

## “Enhanced Productivity Programme : 2001-02” Booklet

### Report on EPP Savings – Hospital Authority

Total value of EPP savings in 2001-02: **\$539.269m**, equivalent to **2.0%** of total recurrent baseline expenditure in that year that is subject to EPP. Total EPP savings (as a percentage of recurrent baseline expenditure subject to EPP) achieved by 2001-02 on a **cumulative** basis is **3.0%**.

| Category           | Savings (\$m) | EPP Measures in 2001-02  | Safeguards for Quality Service  |
|--------------------|---------------|--|---|
| <b>Subventions</b> | 385.999       | <ul style="list-style-type: none"> <li>● Centralise and network hospital services among hospitals or clusters to achieve economy of scale, including                             <ul style="list-style-type: none"> <li>- relocation of obstetric and neonatology inpatient services from Tsan Yuk Hospital (TYH) to Queen Mary Hospital (QMH), and remodelling TYH into an ambulatory centre providing specialist outpatient services;</li> </ul> </li> </ul> | <p>With declining birth rates, it is more cost-effective to rationalize obstetric services in the two hospitals to achieve optimal utilization of delivery services. Quality of patient care can also be improved. Before the rationalization of services, the obstetric and the neonatal intensive care services were operated at two locations. Doctors have to operate in two teams and commute between the two hospitals to take care of emergency cases. Critically ill or premature babies at TYH have to be transferred to QMH for more comprehensive intensive care and paediatric surgery. After the relocation, patients can receive such medical treatments directly at QMH.</p> |

| Category | Savings (\$m) | EPP Measures in 2001-02   | Safeguards for Quality Service  |
|----------|---------------|---|---|
|          |               | <p>- rationalising the pathology services of Tuen Mun Hospital (TMH) and North District Hospital (NDH), with TMH overseeing the provision of pathology services for both hospitals; and</p> <p>- integrating pathology services among Ruttonjee Hospital, Tung Wah East Hospital and Pamela Youde Nethersole Eastern Hospital (PYNEH), with core laboratory services provided by PYNEH.</p> | <p>Through process re-engineering, automation of laboratory services and support of information systems, the pathology services in the New Territories North cluster will be organized as one integrated service. TMH will provide pathology services for both hospitals, thus achieving quality gain and better resource management. Timely laboratory reports can be ensured through the use of courier service and electronic transmission of laboratory results.</p> <p>Upon integration, primary laboratory services will continue to be provided by the three hospitals to meet urgent laboratory requirements of the patients. The pathology services provided at PYNEH will become the core of laboratory services for the Hong Kong East cluster, providing all primary and secondary laboratory services to the three hospitals. Effective and efficient use of pathology service resources can be achieved without disrupting the provision of essential services to the public.</p> |

| Category | Savings (\$m) | EPP Measures in 2001-02  | Safeguards for Quality Service   |
|----------|---------------|--|--|
|          |               | <ul style="list-style-type: none"> <li data-bbox="488 237 967 427">● Conversion of Lai Chi Kok Hospital (LCKH) to provide long stay care services for chronic mentally-ill patients with effect from April 2001.</li> </ul> <p data-bbox="528 707 967 1256">Through the implementation of these initiatives, the Hospital Authority (HA) is able to deploy staff thus released to open new hospital beds in the Tai Po Hospital, United Christian Hospital, Kowloon Hospital Rehabilitation Building, Princess Margaret Hospital Lai King Building, and the Tseung Kwan O Hospital; and to enhance HA's community psychiatric services.</p> <p data-bbox="528 1301 967 1413">The total number of staff to be deployed to open these new hospital beds are :</p> <p data-bbox="544 1458 847 1615">54 Medical staff<br/>301 Nursing staff<br/>54 Allied Health staff<br/>189 Other staff</p> | <p data-bbox="999 237 1431 663">Chronic mentally-ill patients who have been assessed to be in stable medical and mental conditions can take up the long stay care places in LCKH which will continue to be managed by the Hospital Authority. The arrangement will facilitate the development of community-based psychiatric services.</p> <p data-bbox="999 707 1431 943">The whole process of staff redeployment will be co-ordinated and facilitated by the Hospital Authority Head Office. Re-training will be provided where necessary.</p> |

| Category | Savings (\$m) | EPP Measures in 2001-02   | Safeguards for Quality Service  |
|----------|---------------|---|---|
|          | 95.718        | <ul style="list-style-type: none"> <li>● Integrate management, administrative and finance functions, as well as streamline work processes to achieve manpower savings, including               <ul style="list-style-type: none"> <li>- extending the management responsibilities of three Hospital Chief Executives to cover the management of other hospital(s);</li> <li>- setting up a Finance Management Centre to look after the finance functions for Princess Margaret Hospital and Yan Chai Hospital to achieve economy of scale;</li> <li>- rationalising administrative and finance functions through streamlining work processes in the Head Office;</li> <li>- reducing the need to hire temporary staff through re-design and re-structuring of work processes; and</li> <li>- reducing the need to pay overtime allowances through process re-engineering and compensating overtime work by time off.</li> </ul> </li> </ul> | <p>Through continuous quality improvement, process re-engineering, streamlining operation procedures and wider use of information technology, operating costs will be reduced while maintaining the quality of services. Where applicable, performance indicators are set to ensure the standard of services delivered.</p> |
|          | 57.552        | <ul style="list-style-type: none"> <li>● Implement measures to achieve savings in manpower and resource utilisation, including:</li> </ul>  |   |

| Category     | Savings (\$m)  | EPP Measures in 2001-02  | Safeguards for Quality Service |
|--------------|----------------|--|--------------------------------|
|              |                | <ul style="list-style-type: none"> <li>- launching energy conservation projects to achieve collective savings by drawing up master energy conservation implementation programmes which embody all recognised energy saving measures;</li> <li>- streamlining procedures and practices through office automation, and automation of laboratory system; and</li> <li>- adoption of cook-chill technology for hospital food and catering services.</li> </ul> |                                |
| <b>Total</b> | <b>539.269</b> |  |                                |

Subventions                    i.e. Recurrent payment to non-government bodies in support of their on-going expenses