

Ref: Lv024/15

13 March 2015

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Dear Dr Ko

**Consultation on Voluntary Health Insurance Scheme (VHIS) and
Regulation of Private Healthcare Facilities**

The Hong Kong Federation of Insurers (HKFI) is the representative body of 130 insurance companies in Hong Kong. Together they contribute more than 90% of the gross premiums written in the Hong Kong insurance market.

After studying the proposed VHIS in detail, consulting our members and discussing with various stakeholders, we are pleased to present our views in the attached paper.

We look forward to further discussion with your Bureau on our proposed VHIS 2 and working out a viable and sustainable solution for the Hong Kong community.

Coincidentally, we are also enclosing our response to the consultation on Regulation of Private Healthcare Facilities.

Yours sincerely

David Alexander
Chairman
Task Force on Health Care Reform

c.c. HKFI Governing Committee
HKFI Member Companies
The Hon K P Chan
The Hon Bernard Chan
Commissioner of Insurance
Legco's Subcommittee on HPS

HKFI Comments on the Consultation Document - Regulation of Private Healthcare Facilities ("PHF")

The Hong Kong Federation of Insurers ("HKFI") is the representative body of insurers in Hong Kong with 130 insurance companies. Together they contribute more than 90% of the gross premiums written in the Hong Kong insurance market.

General Comments –

The review of the regulatory system for health care is definitely needed. The community expects the private health care sector to be affordable, reliable, efficient, high quality regardless of the type of financing (insurance or out-of-pocket).

Hence, the underlying principles of the Regulation of PHF consultation to foster the robust development of the private healthcare sector to support the growing healthcare demands of Hong Kong's ageing population in partnership with the public healthcare sector in a seamless manner are supportive.

The Government is concurrently proposing the Voluntary Health Insurance Scheme with enhancing transparency and consumer protection by incorporating financial consent. We strongly believe the regulatory changes proposed in the PHF consultation should come at a higher priority as insurance is just a vehicle to help drive patients to use private medical service, the quality, efficiency, and affordability of private health care service should be fundamental to protect consumers and gain their confidence in using private health care services. The proposed changes in the PHF consultation should also foster the sustainability of the medical insurance in long run.

Specific Comments –

Regulation

- We support the PHF proposals of updating regulatory regime to align with international best practices for the private healthcare sector, specifically focusing on hospitals and out-patient ambulatory facilities where high-risk medical procedures are carried out.
- On the other hand, it is believed that the medical services provided by doctors practicing at their own private clinics are of similar nature to the medical services provided by doctors practicing within a medical group or under the management of incorporated bodies, with strict governance from registration bodies such as Department of Health ("DOH"). Therefore, for the benefit and interest of the general public, we propose the inclusion of all medical facilities in the private sector as the overarching principle of the PHF proposal. With the vast number of solo medical practitioners in the private sector, we suggest taking a staged approach in the implementation to include all private hospitals and out-patient ambulatory facilities with high-risk medical procedures in the first phase, followed by all other private medical facilities in the second phase.

- To regulate the private health care sector, setting guidelines, handling complaints, performing audit, professional registration etc, the Regulatory Authority should be an independent body and should have sufficient enforcement power to ensure the non-hospitals PHF function effectively as recommended, e.g. to expand the role of DOH to supervise private health care providers.
- It is also supportive of voluntary enrolment onto the Electronic Health Record Sharing System (eHRSS) for more seamless care transition between the public and private health care sectors.
- In addition, to better understand the health care service system/utilization, the community needs to have standard coding systems for Laboratory, Drugs, Surgical Procedures and Diagnosis. With assistance of the Hospital Authority, the Food and Health Bureau (“FHB”)/Regulatory Authority can develop/implement coding systems in the private health care sector. With the standardized coding system implemented, the Regulatory Authority can collect health service statistics for future analyses and planning. In addition, there is a need for updating the government Gazette (classification of procedures) on regular basis, say every 3-5 years, for the reference of Private Healthcare Facilities and the insurance industry, as the last version was updated in 2003.
- In the consultation, there is no mentioning how to promote cost effective and evidence-based clinical practice. Service providers should adopt evidence-based clinic protocol to prescribe cost-effective investigation and/or treatment. In insurance claims, it was seen that a lot of the diagnostic procedures for example endoscopies and advanced imaging, could be carried out at out-patient setting, but carried out at in-patient setting. Prescriptions of services and its place of service are often based on the interest/expectation of the patients and the service providers. Also, we often see unnecessary or inefficiency in the service delivery, for example, screening test package done at in-patient setting.
- The regulation only stipulates the regulatory standards to facilitate conducting high risk medical procedures. It would be better for the public to understand the specific list of medical procedures to be performed and procedures prohibited at non-hospitals PHF. Regulation should include the type of anesthetic that can be used at non-hospitals PHF.
- It is of paramount importance to regulate on credentialing of staff for non-hospitals PHF and on the use and type of equipment. In the long-run, medical clinics should also be subject to the clinical audit. The clinical audit system would encourage solo practices to implement proper administration of drugs, medical records, etc. It can enhance the confidence of the general public and can be done in a smaller scale clinical audit.

Price Transparency

- We advocate fee transparency to empower consumer choice in selecting health care services. There has been a general lack of fee transparency in the private healthcare sector, especially with inpatient services at private hospitals, whereby there are huge variations between hospitals and hardly any reference figures for consumers to plan their budget. Adopting price transparency will enable more informed choices for consumers and more confidence in utilizing the private healthcare sector within their means.
- The proposal on Provision of Packages/Quotation can increase transparency. We opine that disregard the financing option, the PHFs are required to provide common surgical/diagnostic procedures (Recognized Service Package) including endoscopies. In addition, to be more effective, it is suggested that as evidenced in other countries, such as Japan and Malaysia, the Regulatory Authority takes the lead to maintain a Fee Schedule based on the data collected from the medical industry, insurance industry etc., for consumers' reference to achieve the following benefits:
 - This is a more effective and transparent approach to allow consumers to understand how different their doctors are charging as compared to the reference fee schedule in order to make a more informed choice on financial options
 - To encourage more competition among service providers.
 - Insurers can easily determine reasonable & customary charges in claim adjudication.
- Information of each bill should be collected from PHFs (which can start with hospitals and ambulatory centres) and, with statistical tools, provide "Reference" Fee Schedules to public on regular basis, for example every 2 years.
- Provision of Quotation can facilitate benefit coverage pre-assessment before the insured members receive advanced medical treatment.
- The Regulatory Authority should lead to determine common service packages and require all hospitals/specialists to have the packages.

Others

There are other aspects that the insurance industry would consider important but not addressed. They are:

- *Shortage of private medical service*
The consultation is unable to address the shortage of medical service (professional and facility). There should be minimum requirements e.g. number/percentage of General Ward beds. The guidelines on licensing of overseas medical graduates should be relaxed.

- *Dispensary of drugs and carrying out laboratory services at medical clinics*
In most developed countries, the segregation of duties in dispensary of drugs and performing investigative test is an effective measure to minimize clinical errors as well as to promote efficiency in the delivery chain.

However, the Regulatory Authority/Government would need to implement quality assurance regime to ensure the quality of the pharmacy facilities and laboratory centres.

- *Provider contracting methodologies*
There are other contracting methodologies, such as Diagnosis-Related Group, in other countries that can promote efficiency in the delivery chain. It would be necessary for the Regulatory Authority to drive the implementation of such contracting methodology.

香港保險業聯會對「私營醫療機構規管」諮詢文件的意見

香港保險業聯會（保聯）是香港政府認可的保險公司代表機構，現時有 130 家會員公司，合共承保超過全港九成的保費。

總論

我們認為檢討醫療規管系統是絕對必要的，無論是透過何種方式支付醫療費用（保險補貼或自掏腰包），市民均期望私營醫療機構之收費既合理又可負擔，服務既可靠、有效率又高質素。

故此，我們認同私營醫療機構規管諮詢的基本原則：促進私營醫療的蓬勃發展，同時與公營醫療服務銜接，以支持香港因人口老化而不斷增長的醫療需求。

當局同時提出「自願醫保計劃」的建議，藉加入預算同意以提高治療費用的透明度和對消費者之保障。由於保險只是推動病人使用的私營醫療服務的輔助工具，我們深信當局應該優先處理在此諮詢文件中提出的規管改革建議，改善私人醫療服務的質素及效益的同時，配合市民的承擔能力，才是保障消費者，從而增進他們使用私營醫療服務信心的基本方向。諮詢文件中建議的規管改革，亦必須能夠促進醫療保險長遠持續發展。

具體意見

規管

- 我們支持私營醫療機構規管建議改革規管制度與國際最佳守則接軌，特別是進行高風險醫療程序的醫院及日間醫療中心應為規管重點。
- 另一方面，我們相信由執業註冊醫生在他們經營的私營診所提供的醫療服務，與由一個醫療集團或法團組織的醫生所提供的醫療服務，就性質上而言，兩者相若，故均應受到註冊組織（如：衛生署）的嚴格監管。因此，為保障市民利益，我們建議私營醫療機構規管的首要原則應納入所有私營醫療設施在規管範圍內。由於醫生數目眾多，我們建議規管可分階段進行，第一階段包括所有進行高風險醫療程序的私營醫院及日間醫療中心，而其他私營醫療機構則納入第二階段內。
- 規管當局應為一所獨立機構，並被授予足夠執法權力，透過制定指引、處理投訴、進行審核及專業註冊等規管私營醫療行業，以確保私營醫療機構如建議般有效地運作，例如：擴大衛生署的角色，使其監管私營醫療服務提供者。
- 我們亦支持自願登記電子健康記錄互通系統（「互通系統」）的建議，讓公私營醫療界別之間的醫療轉移更順利。

- 為了進一步了解醫療服務系統/使用率，社會需要建立實驗室、藥物、外科手術和診斷的標準編碼系統。醫院管理局可協助食物及衛生局/規管當局在私營醫療方面制定/實施編碼系統。有關系統實施後，規管當局便可為將來的研究及計劃收集醫療服務數據。此外，政府亦必須定期更新憲報（手術分類—僅更新至 2003 年），如：每 3 至 5 年更新一次，以供私營醫療機構及保險業界參考。
- 在諮詢文件中並未提及如何促進成本效益及循證臨床工作。醫療服務提供者應採納以臨床實證符合成本效益的調查及/或治療。在保險理賠方面發現很多可於門診進行的診斷程序（例如：內窺鏡檢查和先進成像檢測），均被安排入院進行。由此可見，訂明的服務及提供服務的地點往往取決於病人和醫療服務提供者的利益/期望。再者，我們經常看到病人接受不必要或成效低的醫療服務，例如：在醫院內進行篩選測試。
- 規管制度只為執行高風險醫療程序訂明規管標準，倘若當局能向市民提供於非醫院性質的私營醫療機構可以進行及被禁止進行的醫療程序的具體名單，這更為理想。此外，規管範圍亦應包括可於非醫院性質的私營醫療機構使用的麻醉劑的種類。
- 另一重要的監管項目為非醫院性質的私營醫療機構職員的專業資格及對設備／儀器的使用和類別的認證。長遠而言，醫療診所亦應接受臨床工作審核。再者，設立臨床工作審核系統對妥善管理藥物及醫療紀錄等起著鼓勵作用，此舉可加強市民的信心，亦能採取較小規模的臨床工作審核。

收費透明度

- 我們倡議提高收費的透明度，從而賦予消費者選擇醫療服務的權利。私營醫療機構普遍缺乏收費的透明度，特別是私營醫院的住院服務。私營醫院的收費差異龐大，亦幾乎沒有任何數據供消費者參考，以釐訂醫療費用的預算。收費透明化可讓消費者有更多選擇，並且更有信心使用私營醫療服務。
- 透過提供認可服務套餐/報價無疑可增加收費透明度。撇除財務選擇，私營醫療機構也需要提供常見的手術/診斷程序（認可服務套餐），包括內窺鏡檢查。此外，為了提高效率，我們建議參考其他國家的經驗，如：日本及馬來西亞，由規管當局牽頭，根據從醫療及保險業界等收集所得的數據來釐訂一個收費表，提供予消費者參考，以達至以下優點：
 - 此為一個較有效和透明的方式，讓消費者知悉其醫生的收費與參考收費表的差異，令消費者能作出更明智的選擇及財務安排；
 - 促進醫療服務提供者之間的競爭；
 - 保險公司在理賠時能更容易判斷合理而慣常的醫療費用。
- 規管當局應從私營醫療機構收集每項賬單的資料，並利用統計工具，定期向市民提供“參考”收費表，例如：每兩年一次，此舉可由醫院及日間醫療中心開始實施。

- 提供報價可以方便受保成員在接受先進的醫療治療前，先行評估其保險保障是否足夠。
- 規管當局應牽頭制訂常見服務套餐，並要求所有私營醫院/專科醫生提供相關套餐。

其他

以下為保險業界認為重要，惟諮詢文件中未有提及的項目：

- **私營醫療服務不足**
諮詢文件未有提及私營醫療服務（專業人士及設施）的不足。當局應該對私營醫療機構設定最低要求，例如：普通病床的數量/百分比。在海外醫科畢業生的發牌準則亦應予以放寬。
- **藥房和診所化驗服務**
在大多數發展國家，將藥房和進行化驗之職能劃分是一種有效減少臨床錯誤的措施，以及有助提高服務效率。惟規管當局/政府需實行質量保證制度，以確保藥劑的設施和化驗室的質素。
- **醫療服務提供者的承包方法**
其他的承包方法，如：套餐收費，在其他國家，此舉可促進服務成效，本港的規管當局應該予以推行。