



CPCE Health Conference 2019

TOWARDS A MORE HUMANISTIC, HOLISTIC AND INTEGRATED
MODEL OF CARE

邁向更人性化、全面化及一體化的醫護模式

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Towards a more humanistic model of care: A case study of Hong Kong's long term care system

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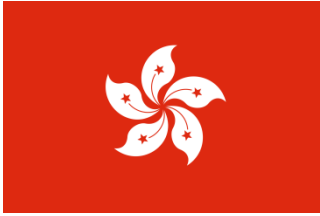
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**Centre for
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老齡化和醫療管理研究中心



Background



- A Special Administrative Region of China (since 1997)
- 7.3 million population
- ~1,000 sq km in area
- Per capital GDP: US\$42,000 (marginally higher than Canada, UK, Germany)

Country	Life Expectancy ▲	Rank
Hong Kong	84.462 years	1
Japan	83.995 years	2
Italy	83.686 years	3
Singapore	83.608 years	4
Switzerland	83.489 years	5
Spain	83.127 years	6
Iceland	83.056 years	7
Israel	82.932 years	8
Australia	82.906 years	9
France	82.74 years	10
Sweden	82.683 years	11
South Korea	82.626 years	12
Canada	82.563 years	13
Chile	82.515 years	14
Martinique	82.409 years	15
New Zealand	82.361 years	16
Luxembourg	82.255 years	17
Norway	82.028 years	18
Netherlands	81.998 years	19
Austria	81.971 years	20 ▾

Demographics

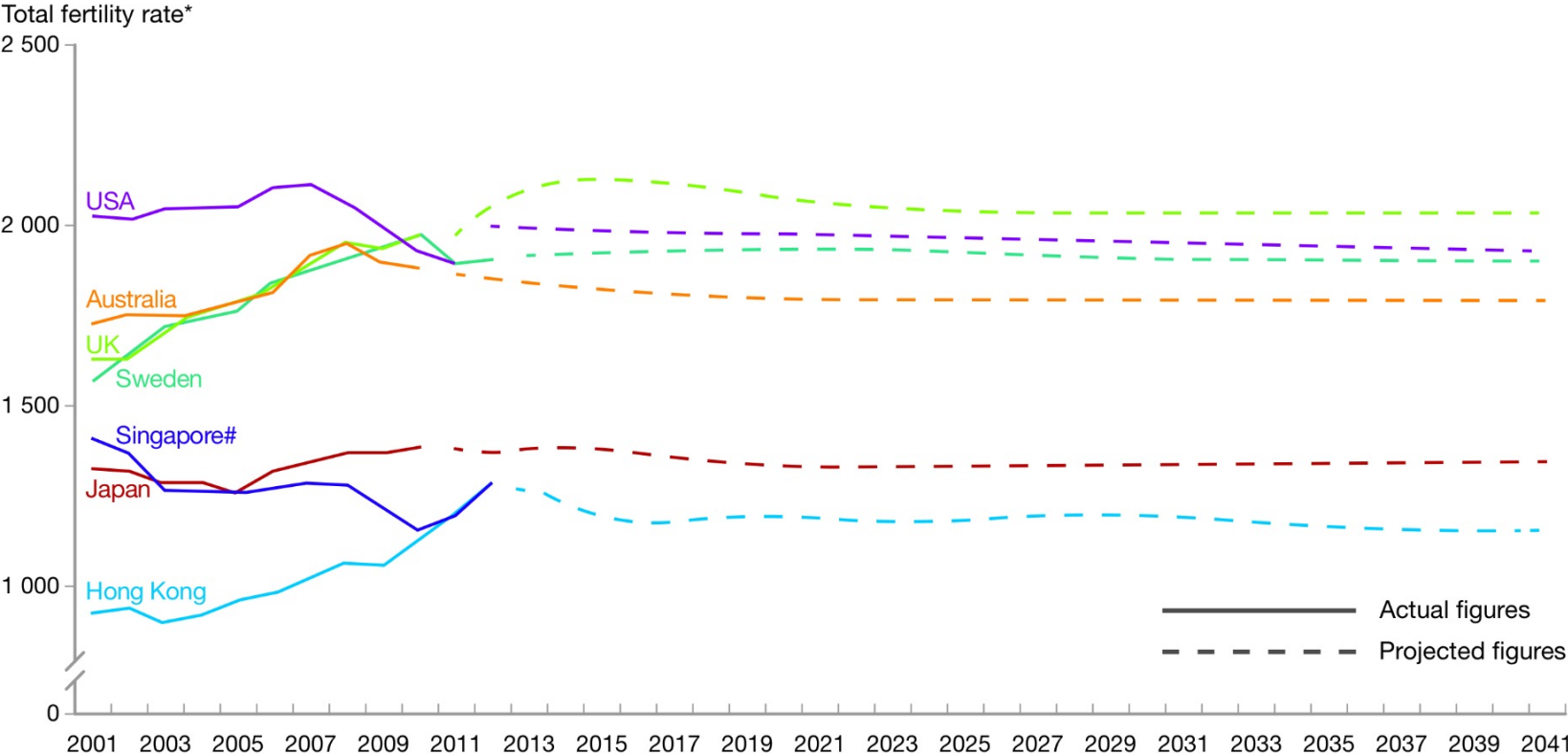
Hong Kong has the Longest Life Expectancy In the World

**Rapidly aging population:
Elderly %: 16% now;
26% by 2029;
33% by 2064**

Source: HKSAR Census & Statistics 2015

Hong Kong has one of the World's Lowest Fertility Rate


Chart 1.1: Total fertility rates in selected developed economies (2001–2041)



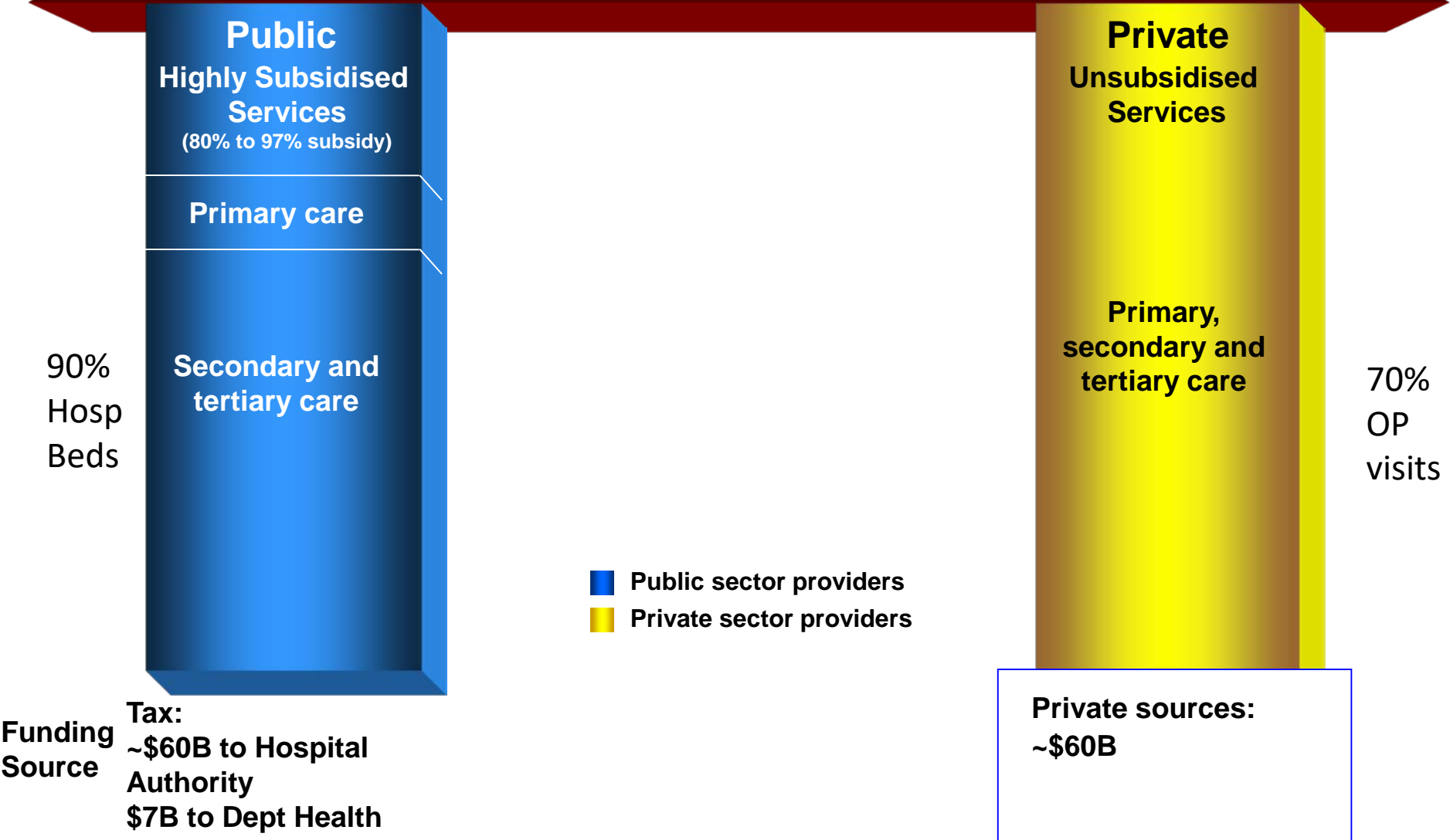
* Total fertility rate refers to the average number of children that would be born alive to 1000 women during their lifetime if they were to pass through their childbearing ages 15-49 experiencing the age specific fertility rates prevailing in a given year.
 # Projected figures for Singapore are not available.

Source: Secretariat of the Steering Committee on Population Policy (2014), *Thoughts for Hong Kong: Public Engagement Exercise on Population Policy*, Chief Secretary for Administration's Office, Hong Kong.

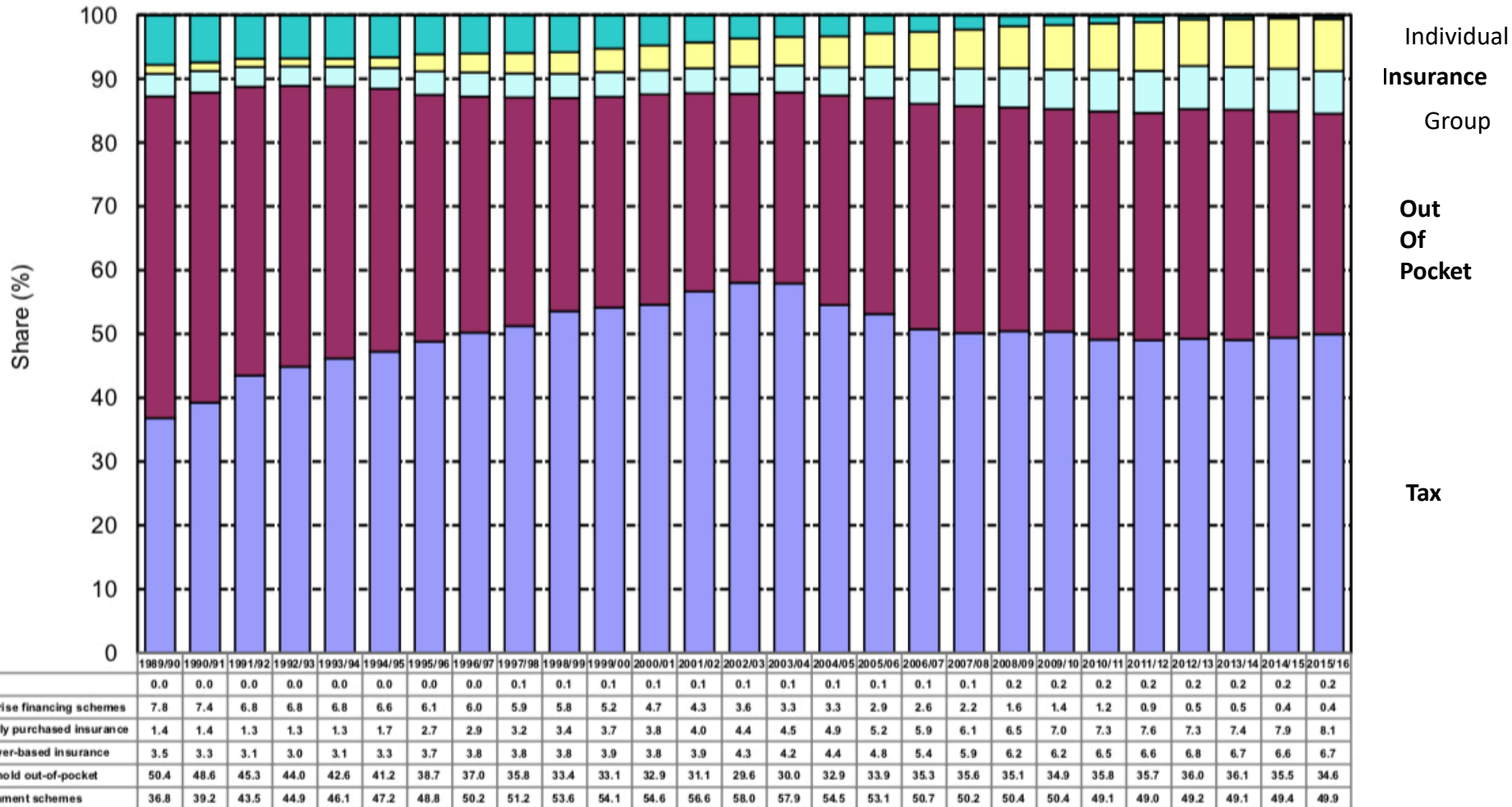
Health Care System

-  Bloomberg ranked Hong Kong as **the most efficient health care system in the world in 2018**
- All Hong Kong residents are eligible to received highly subsidized hospital care (US\$25 a day all inclusive) funded by general taxation
- 90% of hospital beds are in public hospitals
- No compulsory health insurance, savings or special health tax
- Low income and corporate profit tax (~15%); no sales tax

Current System: Two Pillars



Financing Sources for Health Care 1989-2016



Source: Food & Health Bureau, Hong Kong Domestic Health Accounts

Long Term Care System

- Funded mainly by general taxation and out-of-pocket payment
- For subsidized services, co-payment is around 15% of cost
- For non-subsidized services, consumer pays the full cost in most cases
- Delivered by NGOs, private entities (and to a less extent Government)

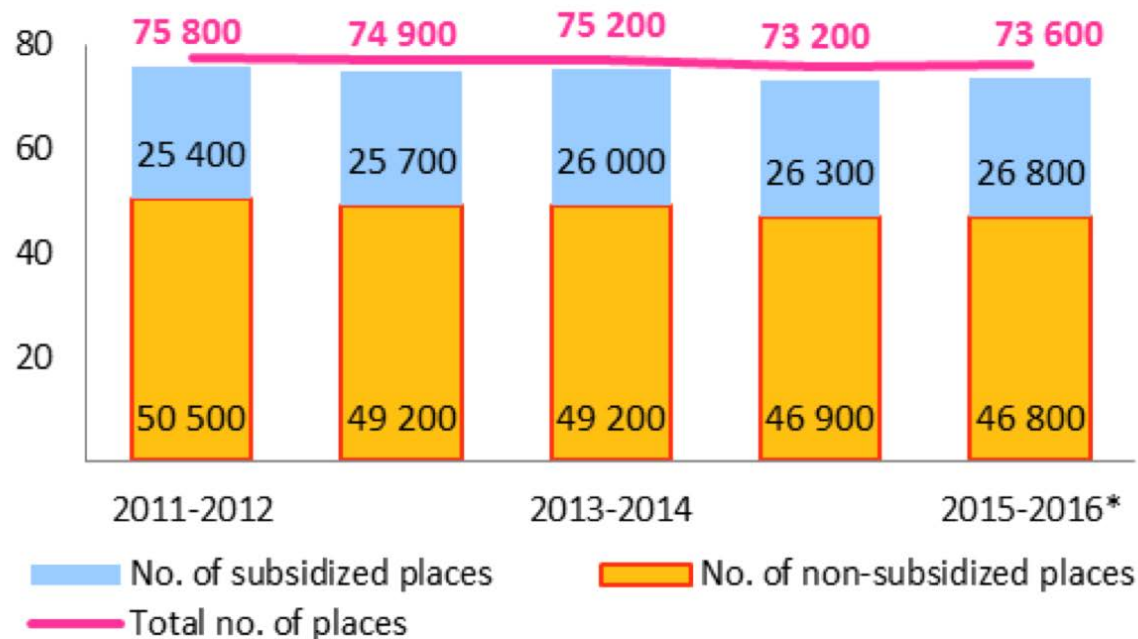
LTC Provisions

- Deliver by a mix of NGOs, private, public entities
 - NGO's: residential, community/day care
 - Private: mostly residential (62% of beds)
 - Public (Hospital Authority, Social Welfare Department, Department of Health): infirmary, hospice, nursing home, community/day care
- Informal carers (family members and domestic helpers, most foreign helpers)

Public-Private : 30%-70%

Figure 2 – Provision of residential care places

No. of places ('000)



* Data as at December 2015.

Source: Residential Care Services for the Elderly, Statistical Highlights. Research Office. Legislative Council Secretariat

Supply of Residential LTC: Subsidized 30%; Private 70%

- Government Subsidized homes managed by NGOs
 - 17,133 places; 23% of total; waiting time 32 months; Government pays HK\$12,000/month; user HK\$2,000
- Privately run homes with government contract
 - 4,755 places; 7% of total; waiting time 8 months; Government pays HK\$9,500/month; user HK\$1,700
- NGOs managed self-financing places
 - 4,755 places; 7% of total; no waiting time; user pays HK\$8,000 to \$12,000
- Private nursing homes
 - 45,153 places; 61% of total; no waiting time; user pays HK\$8,000 to \$12,000

Quality of Care of Different Types of Homes

- In general, the residential homes that are Government-owned or Government subvented (managed by NGOs) are of higher quality than the private ones
- Accreditation is voluntary; only a threshold type licensing system
- Long waiting list for government subvented homes
 - cheaper and higher quality
 - Not means-tested

Community-based Services

- “Aging in place” has been Government stated policy since 1973
- Government provides both centre-based day care services (~3,000 places) and
- home-based care services -- ~27,000 places under the Integrated Home Care Service and
- ~7,600 places under the Enhanced Home and Community Care Service for the frail elderly
- All operated by NGOs with subvention from Government

Private Community-based LTC Services

- NGOs and private entities also provide community-based services on a self-financing or full cost-recovery basis
- Private companies provide mostly home-based private nursing services

Palliative Care: Very limited scale

- 16 public hospitals provide palliative/hospice care: total of 360 beds
- Self-financing beds
 - Haven of Hope: 124 bed (from US\$160 to US\$1,000)
 - Society for the Promotion of Hospice Care: 30 beds (over US\$1,000 per day)

End-of-life Care

- 90% of deaths occur in public hospitals
- Nursing homes do not have resident doctors
- Family doctors always never do house call, and hence cannot sign death certificates

Humanistic Care Continuum: holistic, patient empowerment, patient's value, patient's choice, collaboration, dignity

Most
Humanistic

Least
Humanistic

Home
care

Care at
Day Center

Residential
Nursing Home

Public
Convalescence
Hospital

Public Acute
Hospital

Palliative
Care Unit

Private Hospitals

Hong Kong has a much higher hospital bed level than many countries

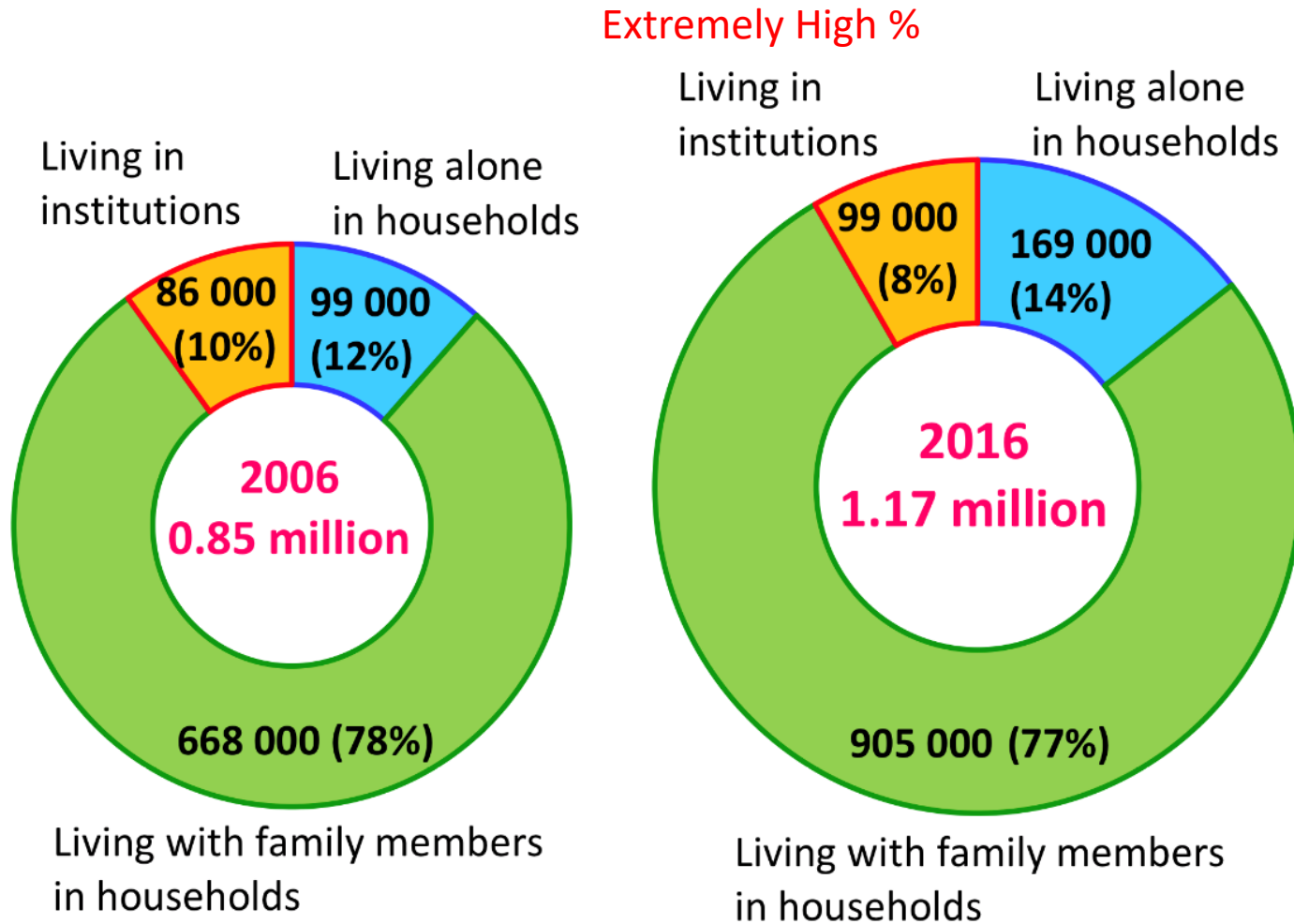
Hong Kong	5.1
Norway	3.9
Singapore	3.1
Sweden	2.6
New Zealand	2.8
United Kingdom	2.8

Hospital Beds
per 1,000

Source: Food & Health Bureau, Hong Kong Domestic Health Accounts

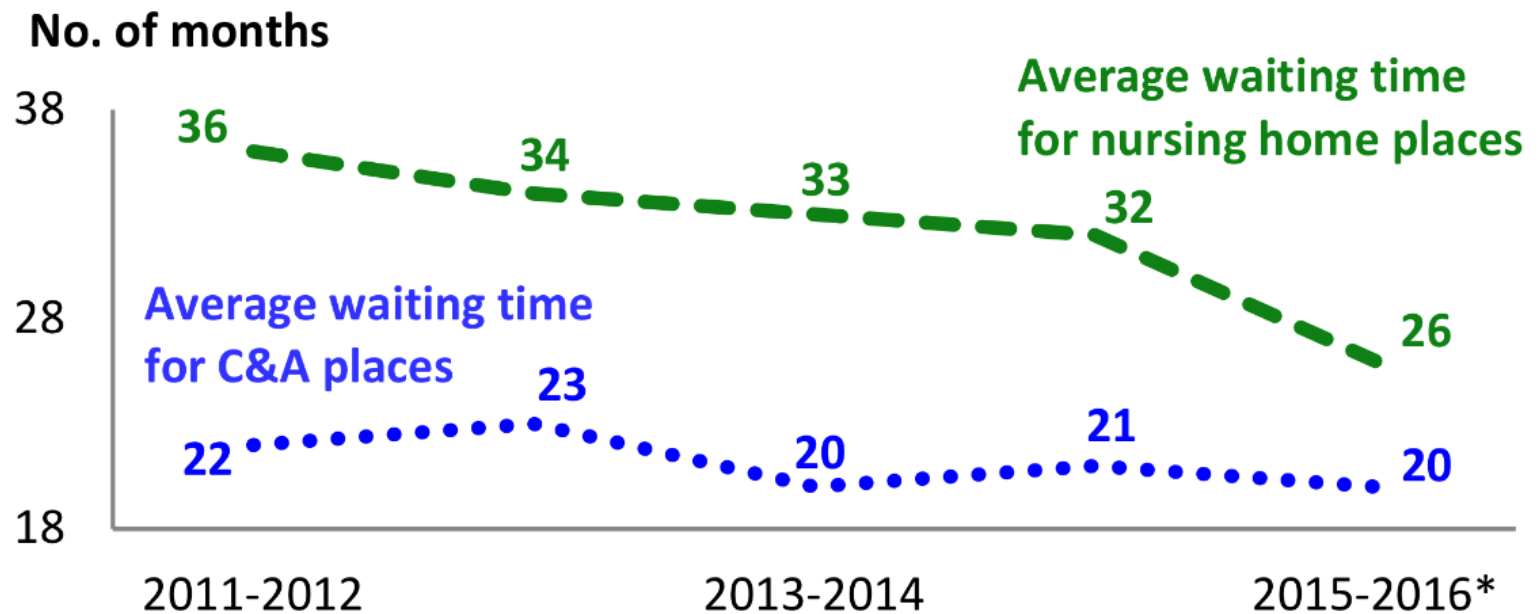
90% of hospital beds are in public hospitals;
~50% of all public hospital admissions were found
to be Ambulatory Care Sensitive Conditions
(JCSPHPC 2017, Yam et al 2014)

Figure 1 – Living arrangement of the elderly



Waiting time for Subsidized Residential Care Places

Figure 5 – Waiting time for residential care places



* Data as at December 2015

Figure 6 – Number of elderly passed away before admission

Residential care places	2011	2012	2013	2014	2015
• C&A places	3 049	3 184	3 290	3 657	3 882
• Nursing home places	1 925	1 973	1 729	1 911	1 999
Total	4 974	5 157	5 019	5 568	5 881

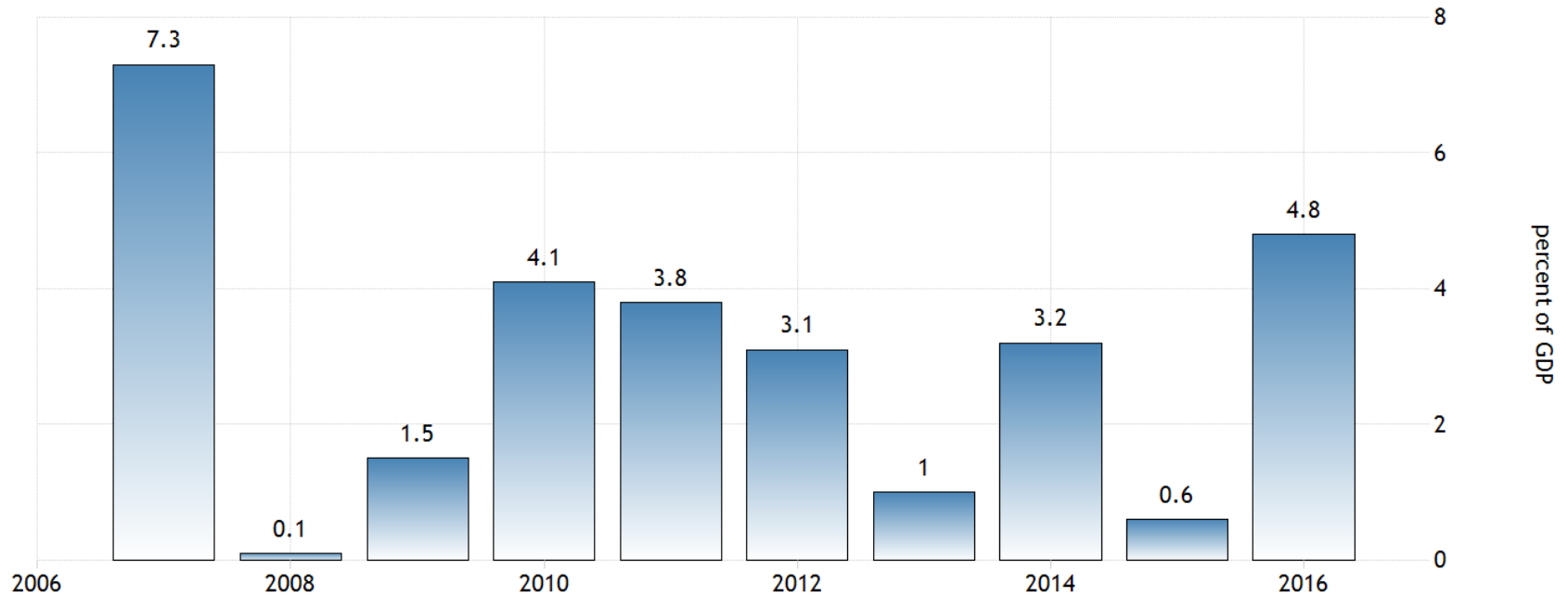
Source: Residential Care Services for the Elderly, Statistical Highlights. Research Office. Legislative Council Secretariat

- It has been estimated that Hong Kong needs 225,000 home-care service place (as oppose to the current provision of 30,000 places)

(Source: Lam,YK Controversies in Long Term Care Services: Users Perspective on Manpower and Financing issues of Long Term Care and Aging in Place in Policy Bulletin 19, Oct 2015)

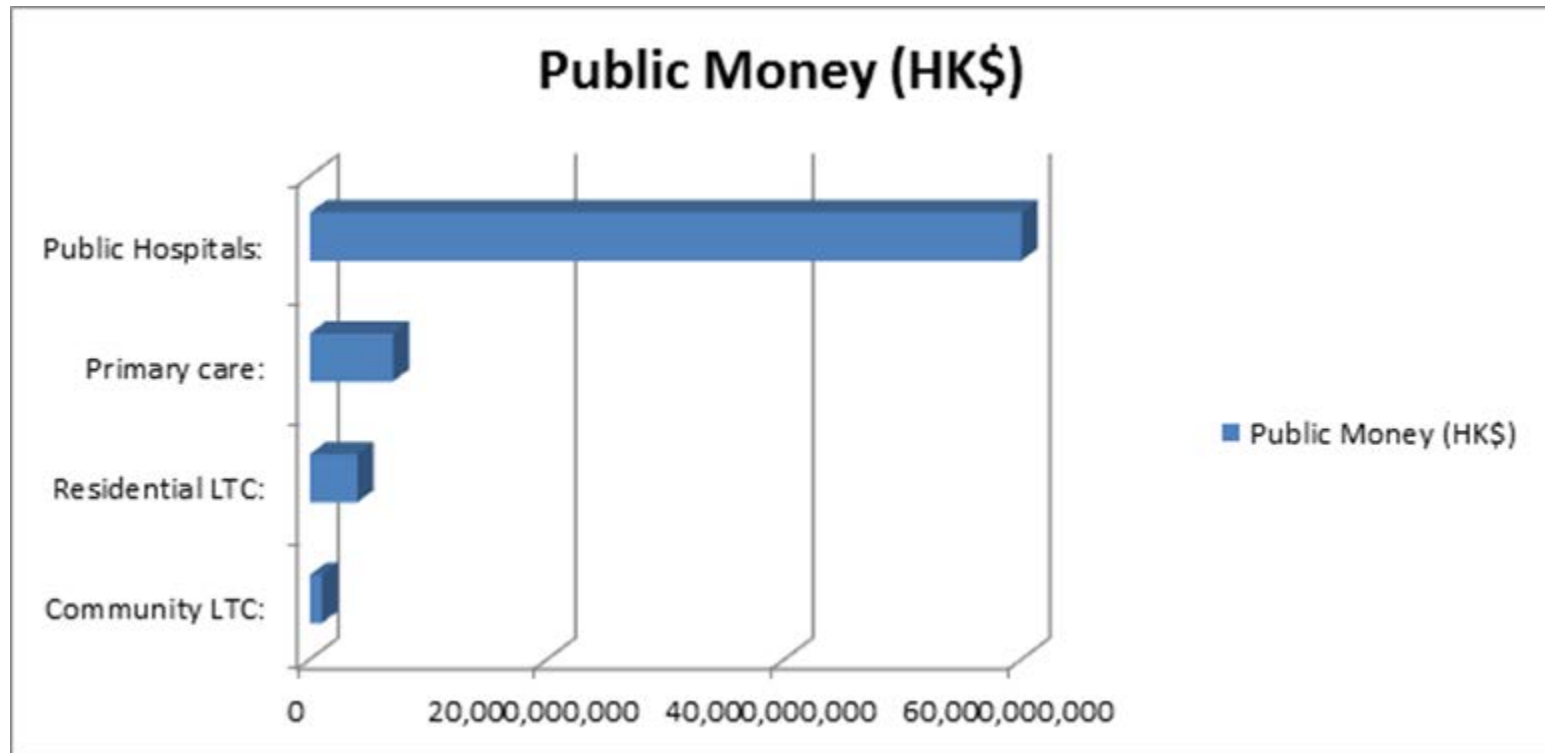
Government does not lack money: Government Budget Surplus In terms of % GDP

HONG KONG GOVERNMENT BUDGET



SOURCE: TRADINGECONOMICS.COM | GOVHK

How Public Money is Spent



Per diem cost (HK\$)

- Acute public hospital: ~\$4,000 (~US\$500)
- Residential LTC: ~\$400 (~US\$50)
- Day care centre: ~\$200 (~US\$25)
- Enhanced home care visit ~\$100 (~US\$12)
- General home care visit ~\$50 (~US\$6)

Public Money (HK\$)

- Public Hospitals: ~\$60,000,000,000
 - Primary care: ~\$7,000,000,000
 - Residential LTC: ~\$4,000,000,000
 - Community LTC ~\$1,000,000,000
-
- \$LTC is less than 10% of acute care

Public Money Tied-up in Acute Inpatient Care

- ~90% of public money goes to acute/inpatient care
- Primary care under-developed, deliver by private GPs, financed privately, episodic oriented
- Little government support for services for
 - prevention of diabetes, high blood pressure, high blood cholesterol
 - Maintenance rehabilitation for the elderly

- Medical support for LTC institutions and elderly at home is inadequate close to non-existent, resulting in frequent admissions of the elderly to public hospitals
- Not much public resources to support patients to die at home
- Over 90% of deaths in Hong Kong occurred in public hospitals

Cost-ineffective Long Term Care (LTC)

- Imbalance between residential LTC and community based LTC
- High institutionalization rate of 8% of elderly population,
- Double that of Japan, and more than 3 times that of Singapore and Taiwan

Public Money Compartmentalized

- Compartmentalization: health care under the Food & Health Bureau;
 - Preventive services under Department of Health
 - GOPD, secondary and tertiary care under Hospital Authority
- LTC under Labour and Welfare Bureau
- no fund shifting even though it could be very cost-effective

Care Not Patient-oriented

- Public money goes to institutions first (both medical and LTC)
- No incentives for public funded institutions to be patient oriented

Implications

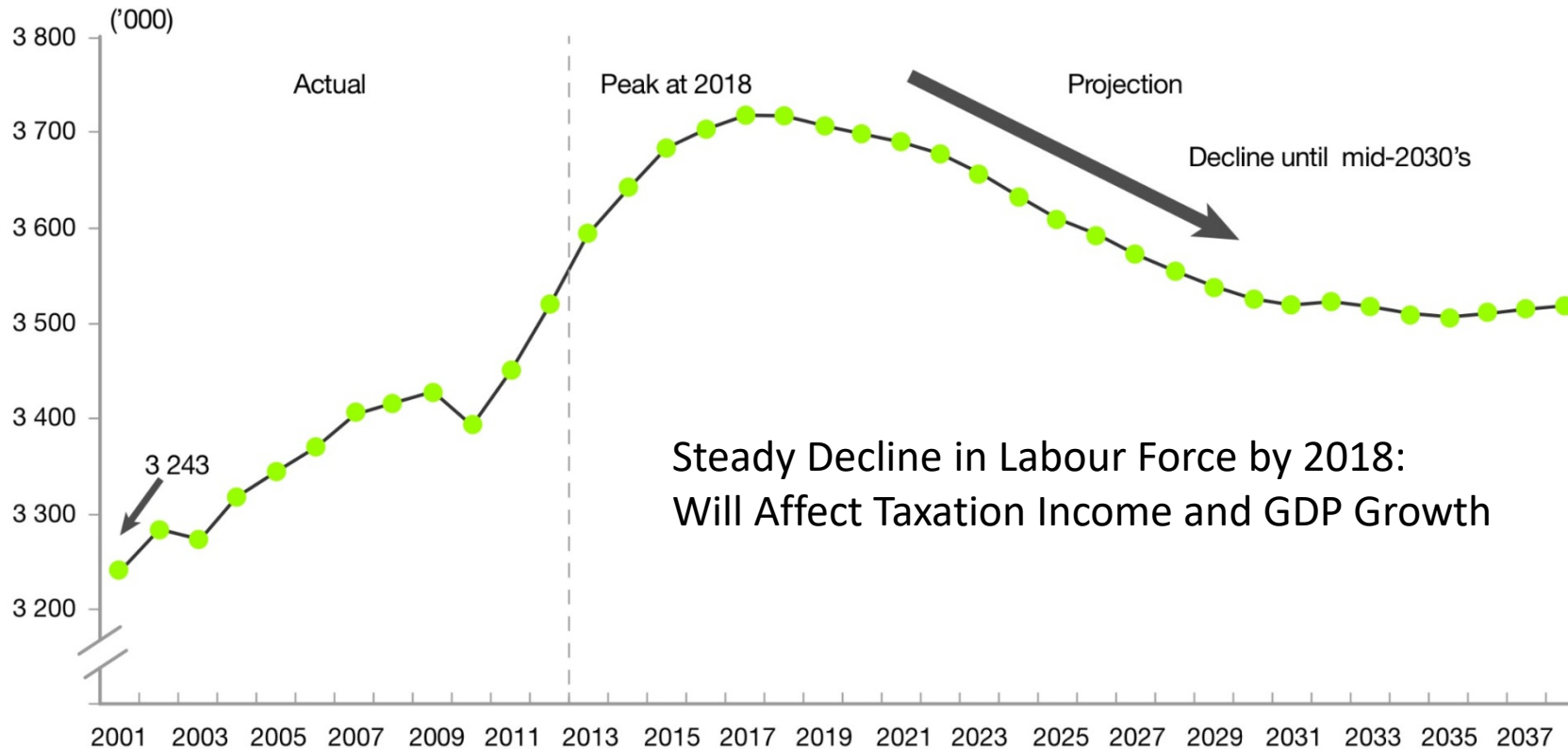
- The system is far from humanistic
 - “disease-focused, hospital-centric”
 - “delivery system fragmentation”
 - “the majority of the primary care is delivered by the private sector and is unaffordable for certain segment of the population” (Our Hong Kong Foundation 2018)
- There is currently no supplementary LTC financing scheme in place
- The publicly funded system will be under great stress – further lowering of quality and lengthening of waiting time

System Not Humanistic and Unsustainable

- Hong Kong's total health care expenditure is expected to grow from currently around 5.3 percent to 9.2 percent in the 2030's
- public sector health expenditure is expected to grow from the current level of 2.9 percent to 5.5 percent by then (Food and Health Bureau 2008).
- LTC expenditure is projected to increase from the current level of 1.4 % of GDP to a range of 2.2 - 4.9 % of GDP by 2036 (Chung 2009), which would be amongst the highest within industrialized countries (OECD 2011).

Sustainability is Questionable

Chart 1.2: Projected labour force to 2041



Note: Excluding foreign domestic helpers

Source: General Household Survey Section, Census and Statistics Department

Source: Secretariat of the Steering Committee on Population Policy (2014), *Thoughts for Hong Kong: Public Engagement Exercise on Population Policy*, Chief Secretary for Administration's Office, Hong Kong.

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Initiatives in the Right Direction

- Kwai Tsing District Health Centre (DHC)
 - a Core Centre supplemented by Satellite Centres to be managed by NGOs and a network of medical and healthcare practitioners, to tackle
 - Hypertension; Diabetes mellitus; obesity; fall risk; and Lifestyle risk factors
 - The Core Centre will house a team of nurse, pharmacist, allied health professional, social worker; Each Satellite Centre would be led by a registered nurse
 - DHC will create Network of Service Providers including doctors

Pilot Schemes: Social Care

- Pilot scheme on Community Care Service Voucher
- Pilot Scheme for home care service for frail elderly on waiting list for subsidized nursing home places
- Pilot scheme Living Allowance for Carers of Elderly Persons from Low Income Families

- Pilot Residential Care Services Scheme in Guangdong
 - Run by the Hong Kong Rehabilitation Society in Yentian, Guangdong, with 250 places
 - 50% of residents are Hong Kong persons; 59 persons funded by the Scheme

Pilot Schemes: Health Care for Elderly

- Public-private Interface Electronic Patient Record Sharing Pilot Project
- Annual HK\$2,000 (US\$250) Elderly Health Care Voucher Pilot Scheme to seek care from private primary care providers
- Elderly Vaccination subsidization Scheme (for seasonal influenza) for participating private GPs
- Public-Private Partnership for discharged stable public hospital patients to receive care from participating private GPs
- Public-Private partnership for Radiological and Hemodialysis services for selected private providers

Problems

- Small scale pilot projects
- Does not address financial sustainability
- Governance
- Perverse incentives inherent in the funding public sector institutions (block grant) and in the private sector (fee-for-service)

Government Actions Needed:

- Put hospital, primary care, and long term care under one authority
- So that resources can be shifted from one sector to the other in a more cost-effective manner
- Separate funding and provision to achieve greater accountability and more patient-centered: money follow patients
- Set up Future Fund for health and LTC
- Consultation on LTC insurance: better patient empowerment

- Reduce public hospital beds and shift the resources to primary care and long term care
- Change Funding System: money follow patients
- More resources to support home care, day care and end-of-life care
- training of care workers, especially community based care, humanistic care

Questions



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