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The government is right in recognizing the fact that the healthcare expenditure will increase sharply as the population ages. In response, the government shall concentrate its effort on nurturing the healthcare professionals of the next generation in Hong Kong. (After all, even you have got full hand of money, if there is shortage in supply of medical professionals in Hong Kong and globally, no healthcare services of good quality could possibly be rendered. And because aging population is a global issue in the developed world, it is not realistic to expect to recruit overseas professionals at low cost.)

The best strategy of financing remains the existing tax and revenue system because this will minimize the administrative cost. (Alternatives which involves insurance companies/banks etc. will inevitably incur huge administrative cost. The MPF system is a typically example, no matter the investment climate is boom or bust, the banks and insurance companies will have 'eaten up' 1-2% administrative charges on the capital per year. This is highly inefficient from a societal perspective.

Also, by nature, it is very hard for the government to deny a patient in severe suffering from the healthcare services he/she desperately in need of, no matter he/she has money/insurance to pay for that or not. Thereby, no matter how sophisticated the healthcare reform is structured, the role of last resort will always be shouldered by the government.

Due to the foreseeable mismatch in the healthcare expenditure burden (which is prospected to grow at the later years, say 2020 or 2030) and the fiscal budget surplus (which could occur in the more recent years), it is recommended that the government shall set aside a certain percentage of its annual revenue every year from 2008 onwards, to save in a special investment fund and invest in a diversified portfolio globally (it may also have a focus on Hong Kong and Mainland China, since the healthcare expenditures will be in Hong Kong dollar terms and is likely to grow in sync with the Hong Kong/China economy/inflation). The fund shall be used specifically to finance the expected healthcare expenditure burden from 2020 onwards.