At the invitation of the Department of Surgery of the University of Hong Kong, Dr David Fang, a past President of the Academy of Medicine, and past Chairman of the Health and Medical Development Advisory Committee (HMDAC), delivered his Distinguished Lecture titled Sustainable Healthcare for Hong Kong, on 3 November 2006. The audience, which was packed into the overflowing auditorium, was treated to some insightful observations on the topic based on the speaker's abiding interest and personal experience spanning back almost 40 years.

Citing healthcare inflation as a major problem worldwide, Dr Fang argued that the sustainability of Hong Kong's healthcare achievements was under serious threat. Following establishment of the generously funded Hospital Authority (HA) and the ensuing major improvements in the standard of healthcare offered by public hospitals, many more patients opted for such subsidised services rather than private healthcare. However, due to its over-dependence on general government revenue, a lack of independent financial flexibility, and ever increasing healthcare costs, the HA had inevitably become a victim of its own success. Since 1995, four policy Secretaries had tried to introduce various reforms, but none was successful.

Innovative medical technology and development of new drugs had become the most important causes of healthcare expenditure hyperinflation. Though adroitly marketed, some of these expensive and highly profitable medical 'advances' conferred only marginal benefits. Increasing life expectancy and an ageing population (the proportion of the population over 65 years is expected to exceed 25% by 2031) was the second primary cause. This inevitably resulted in more patients with chronic diseases who were likely to take multiple long-term medications. Medical litigation and the obligation of professionals to insure against it was an additional factor.

Concurrently, the HA budget had been cut substantially over the past 5 to 6 years, resulting in definite and dramatic deterioration of morale among public health service staff. These staffing woes were aggravated by unacceptably long patient waiting times, excessive administrative chores as well as overworked yet relatively under paid juniors. All of the latter interlinked problems had triggered an unprecedented exodus of experienced, frontline, HA professionals.

Is it any wonder then, that maintaining the laudable aims of our healthcare system has become unsustainable?

Dr Fang went on to briefly discuss the moral and social considerations pertinent to each method of healthcare funding. He suggested several prescriptions to help alleviate the malady, whilst accepting that the HMDAC, chaired by the Honourable Dr York Chow (Secretary for Health, Welfare and Food) would also be recommending remedies in the forthcoming year.

The system must plan for providing sustainable resources to cover equitable quality care and redirect some of the corresponding increased spending to primary care and long-term care. Extra resources would be required but these would be well justified as Hong Kong's healthcare spending is still relatively low among OECD countries (5.6%). Such spending could be sourced through taxation or via general or other government revenues or even through compulsory social insurance (though Dr Fang doubted such a scheme would be politically viable). Funding through voluntary private insurance, medical savings schemes, user fees or even from point-of-care (out of pocket) payments could also be considered. No matter how such funds are secured, healthcare providers themselves need to recognise and implement all necessary cost containment measures. The costs of medico-legal litigation must be capped. The HA should be allowed flexibility to generate the necessary required resources, to ensure efficient, equitable, and high-quality outcomes.

A further initiative is to strengthen the public/private healthcare interface. This could entail sharing in the provision of services and the supervision and training for juniors, as well as a common information technology (IT) platform. Such an interface could also facilitate further opportunities in the form of increased bulk leveraging and product standardisation, and a limited degree of merging/sharing in the provision of specialised and costly innovative hospital procedures. A comprehensive, protected, unified, and rapidly accessible IT system covering both the public and private sectors, would eliminate duplicated investigations and other sources of wastage. The system could advantageously be linked to the universal and intelligent Hong Kong ID cards. Dr Fang called on the Government to cover the set up costs for a Hong Kong-wide health information infrastructure which would eventually include a lifelong health record for every citizen. Finally, there needs to be increased implementation of preventive healthcare measures that really work.

In summary, the above-mentioned problems presently challenging the provision of healthcare in Hong Kong need to be individually and collectively addressed; additional resources being a key ingredient to their solution. Combined with the other cost-saving measures already outlined and so long as the service is properly monitored, Hong Kong citizens could realistically hope to attain pluralistic, politically viable, affordable and yet sustainable healthcare across all sectors.

## **CYRUS R KUMANA**