



David Schneider

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To <beStrong@fhb.gov.hk>

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Subject Health Care Reform for Hong Kong

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Dear Dr. Chow,

It is with the best of intent that I write to you concerning The Hong Kong Governments 6 point proposal concerning the future financing of the public health care system here.

I come from a medical family in America. My father was a Family Practitioner in New York, My mother was a nurse and for seventeen years I was a radiation therapist working on the east coast of America at Harvard, New York University Medical Centre, Mount Sinai Medical Centre of New York and Lenox Hill Hospital of Manhattan in addition to working for a private practice group in the New York Metropolitan area. I have experience in the management and financing of health care in America and I am very interested in the future of Hong Kong's Public Hospital System since I am married to a Hong Kong woman and my son was born here and I plan to live out my life here. I also work with an affiliate group that consults on cancer care Asia-wide (asiaonc.com).

Over my lifetime I have seen the emergence of many plans in many countries to finance public health care and supplement the private sector intending to provide money so that people can gain access to doctors and medical services. Most of them always fall short of the mark to adequately cover care unless they are the high end policies that the wealthy can easily afford to purchase. But that is not what we are discussing at the moment. It is the lower and middle class people of Hong Kong and the people who rely on the public hospital system here that are at risk when change occurs in the financial infrastructure of health care so this is what I would like to comment on now.

I would say that as you examined health care globally you probably found the countries that fund health care in the most efficient manner are the ones who also have some pretty hefty taxes to back up their services.

I have seen so many models and insurance schemes tried in America and all of them usually make doctors a lot of money and make patients into disgruntled and sometimes even hostile consumers. It seems that the most obvious solution of taxing people is sometimes the most distasteful to politicians and lobbyists in America. I remember when Bill Clinton was asked how he would pay for Hillary's health care plans and he said why not tax tobacco sales and he quickly retracted his idea about three days later. Probably due to the fact that tobacco money helped to get him elected in the first place.

I was quite unhappy to hear that the government reduced taxes on the wine industry here recently. I drink occasionally and I think the "sin" taxes for alcohol and tobacco and any other industry that has the possibility of promoting bad health should be taxed highly and the proceeds should go directly into treating the diseases that they cause. If you have had a chance to examine the Danish health care system you would have seen this principal in action and the Danes enjoy quite a good standard of free health care and education and do not seem to complain about the high price of cigarettes or alcohol and have certainly not reduced their consumption of these products even though the manufacturers in other countries always predict a loss in business if taxes are increased. This is food for thought for Hong Kong. You have a unique opportunity to keep free healthcare in place. The insurance providers would love to see you think differently from what I have just illustrated above. They are in the business of selling insurance and making lots of money.

I would caution the government to seriously consider the ramifications of turning the Hong Kong people into paying consumers of health care. Having been a provider in America for many years the public tends to get ugly when they are paying out of pocket for care versus a virtual free lunch. Or at least that what it appears to be like when you go for care here. Also I think Hong Kong for various reasons has neglected some opportunities to become a larger player in the medical tourism business in Asia. There is much talent here and I am baffled that other countries

are dominating this area in Asia and can prove to be quite lucrative. But that is off track a bit so I will sum up for you now.

- I have no problem on establishing a minor co-pay for non catastrophic illnesses that cover administrative functions in the hospital, but past that the entire system will move into a danger zone of copying other models and if you really take a look at them they do not work too well. The experts out there never seem to keep up with expensive technologies and the needs of the public en masse.
- I think someone has to take a hard look at taxes and tax people who like to drink, smoke and read pornography. These activities although not illegal are not healthy in most respects especially when in excess and cost society a lot of money. Tax them. Do not be afraid to propose this even if some of the government have friends who own Vineyards somewhere. It is the right thing to do and it will raise a fortune. "Sin taxes" that feed directly into health and education are a great thing. No one should complain. The Carlsberg Brewery Family in Denmark never do.
- The health care delivery issues need work also. No one has asked me to comment on this so I will not. Improvement in a good system is always happening anyway. But I think Quality Improvement Programs are a great thing. More focus on efficient delivery saves money and time for all.

I would just like to add that my father always said , " no one likes to pay for misery." Meaning that when the public has to start paying directly out of pocket there will be a shift in public expectations and behavior towards a hospital system that has worked pretty well for many years. I do not think we need to re-invent the mousetrap here. Someone is telling us we do but frankly it is a lot better here for care than many places. If money is the main issue then I think then I would be happy to pay double the next time I toast a visiting friend from the states knowing the extra money would go towards taking care of a fellow-citizen,

Respectfully,

David Schneider