



Lincoln Tso

22/05/2008 16:11

To beStrong@fhb.gov.hk

cc

bcc

Subject Healthcare Reform Consultation

Urgent Return receipt Sign Encrypt

Dear Dr.Chow,

It is very encouraging to see the Government is taking steps to address this issue. I want to express my sincere thanks to you and your team. The following are some of my observations and thoughts on how to take Hong Kong Public Healthcare forward.

1. Recently, our Phillipino maid caught a cold and went to see a doctor. The bill with 5 days medicine came to \$90.

I believe this is affordable for most people in Hong Kong. The Government (with HA) should stop running the Genreal Clinics and let the private doctors take over to provide priiary care service while HA focuses on A&E, specialists services, secondary and tertiary services. Agreements can be established with all private GPs for the Government to pay the private doctors directly for the real needy, e.g.CSSA recipients. The added advantage for the patients is that private clinics are spread out and more conveniently located. General Clinics curenly run by HA can be converted to private clinics and rent out at concession rates to attract the HA staff to switch over to private practice in the same spot.

2. I appreciate that the CE's pledge to increase spending on healthcare to 17% of recurring spending over the next few years. Even though this is discussed as a commitment by the government, it looks entirely opposite from the other side. Try this for argument:

Healthcare spending will likely increase, total Government's recurring spending may decrease (we don't have to look back too far). The Government is just putting a cap on Healthcare Spending to protect itself. We, the citizens of Hong Kong will have to shoulder any shortfall, without limit, in the future.

A more convincing commitment from the Government may be: Government is committed to cover 75% (or whatever is an appropriate percentage) of the annual public Healthcare Spending or 17% of Government's Recurring Spending, whichever is higher. If the 75%of healthcare spending is not likely to exceed 17% of recurring spending, you have basically capped it. To counter the unlikely event that recurring spending drops significantly, the effect can be buffered by an emergency fund set aside for this purpose.

3. The Government should focus on the provision of Public Healthcare. People who can afford and who want to buy private health insurance are porbably doing it today without the Government's push. Government should stay out of it completely.

4. None of the proposed Financing Options really addresses the issue of the aging population that leads to less people contributing to the costs with more people using the service. The effect of saving scheme is no different from a tax, except it is

probably at a higher rate.

I propose that each and every person (infants, elderly included) in Hong Kong contribute to a Public Healthcare fund up to, say, 1% of their income and a minimum of \$20 per month (including CSSA and other welfare payment) with the Government subsidizing the difference (say, average 50% subsidy). Do some simple maths:

Current Cost of Healthcare: \$36B (the base will be even lower if Primary Care is taken out of the equation)

Assume Government committed to cover : 75% = \$27B

Citizen's share of the direct funding = \$9B

With a population of 7M, each person's share = \$1200 per year, or \$100 per month

Assume No. of People requiring Assistance: 1M

Amount of Subsidy (average 50% of \$1200): \$600M

For a family of 5 with 2 working adults, the total contribution is only \$500 per month, I believe this is affordable, comparing to the amount currently being discussed with the mandatory savings schemes.

In addition, employers may also be asked to contribute to the fund an equal amount for each employee. The fund can be used to cover the subsidy to the needy and also as a buffer. A portion of the fund (or contribution) should be earmarked for promoting a healthy society, research on healthcare improvement to identify "technology".

Public Healthcare improvement can only be either:

- a. improvement service without additional costs, or
- b. same service level delivered at lower costs

After all, the objective of Public Healthcare should be to provide the safety net for the people and to provide better service at additional cost is appropriate only if all contributors agree to increased contribution, i.e. both the government and the citizens of Hong Kong.

Warmest Regards,

Lincoln Tso

Member of HGC Queen Mary Hospital

Member Regional Advisory Committee, Hong Kong, Hospital Authority

深切哀悼 四川大地震遇難同胞 [地震捐款及相關資訊](#)