MESSAGE FROM DR YORK CHOW, SECRETARY FOR FOOD AND HEALTH

Dear Citizens,

Hong Kong's healthcare system is at an important crossroads. Over the years we have built a healthcare system that provides high quality services. We have achieved outstanding results and the healthcare professions have maintained high professional and ethical standards. At the same time, the system is facing major challenges due to the ageing population and the need to keep pace with rapid developments of medical technology.



This challenge is not one that can simply be met by acquiring more resources for healthcare services. It also calls for a critical look at how to channel the available resources into the system to achieve the best results for all and to enable the healthcare system to continue to meet the healthcare needs of the community. We have to examine how the financing of services can drive the further interaction and collaboration between different service providers while retaining our existing strengths. We have to look at how different areas and levels of healthcare services can be organized in the future. We have to address shortcomings of the present system and introduce changes to the market structure to bring about more and better choices to meet the demand of different market segments.

Hong Kong is a caring and compassionate society. We will continue to uphold the treasured principle of our healthcare policy that no one should be denied adequate healthcare through lack of means. To this end, we have looked at how the current safety net can be strengthened to provide better assistance to the unfortunate members of our society who have their means outstripped through having to shoulder costly medical treatment.

The Government has examined the existing service structure and the need for change. We propose enhancement to the primary care system, and improvements to the healthcare safety net. We propose to reform the healthcare market structure to promote greater public-private partnership. We propose to develop a territory-wide electronic health record system as the infrastructure for these reforms. To take forward these initiatives, we need to reform the current financing arrangements to provide supplementary financing. We have examined the whole range of financing options, and have set out their pros and cons in this consultation document for consulting the public.

To achieve our vision of a sustainable healthcare system, we must take forward this series of inter-connected reform proposals as a whole package. The proposals should thus be considered in their entirety.

In the process of developing our future healthcare system, the Government's commitment to public healthcare will only be increased and not reduced. The Government will continue to provide the main financing source for healthcare services. The Chief Executive has pledged to increase government expenditure on healthcare from 15% to 17% of recurrent government expenditure by 2011-12. The Financial Secretary has also committed in the Budget announced in February that, after the implementation of supplementary financing arrangements after consultation, no matter what the final arrangements are, he will draw \$50 billion from the fiscal reserves to assist the implementation of healthcare reform so as to help meet this major challenge to future public finances.

Where healthcare is concerned, every member of the society is a stakeholder. Our future rests with our choice. Our healthcare system is important for each and every one of us, and is an important asset that we leave for our future generations for the protection of their health. I hope we can all seize the opportunity to build a consensus to reform the healthcare system to make it sustainable.

Finally, I would like to express my sincere gratitude to members of the Health and Medical Development Advisory Committee and to members of the Committee's Working Group on Health Care Financing for their thorough analysis of the problems involved and their constructive and valuable recommendations. Their contributions have been instrumental in the formulation of this consultation document.

Dr York Y N CHOW Secretary for Food and Health March 2008