

**For information on
16 March 2015**

LEGISLATIVE COUNCIL PANEL ON PUBLIC SERVICE

**OVERVIEW OF MEDICAL AND DENTAL BENEFITS
FOR CIVIL SERVANTS, PENSIONERS AND ELIGIBLE DEPENDANTS**

PURPOSE

This paper provides Members with the latest overview on the provision of medical and dental benefits (hereafter referred to as “civil service medical benefits”) to civil service eligible persons¹.

BACKGROUND

2. The Government, as the employer of civil servants, has a contractual obligation to provide civil service medical benefits. The scope of such benefits is set out in the relevant Civil Service Regulations (CSRs), Civil Service Bureau Circulars and Circular Memoranda. Those provisions form part of the terms and conditions of employment of civil servants.

¹ Civil service eligible persons consist of:

- (a) monthly paid civil servants and their eligible dependants;
- (b) retired civil servants living in Hong Kong and in receipt of a pension or an annual allowance and their eligible dependants living in Hong Kong;
- (c) eligible dependants of civil servants killed on duty and living in Hong Kong;
- (d) eligible dependants living in Hong Kong and in receipt of a pension under the Widows and Orphans Pension Scheme or the Surviving Spouses’ and Children’s Pension Scheme following the death of civil servants while in service or after retirement; and
- (e) other persons who are eligible for civil service medical benefits by way of their terms of appointment.

3. In general, civil service eligible persons are entitled to medical and dental treatment and services that are provided by the Department of Health (DH) or the Hospital Authority (HA) free of charge, save for the charges applicable to hospital maintenance, dentures and dental appliances as provided for in the CSRs². Civil service eligible persons may also apply to DH for reimbursement of medical expenses if the attending HA/DH doctors certify that the drugs, equipment and services concerned are prescribed in accordance with medical necessity and are chargeable by HA or not available in HA/DH. A direct payment arrangement is in place for DH to settle payment with HA direct if HA has incurred expenses for drugs/medical items or treatment provided to civil service eligible persons on medical necessity.

IMPROVEMENT MEASURES SCHEDULED FOR IMPLEMENTATION IN 2014-15

4. We last briefed Members at the Panel meeting on 17 February 2014 vide LC Paper No. CB(4)379/13-14(05) on measures planned for implementation in 2014-15 to improve civil service medical benefits. An update on the implementation of those measures is set out in paragraphs 5 to 13 below.

(i) Reimbursement of medical expenses

5. A provision of \$400 million was earmarked in the Original Estimates for 2014-15 to meet the anticipated increase in applications for reimbursement of medical expenses from civil service eligible persons. The approved provision represents an increase of 11% over the Revised Estimates of \$360 million for 2013-14.

6. For the first nine months of 2014-15 (i.e. 1 April 2014 to 31 December 2014), DH has approved 45 956 applications for reimbursement of medical expenses from civil service eligible persons, amounting to \$295.8 million. The major reimbursement items included drugs, medical equipment and services. They accounted for 71%, 22% and 5% of the total reimbursement expenditure respectively.

7. We have extended the direct payment arrangement to cover all drugs provided by HA with effect from 25 March 2013, including those on the list of HA's self-financed items. Other specified service/equipment items covered by the direct payment arrangement include percutaneous transluminal coronary angioplasty (PTCA) procedures, intraocular lens operation, non-PTCA consumables for interventional cardiology, and positron emission tomography service. As at 31 December 2014, around 84% of the total reimbursement expenditure in 2014-15 was covered by the direct payment arrangement, as compared with 80% for the same nine-month period in 2013-14.

² CSR Annex 6.1 sets out the hospital maintenance fees applicable to all civil service eligible persons. CSR Annex 6.2 sets out the schedule of charges for dentures, dental appliances and other restorations in accordance with a civil servant's monthly salary at specified Master Pay Scale (MPS) pay points or equivalent. For pensioners, their monthly pension will be benchmarked against the MPS pay points for determining the applicable level of charges.

8. DH has pledged to process at least 90% of applications for reimbursement of medical expenses within four weeks. For the calendar year of 2014, DH more than met the above pledge, with 99% of the reimbursement applications processed within four weeks.

(ii) Dental service

9. DH has already opened 11 new general dental surgeries in 2014-15³. Upon the full operation of the 15 surgeries, there will be an increase of about 7.5% over DH's total general dental service hour capacity in 2013-14.

10. Separately, four new oral-maxillofacial and dental surgeries (one each in Queen Mary Hospital, Queen Elizabeth Hospital, Prince of Wales Hospital and North District Hospital) for the exclusive use by civil service eligible persons commenced operation on 3 November 2014. The average waiting time for elective consultation of civil service eligible persons for this specialised dental service has been significantly reduced.

(iii) Families Clinic Services

11. DH has set up a new dedicated dispensary at the Tang Chi Ngong Specialist Clinic Building to serve the department's clinics thereat, including the Hong Kong Families Clinic. Since its operation on 6 October 2014, the dispensary has been running smoothly. Patients are satisfied with the convenient location of the new dispensary and the shortened waiting time.

12. Separately, since the Kowloon Families Clinic was relocated to the Kowloon City Health Centre in July 2013, the number of consultation rooms thereat has increased from six to ten. While two of the four additional rooms have already commenced service in 2013-14, the remaining two rooms are planned to commence service upon the successful recruitment of the Medical & Health Officers.

13. The fitting-out works for the fifth Families Clinic in Fanling has commenced in February 2015. Upon the full operation of this new Families Clinic which has ten consultation rooms, the overall service capacity of DH Families Clinics will increase by about 31% from 32 consultation rooms to 42 consultation rooms.

³ Another four new surgeries are scheduled for commencement of service by the end of March 2015.

IMPROVEMENT MEASURES TO BE IMPLEMENTED IN 2015-16

14. Subject to the approval of the 2015-16 Draft Estimates of Expenditure by the Legislative Council, we will further improve the provision of civil service medical benefits in 2015-16 as follows –

- (a) increase the provision for reimbursement of medical expenses from the Revised Estimates of \$402 million for 2014-15 to \$460 million for 2015-16 to meet an anticipated increase in applications from civil service eligible persons. This represents an increase of 14% of provision;
- (b) plan to open 17 general dental surgeries by phases. These 17 additional general dental surgeries will provide a total of 29 750 service hours annually, representing an increase of about 8.1% of DH's total general dental service hour capacity in 2014-15; and
- (c) launch an automated telephone booking system for Families Clinics.

15. Separately, we will examine the feasibility of re-distributing the allocation of priority discs among General Outpatient Clinics (GOPCs) with a view to meeting the higher demands in certain GOPCs.

WAY FORWARD

16. We will continue to work closely with HA and DH to further enhance the civil service medical services for civil service eligible persons, taking into account the Government's contractual obligation, cost-effectiveness and the financial implications of any proposed improvement measures.

17. Members are invited to note the content of this paper.

Civil Service Bureau
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