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Subject Opinion of medical reform

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To whom concerned,

It is a really good time to discuss the medical financing now. Due to the a lot of reasons mentioned in documents, for instance, aging population, decrease in working population, it is no doubt that it is a urgent matter to discuss various plans for better future of Hong Kong. However, the problems, is the choices given by government not in detail enough.

Generally, government have divided offers into mainly three groups, broadening tax income of government, self-support scheme, and scheme with insurance.

In fact, firstly, the mandatory contributing scheme, which is the simplest method to solve the problem, cannot relieve the medical financing burden completely. This does not favor sustainable development of the social development as quite a large of portion of income of middle class will be given to government. Without a good planning and the continuous increase in medical spending for the new instrument and new medicine, there are no other ways but only increase the tax from public again and again. Even if this plan is forcibly implemented, the service quality must be compromised. Moreover, the abuse of public medical service will be more prevalent. In Australia, it is found that the medicare scheme cannot afford the big expenditure of medical system. The government needs to promote medical insurance by many different means. Directly increase the medical fee and medical saving, just like mandatory contributing scheme, cannot solve the problem directly.

Does this mean that the medical insurance can solve all problems? It is difficult to say. The scheme with medical insurance, no matter mandatory, voluntary insurance or personal health-care reserve, they all have the same dark side, large increase in fee for the insurance in the future. Let 's consider the case in Australia and Switzerland. They are two extreme cases. In Switzerland, buying medical insurance is compulsory, including some people just living there for more than three months for work or tour. With mandatory insurance, the citizens can enjoy one of the best medical services in the world in their countries. However, as they get used to the good medical service by their insurance, their demand for the better services also increases. This unavoidably increases the cost of insurance fee and finally increase burden of middle class family. However, their request sometimes is unnecessary. For example, they will consult specialist even thought they just get little problem. This makes this medical system inefficient. On the other hand, in Australia, rules are much stricter as service is maintained by government financially. The residents cannot choose their own doctors and they cannot be hospitalized without referral by emergency unit or family doctor. Now, the Australia government start to encourage public to buy their own insurance by promoting its advantages, like able to choose your own doctor and better service, which actually are some of the culprits of large increase in medical insurance fee.

If Hong Kong also implement scheme with medical insurance, due to many reasons, the insurance fee must increase in the future. The insurance company will be restricted by government, but they are not charity, they will still focus on profit.

Just like Australia, it start to promote medical insurance by implementing community rating, that is, insurance fee is set as a standard value for everyone and company cannot reject high risk group, but they can increase the standard value. This increase the burden of low middle class family a lot. So, from the example of these two countries, Australia and Switzerland, if mandatory insurance or personal health-care reserve must be implemented, several strategies should be considered. They are listed as follows.

1. Improve the primary medical service. The family doctor can act as first guard to divide patient into different groups to increase efficiency of medical system.

In order to relieve burden of public hospital, buying service from private clinic is a possible solution. It should be continued. In Singapore, some large public clinics with different services are set up. This can be followed to reduce number of people go to public hospital.

2. Heavier penalty should be given to offender of abusing the public medical system. Unavoidably, the cost of maintaining good medical service will increase gradually in the future. The consequence must be increase of insurance fee. In order to relieve burden of public, policy to keep medical system efficient should be set up, like stopping people from abusing medical service.

3. Supplement from government should be given to under-privileged group. The amount of supplement should be reversely related to the salary or income of citizen.

In fact, measures above can relieve the burden of government and public whatever which schemes are introduced. The most important point is the low middle class must be compromised if compulsory medical insurance is implemented. Are there any ways to help them relieve the burden? Actually, can the government bear larger responsibility to help those cannot afford the increasing medical expenditure by not throwing the ball to the commercial organization and insurance company? I think the concerned party should consider this seriously.

Yours sincerely,
Andy Chan

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