<u>Tories are shamelessly behind times on</u> votes at 16

Today at PMQs, MPs debated extending the right to vote to 16-year-olds — and the debate showed one thing clearly.

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Hospital Authority to submit report to FHB on use of additional allocation

The following is issued on behalf of the Hospital Authority:

The Hospital Authority (HA) spokesperson today (January 31) said the Authority will optimise the use of the one-off additional allocation of \$500 million from the Government. A detailed report will soon be submitted to the Secretary for Food and Health and related measures will be implemented as early as possible with Government's endorsement.

The spokesperson once again welcomes the additional allocation and said HA will deploy the resources to implement various targeted measures including the increase of healthcare manpower. The HA will address and relieve the work pressure of frontline staff under the Winter Surge with the following measures:

- 1. To provide additional clerical support to healthcare staff under this service surge period with a more flexible special allowance for the clerical staff;
- to further relax the Special Honorarium Scheme to cover all grades of staff who will contribute during the Winter Surge period, including clerical staff, supporting staff, allied health professional, doctors and nurses;
- 3. to provide additional support and supervision to healthcare staff on night-shift duties; and
- 4. to adjust the Special Honorarium Scheme allowance during the Lunar New Year holidays.

Furthermore, HA will expedite the process of abolishing the policy on incremental pay freeze for the first two years of newly recruited staff. The HA will communicate the implementation details in close collaboration with related staff groups with a view to boosting the morale of front-line staff.

The HA recognises the stringent challenges facing public hospitals at the moment and thus has deployed all available manpower and resources to cope. The HA also deeply appreciates the front-line staff for their professionalism and dedication in taking care of the patients.

LCQ17: Major infrastructure projects experiencing cost overruns

Following is a question by the Hon Paul Tse and a written reply by the Secretary for Development, Mr Michael Wong, in the Legislative Council today (January 31):

Question:

Major infrastructure projects have experienced serious cost overruns one after another in recent years. After checking the relevant information over the past few years and comparing the initial cost estimates of a number of major infrastructure projects with their final or latest project costs, an economist has found that all such works projects have experienced serious cost overruns. He has also indicated that just counting the projects of Sha Tin to Central Link, the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link, the Hong Kong-Zhuhai-Macao Bridge, the Central-Wan Chai Bypass, the Expansion of Hong Kong International Airport into a Three-Runway System and the West Kowloon Cultural District, the cost overruns involved have totalled "\$80 billion, if not \$100 billion". According to calculations made on the basis that the current average construction cost of a public rental housing (PRH) unit stands at around \$700,000, such a sum of cost overruns is sufficient to fund the construction of 110 000 to 140 000 PRH units. He considers that the aforesaid situation has reflected that the Government's cost estimation work is blatantly flawed, and it is therefore not surprising that members of the public have criticised that major infrastructure projects are mostly "white elephant" projects. Some members of the public have pointed out that major infrastructure projects experiencing serious cost overruns has not only undermined their confidence in the Government's management of public finances, but also become the pretext used by some Members of this Council to filibuster or procrastinate the vetting and approval of funding proposals at meetings of the Finance Committee (FC), thereby hindering the normal funding allocation procedure. In this connection, will the Government inform this Council:

(1) whether it has assessed the reasons why a number of infrastructure projects have repeatedly experienced cost overruns in recent years, and how projects experiencing cost overruns has undermined public confidence in the Government's management of public finances and the negative impact thus caused;

- (2) of the number of works projects the cost estimates of which have been reviewed by the Project Cost Management Office (PCMO) since its establishment by the Development Bureau in 2016, and the total expenditure thus reduced; whether the Government will broaden the functions of PCMO to cover the vetting and monitoring of the cost estimation work of works projects that are implemented under the concession approach; and
- (3) as the aforesaid economist has pointed out that the causes for a number of major infrastructure projects experiencing cost overruns in the past might involve deliberate underestimation of the initial costs of works projects by government officials in an attempt to push up the rates of return of the works projects, thereby making it easier to obtain FC's approval for the funding proposals concerned, whether the Government has conducted/will conduct an investigation to see if there was deliberate underestimation of the costs of infrastructure projects?

Reply:

President,

The Government has been implementing public works projects in an appropriate and orderly manner with a view to improving people's quality of living, enhancing the long-term competitiveness and promoting the economic development of Hong Kong. Our infrastructure facilities have all along been instrumental in serving the community, and more significantly in improving people's livelihood. The allegations that "infrastructure projects are mostly white elephants" are groundless.

Notwithstanding that there have been instances of cost overruns in implementing certain mega projects in recent years due to unforeseeable circumstances, we have in general maintained good performance in taking forward projects under the Capital Works Programme. The Finance Committee (FC) of the Legislative Council (LegCo) approved about 570 Category A works projects with a total provision of \$800 billion in the past ten years. Among them, about 70 projects required application to the FC for additional funding, which totaled around \$65 billion. In other words, additional funding was required in approximately 10 per cent of the projects and the amount represented some 8 per cent of the total provision. In addition, although certain projects required additional funding owing to individual circumstances, we generally managed to complete the projects under the Capital Works Programme within the original Approved Project Estimates (APE) and even with surplus. About 850 Category A projects had the final accounts settled in the past ten years. Their original approved estimates totaled about \$240 billon as compared with the total final expenditure of about \$210 billion. Though some projects needed to apply for additional provisions from the FC, the surplus from other projects were not only able to offset the cost overruns but also managed to leave behind a balance of \$30 billion. In short, the total expenditures of these projects at final settlement accounted for only about 85 per cent of their original APE.

There are news reports that interpreted a funding application to the FC as "cost overrun", when the amount of the application is higher than the

preliminary estimate at the project initiation. We have to point out that it normally takes several years to well over ten years for a project to submit funding application after its initiation. Project estimate is subject to updates for reasons of various requirements, fluctuations in the external economic environment, the changes of construction costs and prices as a result of inflation, detailed refinements to design and changes in project requirements as a result of consultation, etc., before it can be submitted for the LegCo's funding approval. Such situation should be differentiated from one where additional provisions are required after the approval of the project estimate.

We understand the public concern over the performance in project estimation and cost control. The Development Bureau established the Project Cost Management Office (PCMO) in June 2016 to enhance the cost management of public works projects, uplift the cost-effectiveness of the projects and ensure the effective use of public funds. One of the main tasks of the PCMO is to enhance the project management standard for public works projects, including the performance in project cost estimation. The PCMO is working on ways to enhance the methodologies for formulation of project cost estimation.

My reply to the three parts of the Hon Tse's question is as follows:

(1) As mentioned above, we have maintained consistently good performance in cost estimation for projects under the Capital Works Programme as a whole. Only some individual mega projects needed to apply for additional provisions due to unforeseeable circumstances.

In 'Global Construction Survey 2017 — Make it, or break it", published by KPMG in October last year, Professor Bent Flyvbjerg of the University of Oxford pointed out that Hong Kong and the Netherlands are better than other districts in the performance of project cost estimation according to the findings of his study covering over 100 districts.

Nevertheless, the Government will continue to enhance the cost estimation of public works projects in order to maintain the public confidence in the Government's management of public finance.

(2) Since its establishment in June 2016, the PCMO has reviewed the cost estimates of over 130 public works projects at the planning and design stage and achieved savings exceeding \$25 billion.

Currently, the PCMO's effort on cost control has covered all capital works projects. Where necessary, the PCMO will assist in enhancing the performance in cost management of new railway projects.

(3) As in (1) above, the performance of Hong Kong in project cost estimation has been surpassing other districts. Moreover, project estimates are prepared by works departments and the professionals of their consultants based on established mechanisms, objective data and professional analyses. Project estimates cannot be adjusted arbitrarily. Besides, all works departments have set up dedicated committees in accordance with relevant guidelines to review and monitor the estimates of the public works projects under their purview.

Thus, in no circumstances could a project cost be deliberately underestimated. Nevertheless, we will continue to enhance the methodologies for formulation of project cost estimation for uplifting cost estimation performance of public works projects.

<u>Committee on Taxi Service Quality</u> <u>convenes first meeting</u>

The Committee on Taxi Service Quality (CTSQ) convened its first meeting today (January 31) on items including its terms of reference and work plan.

The main scope of work of the CTSQ, which is chaired by the Commissioner for Transport, Ms Mable Chan, is to advise the Government on strategies and measures to drive changes to enhance the service quality of the existing some 18 000 taxis, which include:

- (i) promulgating a new set of taxi service standards and guidelines for improving its service quality;
- (ii) providing and enhancing the training courses of taxi services, including those for drivers to improve their customer service skills; and operational management for enhancing human resources availability for continuous improvement of taxi services;
- (iii) introducing measures to improve the operational efficiency and quality of taxi services, and transmission of real-time data through the use of technology;
- (iv) formulating promotion and publicity plans, including the Taxi Driver Commendation Scheme, for the Government and taxi trades to enhance taxi drivers' image and service performance; and
- (v) reviewing the existing taxi-related sanction measures to increase the deterrent effect.

"The CTSQ provides a multi-party platform to discuss various strategies and measures to enhance the taxi service quality under the existing taxi licensing system. I am sure that, with their experience and knowledge, the members can provide invaluable advice and support to our work, and keep the momentum of improving the service quality of the existing taxis, " said the CTSQ Chairman, Ms Mable Chan.

Chaired by the Commissioner for Transport, the CTSQ was set up on January 9 this year comprising 21 non-official members including the Vice-Chairman and one official member for a term of three years from January 9, 2018 to January 8, 2021.

LCQ20: Diagnoses and treatments for patients with cancers, uncommon diseases and terminal illnesses

Following is a question by the Dr Hon Elizabeth Quat and a written reply by the Secretary for Food and Health, Professor Sophia Chan, in the Legislative Council today (January 31):

Question:

At present, there are four categories of drugs in the Hospital Authority Drug Formulary (HADF), i.e. General Drugs, Special Drugs, Self-Financed Items (SFIs) with Safety Net (Safety Net drugs) and SFIs without Safety Net. Some patient groups have relayed that it takes up to 10 years for a new drug to go through the process from application for its registration in Hong Kong, approval given for its registration, its being listed on HADF as a Safety Net drug by the Hospital Authority (HA), to its being reclassified as a General or Special Drug. During such period, there may be quite a number of patients (especially those with cancers) who have missed the golden opportunity for receiving treatments with the new drugs. On the other hand, the Government advised at a meeting with a concern group in November last year that a mechanism would be established to support patients with uncommon diseases. Regarding the provision of diagnoses and treatments for patients with cancers, uncommon diseases and terminal illnesses, will the Government inform this Council:

- (1) given that at present, an application for registration of a pharmaceutical product containing a new chemical or biological entity must be accompanied by official evidence of registration approval of the product in two or more specified countries, whether the Government has made a comparison to see if (i) the relevant requirements in neighbouring countries/regions (e.g. Taiwan, Singapore, Malaysia, Korea and Thailand) are less stringent than those in Hong Kong and (ii) the time taken for registration of pharmaceutical products in those countries/regions is shorter than that in Hong Kong; if it has compared and the outcome is in the affirmative, of the details, and whether it will expeditiously study the relaxation of the relevant registration requirements in order to expedite the registration process for pharmaceutical products; if so, of the details; if not, the reasons for that;
- (2) given that the Drug Advisory Committee (DAC) under HA currently meets once every three months to vet and approve applications for listing of new drugs on HADF, but the health conditions of some cancer patients may deteriorate rapidly within a short period of time, whether the Government knows if HA will (i) request DAC to meet more frequently and provide it with the necessary manpower and resources, so as to expedite the vetting and

approval of applications for listing of new drugs on HADF, and (ii) introduce a fast-track mechanism for vetting and approval of applications for listing of drugs for treating cancers on HADF; if HA will, of the details; if not, the reasons for that;

- (3) as the main reason for the applications for listing of drugs for treating cancers on HADF being rejected in the past two years was that the justification of the treatments' cost of the drugs in relation to their benefits was insufficient, but the listing of such drugs as SFIs without Safety Net (i) will not increase HA's expenditure, (ii) will provide more treatment options for patients to choose, and (iii) will help HA accumulate clinical data, whether the Government knows if HA will consider afresh the applications for the listing of such category of drugs on HADF as SFIs without Safety Net;
- (4) of the details of the mechanism to be established by the Government for supporting patients with uncommon diseases, including the government department responsible for and the progress of its co-ordination work; whether it knows if HA will establish specialties to provide treatments to such patients; if HA will, of the specific arrangements;
- (5) given that most uncommon diseases are hereditary diseases, whether the Government will step up publicity on premarital health check-up, so as to enable newly-wed couples to know the chances of their next generation having such diseases before reproduction; if so, of the details; if not, the reasons for that;
- (6) whether it knows (i) the current number of public hospitals with palliative care specialty; if so, of the types of terminally-ill patients receiving palliative care and the service quotas, with a breakdown of such information by name of hospital, and (ii) if HA has adopted the Quality of Death Index in reviewing the services provided by such specialty; and
- (7) given that according to the Quality of Death Index published by a think tank in 2015, Hong Kong was ranked 22nd among 80 countries and regions, whether the Government will review and improve palliative and healthcare in terms of the environment, human resources, affordability of the services, quality of the services and community engagement, so as to raise the ranking of Hong Kong in that index?

Reply:

President,

My reply to different parts of the question raised by the Dr Hon Elizabeth Quat is as follows:

(1) Under the Pharmacy and Poisons Ordinance (Chapter 138), pharmaceutical products should meet the criteria of safety, efficacy and quality, and be registered with the Pharmacy and Poisons Board of Hong Kong (PPB) before they can be sold in Hong Kong. For pharmaceutical products containing new chemicals or biological entities (i.e. active ingredients which have not been

registered in Hong Kong), applications should be submitted to the PPB for approval. In such cases, legislative amendments are required in order to incorporate the new chemicals or biological entities into the relevant schedules to the Ordinance.

For registration of a pharmaceutical product containing new chemicals or biological entities, a "secondary review" approach is adopted in Hong Kong, i.e. the approval of the product should make reference to the reviews conducted by drug regulatory authorities of two or more designated reference countries. When applying for registration of a pharmaceutical product containing a new chemical or biological entity in Hong Kong, the applicant should provide supporting documents as set out in the "Guidance Notes on Registration of Pharmaceutical Products/Substances", including expert evaluation reports on the safety, efficacy and quality of the new product, and documentary proof of registration of the product (such as free sale certificates) issued by the drug regulatory authorities of two or more designated reference countries.

The Drug Office of the Department of Health (DH) has published and uploaded to its website a detailed guide on the registration of pharmaceutical products to help the pharmaceutical industry better understand the registration requirements of pharmaceutical products. In addition, the DH regularly organises talks on the registration of pharmaceutical products to explain the registration requirements to the industry and answer enquiries. Stakeholders are also encouraged to direct their enquiries to and seek assistance from the DH.

The DH has always emphasised service efficiency and has pledged that at least 90 per cent of applications for pharmaceutical product registration would be processed within five months upon the submission of all required documents by the applicants. In 2016-17, the Drug Office of the DH fulfilled the above performance pledge with about 99 per cent of applications processed within five months. The DH will continue to maintain close communication and liaison with the pharmaceutical industry, and review and improve the registration mechanism for pharmaceutical products in due course.

(2) and (3) Being the major provider in the publicly-funded public healthcare services, the Hospital Authority (HA) places high importance on providing appropriate treatment for all patients while ensuring rational use of public resources so as to protect public health and patients' interests.

As for introduction of new drugs, the HA has an established mechanism under which experts conduct meeting once every three months to evaluate new drugs (including drugs for treating cancers and uncommon disorders). The evaluation process follows principles such as evidence-based medical practice, rational use of public resources, targeted subsidy, opportunity cost consideration and facilitation of patients' choice, and takes into account safety, efficacy and cost-effectiveness of the drugs and other relevant factors, including international recommendations and practices, advance in technology, actual experience in the use of drugs as well as the views of relevant professionals and patient groups. The HA will include approved new drugs in the HA Drug Formulary (HADF) or in the scope of

subsidies under the safety net as appropriate.

Drug evaluation is an on-going process driven by evolving medical evidence, latest clinical developments and market dynamics. Currently, some newly developed drugs for treating uncommon disorders and anti-cancer drugs are very expensive or even ultra-expensive. The HA notes that there is normally a lack of large-scale scientific research data and evidence of long-term efficacy, and that these drugs vary greatly in terms of evidence in safety and efficacy as well as the clinical response of patient. Hence, when evaluating applications of these new drugs, apart from adhering to the principles and considering the factors stated above, the relevant committee takes into account internationally published scientific research data. In respect of treatment, the HA will monitor the clinical conditions of individual patients and consider the drug efficacy and the risks involved in individual patients through an independent expert panel, so as to evaluate their suitability of using the drugs concerned.

The Government and the HA understand the financial pressure and burden on patients as well as their strong aspirations for the listing of certain Self-Financed Items on the HADF. The HA will continue to pay close attention to international medical research studies and the healthcare policies on uncommon disorders in other regions, listen to views and suggestions of patient groups, and continue to keep the HADF under review having regard to the principles of effective use of limited public resources and maximising health benefits for more patients.

(4) In August 2017, the Government and the HA introduced a new Community Care Fund (CCF) Medical Assistance Programme to provide subsidy for eligible patients in need to purchase ultra-expensive drugs (including those for treating uncommon disorders), and implemented on a pilot basis the adjusted financial assessment criteria and patients' co-payment mechanism. A consultancy study has been commissioned by the HA to review the mechanism, and it is expected that recommendations for improvement measures will be put forward in the first half of 2018 with a view to refining the financial assessment criteria for the CCF programme and lowering the patient's maximum contribution to drug expenses.

The Government and the HA are also examining the extension of the scope of the CCF Medical Assistance Programme to provide patients with subsidies for specific drug treatments according to individual patients' special clinical needs, including subsidising eligible patients to participate in compassionate programmes of individual pharmaceutical companies. The HA is in active discussion with the pharmaceutical company concerned, and specific arrangements and details of relevant programmes are being considered. The Government and the HA will announce the details in due course.

(5) Genetic diseases are diseases caused by abnormalities in genetic materials. Most of the uncommon disorders are either hereditary or due to genetic mutation. The Newborn Screening Programme for Inborn Errors of Metabolism is now underway. Certain relatively common inborn errors of metabolism can be detected and thus early follow-up care can be provided. Among various genetic diseases, thalassaemia is an autosomal

recessive genetic disease relatively common in Hong Kong and can readily be diagnosed with blood tests.

The Family Health Service (FHS) of the DH provides woman health service for women aged at or below 64 years at its three Women Health Centres and 10 Maternal and Child Health Centres, which covers such services as health education, assessments and counselling. The health assessments include taking personal and family medical history, performing physical examinations and conducting investigations (such as blood tests and cervical screening). If a woman indicates that she is planning for pregnancy and gives a history of possible familial genetic conditions, the healthcare personnel will refer her to the Clinical Genetic Service of the DH for genetic counselling and testing as necessary. In addition, the FHS has put in place, in collaboration with the HA's obstetric departments, an antenatal shared-care programme for pregnant women, under which thalassaemia screening is provided. Pregnant women identified to have risk factors including familial genetic conditions will be referred to the HA's obstetric departments for follow-up.

(6) and (7) Currently, palliative care service in Hong Kong is mainly provided by the HA. Palliative care service of the HA provides holistic care and support for patients suffering from life-threatening or life-limiting illnesses and their families to meet their physical, psychological, social and spiritual needs, so as to facilitate a more peaceful dying process. Currently, palliative care service is provided by the HA in all its seven clusters, which includes inpatient service, outpatient service, day care service, home care service and bereavement counselling. With the aim to provide holistic care for patients, the HA has been providing appropriate palliative care with a comprehensive service model for terminally-ill patients and their families through a multi-disciplinary team, which comprises doctors, nurses, medical social workers, clinical psychologists, physiotherapists, occupational therapists, etc.

The palliative care service provided by the HA is led by palliative care specialists under the specialties of Medicine and Oncology. In the past, the service focused mainly on the care of advanced cancer patients. In the last decade, it has been gradually extended to cover patients with other diseases, such as patients suffering from end-stage organ failure (e.g. renal failure and chronic obstructive pulmonary disease).

In-patient palliative care service provides care for those with more complex conditions or dying patients. The HA also provides a range of ambulatory palliative care services including outpatient services for patients with less acute or complex symptoms, day care services for rehabilitation and psychosocial support, and home care services to optimise symptom control in the community and to empower informal care-givers. In addition, families are supported by bereavement care before and after patients' death. Statistics on the utilisation of various palliative care services provided by the HA in 2014-15, 2015-16 and 2016-17 (up to December 31, 2016) are set out at the Annex.

In 2017, the HA developed the "Strategic Service Framework for Palliative Care" to guide the development of palliative care service in the

coming five to ten years. The framework is to set out specific guidelines on its service model and system infrastructure. Measures will be introduced to provide palliative care and end-of-life care services for an increased number of terminally-ill patients within hospital settings and in the community. Such measures include offering home palliative care service, increasing the frequency of home visits by nurses each year and providing training for the staff of residential care homes for the elderly. Moreover, enhancing medical-social collaboration with community partners, such as non-governmental organisations, patient groups and volunteers, for supporting patients and their families or carers is also highlighted among the strategies.

With the aim of formulating the long-term development direction of healthcare services in response to the challenges of an ageing population, including palliative care service, the Food and Health Bureau commissioned in 2015 the Chinese University of Hong Kong to conduct a three-year research study on the quality of healthcare for the ageing. By making reference to the findings and recommendations of the study, the Government will continue to enhance the palliative care service in Hong Kong, including considering amendment to the relevant legislation.