trained doctors and nurses

3.7 Only local trained doctors and nurses can practice in Hong Kong; foreign-trained persons face great difficulties in practising here. It would limit the choice of the public and the supply of medical practitioners. According to the Yearbook, the ratio of medical doctors per 1,000 people in 2006 was 1.7 compared with 3.1 in Taipei. This ratio is generally lower than the Western countries. Also, we should not forget the rapid growth in the number of cross-boundary and overseas patients. Patients suffer from long waiting period for medical services and are expected to getting worse in future.

3.8 Since the excess demand for medical practitioners and limited supply of medical graduates every year, the hospitals have to raise salaries and benefits to retain and attract the medical practitioners. Moreover, keen competition on recruiting medical talents over the world these years has attracted many famous doctors in universities and hospitals to leave our healthcare system. For example, Singapore regularly advertises to recruit Hong Kong doctors and nurses, thus increasing their capacity to treat patients with high tech and to care for the aged and terminally-ill.

3.9 The government should do something to stop this situation. One of the solutions is to open the market to foreign-trained medical practitioners. In USA and most developed countries, up to 50% of their doctors and nurses are from overseas.

3.10 Certainly, the qualifications of the medical doctors and nurses should be widely recognized. Relevant professional bodies in Hong Kong should monitor their services.

(6) Reform in managerial structure

3.11 In the current Hospital Authority, many good doctors are promoted up to the management level; this arrangement is a waste of their professional skill. Why is the management team not established according to the marketing means?

3.12 Differences in interest between a medical doctor and a chief executive officer can be easily found. It is suspected that the selective committee for the post of

Health Secretary must have felt that this position must be filled by someone with medical background. However, it is not the case in other public bodies. The key to success is commitment and managerial skill of the top management.

3.13 Besides, we assume that better-trained medical doctors and nurses would deliver better services. Medical on-job further training takes up working times and promotion with higher salary is expected after training. The highly trained medical doctors and nurses hence can only set aside little amount of time for the patients. The waiting period spent by patients will only grow longer and longer. The other doctors and nurses who have not attended further training end up doing more work at the frontline than they can handle. And when there is not sufficient fresh supply of nurses and doctors due to the closed shop practice, they will demand for a better working environment such as shorter working week and higher pay scale. This is a healthcare policy, which has been called “do less and get more pay ”

3.14 Moreover, the advisory committee on the healthcare reform consists of well-known celebrities and allopathic medical professionals only. There is not a single representative from allied healthcare professionals. As noted above, this group of para-medicals should help reducing the heavy load and cost of the health system. For example, the chiropractor can work at the hospital in a triage system when the excessive load is more spread out, giving the user an extra choice. The locally trained optometrist can participate in eye screening in school and in the hospital. Each of the professions can at least participate in this reform. There is sufficient work to be shared by all professions. The ultimate user is the general public and the new policy should demonstrate that higher quality services can be provided with limited increase in cost to the community. Integrated and multi-disciplinary medical service is worth considering.

(7) Enhance cost effectiveness

3.15 Many people have raised a question on the cost-effectiveness of the healthcare system. The cost-effectiveness of the system should be reviewed before discussing how to finance the system. Unfortunately, it is not dealt with in the present healthcare reform.

3.16 The allocation of resources in the healthcare system should be reviewed and discussed in the healthcare reform. The expenditure of Hospital Authority spends just a little amount of expenditure on medical facilities, equipment and medicine,

especially just 6-8% on medicine every year. The Hospital Authority officially encourages patients to go to the private sector and expensive drugs have to purchase by patients. The reform is trying to force the public to pay more for a protected, choiceless service where the workers are spoilt more and more!

3.17 The government has invited interested groups for consultation. What kind of impact and how much influence do they have on the government? Again, the general public sees a lip service. What is more, at the public forum regarding Hong Kong healthcare reform held on 5th June, 2008 in the City University of Hong Kong, according to Professor Kenneth KC Lee, who is Associate Director (External Affairs) of the School of Pharmacy, the Chinese University of Hong Kong, the allocation of healthcare resources should be evidence-based and that evaluation should be performed according to a set of recognized guidelines. Pre-determined end-points of measurement cannot be ignored. Costs should be calculated in an unbiased manner. In addition, results should be compared against internationally recognized thresholds. Not only the cost should be considered but also its value. Value is a combination of cost and humanistic considerations.

4 Conclusion

4.1 As a part of an effective healthcare reform, the government must be more transparent about where the money will go and how the services will benefit those who pay (the taxpayers and users)!

4.2 A more open and comprehensive healthcare system should be established, allowing allied medical practitioners to involve, so as to provide high quality, cost-effective and comprehensive medical services to society.

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