



The Hong Kong Association of the Pharmaceutical Industry
香港科研製藥聯會

Position of the Hong Kong Association of the Pharmaceutical Industry

On the discussion paper “Building a Healthy Tomorrow”

Background

Founded in 1968, The Hong Kong Association of the Pharmaceutical Industry (the Association) currently has 53 members that are all in research and over 70% of the prescription medicines used in Hong Kong are supplied by our members. The Association aims to enhance the public health of Hong Kong citizens through recommendations to local healthcare policy-makers on behalf of the pharmaceutical industry.

Our Position on the Discussion Paper

The discussion paper “Building a Healthy Tomorrow” was issued by the government in July exploring the future service delivery model for Hong Kong’s healthcare system. In principle, the position of the Association is that it agrees the healthcare system needs reforms to generate betterment of the service, and to cope with future needs. The Association suggests the government, in examining this issue, should take into account four principles consolidated from the research completed by National Economic Research Associates (NERA), an institution of consulting economists which examined recent health policy experiences in over 20 countries in 2000. The four principles were released as follows:

1. Fair Access: Access to essential health care services and the contribution of the individual towards the cost of these services should be in line with the views of society about fairness.
2. Efficiency: The healthcare system should deliver the maximum improvement in health outcomes given the available resources.
3. Responsive to society: Service delivered and the level of funding should reflect citizens’ views, based on high quality information.

4. Innovation: The healthcare system should encourage appropriate product, diagnostic, therapeutic, administrative and contracting innovation and its optimal application.

The following points outline the Association's position and recommendations on healthcare reform.

A. Increase in resources

1. Increase resources and a new financing model

For the past decades, Hong Kong's healthcare system has been basically public funded. It is a statistical fact that over 90% of patients in our society would utilize the public healthcare system when needed. The system operates with resources allocated by the government which comes chiefly from taxation. As the demographical factors of the population have changed over time, service delivered and the level of funding should reflect the changes in society. The Association believes the priority of government expenditures should shift accordingly and the expenses on healthcare in percentage terms of the GDP shall be increased.

Even so, the Association agrees that government resources are not enough for the increasing needs of healthcare expenditure due to the ageing population. Hence, the Association supports the government in actively considering all possible solutions with an open consultation so as to develop a financing and service model suitable for Hong Kong.

2. "Money follows patients"

In considering the financing and service delivery model, it is crucial to think about the accessibility to essential healthcare services, and the contribution of the individual towards the cost of these services in line with the views of society about fairness. The Association supports, if there is a model, in the direction of "money follows patients", by which users have their determination on what kind of services they would like to choose. The Association objects, if the money goes to service providers so that patients cannot have a real choice of their services.

B. Patients' rights

3. Service model with patients' involvement

Presently, the government subsidises 97% of total in-patient costs and 87% of out-patients costs, and those are free healthcare services without choices. No matter what kind of delivery model will be implemented, people will pay a part of their services, which is the only solution, no matter how and how much, due to limited government resources. To this end, patients shall be granted the opportunity to participate and to get involved in the service model which they shall benefit from.

4. Integration between the private and public sectors

The paper suggested a private and public interface that enables the HA to purchase primary medical care service and rent out-patient services from the private sector, in order to improve public primary care facilities. However, if the government pushes some of the patients out to the private market in which the service is not guaranteed and the charge is not clear, it will definitely reverse the original idea of the whole proposal. The successful development of the private and public interface needs the private services to be more transparent in their service charges and to have a patient-involved monitoring system to ensure that service delivery will be in line with an agreeable fairness and an acceptable standard.

5. Patient's enrichment of healthcare information

For a long time, preventive healthcare has been focused on ad hoc campaigns and it is pertinent that public knowledge on health is weak. Therefore, it is quite sensibly construed that substantiated promotion is needed to deliver messages such as preventive care measures, drug information and disease management, so that patients will be better involved in their medication and disease prevention. It is important to expand the vehicle and scope of drug information that can be provided. The Undesirable Medical Advertisement Ordinance shall be revamped; as a consequence, thereby relaxing restrictions on the information flow towards consumers, people's right to know will be enhanced and the patients' choice will be facilitated.

C. Efficiency

6. Effective mechanisms to ensure the primary healthcare service

The Association in principle supports the promotion of primary healthcare and preventive healthcare. However, the consultation paper pays a lot of attention to family doctors, and

the roles of other health professions haven't enjoy the same valuation. The concept of family doctors is only curative and it should only be a part of the whole primary healthcare in which 'preventative' is the aim. Allied health groups, including pharmacists, nurses and rehabilitation professions should be valued as playing a major role for the primary healthcare services to be deployed effectively and efficiently.

7. Healthcare service fulfillment

The healthcare system should deliver the maximum improvement in health outcomes given the available resources.

In the past in the healthcare service sector, as is the practice today, the whole process of medication includes consultation; prescribing and drug dispensing under the same roof with physicians.

It is the view of the Association that all professions in the healthcare service sector should provide professional services for patients and stick to their professional training. For example, while physicians consult and prescribe for the patients, pharmacists provide service on drug consultation. Besides, each profession should have its own code of practice to be observed with open, transparent, and effective monitoring systems which have external experts attached.

D. Innovative

8. Be innovative in developing tertiary healthcare service

Being innovative is important for policy makers to formulate effective policies and solve problems emerging from time to time. In medication, innovation gives hope for the hopeless. So the Association supports the government in providing tertiary and specialized services to provide encouragement for appropriate product, diagnostic, therapeutic innovation, and its optimal application. Hence, it is insufficient for the government to merely conduct research on diseases. Technological advancement shall always be put on the agenda. It is necessary for the government to bring in the advanced technology and act as a driver to use advanced medication such as advanced drugs to patients. In the long run, it saves the resources of the community and hardship for patients. Integration between the private and public sectors of industry shall be also fostered in tertiary healthcare services.

E. The fairness and acceptability of the policy

9. Extensive Consultation

To view issues in a socio-administrative way is to take into account the general welfare of the society. Public consultation shall always be helpful, because ultimately, only the patient knows what's best for him. In formulating the proposal aforementioned, the advisory committee of the government shall invite health professionals from various medical fields such as pharmacists, doctors, academics, representatives of the pharmaceutical industry and patient groups in order to provide greater scope for innovation and flexibility to respond to consumer's demands while ensuring that the result will encompass different views on the reform.

10. Collaboration in drug purchasing: not for increasing the profit margin of private doctors

The paper suggested that the public sector may help to reduce costs for the private sector and hence the fees for their patients, by collaborating with and facilitating them in the procurement of drugs and equipment. This is a behavior in which the public sector intervenes in the operation the private market in Hong Kong. However, more importantly is that the government should have a mechanism, with enough transparency, to guarantee that the cost reduction will be of benefit to patients but not to increase the profit margin of private doctors.