

## **SCHSA's Position Paper on Healthcare Reform Consultation 2008**

Referring to the HKSAR Government's Healthcare Reform Consultation Document "Your Health, Your Life" published in March 2008, the Senior Citizen Home Safety Association (SCHSA) would like to share with the authorities the following concerns for your kind consideration and further consultation:

### **1 Strategic Directions**

In view of the unmet and emerging medical needs of both senior citizens and ordinary citizens, **SCHSA generally supports the Government's five proposed directions** for healthcare reforms: enhancing primary care, promoting public-private partnership in healthcare, developing electronic health record sharing, strengthening the public healthcare safety net and reforming healthcare financing arrangements. However, given the limited information in this consultation paper, **we find it a bit difficult weighing most of the Government's proposed ways in achieving all these five goals. Re-strategizing the focus of discussion and consultation on the following key issues at the next stage is highly recommended.**

### **2 Overarching Principles or Values:** SCHSA cannot agree with the Secretary for Food and Health Dr. York Chow more that this consultation primarily aims to learn about the common values in the healthcare system with which most citizens would like to embrace. **The Government is urged to conduct a more thorough discussion on these key values and principles which were not spelt out very clearly in the consultation paper as well as in the government's public presentations.**

#### **2.1 Equity**

- i. If this new healthcare reform aims to benefit everyone as proposed by the Government, it is worthwhile defining more clearly how everyone could be benefited equally or almost equally through these proposed reforms. It will be also one important, if not the most important, incentive to get every citizen on board. A more thorough consultation on defining "equity" is essential.
- ii. If this new healthcare system aims to benefit everyone, it is also indispensable for the Government to develop a more holistic and integrated healthcare system. Given that people's healthcare needs are very diverse, the new healthcare system should be much more inclusive than the proposed one, at least in its provision of different medical treatments. For instance, there are many senior citizens as well as an increasing number of younger ones actually preferring alternative medical treatment or preventive measures such as traditional Chinese medicines, hyper-baric oxygen therapy, acupuncture, massage, qigong, Tai Chi, etc. Some citizens even seldom visit Western doctors but traditional Chinese doctors. In our recent survey conducted with 680 senior citizens in Hong Kong in May 2008, 53% of respondents prefer an option to choose

different medical treatments or therapy methods, other than Western conventional treatment. Without forward planning to address different medical needs, it is unclear how the proposed healthcare system will become fairer and more appropriate in addressing people's very diverse health needs and preferences. It is also hard to convince most, if not all, citizens to contribute with cash money to any kind of financing options.

## **2.2 Responsibility**

- i. In relation to the to-be-defined "equity", SCHSA agrees in principle that everyone should be responsible for their own health. However, the most appropriate manifestation of such responsibility should be further consulted. This was echoed by our recent survey in which as much as 77% of our respondents ranked keeping themselves healthy (by good lifestyle habits, sports and balanced diet, etc.) as the most responsible act in managing their health conditions, much more than those opting for saving more money in medical account or buying medical insurance.

## **2.3 Caring for Disadvantaged or Under-privileged Groups**

- i. Many senior citizens at present don't have enough savings for their medical care. SCHSA supports a fairer and tax-based system which enables the community to meet everyone's standard healthcare needs and at the same time to eliminate health disparities that are associated with underlying social disadvantages or marginalization.
- ii. According to SCHSA's 12-year-long experience in serving senior citizens, most of them are more concerned about the availability of basic up-to-standard services in terms of medical care and prevention. They are quite flexible about price differentiations varying with different standards of accommodation and supplementary sanitary conditions in hospitalization.

# **3 Key Practical Issues**

## **3.1 Definition of "Standard Healthcare Services"**

- i. Referring to our previous discussions, SCHSA believes a wider consultation is essential to get the majority's consensus about what to be included in the "standard healthcare services" that everyone should enjoy under the proposed system. Only with this as a common basis, it is meaningful to further discuss how the reforms should be done and which appropriate financing option(s) we should choose. It is also convincing enough to ask everyone and every stakeholder in the industry to contribute to this reform in one way or another.

## **3.2 Enhancing Primary Care and Choices of Treatment**

- i. The increasingly important role of complementary and alternative medicines and the integration between traditional and Western ones are important trends in the medical profession worldwide. Its positive effect of enhancing primary care is clinically proved

and is thus highly recommended for the Government to consider more in the upcoming healthcare reforms. For instance, in a recent UK clinical research<sup>1</sup>, 60% of the respondents referred to alternative treatment including herbal medicines, acupuncture and massage were later found positive progress. Their dosage of conventional Western medicines was thus generally reduced by 50%.

- ii. In principle, SCHSA supports the Government's plan of enhancing primary care which will strategically reduce the morbidity rate of both senior and young citizens, of which many are suffering from lifestyle-related diseases.
- iii. However, SCHSA would like to see a more clearly defined direction on how the new primary care could be enhanced with a wider range of conventional and alternative medical services including traditional Chinese medicines, acupuncture, massage, eye protection and dental care. This will be an indispensable means to show how everyone's health conditions can be improved in the long run by maximizing the medical resources and expertise in Hong Kong. In our recent survey, 79% of our respondents opted for regular check-ups to be included in the primary care; 68% opted for eye protection; 60% opted for dental care and vaccination respectively.

### **3.3 Financing Options**

- i. SCHSA finds it very difficult weighing the six financing options with limited financial calculations and budgeting concerns given.
- ii. The most important of all, the consultation paper reveals insufficient financial data about the "lack of healthcare funds" which was said to be the one and only major financial issue. Such data should have included the administrative costs, education, research and development, medical treatment, staff salary, medicines, etc.
- iii. SCHSA urges the Government to reveal such data in details to facilitate a more effective public discussion. This is essential for the following reasons:
  - Based on the limited government figures, quite a few financial experts had put forward with other financial projections which highly contradicted with the Government's projections. It is essential to discuss why such discrepancy exists in different calculations.
  - Even assuming the lack of funds does exist, it is still unclear whether it is partly attributed by any misuse or ineffective use of healthcare funds or other non-monetary factors by the existing administration. Without the full set of financial data, it is difficult to assess the real reasons behind the funding shortage and weigh different financing options.
  - Without more financial data, it seems quite difficult to discuss how to increase the use of new funds, how to increase cost-containment, how to increase the

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<sup>1</sup> "The Role of Complementary and Alternative Medicine in the NHS: An Investigation into the Potential Contribution of Mainstream Complementary Therapies to Healthcare in the UK", Led by Christopher Smallwood, Page 88-99

cost-effectiveness and finally how to collect the Government's proposed healthcare funds from ordinary citizens.

### 3.4 Governance problems

- i. Governance is one of the important success factors in any kinds of reforms. In view of recent controversies and comments on the governance issues in healthcare system, SCHSA believes it is more cost-effective and convincing for the Government to illustrate how the proposed reforms will address the governance issues including but not limited to resource planning and usage, regulatory controls, pricing mechanism, transparency and public participation.
- ii. Given the population is aging gradually as projected by the Government, it will be also more encouraging to see if the Government can show more concrete financial commitments and flexibilities to tackle the increasing medical expenses (if any) as well as the growing size of financial reserves for long-term medical care in the coming years, instead of its fixed lump sum of HKD50 billion for this proposed reform or a fixed percentage of annual medical expenditure.

### 3.5 Long-term Care & Healthcare Needs

- i. There were some lessons learnt in Germany and Japan which neglected the long-term care financing for senior citizens when planning healthcare financing. In these two countries, the healthcare costs for senior citizens were unexpectedly increased much as these patients discharged from hospitals could not receive proper long-term care in the community. They returned to hospitals quite frequently for medical care which may be avoided or minimized. In light of this, SCHSA urges the Government to review the existing healthcare financing together with the long-term care financing. This approach is more prudent and cost-effective in order not to add unnecessary burden on the new public healthcare system.

## 4 Consultation Process

### 4.1 Inter-generation conflict

- i. While understanding the important implications of aging population, SCHSA believes that it is more prudent not to frame this notion in a way to make senior citizens look like scapegoats for increasing healthcare expenditure. This was detrimental to social harmony.
- ii. And conceptually speaking, aging population is not necessarily equivalent to increasing medical needs and expenses unless one can prove that the health needs of all older ones must be more than those of all younger ones in both the past and coming years. How effectively and efficiently one's healthcare system is performing for both young and old

citizens may be more important in determining the actual increase or decrease in one's healthcare expenditure in face of aging population.

- iii. SCHSA agrees that the population is aging and that more policies should address this issue. However, the seniors are not necessarily equal to the weak. From the experience of our elderly users, some of the diseases can be prevented if there is sufficient primary care. By this, the healthcare spending pattern may not be the same as the current one.

#### **4.2 Public/Customer Relations Management**

- i. The Government reiterated that financing arrangement was only one of the five approaches in the proposed reforms. Yet, the consultation paper devotes 82 pages to the financing options but only 41 pages to the other four approaches. At the three different public seminars SCHSA's staff took part in the past months, government representatives from the Food and Health Bureau also focused very much on the details of the proposed financing options, rather than the other four proposals. The discussion could have been more effective, thorough and fruitful if more details of the other four or more could be revealed.
- ii. Many citizens, especially those at grassroots, do not know or cannot understand the reform approaches and financing options proposed by the Government. In our recent survey done in May, about 38% of our respondents said they did not know about the ongoing consultation at all. It is necessary for the Government to capture some easy-to-understand points and audio-visual tools to let ordinary citizens grasp the essence of this proposed healthcare reform and facilitate a wider consultation at the grassroots level.

Lastly, we would like to express our gratitude to the Government for inviting public opinion on this important proposed reform. In upcoming consultations, we look forward to seeing a more thorough discussion if the Government could share with us more key and basic financial data, management information or assumptions behind all the proposed strategic directions. Thank you very much.

Submitted by  
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