

Booklet 10

Healthcare System



S4 – Concepts and Framework

Booklet (1) Personal development

Booklet (2) Health and well-being

S4 – Holistic Health

Booklet (3) Physical

Booklet (4) Mental

Booklet (5) Social

S5 – Macro Level

Health Management

Booklet (6) (8) (9) (10)

Social Care

Booklet (7) (11)

Round-up : Booklet(13) Health and Social Care Policies

Macro Level

Health Management

Social Care

Disease Prevention / Medical Care

Health Promotion

**Booklet 7
Caring Community**

**Booklet 11
Social Welfare System**

**Booklet 6
Healthy Community**

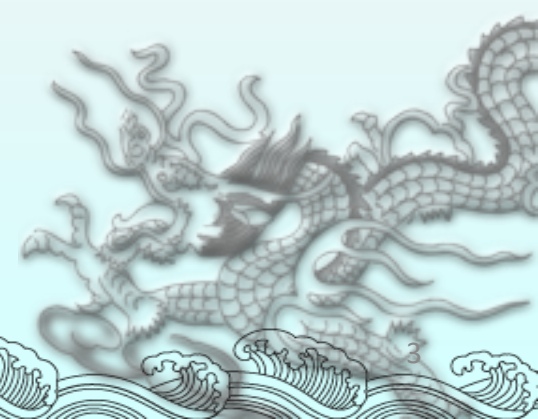
**Booklet 10
Healthcare System**

**Booklet 8
Ecology and Health**

**Booklet 9
Building a Healthy City**

ILL BEING

WELL BEING



Learning Targets

Values and Attitudes

- Understand that value judgments may vary among different individuals or parties
- Respect cultural and ideological differences
- Appreciate alternative healthcare practices

Skill

- Analyse and appreciate viewpoints or issues from different perspectives



Knowledge

10.1

- Understand how the development of healthcare system is affected by social factors

Knowledge

10.2

- Understand the concepts related to health care

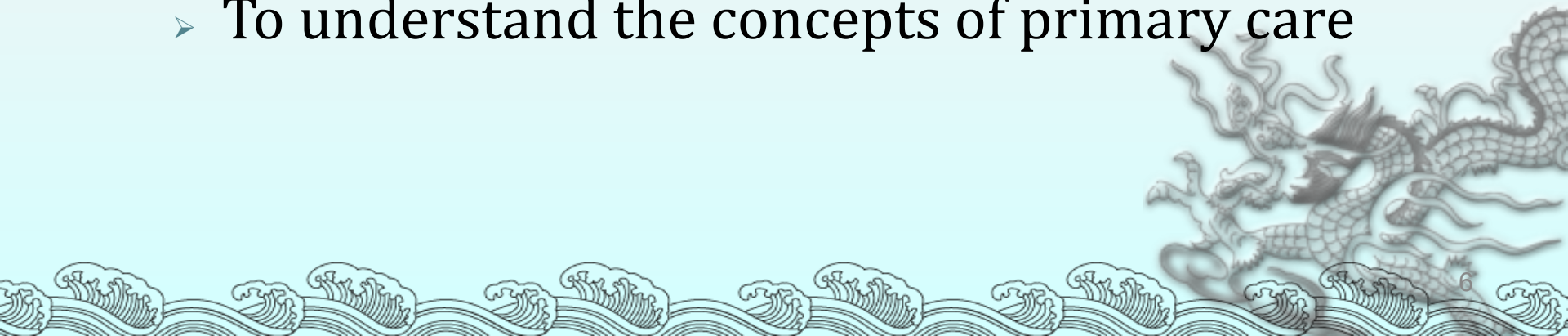
Knowledge

10.3-4

- Compare healthcare policies in Hong Kong with other regions /countries
- Identify the issues and concerns related to the health care system
- Understand the conflicts and tensions in the healthcare context
- Develop personal opinions on healthcare policies

10.2 Healthcare System in Hong Kong

- ◆ **Topic 4 - Promotion and Maintenance of Health and Social Care in the Community**
- ◆ ***4E Health and social care professions and volunteers complementing primary / private care***
 - ◆ 4E1 Primary care
 - To understand the concepts of primary care



10.2 Healthcare System in Hong Kong

Primary medical care

- first point of contact that patients make with their doctors, such as general practitioners
- covers curative and preventive care, continuing care, health promotion and education
- referral to specialists

Secondary medical care

- specialist medical care
- hospital care
- include acute and convalescent in-patient care, day surgery, specialist out-patient, and Accident and Emergency services

Tertiary medical care

- highly complex and costly hospital care,
- the application of advanced technology and multi-disciplinary specialized expertise
- such as organ transplants and radio-surgery of the brain



10.2C Medical and Health Services

- ◆ **Topic 5 - Health Promotion and Maintenance and Social Care in Action**
- ◆ ***5B Health and social care services and agencies***
 - ◆ *5B1 Health and social care services agencies: government departments' and non-government organisations' (e.g. NGOs) provision of health care and social care services*
 - To identify different types of health and social care services



10.2C Medical and Health Services

Healthcare	Services	
Primary	Clinic Services (Public)	<ul style="list-style-type: none"> ● Public : general outpatient services of Hospital Authority ● Private : doctors and clinics ● Registered Chinese medicine practitioners and listed Chinese medicine practitioners
	Family Health	<ul style="list-style-type: none"> ● Maternal and child health centres ● Woman health centres ● Family Planning Association
	Student Health	<ul style="list-style-type: none"> ● Student health service centres and special assessment centres of Department of Health ● School health inspectors pay regular visits to schools to check on their environmental hygiene and sanitation standards ● Annual visits to primary schools to vaccinate students against communicable diseases
	Elderly Health	<ul style="list-style-type: none"> ● Elderly health centres and visiting health teams of Department of Health
	Community Health (Specific)	<ul style="list-style-type: none"> ● Community health service ● Ambulatory care centres / integrated palliative day care centre of Hospital Authority
	Dental Health (Specific)	<ul style="list-style-type: none"> ● School Dental Clinics ● Government dental clinics ● Specialist oral healthcare services

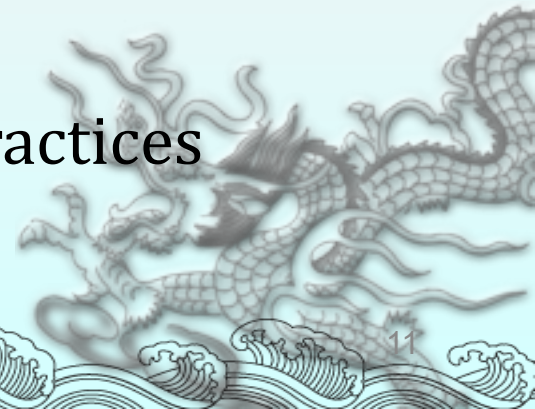
10.2C Medical and Health Services

Healthcare	Services	
Secondary, Tertiary and Specialised Healthcare Services	Specialist Outpatient Service	<ul style="list-style-type: none"> ● Hospital Authority's specialist clinics : internal medicine, surgery, as well as obstetrics, gynaecology, paediatrics, orthopaedics and traumatology, ear nose and throat, neurosurgery, oncology and cardiothoracic surgery. Many hospitals also have subspecialist clinics for cardiology, respiratory medicine, kidney disorders and other illnesses
	Acute Inpatient Service	<ul style="list-style-type: none"> ● Inpatient services are offered to patients who require intensive therapy for their acute illness
	Accident and Emergency Services	<ul style="list-style-type: none"> ● The hospitals provide service for people critically ill or injured who need urgent medical attention, or for victims of disasters
	Physiotherapy	<ul style="list-style-type: none"> ● Concerned with human function and movement, to maximize potential as well as to promote, maintain and restore physical, psychological and social well-being
	Occupational therapy	<ul style="list-style-type: none"> ● Provide daily living skills evaluation and training, home modification to increase function and safety, education in use of adaptive equipment and activities to promote upper-limb capacity
	Dietetic advice	<ul style="list-style-type: none"> ● Identify nutrition problems, assess the nutritional status of patients, develop care plans, monitor the effectiveness of dietary changes and provide dietetic advice regarding patients' health status



10.2D Alternative Healthcare Practices

- ◆ **Topic 4 - Promotion and Maintenance of Health and Social Care in the Community**
- ◆ ***4A Disease prevention (primary, secondary and tertiary) and using precautions in our daily living patterns and lifestyles***
 - ◆ 4A6 Options for alternative health care practices and services, e.g. traditional Chinese medicine, acupuncture, naturopathy
 - To appreciate alternative health care practices



10.2D Alternative Healthcare Practices

Traditional Chinese Medicine (TCM)

- Health is achieved through balancing yin and yang
- A disease is caused by an imbalance leading to a blockage in the flow of qi (vital energy)
- Treatment: regulation of yin and yang

Acupuncture

- Involves the insertion of fine needles at specific points on the skin, aiming to restore and maintain health through the stimulation of specific points on the body called meridians

Naturopathy

- To support the body's ability to heal itself through the use of dietary and lifestyle changes, together with complementary alternative medicine therapies such as herbs, massage, and joint manipulation



10.2 Healthcare System in Hong Kong

- **Topic 3 – Responding to the Needs in the Areas of Health (care, promotion and maintenance) and Social Care**
- ***3C Implementing health and social care policies***
- **3C2 Public and private sectors and their roles in care services**
 - 3C3 Responsibilities, financing and structure of public agencies
- ***To explain the health care system of Hong Kong and comment on its role in policy implementation***



10.2 Healthcare System in Hong Kong

Policy Objective :

to ensure no one is deprived of medical care because of lack of means

Health Bureau

- Policy Making

Hospital Authority

Responsible for the management of all public hospitals and provides medical treatment and rehabilitation services to patients through hospitals, specialist clinics and outreaching services

Department of Health

Provides promotive, preventive, curative and rehabilitative services

Secondary, Tertiary and
Specialised Healthcare
Services

Disease Prevention
Primary Healthcare
Services

10.2 Healthcare System in Hong Kong

Hospital Authority

Responsibilities

Managing and developing the public hospital system and establishing public hospitals

Financing

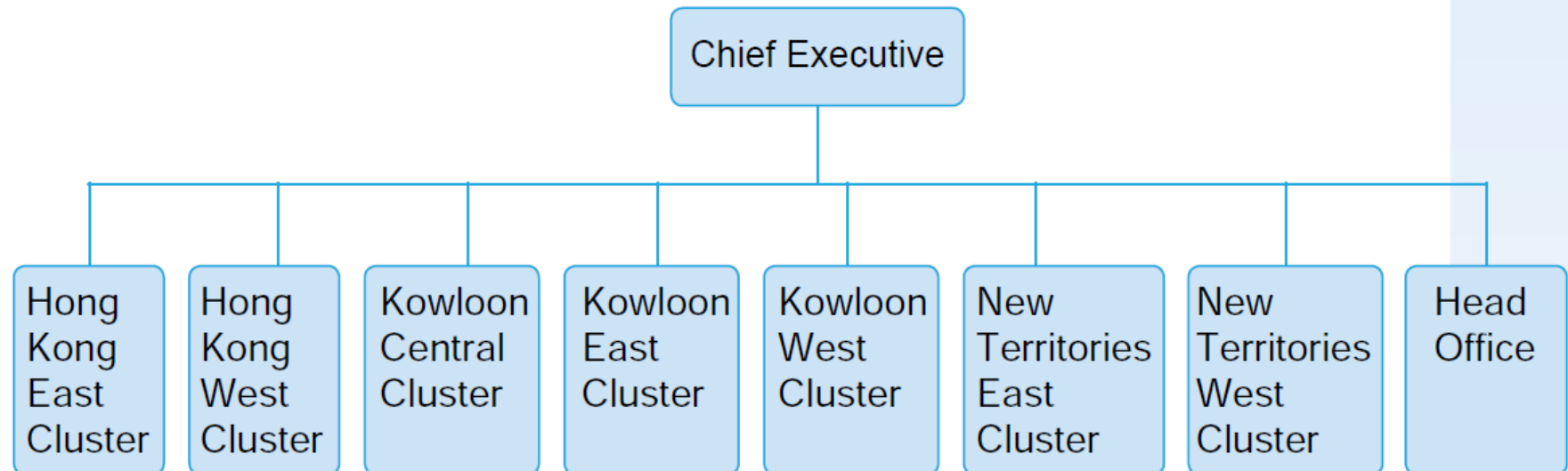
totally financed by government funding through taxation

Structure

independent organisation

Secretary for Health is responsible for the formulation of health policies and monitoring the performance of the Authority

Regional clusters are managed by Cluster Chief Executives



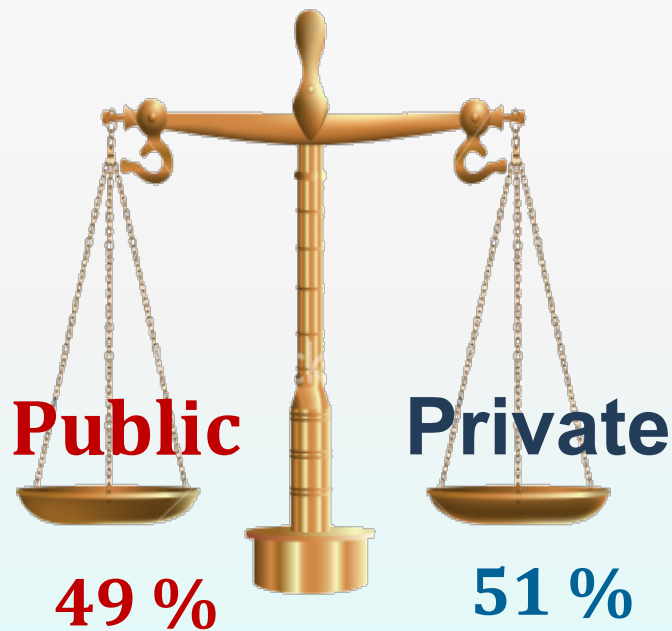
10.3F Public and Private Sectors and their Roles in Healthcare Services

- ◆ **Topic 3 – Responding to the Needs in the Areas of Health (care, promotion and maintenance) and Social Care**
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 - To explain the health care system of Hong Kong and comment on its role in policy implementation



Hong Kong's Dual-track Healthcare System

Health Expenditure



Public 90%

Private 10%

Inpatient Service (bed days)



Public 30%

Private 70%

Outpatient Service (attendance)

Dual-track Healthcare System

- **Public Healthcare
(27 000 beds; 5 400 doctors):**
 - Acute and emergency care
 - Lower-income and under-privileged groups
 - Illnesses that entail cost, advanced technology and multi-disciplinary professional team work
 - Training of healthcare professionals
- **Private Healthcare
(4 000 beds; >5 000 doctors):**
 - Complements public healthcare
 - Choice for those who can afford and willing to use private healthcare services
 - With personalised choices, enhanced privacy and more accessible services

10.3F Roles of Public and Private Sectors

Disseminations of health information

- Responsible for delivering information for public good

Safety net for the disadvantaged groups

- Providing free or below-cost public services to the disadvantaged groups

Protecting consumers

- Responsible for regulation, education and information for consumers to make efficient choices of the health services

Advocating equity

- to achieve equity by financing and providing services in areas where demand is insufficient to stimulate private provision

Burden of Public Sector

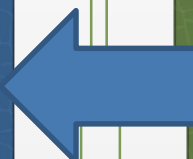
Ageing population leads to an increasing need on secondary / tertiary medical care , i.e. expanding healthcare expenditure in public sector

Public sector cannot meet the needs by an increased deployment of human resources in short term

Workload of medical and health professionals in the public sector is heavy

Waiting lists and waiting time on the treatment for chronic illnesses in public sector becomes longer and longer

Adjusting
the
balance
between
Public
and
Private
Sectors



Adjusting the Balance of Public-Private Healthcare Sectors

Increase the healthcare expenditure in public sector, i.e. deploy more manpower and resources in public sector to meet the increasing demand

**Strengthen
Public Safety Net**

Strengthen disease prevention – health promotion to achieve healthy lifestyles that reduce demand of health services for chronic patients

**Enhance
Primary
Care
(From 2010)**

**Develop
Electronic
Health Record
(eHR) Sharing
(From 2009)**

**Review
Regulation of
Private
Healthcare
Facilities
(From 2012)**

**Promote
Public-
Private
Partnershi
p (PPP)
(From 2007)**

**Review
Healthcare
Manpower
Planning
(From 2012)**

**Voluntary
Health
Insurance
Scheme
(From
2012)**

Increase the training of medical and health professionals to meet the expanding needs

medical insurance or saving to encourage patients using the services in private sector

Advantages of Increased involvement of the private sector

Release the financial tension

- encourages higher income segments of the population to use the services provided by the private sector
- control of the expanding cost: from being the major service provider to subsidizing the services with cost controlled

Reduce demand on public sector

- extends consumer choice - private medical practitioners may be located in areas convenient and may be available during more convenient time for the service users
- the subsidy of the services provided by private sector makes it affordable to those patients willing to pay

Relieve the workload in short term

- participation of private medical and health professionals instantly provide more human resources for the treatment of patients

Reduce the waiting time and waiting list

- with subsidy, some patients may choose services provided by private sector to reduce the waiting time
- the waiting list for the treatment in public sector will be shortened as some of the patients may choose services provided by private sector

Public-Private Partnership

Tension

Competing resources

Resources allocated to develop public services or subsidy private services in long term

Different visions, expectations and perspectives

Public

provide healthcare to all regardless of the ability to pay; focus on the health needs

Private

market-oriented, cost-effectiveness, profit-making

Crisis

Quality of services decline/ malpractice

maximize profit

lower workforce ratio to reduce the cost

Ineffective use of resources

Monitoring the quality of services provided by the private sector

Obstruct the coordinated service delivery that best fit the clients

lack the information and expertise to make informed choices on public or private services to attend

Dominated by the private sector

health services become fragmented, poorly planned and badly coordinated

If services are confined to the same standard

may affect the development of the private sector

10.1 Development of Healthcare System in Hong Kong

- ◆ **Topic 2 - Health and Social Care in the Local and the Global Contexts**
- ◆ ***2D Developments in the health and care industries***
 - ◆ 2D6 Changing infrastructure of health care
 - ***To understand how the development of health and care industries are affected by the systemic factors, issues and concerns***



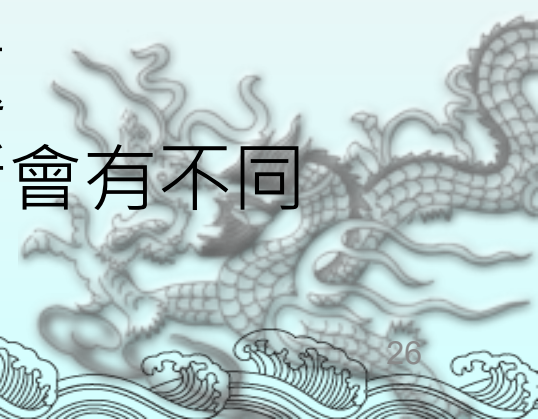
10.1 Development of Healthcare System in Hong Kong

- ◆ **Topic 3 – Responding to the Needs in the Areas of Health (care, promotion and maintenance) and Social Care**
- ◆ ***3C Implementing health and social care policies***
 - ◆ 3C1 Development of the health care system in Hong Kong
 - ***To explain the health care system of Hong Kong and comment on its role in policy implementation***



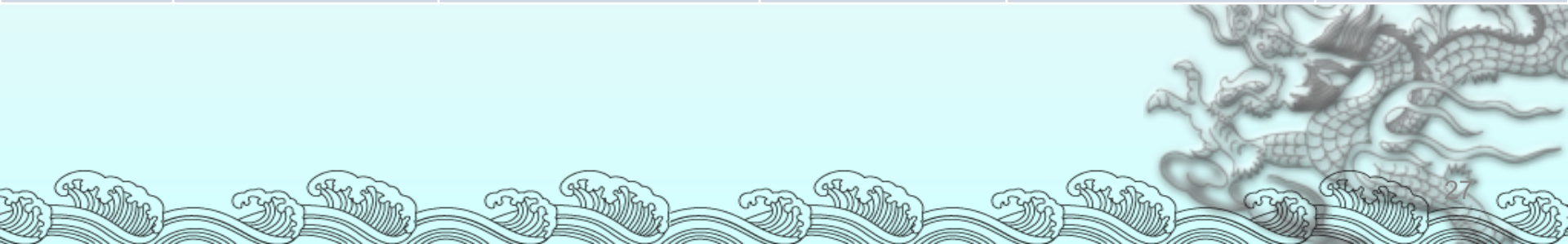
10.3 醫療改革

- 課題二 本地與全球健康與社會關懷的情境
- *2D健康及社會關懷行業的發展*
- *內容：(6)* 健康護理制度結構的轉變，例如：
引入醫療融資的模式
- *目的：*
 - 明白系統性因素、議題及關注如何影響健康與關懷行業的發展
 - 從不同角度分析相關的看法或議題
 - 明白到不同人士或組織的價值判斷會有不同



10.1 Development of Healthcare System in Hong Kong (1)

Period	Issues and Concerns	Medical Care	Health Policy / System	Disease Prevention	Role of public / private sectors
1840s - 1950s	<ul style="list-style-type: none"> Became a British colony Influx of migrants from China Outbreak of plague 	<ul style="list-style-type: none"> mainly served by private traditional Chinese medicine practitioners / relatively few hospitals / most of the hospitals and medical equipment served the officials 	<ul style="list-style-type: none"> minimum medical service provided by government / no healthcare system or health policy 	<ul style="list-style-type: none"> mainly on public health measures that dealing with the work after outbreak (such as 'Washing Tai Ping Tei') 	Mainly provided by private sector – mainly provided by private Chinese Practitioners



10.1 Development of Healthcare System in Hong Kong (2)

Period	Issues and Concerns	Medical Care	Health Policy / System	Disease Prevention	Role of public / private sectors
1950s - 1980s	<ul style="list-style-type: none"> • Population expansion • Industrialisation and economic development 	<ul style="list-style-type: none"> • rapid expansion of hospital number and facilities to serve the general public 	<ul style="list-style-type: none"> • provision of subsidized or free medical and personal health services 	<ul style="list-style-type: none"> • concept of disease prevention emerged , e.g. immunization programmes provided by Department of Health to children from new born to late childhood 	Expanding contribution of public sector - expanding public medical services, e.g. hospitals and clinics



10.1 Development of Healthcare System in Hong Kong (3)

Period	Issues and Concerns	Medical Care	Health Policy / System	Disease Prevention	Role of public / private sectors
After 1980s	<ul style="list-style-type: none"> • Social issues, e.g. poverty, ageing population • Expanding public expenditure 	<ul style="list-style-type: none"> • secondary and tertiary care mainly provided by public sector, primary care mainly provided by private sector • collaboration of private and public sectors 	<ul style="list-style-type: none"> • cost-effectiveness was emphasized - setting up Hospital Authority to oversee and manage the provision and delivery of services of all government and subvented hospitals • control of healthcare expenditure - consultation on healthcare financing models / charges for some medical services provided by government • collaboration of public and private sectors to provide more service choices 	<ul style="list-style-type: none"> • strengthen the prevention and control of the outbreak as well as the international collaboration, e.g. set up of Centre of Health Protection (CHP) after SARS • strengthen the health promotion campaigns 	Increasing involvement of private sector - collaboration between public and private sectors



10.3 Healthcare Reforms

- ◆ **Topic 3 – Responding to the Needs in the Areas of Health (care, promotion and maintenance) and Social Care**
- ◆ ***3C Implementing health and social care policies***
 - ◆ ***3C1*** Development of the health care system in Hong Kong
 - ***To express personal opinions on health care policies***



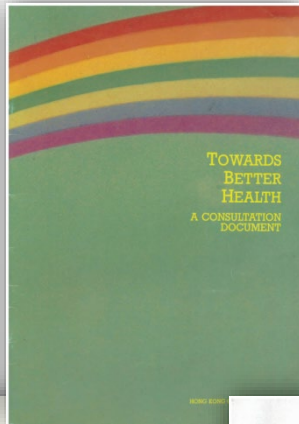
10.3 Healthcare Financing in Hong Kong

Hong Kong	Public	Private
	<ul style="list-style-type: none"> ● General taxation, Health insurance plans, Out-of-pocket payments 	<ul style="list-style-type: none"> ● Paid by service users ● Private health insurance of individuals or employers
Hospital services (higher cost)	<ul style="list-style-type: none"> ● 90% hospital care ● Individuals cover around 3% of the cost for public hospital services by out-of-pocket payments and/or health insurance ● Medical safety net to assist patients with financial difficulty in paying public hospital bills 	<ul style="list-style-type: none"> ● Fees and charges for private hospital services are covered by out-of-pocket payments and/or health insurance
Primary healthcare services	<ul style="list-style-type: none"> ● 30% outpatient services ● Patients who cannot afford private sector services can use subsidized public services 	<ul style="list-style-type: none"> ● 70% outpatient services ● Patients pay full cost for services in the private sector
Medicines	<ul style="list-style-type: none"> ● Patients are required to pay a small sum for each government-subsidised prescription except medicines provided during hospitalisation 	<ul style="list-style-type: none"> ● Patients pay full cost for services in the private sector

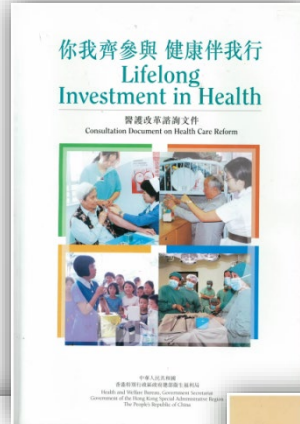


Healthcare Reform: A Historical Timeline of Public Consultations

1993



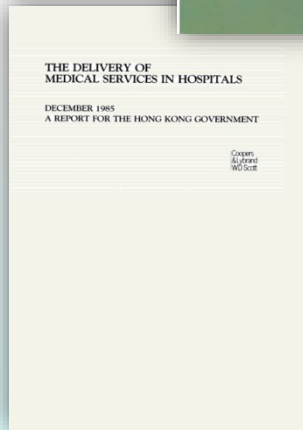
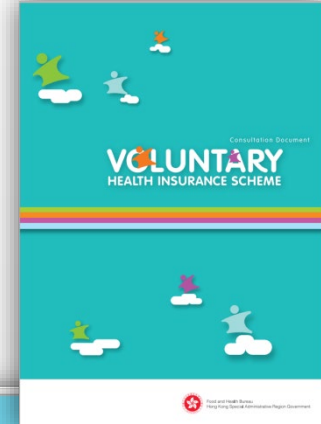
2000



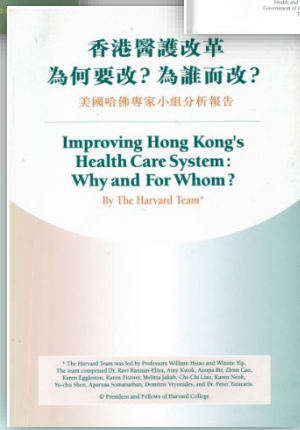
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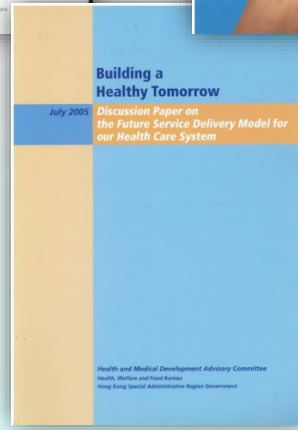
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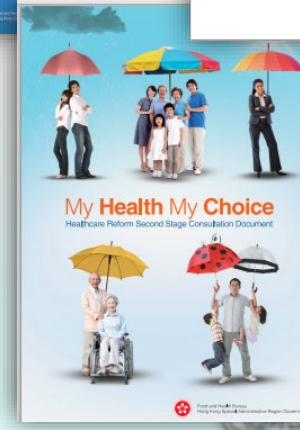
1985



1999



2005



Oct 2010

10.3 Healthcare Reforms – Reasons

Ageing Population

- The ageing trend in Hong Kong's population has continued and about 27% of Hong Kong's population will reach the age of 65 or above in the 2030s



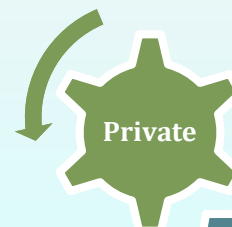
Dependency Ratio

- Old-age dependency ratio: the number of working age persons (age 15 - 64 years) per older person (65 years or older)
- Drop in birth rate implies that there will be less and less young people who can help share the livelihood expenses (including medical expenses) of the elderly population



Expansion of Healthcare Expenditure and Services

- The ageing population will accompany an increase in chronic diseases, and the strain on treatment, rehabilitative and relevant social services will also increase. The demand for **hospital beds (public sector)** will increase with age. Thus, the **demand for services in public sector** is expected to increase largely



10.3 Rethinking the reasons

When people live longer...

Increased demand for health care related to chronic illnesses such as cardiovascular and cerebrovascular diseases

Expanding Needs for Health Care in Public Sector

Primary care/
community care
/ private care??

Less than other
countries

Healthy
Lifestyle??
?

Retirement
Protection
??

Lack of income after
retirement

Rely on the healthcare services
provided by public sector

Expanding public expenditure
on health care

10.3E Health Care Systems in Different Countries

Market-oriented countries

- **Rationale**
 - Individual needs should be satisfied by the private market and family
 - Allocation of resources according to consumers' willingness to pay
- **Policy objectives**
 - To minimize government intervention. Government only provides assistance through Medicaid and Medicare to the low-income individuals and families
- **Feature of service provision**
 - Private Insurance, supplemented by Medicaid and Medicare
- Example: USA

Welfare states

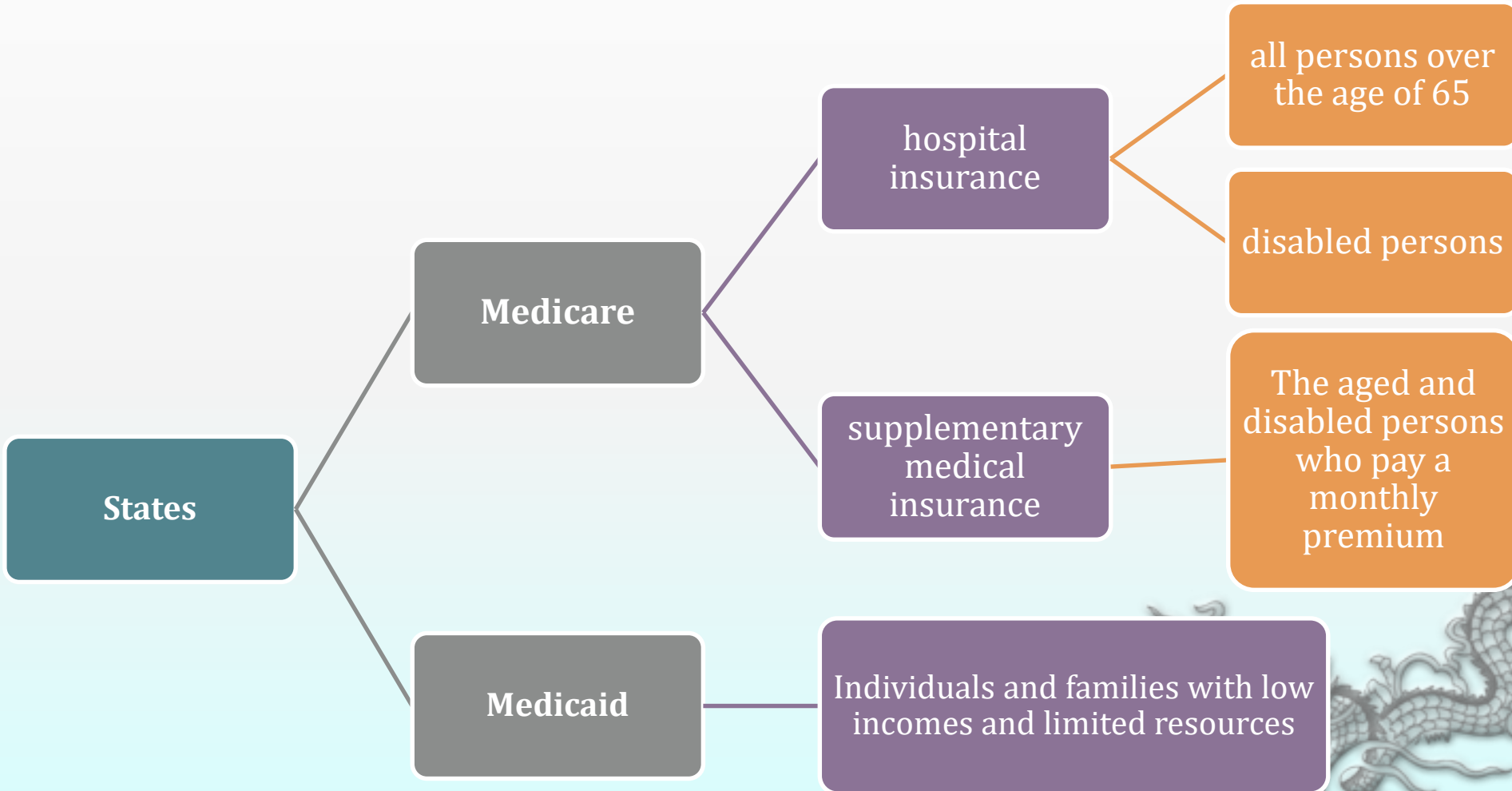
- **Rationale**
 - Everyone is entitled to reasonable access to health care, regardless of the ability to pay
- **Policy objectives**
 - To provide universal services for all people
 - To provide access to a comprehensive range of health services
- **Feature of service provision**
 - National Health Service (NHS), e.g.
 - Public hospital services- free of charge for all citizens/ Fully subsidized primary health care services/ Medicine to be paid at a flat rate for each prescription
- Example: UK, Canada

Mixed model

- Essential health services are available with reasonable access regardless of the ability to pay but private health services are available to those who can afford either to pay or with insurance coverage
- To ensure no one in Hong Kong is deprived of medical care because of lack of means; at the same time emphasizing individual responsibility for the maintenance of his or her own health.
- The public sector is the predominant provider of secondary and tertiary care. Individuals cover a small percentage of the cost for public hospital services. A large proportion of primary care is mainly provided by private sector through out-of-pocket payments and/or health insurance
- Example: HK, Australia

	UK	Australia	USA
	General taxation, national Insurance premiums, health insurance plans and out-of-pocket payments.	General taxation. Medicare levy. Health insurance plans. Out-of-pocket payments	Private Insurance
Hospital services	<ul style="list-style-type: none"> ● Free of charge for eligible persons unless they choose to be treated as private patients 	<ul style="list-style-type: none"> ● Public patients in public hospitals are free of charge. ● Private patients in either public or private hospitals receive 75% government subsidy on medical services and cover all other costs by out-of-pocket payments and/or health insurance. 	<ul style="list-style-type: none"> ● The level of access to healthcare services is determined by the level of insurance cover which an individual can afford to purchase ● Contributions are based not only on the ability to pay but also on an individual's health risk assessed by the insurer
Primary healthcare services	<ul style="list-style-type: none"> ● Fully subsidized by public money, patients receive primary healthcare services provided by private medical practitioners free of charge 	<ul style="list-style-type: none"> ● Patients receive government subsidy to cover 85% of the cost on private out-of-hospital services and the remaining 15% is covered by out-of-pocket payments but not by health insurance. ● Medical safety net will provide assistance to those patients with difficulty in handling payments. 	
Medicines	<ul style="list-style-type: none"> ● Patients are required to pay a flat rate for each prescription ● Exemptions granted to specific groups such as children and low-income families 	<ul style="list-style-type: none"> ● Patients are required to make a co-payment for acquiring government-subsidized prescription medicines. 	

Safety Net in USA



States

Medicare

hospital insurance

all persons over the age of 65

disabled persons

supplementary medical insurance

The aged and disabled persons who pay a monthly premium

Medicaid

Individuals and families with low incomes and limited resources

10.4 Conflicting Agendas in the Healthcare Reform

- **Topic 3 – Responding to the Needs in the Areas of Health (care, promotion and maintenance) and Social Care**
- *3D Cultural and political disagreements and tensions*
- ◆ *3D2 The debates and practical / political conflicts between the roles of the individuals (private sector) and the public or government in the provision of social care and health services responsibility of the government, e.g.*
 - ◆ Medical charges
 - ◆ Competitive or complementary roles between the public sector and the private sector
 - ◆ Privatisation
 - ***To understand the conflicts and tensions in the health and social care context***



10.4 Conflicting Agendas in the Healthcare Reform

Should the resources be allocated to public or private sectors?

	Expanding Public Sector	Expanding Private Sector
Pros	<ul style="list-style-type: none"> Ensuring the provision of services in meeting the needs of patients: the provision is not dictated by market but by needs and the availability of resources. Strengthening the safety net: the government is pursuing social goals that profit-seeking, market-oriented, private sector organisations overlook or play down, e.g. equity and poverty alleviation Ensuring the implementation of health policy in coordinated and planned efforts 	<ul style="list-style-type: none"> Consumers, i.e. the patients, may have more choices as privatisation fosters competition / new ideas in the market The waiting list for the services provided by public sector may be shortened when more services are provided by the private sector The financial burden of the government may be reduced as some of the medical expenses are shared by the consumers who are willing to pay The accessibility of services increases as private providers may be located in convenient areas and offer services during more convenient times for customers The services may be more sustainable as they are independent of changes in government policies and budgetary constraints
Cons	<ul style="list-style-type: none"> Concern for public expenditure / government financial burden / sustainability of healthcare financing - the costs of secondary / tertiary medical care are relatively high and will continuously increase under ageing population Comparatively fewer choices and less flexibility in catering the needs of patients Lower the extent / degree of personal responsibility in healthcare 	<ul style="list-style-type: none"> The profit-seeking and market-oriented private sector organisations may overlook or play down the social goals such as health equity and primary health care To maximize profit, services produced in the private sector may be operated at a lower workforce ratio to reduce the cost. This may affect the quality of services provided As the prices are determined by the market, the service providers have no intention to keep the prices low and affordable. Patients who are less able to afford the services will have fewer choices If the healthcare system is dominated by the private sector, it's development may become fragmented, poorly planned and coordinated



10.4 Conflicting Agendas in the Healthcare Reform

- Private vs. Public Responsibility ?

Public Responsibility

- The responsibility of the Government to provide medical care:
 - For all citizens, or
 - For the deprived groups at an affordable price

Private Responsibility

- Those who can afford should take up their responsibility in paying the health and care services
- User charges should be increased? How much should be raised?

10.4 Conflicting Agendas in the Healthcare Reform

- **Financing Principles – Percentages to be paid by Users and Tax Payers**

Public services are funded by taxation and public expenditure on healthcare is increasing

From the tax payers' point of view, it is reasonable to use the public healthcare services no matter how much they are taxed.

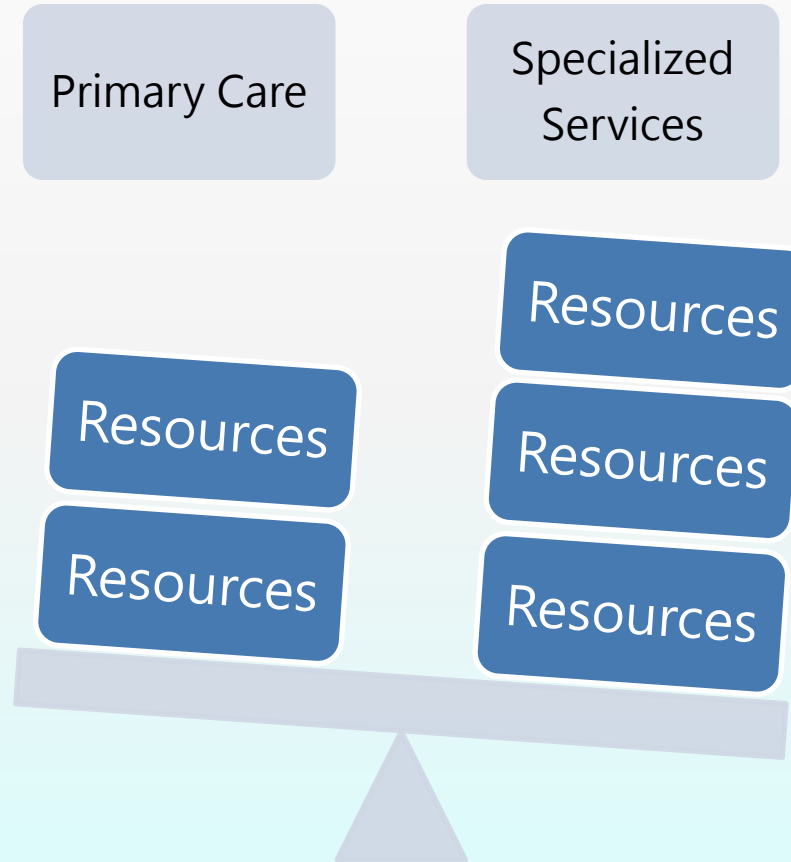
The huge subsidy invested in the system, plus the improving standards, have not only attracted those who cannot afford to the public sector, but also a substantial number of patients who can afford to pay more

Overloading of public sector

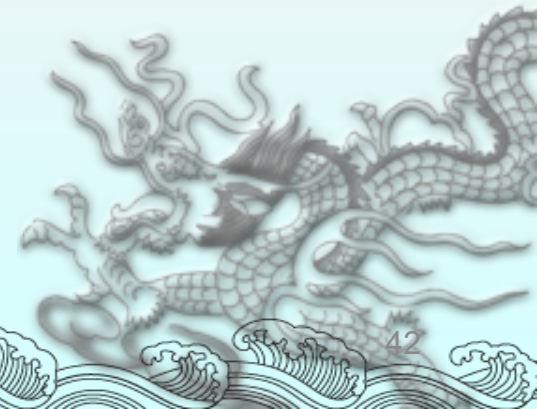
10.4 Conflicting Agendas in the Healthcare Reform

Priorities of Resource Allocated to Primary Care or Specialized Services ?

- Primary care and community medicine, will become increasingly important in managing the growing number of chronically ill patients as the elderly population increases



- Priority is given to hospital-based services for the past decades instead of across different types of services



10.4 Conflicting Agendas in the Healthcare Reform

• Cost- Effectiveness vs. Clients' Satisfaction

Cost- Effectiveness

- Due to the increasing public expenditure on health care, the Government has the challenge of long term financial sustainability with the existing taxation system. Procedures should be adopted to monitor and review the healthcare development in terms of financial prudence and resourcing.

Clients' Satisfaction

- Consumers' rights
- Higher expectation on health and social welfare
- Demand higher quality of services, such as better facilities and amenities, shorter waiting time, more high-tech diagnostic tests and drugs

