

## “Enhanced Productivity Programme : 2002-03” Booklet

### Report on EPP Savings – Hospital Authority

Total value of EPP savings in 2002-03: **\$600.416 m**, 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 2002-03 on a **cumulative** basis is **5.0%**.

Category	Savings (\$m)	EPP Measures in 2002-03	Safeguards for Quality Service
<b>Subventions</b>	238.362	<ul style="list-style-type: none"> <li>• Centralize and network hospital services among hospitals or clusters to achieve economy of scale, including:               <ul style="list-style-type: none"> <li>– rationalizing psychiatric services among Tuen Mun Hospital (TMH), Castle Peak Hospital (CPH) and Kwai Chung Hospital (KCH) by relocating non-acute psychiatric beds in TMH to CPH, with CPH and KCH taking care of all old long stay patients;</li> <li>– rationalizing surgical services in the Kowloon Central and Kowloon East clusters by relocating surgical services in Buddhist Hospital to Queen Elizabeth</li> </ul> </li> </ul>	<p>Hospital Authority (HA) has established a new cluster based management structure which is to be rolled out gradually. Three Cluster Chief Executives (CCEs) have been appointed to take charge of the Hong Kong East cluster, Kowloon East cluster and New Territories East cluster respectively. The CCEs will oversee and take full responsibility for the operation of hospitals and service provision within the clusters, including the planning and monitoring of progress of cluster-based service rationalization.</p> <p>By concentrating the management of old long stay patients in CPH and KCH, these patients can be taken care of by clinical teams with expertise in rehabilitating old long stay patients.</p> <p>By concentrating surgical services in QEH and TKOH, clinical teams with expertise in surgical services could be pooled together to provide better patient care.</p>

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		<p>Hospital (QEH) and Tseung Kwan O Hospital (TKOH);</p> <ul style="list-style-type: none"> <li>- implementing cluster-based pharmacy services in the Hong Kong East cluster by merging procurement services for hospitals within the cluster, centralizing aseptic dispensing services, and drug information and education services at Pamela Youde Nethersole Eastern Hospital (PYNEH); and centralizing community pharmacy service at Wong Chuk Hang Hospital;</li> <li>- integrating rehabilitation services at Tung Wah Group of Hospitals Fung Yiu King Hospital, MacLehose Medical Rehabilitation Centre (MMRC), Tung Wah Hospital and Duchess of Kent Children’s Hospital by establishing a Day Rehabilitation Centre in MMRC for providing day rehabilitation services to patients in these hospitals. Medical staff with expertise in rehabilitation services in these hospitals will be pooled together to enhance collaboration and service efficiency; and</li> <li>- integrating the management of allied health services, such as audiology and clinical psychology services, in the Hong Kong West cluster under one single team.</li> </ul>	<p>Appropriate performance indicators (such as waiting time and turn around time) will be set up. These indicators will be monitored by a designated working group to ensure the quality of pharmacy services among hospitals within the cluster.</p> <p>A central coordinator will be appointed to streamline and plan medical rehabilitation services in these hospitals. The coordinator will also be responsible to ensure the quality and efficiency of the rehabilitation services in these hospitals.</p> <p>Service quality and efficiency will be improved through better service alignment, pooling of expertise and sharing of protocols among hospitals within the cluster.</p>

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		<ul style="list-style-type: none"> <li>● Rationalize clinical services to generate productivity gain, including:               <ul style="list-style-type: none"> <li>– setting up an Acute Day Rehabilitation Centre (ADRC) in PYNEH to provide medical care and intensive rehabilitation support to selected patients with shorter expected length of stay in the hospital. Changing the mode of service delivery from in-patient to ambulatory services would lower the demand of hospital beds, thus achieving long-term saving of hospital resources and manpower; and</li> <li>– implementing a pilot five-day ward scheme in TMH to rationalize its surgical services through rescheduling of operations to enable patients to be discharged before the weekend.</li> </ul> </li> </ul> <p>Through the implementation of these initiatives, the Hospital Authority (HA) is able to deploy staff thus released to open new hospital beds in the North District Hospital (NDH), TMH, Pok Oi Hospital, United Christian Hospital, Kowloon Hospital Rehabilitation Building, and to provide new services.</p>	<p>The setting up of ADRC will provide patients with continuum of care from acute care to rehabilitation, and from in-patient to ambulatory settings, without compromising the quality of care to patients.</p> <p>TMH has formed a Steering Committee to implement and monitor the progress of the five-day ward scheme. Management protocol and clinical pathway have been developed. Patients who cannot be discharged before the weekend will be transferred to other general surgical wards for continued care.</p> <p>The whole process of staff redeployment will be co-ordinated and facilitated by the HA Head Office. Re-training will be provided where necessary.</p>

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	164.700	<p>The total number of staff to be deployed to open these new hospital beds and provide new services are:</p> <p>39 Medical staff 273 Nursing staff 15 Allied Health staff 225 Other staff</p> <ul style="list-style-type: none"> <li>Close seven nursing schools and the associated nursing quarters in HA in the light of the development pertaining to the upgrading of basic nursing education from a hospital-based nursing education to degree level in tertiary institutions.</li> </ul>	<p>HA will increase the number of qualified nurses to offset the reduction in the number of nursing trainees. The upgrading of basic nursing education from a hospital-based nursing education to degree level will enhance the quality of health care services in the long run.</p>
	135.179	<p>Realize the full year effect of the EPP measures implemented by HA in 2001-02. These include the rationalization of pathology services of TMH and NDH; the integration of pathology services among Ruttonjee Hospital, Tung Wah East Hospital and PYNEH; conversion of Lai Chi Kwok Hospital to a long stay care home; the relocation of obstetric and neonatology inpatient services from Tsan Yuk Hospital to Queen Mary Hospital and the setting up of a Finance Management Centre for Princess Margaret Hospital and Yan Chai Hospital.</p>	
	35.865	<ul style="list-style-type: none"> <li>Integrate management, administrative and finance functions, as well as streamline work processes to</li> </ul>	<p>Through continuous quality improvement, process re-engineering, streamlining operation procedures and</p>

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		<p>achieve manpower saving, including:</p> <ul style="list-style-type: none"> <li>- integrating finance, administration and supporting service through the implementation of cluster-based services, such as developing central procurement services in the Hong Kong East, Kowloon East, New Territories East and New Territories North clusters.</li> <li>- administrative downsizing in HA Head Office through management restructuring and extension of responsibilities of senior executives; and</li> <li>- implementing a Third Party Logistics Store Management program which employs external expertise to manage the warehouses and other distribution functions in hospitals of the New Territories North cluster. Saving can be generated by reducing manpower requirements and stock-holding level in warehouses. Surplus staff will be redeployed to perform new services or fill vacancies in HA hospitals.</li> </ul>	<p>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>
	26.310	<ul style="list-style-type: none"> <li>● Implement measures to achieve savings in manpower and resource utilisation, including: <ul style="list-style-type: none"> <li>- development of in-house biomedical engineering team</li> </ul> </li> </ul>	<p>A well-developed tendering and monitoring procedures has been put in place to monitor the quality of contracting out services. Service requirements will be stated clearly in the tender specifications and</p>

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		<p>to provide technical advice and support on biomedical equipment in HA hospitals;</p> <ul style="list-style-type: none"> <li>- implementing “invest-to-save” projects such as energy conversation and automation projects; and</li> <li>- outsourcing of non-core supporting services such as contracting out dispatch services for internal mail between HA Head Office and hospitals and horticultural services in various hospitals. Surplus staff arising from the outsourcing arrangement will be redeployed to perform new services or fill vacancies in HA hospitals.</li> </ul>	performance indicators will be devised.
<b>Total</b>	<b>600.416</b>		

- PE : Personal Emoluments i.e. Staff salaries and allowances  
PRE : Personnel Related Expenses i.e. Costs related to the employment of staff other than pay and allowances e.g. pensions, staff housing  
DE : Departmental Expenses i.e. The day to day operating expenses of departments  
e.g. fuel, travelling expenses and furniture  
OC : Other Charges i.e. Significant expenditure peculiar to a particular department's operation  
Subventions i.e. Recurrent payment to non-government bodies in support of their on-going expenses