

Hospital Authority
Annual Report
2010-2011

Helping People Stay Healthy





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Vision, Mission and Values

The Hospital Authority (HA) is a body corporate in the Hong Kong Special Administrative Region. Its functions are stipulated in Section 4 (Chapter 113) of the Hospital Authority Ordinance.

This section outlines the roles, vision, mission, values and strategies of the Authority.



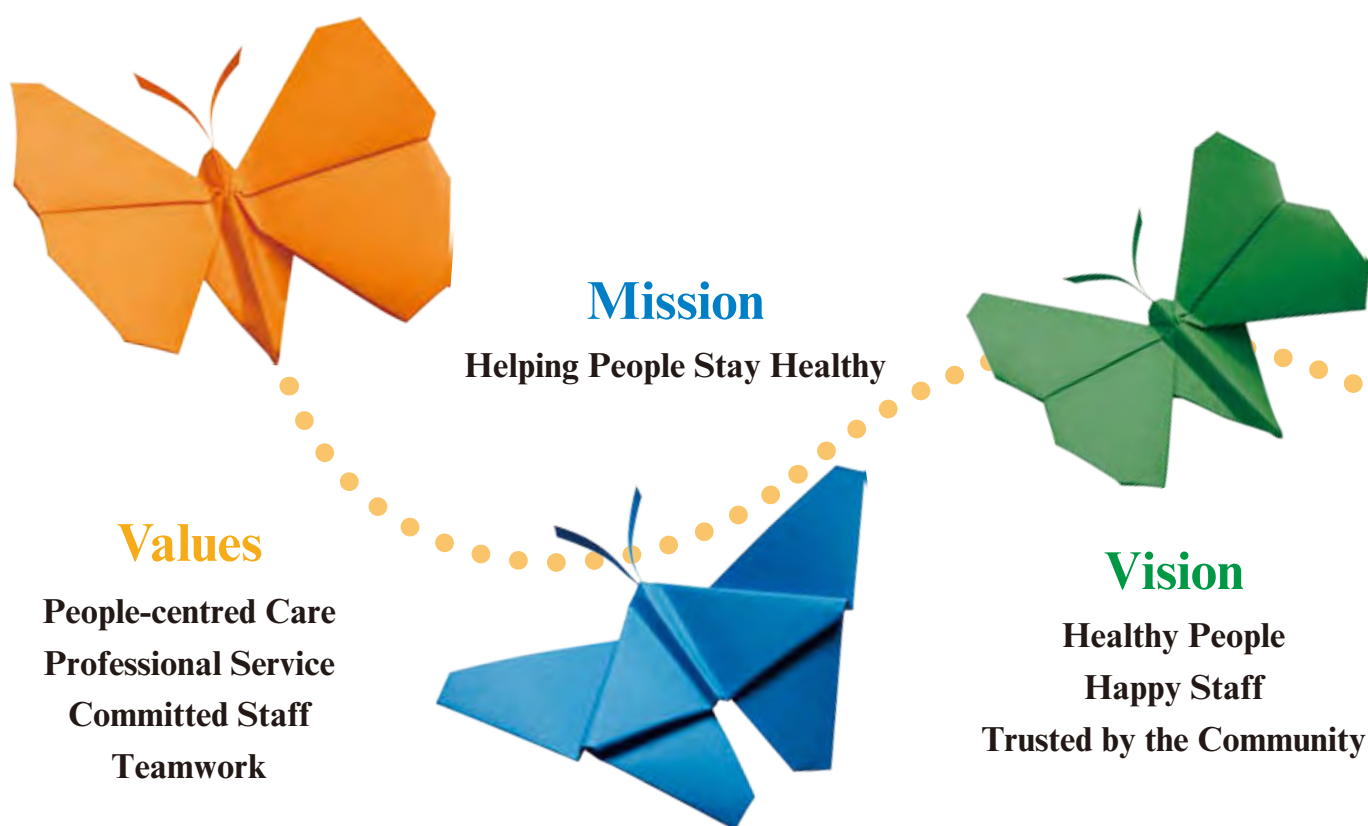
Roles of the Hospital Authority

The Hospital Authority is responsible for:



Vision, Mission and Values

In September 2009, the Authority refreshed its corporate vision, mission and values (VMV), reflecting aspirations of the management and staff. Guided by the new mission of “Helping People Stay Healthy”, the Authority will collaborate with community partners to strive for continued success and work towards the vision of “Healthy People, Happy Staff, and Trusted by the Community”.



Corporate Strategies

The Authority aims to achieve its VMV by adopting five strategic priorities:



In his report presented in Chapter 3, the Chief Executive outlined the major achievements of HA under these strategies. The Authority formulated a total of 145 improvement targets for 2010/11, of which all but nine were achieved. Notable events during the year were listed in Chapter 4 and major programmes and achievements were summarised in the Head Office and Cluster reports in Chapter 6 of this report.

Membership of the Hospital Authority



**Mr Anthony WU
Ting-yuk, GBS, JP**

Mr Wu has been appointed as Chairman of the Authority since 7 October 2004. He is an experienced accountant with a distinguished public service record.



**Mr CHAN Bing-woon,
SBS, JP**

Appointed on 1 December 2008, Mr Chan is a solicitor. He has also served on a number of public advisory boards.



**Ms Vivien CHAN,
BBS, JP (up to 30.11.2010)**

Appointed on 1 December 2004, Ms Chan is a solicitor who is active in public and community services.



**Mr CHENG Yan-kee,
JP**

Appointed on 1 December 2009, Mr Cheng is the managing director of a consulting engineering company.



**Ms Quince CHONG
Wai-yan (from 1.12.2010)**

Appointed on 1 December 2010, Ms Chong is the director of corporate affairs of an airline.



**Dr Margaret CHUNG
Wai-ling**

Appointed on 1 December 2005, Dr Chung is an expert in biomedicine who has participated widely in healthcare advisory services.





**Prof FOK Tai-fai,
SBS, JP**

Prof Fok was first appointed on 1 December 2004 and then re-appointed on 1 December 2008 in his capacity as Dean of Faculty of Medicine of the Chinese University of Hong Kong.



**Mr Ricky FUNG
Choi-cheung, SBS, JP**
(from 1.12.2010)

Appointed on 1 December 2010, Mr Fung was Secretary General of the Legislative Council Secretariat from 1994 to 2008.



**Mr Benjamin HUNG
Pi-cheng, JP**

Appointed on 1 December 2007, Mr Hung is the executive director and chief executive officer of a commercial bank.



**Prof LAI Kar-neng,
JP**

Appointed on 1 April 2005, Prof Lai was Chair Professor of Li Ka Shing Faculty of Medicine of the University of Hong Kong.



Dr LAM Ping-yan, JP
Director of Health

Dr Lam has been a member of the Authority in his capacity as Director of Health since 21 August 2003.



Ms Alice LAU, JP
*Deputy Secretary for Financial
Services and the Treasury*

Ms Lau has been representing Secretary for Financial Services and the Treasury of the Hong Kong Special Administrative Region Government as a member of the Authority since 31 March 2010.



Ms LAU Ka-shi

Appointed on 1 April 2008, Ms Lau is the managing director and chief executive officer of a pension and trust service provider.



Mrs Yvonne LAW SHING Mo-han

Appointed on 1 December 2007, Mrs Law is a certified public accountant. She has also served on other public services.



Mr Lawrence LEE Kam-hung, JP

Appointed on 1 April 2005, Mr Lee is a solicitor and is also the chairman and partner of a legal firm.



Dr Hon Joseph LEE Kok-long, SBS, JP

Appointed on 1 December 2004, Dr Lee is an associate professor at the Open University of Hong Kong. He is a member of the Legislative Council from the health services functional constituency.



Mr John LEE Luen-wai, BBS, JP

Appointed on 1 December 2004, Mr Lee is a professional accountant and the managing director of a listed company.



Ms Sandra LEE, JP
Permanent Secretary for Health

Appointed on 8 May 2006, Ms Lee is a member of the Authority in her capacity as Permanent Secretary for Health of the Hong Kong Special Administrative Region Government.





Prof LEE Sum-ping

Appointed on 1 December 2008, Prof Lee is a member of the Authority in his capacity as Dean of Li Ka Shing Faculty of Medicine of the University of Hong Kong.



Dr P Y LEUNG, JP

*Chief Executive, HA
(from 8.11.2010)*

Appointed on 8 November 2010, Dr Leung is a member of the Authority in his capacity as Chief Executive of the Hospital Authority.



**Ms Queenie LEUNG
Pik-man**

Appointed on 1 December 2008, Ms Leung is a nursing professional and currently working as a department operations manager in the New Territories West Cluster of the Hospital Authority.



**Dr Donald LI
Kwok-tung, SBS, JP**

Appointed on 1 December 2006, Dr Li is a private medical practitioner.



**Mr David LIE
Tai-chong, SBS, JP**

Appointed on 1 April 2006, Mr Lie is a businessman.



Mr Peter LO Chi-lik

Appointed on 1 April 2005, Mr Lo is a solicitor.



**Mr Patrick MA
Ching-hang, BBS, JP**

Appointed on 1 December 2009, Mr Ma is the director and general manager of a commercial bank and deputy chairman of a listed real estate group.



**Mr Charles Peter
MOK**

Appointed on 1 April 2005, Mr Mok is currently the director of an information technology consultancy firm.



Ms Winnie NG
(from 1.12.2010)

Appointed on 1 December 2010, Ms Ng is a director of a bus company. She has also served on other public services.



Mr Shane SOLOMON
*Chief Executive, HA
(up to 24.10.2010)*

Appointed on 1 March 2006, Mr Solomon was a member of the Authority in his capacity as Chief Executive of the Hospital Authority.



Prof George WOO

Appointed on 1 December 2008, Prof Woo is a member of the Authority in his capacity as Dean of Faculty of Health and Social Sciences of the Hong Kong Polytechnic University.



**Mr Stephen YIP
Moon-wah, BBS, JP**

Appointed on 1 December 2008, Mr Yip is a professional surveyor. He has also served on other public services.



Chapter 1

Corporate Governance



*“The highest standards of
Performance, Accountability
and Ethical Behaviour”*



The Hospital Authority (HA) is a statutory body established under the Hospital Authority Ordinance in December 1990, responsible for managing public hospitals in Hong Kong. We are accountable to the Hong Kong Special Administrative Region (HKSAR) Government through the Secretary for Food and Health.

Principles

Recognising that the Authority's stakeholders expect the highest standards of performance, accountability and ethical behaviour, the Board acknowledges its responsibility for and commitment to corporate governance principles.

The following outlines the approach and practices of corporate governance of the Authority.

Hospital Authority Board

Under the Hospital Authority Ordinance, the Chief Executive of the HKSAR appoints members to the Authority Board. The 2010/11 Board consists of 28 members, including the Chairman. Details are listed in Appendix 1. Membership of the Authority comprises 24 non-public officers, three public officers and one principal officer (the Hospital Authority Chief Executive). Apart from the principal officer, other members are not remunerated in the capacity as Board members.



The Authority Board meets formally about 12 times a year and any other time as required. In 2010/11, it met 14 times. In addition, three Board papers covering urgent matters were circulated for approval between meetings.

Board Committees

For optimal performance of roles and exercise of powers, the HA Board has established 11 committees: Audit Committee, Emergency Executive Committee, Executive Committee, Finance Committee, Human Resources Committee, Information Technology Services Governing Committee, Main Tender Board, Medical Services Development Committee, Public Complaints Committee, Staff Appeals Committee and Supporting Services Development Committee. Membership of the committees, their terms of reference and focus of work in 2010/11 are outlined in Appendix 3.

Hospital Governing Committees

To enhance community participation and governance of public hospitals in accordance with the HA Ordinance, 31 Hospital Governing Committees have been established in 38 hospitals

and institutions. These committees are listed in Appendix 4. During the year, these committees received regular management reports from Hospital Chief Executives, monitored operational and financial performance of the hospitals, participated in human resources and procurement functions, as well as hospital and community partnership activities. In 2010/11, the 31 Hospital Governing Committees held a total of 129 meetings.

Regional Advisory Committees

In accordance with the Hospital Authority Ordinance and to provide the Authority with advice on the healthcare needs of specific regions of Hong Kong, the Authority has established three Regional Advisory Committees for Hong Kong island, Kowloon peninsula and the New Territories. These committees are listed in Appendix 5. Each Regional Advisory Committee meets four times a year.

In 2010/11, the Regional Advisory Committees discussed, amongst other agenda items, manpower strategies for doctors and nurses, protection of patient data security, development of renal services and the “Filmless HA” project. A visit was organised for members to have first-hand preview of the filmless project implementation in Princess Margaret Hospital.

The Regional Advisory Committees also deliberated on the annual plan targets of individual Clusters and advised the Authority on healthcare needs of local communities in the areas of mental services, telephone appointment services, 24-hour stroke services and integration of Chinese and Western medicine in clinical services.

Executive Management

The executive management team of the Hospital Authority is outlined in Appendix 2(b). The executives are charged by the Hospital Authority Board with the responsibility to manage and administer day-to-day business and operations. To ensure that the management can discharge its duties in an effective and efficient manner, the Hospital Authority Board has set out clear delegated authority, policies and codes of conduct. The Board also approves an annual plan prepared by the executives in accordance with the Board’s direction. Regular executive reports on the progress of agreed performance indicators and targets are presented to the Board.

Under the powers stipulated in the Hospital Authority Ordinance, the Authority determines the remuneration and terms and conditions of employment for all its employees. Remuneration packages of executive directors and other senior managers are devised so as to attract, motivate and retain high calibre individuals in a competitive international market. Remuneration packages of all senior executives are considered and endorsed by the Hospital Authority Board through the Executive Committee.



Chapter 2

Chairman's Review

*“Hong Kong’s healthcare services
to become one of
the Best in the World”*

2 010/11 was a momentous year as we celebrated our 20th birthday. When we reflect on what we did in the last twenty years, we should all feel very proud of what we have achieved. We have transformed Hong Kong’s healthcare services to become one of the best in the world. The progress and accomplishments in public healthcare services in Hong Kong made the Hospital Authority (HA) a model for the healthcare reform in Mainland China. In November 2010, I was appointed by the Ministry of Health of the People’s Republic of China as an advisor to the Overseas Expert Consulting Committee for Health Care Reform of China. This is a profound honour, not for me, but for everyone at HA. This appointment is the recognition of HA’s excellent work and outstanding achievement.



August 2010 was an exceptional month for Hong Kong. It was a time of both joy and sadness. We saw exhilaratory success in the first-ever combined heart-and-liver transplant in Hong Kong. In a 20-hour operation involving 68 medical staff, a female patient received the heart and liver from a brain-dead donor, while giving her own failing but still functioning liver to a man with liver cancer. The dedication and skills of our medical staff made this momentous occasion possible. Their achievement augmented the standards of public healthcare services of Hong Kong to a new high. We feel immensely proud.



August of last year was also a heart-breaking month. The Manila hostage incident occurred right after our ground-breaking heart-liver surgery. Eight Hong Kong citizens lost their lives and seven were injured. During this traumatic time, a medical team of eight specialists and nurses was quickly mobilised and set off to the Philippines to deliver emergency assistance to our fellow citizens in distress. This

horrible event had painful impact on us when we discovered that one of the victims was a nurse of an HA hospital. Though escaped with her son from atrocity, the nurse lost her beloved husband during the hostage crisis. These agonising moments bound us together. The medical team returned with the injured victims for further treatment in Hong Kong. Our colleagues demonstrated exceptional compassion and professionalism in helping them recover both physically and psychologically. Amid such trauma, we stood up against adversity together.





Over the last year, our colleagues also faced an unprecedented workload due to the increase in turnover and service demands. Many frontline colleagues expressed concerns on manpower and career development. The HA Board made these challenges surmountable with their continuous support. My gratitude goes to the Board for approving a basket of initiatives and extra annual budget to retain doctors, relieve

workload and strengthen the workforce. We fully appreciate the dedication and commitment of frontline doctors in serving the public.

I would also like to express my gratitude to the Government for its steadfast support to HA. The recurrent budget allocated to HA was increased for the third consecutive year. Additional recurrent funding was allocated for us to cope with new and increasing demand, while healthcare service reform initiatives were implemented. I thank the Secretary for Food and Health for his visionary leadership and unwavering support. We are committed to continue working with the Government to move healthcare reform forward.

I wish to extend warm welcome to Dr Leung Pak-yin, who was appointed as our new Chief Executive in November 2010. Dr Leung has not only set a clear vision for the future development of HA, but also targeted at achieving practical solutions and





results. With continuous support of all colleagues, we are confident that Dr Leung will be successful in leading and driving changes. On the other hand, my appreciation goes to Mr Shane Solomon, who served as the Chief Executive up to October 2010 with exemplary leadership, expertise and commitment. During the past four-and-a-half years in HA, he has driven numerous reforms with his outstanding capability and experience. The Board

and I deeply appreciate his contribution to improving the healthcare services of Hong Kong.

There were changes to the membership of the HA Board. I wish to thank Ms Vivien Chan, Professor Lai Kar-neng, Mr Peter Lo Chi-lik, Mr Charles Peter Mok and Professor George Woo, who retired from the Board during 2010/11. I also want to welcome our new Board members Ms Quince Chong Wai-yan, Mr Ricky Fung Choi-cheung and Ms Winnie Ng. My deepest gratitude goes to all members of the Board, Regional Advisory Committees, Hospital Governing Committees, as well as the co-opted members of all functional committees.

I am exceptionally grateful to all Board members for their invaluable advice and support towards the executives and myself in formulating strategic directions and policies of HA throughout the year.

There are, of course, many others who contributed to HA in other ways. We would not have successfully discharged our roles and functions without the involvement and input from the community, patient groups, District Councils, the Legislative



Council, and of course, the volunteers who work selflessly in our hospitals and institutions. I would also like to congratulate all the recipients of this year's Outstanding Staff and Teams Award. They are all role models in professional service, teamwork, leadership and personal character.

Once again I pay tribute to the public for their collaboration, to colleagues for their splendid efforts and dedication. With their commitment and wisdom, I am confident that HA will continue to provide a strong safety net for the people of Hong Kong.



Chairman



Chapter 3

Chief Executive's Report

*“20 years of Helping People
Stay Healthy”*







This year marked the 20th anniversary of the Hospital Authority (HA). We commemorated this important occasion by paying tribute to our predecessors and all stakeholders for their invaluable contribution to our success over the past years through hosting a gala dinner themed “20 Years of Helping People Stay Healthy”. The event was well

attended with 1,900 guests including Mr Donald Tsang, Chief Executive of Hong Kong Special Administrative Region (HKSAR); Mr Peng Qinghua, Director of Liaison Office of the Central People’s Government in HKSAR; and Mr Wang Guoqiang, Vice-Minister of Health of the People’s Republic of China.



In line with the Government’s direction of healthcare reform to enhance primary care and promote public-private partnership, new programmes and service models were developed to address growing demand. Community health call centres were established in all Clusters to improve community support for discharged elderly patients and prevent avoidable hospitalisation.

The cataract surgeries programme continued to grow in success, benefiting nearly 10,000 people. To cope with long term demand for hospital services on Lantau Island, HA assisted the Government to conduct a consultancy study and identify feasible public-private partnership models in the phase two development of North Lantau Hospital.





In recent years, an increasing number of Hong Kong people live or work in the Mainland, especially in Shenzhen. To facilitate better continuity of care, HA signed a collaboration agreement with the Health, Population and Family Planning Commission (HPFPC) of Shenzhen Municipality on the Hong Kong Patient Referral Project in March 2011. The project facilitates the transfer of medical

records of Hong Kong residents admitted to Shenzhen hospitals when they need to be referred back to Hong Kong. Piloted at two Shenzhen hospitals, the project was initially implemented in two designated hospitals in HA, namely Tuen Mun Hospital and North District Hospital.

On the quality side, HA has strived to improve patient care quality since its establishment in the early 1990s. The successful launch of hospital accreditation programmes marked a milestone in developing a sustainable system for continuous quality improvement of healthcare services in Hong Kong. Thanks to the efforts of our colleagues, five HA hospitals namely, Caritas Medical Centre, Queen Elizabeth Hospital, Queen Mary Hospital, Pamela Youde Nethersole Eastern Hospital and Tuen Mun Hospital attained full accreditation status in 2010/11, demonstrating world-class standards in patient service delivery. The scheme will be extended to fifteen more hospitals in the next five years.

Empowering patients to manage their own health remains a key strategy for HA to actualise the mission of helping people stay healthy. Patient empowerment programmes organised in collaboration with non-government organisations equipped patients with knowledge and ability to manage their chronic diseases in order to prevent possible complications. The programme was implemented in four Clusters in 2010/11.



On the other hand, we demonstrated greater transparency and accountability to our stakeholders, particularly patients, through the first HA-wide Patient Satisfaction Survey (PSS). Although most public hospitals had individual regular small scale patient satisfaction surveys in the past, the PSS has not only formed a framework for future benchmarking purposes, but is also a great step forward in patient engagement. Through instilling the culture of proactively



engaging patients, we target to drive quality improvement from the patient's perspective alongside gathering input from healthcare professionals.

Managing manpower shortage and addressing concerns of frontline doctors and nurses was a focus area of work in 2010/11. We wish to express our appreciation to all staff group consultative committees and the unions in soliciting views from frontline colleagues and making constructive suggestions in addressing the current challenges. We had introduced various measures to relieve immediate workload



of our medical staff, as well as to improve the working condition and career prospect of doctors and nurses. A taskforce on medical manpower review was set up in July 2011, comprising internal and external representatives of the profession and staff groups. The taskforce will review long term medical manpower issues and address concerns of frontline staff.

It is of equal importance to maintain a stable and competent workforce of supporting staff who demonstrate exemplary performance in order to ensure efficient and effective delivery of quality hospital services. In demonstrating our high regard for the contribution of supporting staff, we conducted a comprehensive review of the workforce of General Services Assistant/ Technical Services Assistant (GSA/TSA) grade of 12,000-strong workforce. Over 3,000 written comments were solicited from line managers and frontline staff. Serving staff of GSA/TSA grade would be converted to the new structure with better remuneration packages and a clear training and career progression pathway.



Staff is our most important asset. Formulating outcome focused strategies would not be possible without listening actively to the voices of our colleagues. To meet different needs of a workforce with changing demographics, we capitalised on the new media as a channel of communication

with staff from different background and generations. We created a blog on the newly revamped HA intranet to facilitate two-way communication with colleagues.



Important senior staff movement in HA last year was the appointment of Dr Hing-Wing Liu as Director of Quality & Safety. I also extend my best wishes to Mr David Rossiter who had left HA on his own accord upon the expiry of his contract.

Besides patients and staff, HA is indebted to all its stakeholders, namely the local community, non-government organisations and the media, for unwavering support over the past years. I also wish to express my gratitude to the Government and the Secretary for Food & Health for their continuous and generous support, both in terms of leadership and resource allocation, as well as their confidence in HA, of which the recurrent funding of HK\$34 billion accounted for 14.8% of the total government expenditure.



Without the hard work, dedication and commitment of our staff, it would be impossible for HA to deliver quality healthcare to the people of Hong Kong. My appreciation also goes to all members of the HA Board, Regional Advisory Committees, and Hospital Governing Committees for their tireless efforts. Last but not least, I wish to convey my heartiest gratitude to the HA Chairman for his trust and staunch support.

P Y LEUNG, JP
Chief Executive



Chapter 4

Milestones of the Year

*“New Blood
for the World”*





April 2010

Down syndrome test extended to all eligible pregnant women

The Universal Prenatal Testing for Down Syndrome has been offered to all eligible pregnant women at all eight obstetric units of HA since April 2010. It helps reduce miscarriage caused by invasive procedure.



May 2010

Hospital Authority Chinese Orchestra comforts earthquake stricken Sichuan

Formed by medical staff members, the HA Chinese Orchestra hosted a concert named “A Journey to Sichuan with Music and Love” at the Sichuan Provincial People’s Hospital to comfort distressed patients and medical staff in the affected area.

HA Convention attracts 3,800 local and overseas delegates

The Hospital Authority Convention 2010 with the theme “Happy Staff Healthy People” shared innovative ideas on the latest development in healthcare and explored initiatives to improve people’s health.

KCC launches book on nurses

“To Nurse with Love” published by Kowloon Central Cluster (KCC) recounts stories of nurses of different generations and shares with the public the joy and challenges about the work of nurses, hoping to attract new blood to the profession.



June 2010

Patient Satisfaction Survey taps patient opinion

The first territory-wide patient satisfaction survey gauged opinion from more than 5,000 discharged patients on their experiences as inpatients at HA hospitals during the period of 15 June to 27 September 2010.



“New Blood for the World” draws in younger crowd

Hong Kong Red Cross Blood Transfusion Service organised the “New Blood for the World” activity at the Avenue of Stars in Tsim Sha Tsui on the World Blood Donor Day to encourage young blood donors.



July 2010

Interactive electronic platform targets at better communication

The one-stop Electronic Patient Resource Platform is an interactive communication platform newly designed to serve patients, carers, volunteers and the local community in the Kowloon Central district. The new platform enhances collaboration among patients, the community, and the Cluster.



August 2010

Four public hospitals win Asian Hospital Management Awards

Kwong Wah Hospital, North District Hospital, Princess Margaret Hospital and Tuen Mun Hospital won Asian Hospital Management Awards with exemplary achievements in hospital management.

New centre shortens waiting time for cataract surgery in KEC

A new cataract centre established with donation of HK\$18 million will enhance service of cataract surgery and shorten waiting time for patients in Kowloon East Cluster (KEC).



September 2010



PYNEH receives accreditation

Pamela Youde Nethersole Eastern Hospital (PYNEH) was awarded full accreditation for four years by the Australian Council on Healthcare Standards.

與民攜手
保健安康
20 Years of
Wellbeing People

與民攜手
保健安康
20 Years of
Wellbeing People



October 2010

QEH and CMC receive accreditation

Queen Elizabeth Hospital (QEH) and Caritas Medical Centre (CMC) were granted four-year full accreditation status by the Australian Council on Healthcare Standards.

First International Safe Workplace designation in HA

Kowloon West Cluster (KWC) kicked off a series of programmes to prepare for the designation of the International Safe Workplace by the World Health Organization, demonstrating the endeavour of HA in continuously striving for a safer work environment and culture for all staff in the past decade.

November 2010

HA celebrates 20th anniversary

Hospital Authority hosted the “20 Years of Helping People Stay Healthy” gala dinner as part of its 20th anniversary celebration. More than 1,900 guests including community partners, patient groups, and staff members attended the event.

TMH receives accreditation

Tuen Mun Hospital (TMH) was awarded a full four-year accreditation status by the Australian Council on Healthcare Standards.



December 2010

TMH celebrates 20th anniversary

Serving the New Territories West district for two decades, Tuen Mun Hospital (TMH) celebrated the milestone at a party with community partners, volunteers and employees to show appreciation for their dedicated efforts.

PMH celebrates 35th anniversary

Princess Margaret Hospital (PMH) celebrated 35th anniversary with a series of community events throughout the year, including the “Cardiopulmonary Resuscitation (CPR) for All” training programme, “Community Lung Day”, and a scientific conference. The CPR programme registered a total of 4,810 staff and members of the the public, breaking the Guinness World Record in cardiopulmonary resuscitation training.



January 2011

NTEC brings warmth to elderly during Chinese New Year

More than 250 staff of New Territories East Cluster (NTEC) and volunteers from secondary schools, agencies and corporations brought warmth and blessings to elderlies discharged from Prince of Wales Hospital and Shatin Hospital on Lunar New Year eve, celebrating festivities with warm soup, new year snacks and good wishes for the new year.

Youth centre opens to improve wellbeing of youngsters

Established by The Hong Kong Federation of Youth Groups (HKFYG) in collaboration with New Territories West Cluster, the HKFYG Youth Wellness Centre offers clinical assessment and treatment to young people with syndromes of drug addiction, problematic gambling, alcoholism, smoking and internet obsession.





Foundation laid for North Lantau Hospital

Officiated by the HKSAR Chief Executive, Mr Donald Tsang, the foundation was laid for North Lantau Hospital. Targeted to be completed by December 2012, the new hospital will meet emerging needs of North Lantau new town and its growing population.

February 2011

QMH receives accreditation

A four-year full accreditation status was granted to Queen Mary Hospital (QMH) by the Australian Council on Healthcare Standards.



Patient portal wins Meritorious Website award

The Smart Patient Website was named one of the Meritorious Websites awarded by Television and Entertainment Licensing Authority of the Hong Kong Government. The electronic platform is a user-friendly portal providing the public with comprehensive patient-related and disease-related information.



March 2011



Five-Year Mental Health Service Plan endorsed by HA Board

The HA Board endorsed the Mental Health Service Plan which formed a framework for the development of mental health services for adults in Hong Kong from 2010 to 2015.

HA and Shenzhen collaborates on cross-border hospital services

HA signed a collaboration agreement with the Health, Population and Family Planning Commission of Shenzhen Municipality on the "Hong Kong Patient Referral Project". The project facilitates medical record transfer of Hong Kong residents admitted to Shenzhen hospitals who would be referred back to Hong Kong for better continuity of care.



Chapter 5

Engagement, Teamwork and Innovations





“Gaining Trust from the Community”

Being a public organisation, HA is committed to engaging all stakeholders in various aspects of policy formulation, service development and implementation, as well as internally on organisational development matters. Understanding the needs and concerns of our stakeholders is pivotal from crafting strategic directions to mapping out implementation plans so as to actualise the vision of the organisation and gain trust from the community.

The past year has been a memorable one in terms of stakeholder communication. Both formal and informal communication channels were strengthened to engage key stakeholders including policy bureaux, government departments, Legislative Council members, District Council members, non-government organisations (NGOs), patient groups, the private sector, other service providers, employees, media and the public at large.

This chapter summarises particular endeavours undertaken in 2010/11 at both HA Head Office and the Clusters in establishing rapport and gaining trust from patients and employees. It also outlines innovative initiatives taken by HA to discharge its corporate social responsibility in contributing to an environmentally friendly society.

Engaging Patients

Engaging patients as partners in health is a strategic direction of HA in achieving the vision of helping people stay healthy. Patient empowerment programmes were implemented in collaboration with NGOs to educate and motivate patients with chronic illnesses to assume part of the disease management responsibilities through self care and lifestyle modification. These programmes were rolled out in four Clusters in 2010/11, including Hong Kong East, Kowloon Central, Kowloon West and New Territories East.

Empowerment of patients is also manifested by involving them as partners in health. The Patient Partnership in Action (PPIA) training programme was launched jointly with patient self-help groups to enhance their awareness of Hong Kong's healthcare system. Sixteen patient group leaders became PPIA ambassadors after completing the programme, and were invited to participate in different projects and committees at the HA Head Office.



Developed through concerted efforts of patient groups, community partners and clinicians, the Smart Patient Website was enriched with multi-media content to provide patients with disease-specific information, such as video footage of surgical procedures and soundtrack of radio health programmes. The website was awarded “Meritorious Website 2010” by the Television and Entertainment Licensing Authority of the Hong Kong Government.

At the Cluster level, various health promotion activities were organised by Clusters to arouse public awareness on health and disease management. The Community Health Promotion Day and the Community Resuscitation Training Day organised by Kowloon East Cluster were well accepted by participants from all walks of life. In addition, the Cluster delivered education classes targeting at teenagers with asthma and patients with Parkinson's disease to empower them with essential know-how to manage their conditions.



On the other hand, Hong Kong East Cluster engaged the community through the fifth symposium on community engagement titled “Family - The Key to a Healthy Community” and the third seminar on quality and safety, titled “Better Health for All: Mission, Passion and Action”. Organised jointly with community partners, government departments, District Councils, volunteers and elderly homes, the events received overwhelming response from both patients and the community.

In addition, events recognising contribution of hospital volunteers were held by various Clusters not only to express appreciation, but also to boost staff team spirit, tighten community networks and strengthen relationship with patients.

Apart from community activities, Hong Kong West Cluster engaged patients and the public through organising summer school for student volunteers, patient mutual support network, annual plan meeting and forum for patient groups. New Territories East Cluster continued to engage patient group representatives extensively at the levels of governance and planning of hospital through inviting them



to serve as members of Hospital Governing Committees, participating in the Cluster annual planning process, regular Patient Relations Review meetings, as well as co-hosting the annual Cluster Patient Relations forum.

Similarly, New Territories West Cluster established platforms of communication between patient focus groups and healthcare workers to facilitate interactive discussion and exchange in which patients' needs and priorities were understood and addressed. Involving ethnic minority, asthma and thalassemia patients, these focus groups furnished the hospitals with feedback, forming basis of various improvement measures and leading to greater satisfaction of patients.



Engaging our Staff

Staff is the most valuable asset of HA. Being a people-oriented organisation, HA is committed to fostering strong ties with all employees. Regular staff forums were held at HA Head Office and Clusters. Cluster-based open forums led by senior executives were also organised for doctors, nurses, and allied health staff to solicit and

exchange views directly with frontline staff.

Staff engagement initiatives were implemented in HA to build a happy and positive workforce. Various channels and platforms of communication were adopted to enhance communication and foster team spirit amongst staff, ranging from regular team meetings to sharing forums of knowledge or interesting socio-cultural topics, team building activities, recognition of outstanding performers and social functions. Staff representatives were appointed as communication ambassadors to take an active role in facilitating internal communication.

Initiatives were adopted to modernise communication in HA in an age of new media. The HA intranet underwent a facelift revamp in 2010/11 with new design, information architecture, functions and features to



facilitate information sharing with all staff. The blogs started by the HA Chairman and Chief Executive on the new internal portal in 2011 provided alternative channels of interaction with employees.

A large scale review of the terms and conditions of the General Services Assistant

and Technical Services Assistant workforce of 12,000 was conducted during the year. Encompassing job responsibilities, requirements, career path and remuneration package, extensive consultation and communication was conducted to engage staff of different levels before implementing recommendations of the review.

New Territories East Cluster (NTEC) engaged staff in establishing rapport with patients through innovative initiatives, such as producing videos featuring authentic patient voices, posting interactive case scenarios on web, organising caring forums, and publishing a newsletter to foster better relation with patients. Like other Clusters, staff volunteered to participate in charitable work jointly with other agencies to address issues of public concern, including fighting substance abuse and helping elderlies living alone in the local community through programmes such as the outreach UROK (yoU aRe OK) Clinic in which urologists, psychiatrists, nurses and physiotherapists joined hands to serve the community when they are off duty.



On the other hand, NTEC strengthened internal communication with staff through launching a new social media platform with periodic webcasting and online discussion on the Cluster intranet ("iNTEC"), thus enhancing interaction with its employees with an expanded reach and broadened participation.

Hong Kong East Cluster stepped up communication with staff and collaboration

amongst disciplines in her quality journey. Capitalising on Crew Resource Management (CRM) which is an integrated training, process improvement and management system that uses all available resources including people, process and technology to enhance safety and operational efficiency, the Cluster reinforced effective application of CRM tools through CRM gallery, the “CRM-in-Action” campaign and departmental CRM ambassadors. Cluster-wide promotion on correct patient identification strengthened knowledge and awareness in quality issues. The newly adopted “Classic Senior Executive Walk-round” encouraged open communication and active participation of frontline staff in risk management.



Contributing to a Green Environment

A wide range of energy conservation measures were implemented in HA facilities over the years, demonstrating strong commitment to environmental protection, waste reduction and recycling. Application of energy-efficient lighting, high efficiency air-conditioning systems, and heat pump hot water systems contributed to energy conservation while installation of solar hot water systems at three hospitals piloted the use of environmentally friendly renewal energy in public hospitals.

Paperless initiatives were gradually implemented in different areas, including the application of electronic systems of training record, salary slip, reporting of injury-on-duty incidents and staff identification at staff clinics, just to name a few. The corporate-wide Filmless HA project not only builds an infrastructure for capturing, archiving and distributing radiological images in digital formats, but also re-engineers workflow for frontline healthcare workers for greater efficiency, contributing to the territory-wide electronic health record system in Hong Kong.

These energy conservation measures reduce carbon emissions and minimise adverse environmental impact of our hospital operation. The HA also completed a carbon audit on seven hospitals, of which six of them met the carbonless certification requirements. The HA Head Office received the most significant fuel efficiency improvement in the “Take a Brake” Low Carbon green initiative jointly organised by Friends of the Earth, Green Power and World Wild Fund for Nature (WWF) Hong Kong in late 2010.

Concerted efforts were taken across Clusters to arouse staff awareness on energy conservation



and waste reduction and foster culture of a green environment. While the management encouraged staff to use less paper, toner and consumables, green initiatives were regularly practised, including the use of electronic bulletin boards and collecting waste paper, plastic bottles, aluminium cans, rechargeable batteries, CDs and clothes for recycling. New infrastructure

was installed and measures were implemented to save energy, such as the use of high efficiency T5 light tubes, intelligent use of elevators, and introducing the first electric car in New Territories West Cluster.

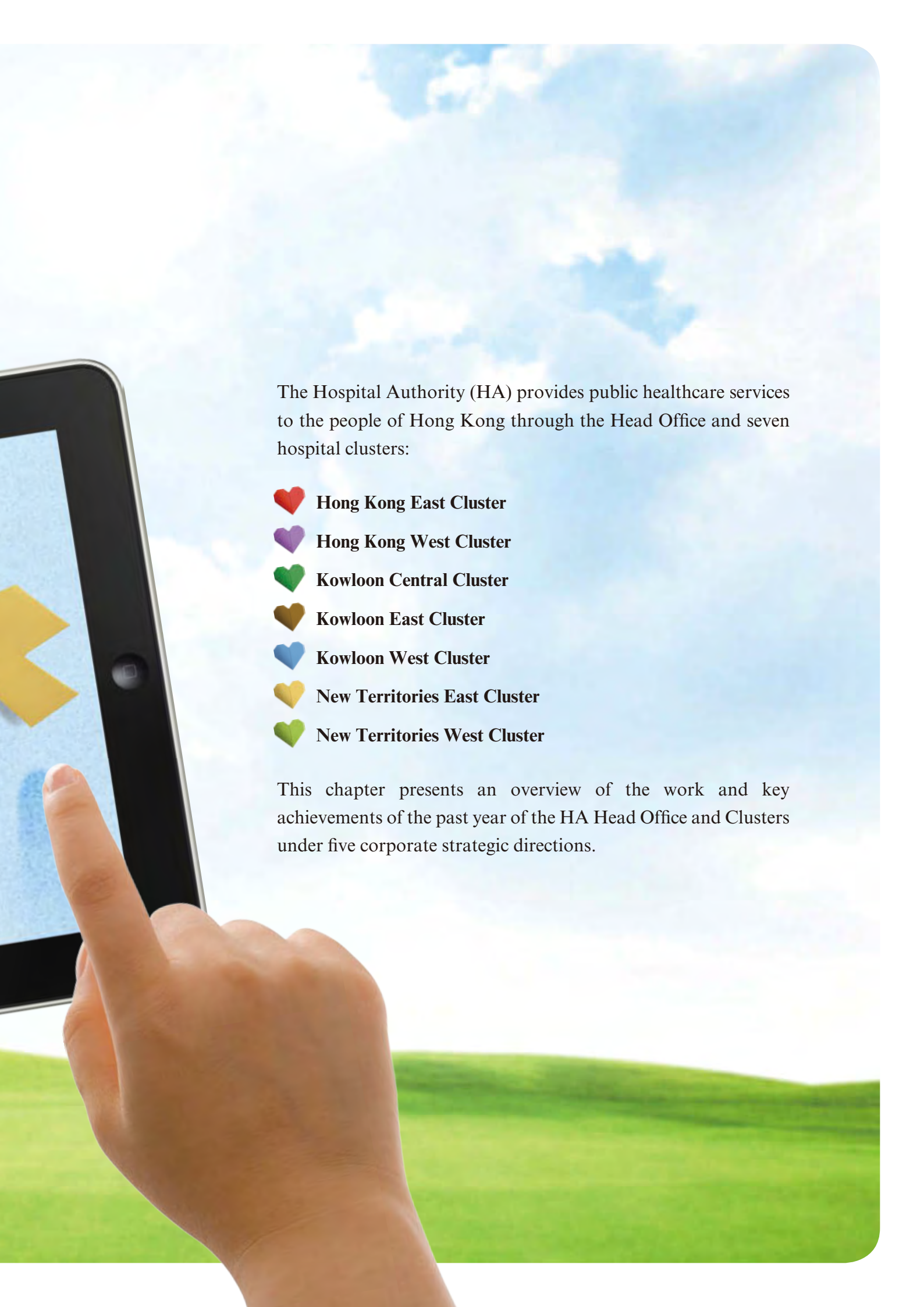
Employees were encouraged to “think green” from different facets of work and life. Significant results were registered by Pamela Youde Nethersole Eastern Hospital of which the Environmental Management System (EMS) was ISO 14000 certified. Last but not least, Wastewi\$e awards for Environmental Excellence were gained by Queen Mary Hospital, Grantham Hospital, Tung Wah Hospital, United Christian Hospital, Tseung Kwan O Hospital, Haven of Hope Hospital and the HA Head Office during the year.



Chapter 6

Head Office Report and Cluster Reports





The Hospital Authority (HA) provides public healthcare services to the people of Hong Kong through the Head Office and seven hospital clusters:

-  **Hong Kong East Cluster**
-  **Hong Kong West Cluster**
-  **Kowloon Central Cluster**
-  **Kowloon East Cluster**
-  **Kowloon West Cluster**
-  **New Territories East Cluster**
-  **New Territories West Cluster**

This chapter presents an overview of the work and key achievements of the past year of the HA Head Office and Clusters under five corporate strategic directions.

Head Office Report

The HA Head Office (HAHO) plays a strategic role in leading corporate development and supporting hospital Clusters through interactive collaboration of six divisions, namely Cluster Services, Corporate Services, Finance & Information Technology, Human Resources, Quality & Safety, and Strategy & Planning.

Aligning corporate values and directions, the HAHO co-ordinates cluster hospitals and professional committees on the development of clinical and professional services. In 2010/11, HAHO initiated 95 corporate targets corresponding to five key strategic objectives outlined in the HA Annual Plan.

Key Achievements

Implement a Planned Response to Manage Growing Service Demand

To prevent avoidable hospitalisation, the Integrated Discharge Support Programme for elderly patients was enhanced and implemented in all Clusters. The Community Health Call Centre service was also extended to all Clusters for high risk elderly patients.



As part of Government's healthcare reform, public-private partnership projects were implemented as alternative models of service delivery formulated to meet increasing demand, promote collaboration between the public and private sectors and enhance primary care service. Tin Shui Wai Primary Care Partnership Project was extended to the entire Tin Shui Wai area while Shared Care Programme for diabetes and hypertension patients was further rolled out to the Hong

Kong East Cluster in September 2010 following its pilot in New Territories East Cluster. 3,000 additional cataract surgeries were performed in 2010/11.

To cater for growing demand of renal replacement therapy for patients with end stage renal failure, the capacity of various forms of dialysis was increased, including hospital haemodialysis (HD), nocturnal home HD and automated peritoneal dialysis. The HD shared care programme with private providers was also implemented.

Enhanced models for doctor manpower planning were developed to facilitate planned responses in demand management. This includes a methodology using relative needs index as a basis for allocating resident trainee doctors at both the cluster and specialty levels. In addition, a service demand projection model for sub-acute care services was developed to address increasing need for convalescent and rehabilitation services.

Service demands for mental health were managed through strengthening community care of patients with severe mental illness through launching case management programmes in Kwai Tsing, Kwun Tong and Yuen Long districts. Common Mental Disorders Clinics were set up in all seven Clusters while more sessions were added to Substance Abuse Clinics to provide patients with timely multi-disciplinary assessment and management. Planning for the future needs of modern psychiatric care is also demonstrated by publishing a comprehensive Mental Health Service Plan for Adults for 2010-2015 after extensive consultation with both internal and external stakeholders.



Improve Continuously Service Quality and Safety

Commitment to continuous quality improvement is an ongoing corporate endeavour in HA. Initiatives were undertaken to improve service quality and enhance patient safety. Universal prenatal testing for Down Syndrome has been offered to all eligible pregnant women at all eight obstetric units of HA hospitals in phases since April

2010. 700 predictive genetic tests were conducted in four centres (Princess Margaret Hospital, Prince of Wales Hospital, Queen Elizabeth Hospital and Queen Mary Hospital) since July 2010 for patients suffering from cancer of the lung, breast, colorectal or brain and receiving standard drug therapy.

Major incidents including outbreak of Human Swine Influenza (H1N1) and Influenza A (H5N1), Manila hostage incident, Japan earthquake and radiation leak incident in Fukushima were managed during the year.



Advanced Incident Reporting System currently in use at all public hospitals was upgraded to facilitate the reporting and monitoring of incidents. The Drug Quality Assurance Office established in 2010 has improved medication safety through enhancing the procurement system, quality assurance and monitoring of pharmaceuticals.



Benchmarking with international standards of healthcare quality is a major focus of work in HA's quality journey. EQuIP 4 Hong Kong Guide, comprising territory-wide accreditation standards, was accredited by the International Society for Quality in Health Care. 33 healthcare professionals in Hong Kong completed training and were appointed Australian Council on Healthcare

Standards Surveyors. Five HA pilot hospitals completed their first organisation-wide surveys and awarded 4-year full accreditation status.

The field work of the first HA-wide Patient Satisfaction Survey was completed with some 5,000 discharged patients in 25 public hospitals. A system for the development of quality improvement plan was formulated. Meanwhile, a study on stroke rehabilitation service was conducted to provide recommendations on service improvement.

Fulfilling its commitment in promoting Chinese medicine in Hong Kong, the HA Chinese medicine centre for training and research at Southern district commenced operation in March 2011 while a similar centre for Kowloon City district was in the pipeline.

Keep Modernising HA

Enhancing corporate governance through periodic monitoring and review was a major focus of work. The progress of key performance indicators was regularly reported to the management and the HA Board. Strengthened community participation and governance of public hospitals were manifested through regular review of membership matters as well as conducting regular meetings of Hospital Governing Committees and Regional Advisory Committees.



The Drug Formulary was expanded with eight new drugs of proven effectiveness and efficacy introduced as special drugs for rare metabolic diseases, as well as colorectal and lung cancer while the clinical application of nine drug classes were expanded in the treatment of cardio-vascular disease, breast cancer, hepatitis, mental illness, age-related macular degeneration, and diabetes

mellitus. In addition, regular review of the scope of coverage of Samaritan Fund had introduced six new drugs, providing subsidy for the needy.

Technology upgrade has equipped HA with infrastructure required for delivery of modern healthcare services. First introduced in 2009, digital imaging technology in public hospitals reduced the use of traditional films through capturing digital radiology images as part of patient's electronic medical records. In 2010/11, image viewing facilities were established in Accident & Emergency departments, specialist outpatient clinics and wards of seven major acute hospitals.



New technology was also introduced to eliminate possible errors on the identification of dead bodies and specimens, namely Radio Frequency Identification (RFID) and Unique Patient Identification (UPI). RFID implemented in five mortuaries provided each Cluster with a mortuary equipped with the technology while phase 3 UPI project for specimens collection was completed with the expansion of 2D barcode system that covers all blood and microbiological tests in HA hospitals.



Continuous revamp of HA's Clinical Management System enables patient care activities to be conducted on web-based platforms in an integrated and comprehensive system with enhanced capability that supports new mobile devices and wireless network, subsequently facilitating daily workflow of frontline clinical staff.



HA supports the Government in the development of an integrated electronic health record system. The territory-wide e-Health Record (eHR) Sharing System not only facilitates information sharing at the point of care delivery in both the public and private systems, but also contributes to enhancing public awareness of primary care in Hong Kong. The programmes include core infrastructure, Clinical Management System Extension modules and various standards. Targeted to be completed by the end of 2013/14, the system will facilitate smooth operation of the Elderly Health-care Voucher Scheme, Influenza Vaccination Sponsorship Scheme and the development of Primary Care Directory System.

Strengthening the reporting capability and integration amongst different administrative systems in HA is of equal importance in enhancing internal controls and operational efficiency. The Human Resources and Payroll module of the Enterprise Resource Planning (ERP) system, named “Human Capital Management”, was fully implemented in 2010 to facilitate effective management of human resources and payroll functions of over 59,000 staff in HA. Being one of the largest systems of its kind in Asia owing to the scale and complexity of HA, development of the system involved hundreds of multi-disciplinary employees from various departments comprising information technology, human resources and finance in both HA Head Office and Clusters.



The Capital Block Vote of HK\$600 million enabled continuous modernisation in HA by installing a total of 703 pieces of medical equipment to replace obsolete ones and also replacing 42 engineering plants so as to provide quality services. Renovation works were carried out in 12 general outpatient clinics to improve outdated amenities, barrier-free access and pharmacy facility. In addition, HA also supports the Government in developing the Centre of Excellence in Paediatrics, with a series of facility and service planning in the pipeline.



On the “soft” side, the HA has embarked on various publicity initiatives to continuously enhance corporate image and promote public understanding of healthcare services and issues through corporate communication programmes. Maintaining close relations

with the media is a key component of our work. During the year, a total of 390 media events and activities were organised, 350 press releases were issued and 2,200 media enquiries were handled.



To mark the 20th anniversary of the HA, a gala dinner held in November 2010 announced the celebration with 1,900 guests, community partners and employees. A photo competition, a slogan contest for 20-year-old youngsters and newspaper supplements were organised to commemorate this important milestone in the history of the organisation. A Chinese theme song was specially composed to glorify the hard work and contribution of HA employees.

Build People First Culture

Healthcare is a people business. In line with the corporate direction of developing a people-oriented culture, initiatives were implemented to create favourable working environment that attracts, motivates and retains well-qualified employees. These initiatives include strengthened recruitment drives, enhanced promotion opportunities, improved internal communication channels and additional resources allocated for training. The programmes also support service development, upgrade professional competencies and facilitate specialisation.



To maintain HA as a competitive employer, a new grading structure was introduced for some 12,000 supporting staff. The new structure offered better remuneration and benefits package by formulating consistent job descriptions and competency requirements for different job streams, as well as outlining clear training and career progression pathway. The improved package helped to maintain a stable, competent and motivated workforce and subsequently contributed to supporting clinical professionals in the delivery of quality patient service.

The Consultant Advancement Exercise was reactivated in 2010/11 to retain senior doctors and scarce professional expertise. Meritorious consultants were advanced to senior consultant level in recognition of their contribution to the HA and the public, part-time doctors were employed, and a settlement package was offered to eligible doctors to reach an amicable resolution on the doctors claim.



Alongside publicity of corporate and hospital service programmes throughout the year, winners of Outstanding Staff and Teams Award were also featured extensively in the media as part of our continuous effort in promoting our People First culture.

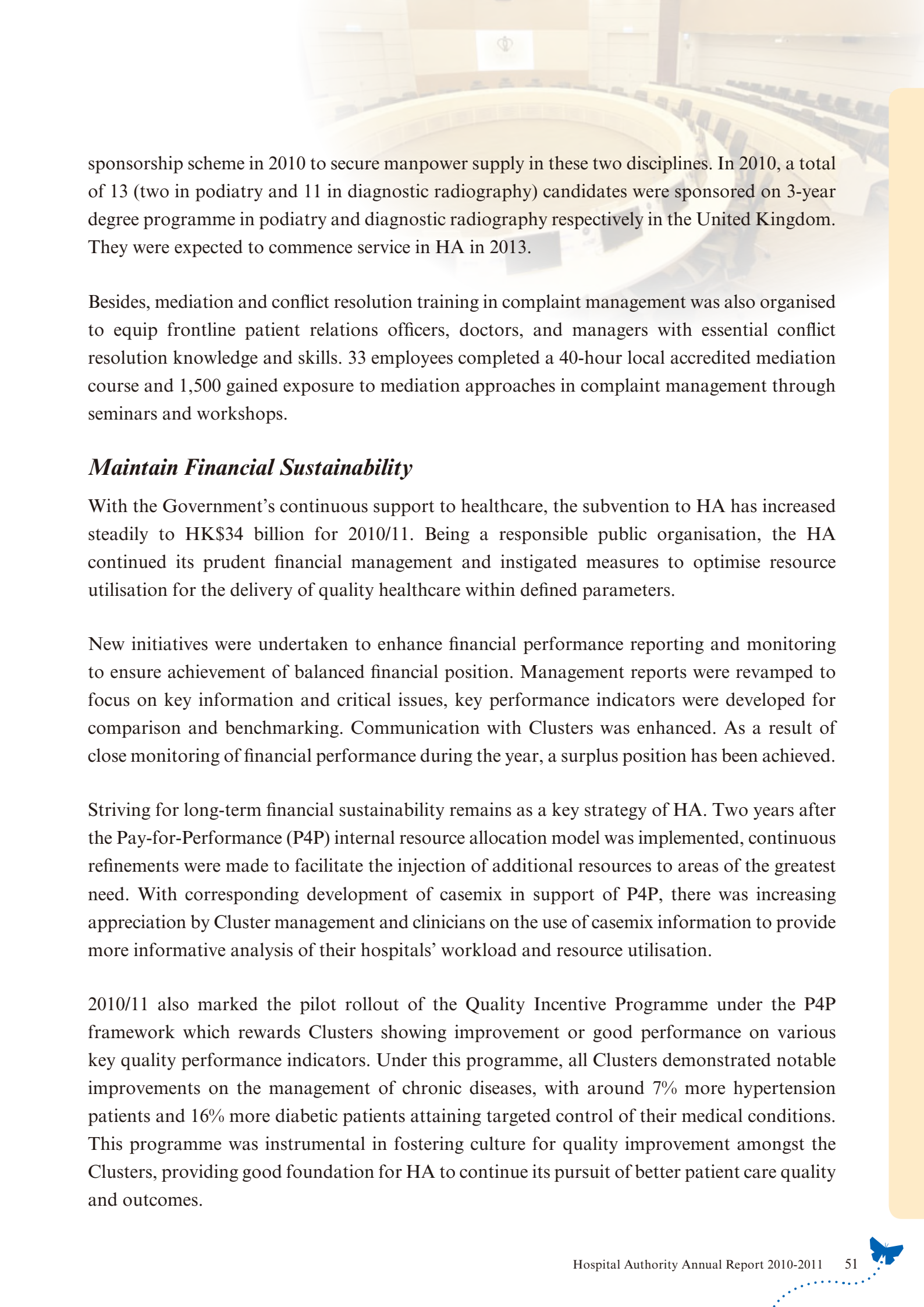
Enhancing internal communication with employees is always top on our agenda. Revamp of the HA intranet (<http://ha.home>) during the year strengthened internal communication on a new media platform. While the design concept of the new communication portal aligns with the corporate values of professionalism and teamwork, the website delivers an active and lively style. Displaying timely information through a content architecture created with employees' input, the new media platform offers new functions and features, including a rich media video gallery, upgraded search function and RSS subscription service.

Besides, a pilot research project targeted to modernise communication in HA was conducted with conjoint multi-disciplinary efforts to identify issues and explore improvement measures in order to strengthen communication with employees from different generations and background. Other than study of early adopters of modern internal communication models in other sectors, the research project comprised online and paper survey and focus group discussions with an overall encouraging response rates from various staff groups.

Training and development is a key human resources strategy for HA in developing a competent workforce. Elements of the new HA vision, mission and values were incorporated into training programmes to promote the values of teamwork and innovation. These programmes include 7-Habits, Teaming Up: Effective Team Leadership Skills for Frontline Staff, Think On Your Feet and Thinkertoys. Notable management training programmes continued from last year include Management 101 for newly promoted managers, HA Leadership Pipeline and Development Centres for leaders of the next generation. Also embarking into the second year is the Crew Resource Management (CRM) training programme through which an accumulative total of 1,400 doctors and nurses participated. The programme is an integrated training, process improvement and management system that uses all available resources including people, process and technology to enhance safety and operational efficiency.

Professional training in podiatry and diagnostic radiography was implemented to ensure a sustainable workforce of allied health professionals in HA. Since local training for podiatrist is not available and recruitment for diagnostic radiographer is difficult, HA implemented an overseas





sponsorship scheme in 2010 to secure manpower supply in these two disciplines. In 2010, a total of 13 (two in podiatry and 11 in diagnostic radiography) candidates were sponsored on 3-year degree programme in podiatry and diagnostic radiography respectively in the United Kingdom. They were expected to commence service in HA in 2013.

Besides, mediation and conflict resolution training in complaint management was also organised to equip frontline patient relations officers, doctors, and managers with essential conflict resolution knowledge and skills. 33 employees completed a 40-hour local accredited mediation course and 1,500 gained exposure to mediation approaches in complaint management through seminars and workshops.

Maintain Financial Sustainability

With the Government's continuous support to healthcare, the subvention to HA has increased steadily to HK\$34 billion for 2010/11. Being a responsible public organisation, the HA continued its prudent financial management and instigated measures to optimise resource utilisation for the delivery of quality healthcare within defined parameters.

New initiatives were undertaken to enhance financial performance reporting and monitoring to ensure achievement of balanced financial position. Management reports were revamped to focus on key information and critical issues, key performance indicators were developed for comparison and benchmarking. Communication with Clusters was enhanced. As a result of close monitoring of financial performance during the year, a surplus position has been achieved.

Striving for long-term financial sustainability remains as a key strategy of HA. Two years after the Pay-for-Performance (P4P) internal resource allocation model was implemented, continuous refinements were made to facilitate the injection of additional resources to areas of the greatest need. With corresponding development of casemix in support of P4P, there was increasing appreciation by Cluster management and clinicians on the use of casemix information to provide more informative analysis of their hospitals' workload and resource utilisation.

2010/11 also marked the pilot rollout of the Quality Incentive Programme under the P4P framework which rewards Clusters showing improvement or good performance on various key quality performance indicators. Under this programme, all Clusters demonstrated notable improvements on the management of chronic diseases, with around 7% more hypertension patients and 16% more diabetic patients attaining targeted control of their medical conditions. This programme was instrumental in fostering culture for quality improvement amongst the Clusters, providing good foundation for HA to continue its pursuit of better patient care quality and outcomes.



Hong Kong East Cluster (HKEC)



*Cheshire Home
(Chung Hom Kok)*



*Pamela Youde Nethersole
Eastern Hospital*



*Ruttonjee &
Tang Shiu Kin Hospitals*

The Hong Kong East Cluster serves an estimated population of 0.83 million covering the Eastern and Wanchai districts of the Hong Kong Island as well as the Outlying Islands (excluding North Lantau region). It comprises six hospitals and 12 general outpatient clinics. The six hospitals are Pamela Youde Nethersole Eastern Hospital (PYNEH), Ruttonjee & Tang Shiu Kin Hospitals (RHTSK), Tung Wah Eastern Hospital, Wong Chuk Hang Hospital, Cheshire Home (Chung Hom Kok) and St. John Hospital. The general outpatient clinics include eight in urban areas and four on the outlying islands of Cheung Chau, Lamma and Peng Chau. The Cluster provides a full range of comprehensive inpatient, outpatient, ambulatory, Accident & Emergency, allied health and community-based healthcare services. In addition, the Hong Kong Tuberculosis, Chest & Heart Diseases Association supports the Cluster by promoting health education programmes for primary and secondary prevention.





St. John Hospital



Tung Wah Eastern Hospital



Wong Chuk Hang Hospital

Key Achievements

HKEC stepped up its responses to meet challenges ahead, including the opening of 30 acute beds and 30 convalescent beds in PYNEH and RHTSK. The Cluster opened two additional Cardiac Care Unit beds and commissioned the second computer tomography (CT) scanner in PYNEH. It also launched pilot projects on Aged Home Telephone Support Hotline and on Chronic Disease Management to reduce avoidable hospital admissions. Pressing need of the elderly with severe degenerative, osteoporotic or metastatic musculoskeletal problems or with hip fractures was relieved with 210 additional surgeries operated.



Our strong teamwork has maintained the momentum of quality and safety initiatives in HKEC. Multi-disciplinary models of improvement measures effectively reduced incidences of pressure ulcer, patient suicide and catheter-related blood stream infection. In September 2010, PYNEH



was the first public hospital in Hong Kong awarded full accreditation for four years by the Australian Council on Healthcare Standards.



On modernisation, PYNEH introduced radio frequency identification technology in mortuary service and achieved 96% filmless radiology service. Minimal access surgery was applied more extensively to other specialties including Orthopaedics & Traumatology, Obstetrics & Gynaecology and Ear, Nose and Throat.

To foster People First culture, HKEC organised more than 80 training sessions to meet the training and development needs of different levels of staff; launched occupational safety and health programmes which were proved effective in nurturing healthy and safe workplaces; and kept exploring innovative measures to improve staff retention. Communication ambassadors, focus groups and forums opened effective communication channels with staff. Bright Suggestion Scheme was relaunched to encourage constructive ideas from all staff so as to improve work processes and systems.

HKEC has practised strategic demand management with prudent expansion of capacity in a strong patient safety culture to maintain its financial sustainability.



Hong Kong West Cluster (HKWC)



The Hong Kong West Cluster serves an estimated population of 0.55 million covering the Central, Western and Southern districts of the Hong Kong Island. The Cluster comprises seven hospitals and six satellite institutions. The seven hospitals include The Duchess of Kent Children's Hospital at Sandy Bay (DKCH), TWGHs Fung Yiu King Hospital (FYKH),

Grantham Hospital (GH), MacLehose Medical Rehabilitation Centre (MMRC), Queen Mary Hospital (QMH), Tsan Yuk Hospital (TYH) and Tung Wah Hospital (TWH). The six satellite institutions are David Trench Rehabilitation Centre (DTRC) and five general outpatient clinics. Apart from providing a comprehensive range of healthcare services to residents in its catchment area, the Cluster is well known for its tertiary and quaternary services serving the whole population of Hong Kong.

HKWC continued to maximise partnership with Li Ka Shing Faculty of Medicine of The University of Hong Kong in supporting undergraduate and postgraduate medical education and training, research and development, and innovations in healthcare technology and services. QMH received the Reader's Digest Trusted Brands Gold Award again in 2011. Winning the Award continuously for the fifth year since 2007 reflected the trust and confidence of the community in the contribution of QMH in the past years.





Duchess of Kent Children's Hospital



TWGHs Fung Yiu King Hospital



Grantham Hospital

Key Achievements

The organ transplant service in Hong Kong has entered a new era in 2010. In August 2010, the first combined heart-and-liver transplant with sequential liver transplant was successfully conducted in HKWC. The first implantation of left ventricular assist device was also performed in the territory in the same month, improving the quality of life for patients waiting for heart transplant. The number of transplants performed in 2010/11 includes 85 liver transplants, 11 heart transplants, one heart-lung transplant, and two lung transplants.



In order to manage growing service demand, HKWC registered 2,000 additional attendances in psychiatric specialist clinics and introduced integrated mental health programme in primary care setting for patients with common mental disorders. 3,100 additional cataract surgeries were performed in the Cataract Centre at GH. A new Integrated Ambulatory Centre was set up in QMH, enhancing ambulatory care service of the Cluster.



*MacLehose Medical
Rehabilitation Centre*



Queen Mary Hospital



Tung Wah Hospital



Tsan Yuk Hospital

Recognising the importance of continuous improvement in service quality and safety, QMH implemented the pilot accreditation programme, attaining full four-year accreditation. A contemporary antibody detection technology was used to provide regular pre- and post-transplant antibody screening for renal patients to guard transplant recipients against failed transplant.

To keep modernising HA, high resolution typing for bone marrow transplant service was enhanced to reduce Graft Versus Host Disease and graft rejection. 4,500 additional rapid molecular diagnostic tests were conducted to enhance effective infection control measures and reduce prolonged hospitalisation and mortality.

With continuous commitment to build People First culture, staff health screening programme was strengthened and mental health assessment was introduced in the Cluster. One Staff One Training Plan initiative was also implemented to cater for the development needs of individual employees.



Kowloon Central Cluster (KCC)



*Hong Kong Buddhist
Hospital*

Hong Kong Eye Hospital

Kowloon Hospital

The Kowloon Central Cluster serves an estimated population of 0.5 million covering the districts of Yau Tsim and Kowloon City. The Cluster comprises six hospitals / institutions and six satellite institutions. The six hospitals / institutions are Queen Elizabeth Hospital (QEH), Hong Kong Buddhist Hospital (HKBH), Hong Kong Red Cross Blood Transfusion Service, Hong Kong Eye Hospital (HKEH), Kowloon Hospital (KH) and Rehabaid Centre. The Cluster provides a full range of ambulatory, acute, convalescent, rehabilitation and extended care services to the public.



The Cluster launched its new Vision, Mission and Values in October 2007. The Vision is “To pursue excellence in health services – in life we share, in health we care and in excellence we fare”, emphasising the RESPECT values (Respect, Empathy, Sharing, Professionalism, Efficiency, Creativity, and Trust). The Cluster mission statements are:

- We deliver quality health service to our clients.
- We partner with the community to provide holistic care.
- We train healthcare professionals to pursue excellence.
- We promote learning culture, research and innovations.



Queen Elizabeth Hospital



*Hong Kong Red Cross
Blood Transfusion Service*



Rehabaid Centre

Building on its core values of RESPECT since 2008/09, KCC has earmarked three consecutive years as “Years of Safety”. The specific theme for each year was patient safety, staff safety and quality respectively.

QEH has attained outstanding performance in the healthcare industry during the year. The hospital was granted a 4-year full accreditation by the Australian Council on Healthcare Standards in late October 2010. It was the Grand Award Winner of the Year in the Asia Pacific Business Excellence Standard (APBEST) Awards and also accorded the honour of BEST Hospital in Asia-Pacific and other individual awards. The successful completion of these two external assessments provided QEH with greater impetus in striving for continuous improvement and development.

Key Achievements

In 2010/11, KCC implemented many initiatives to facilitate the provision of the right care for the right patient at the right place. To implement planned responses to growing service demand, the number of cataract operations was increased to 5,769, or 24% increase over the same period of last year. Waiting time for cataract surgery was shortened. An Integrated Cardiac Nurse Clinic was set up in QEH to provide additional 4,600 outpatient attendances for patients with cardiovascular diseases. An on-site medical physician was assigned in the Accident & Emergency Department to enhance triage and management of patients.





Initiatives were implemented to continuously improve service quality and safety. An ultrasound machine was acquired at the surgical breast outpatient clinic so that patients with suspected breast cancer could receive ultrasound examination at the same setting. A Geriatric Orthopaedic Team was set up to enhance discharge planning and outpatient services for orthopaedic patients.

20% increase in community home visits were delivered under Li Ka Shing Hospice programme in HKBH where a Day Rehabilitation Centre was also established. End-of-life support for terminally ill patients in KCC was strengthened with 800 Community Geriatric Assessment Team attendances for patients of old aged homes while an osiris room was established in the Accident & Emergency Department of QEH for patients' relatives to bid farewell to their loved ones.

To keep modernising HA, the steroid profiling services in KCC commenced and accepted referrals for diagnosis of disorders of sex development or steroidogenesis, steroid secreting tumours and endocrinopathies in April 2010. Fibroscan service was introduced in QEH in June 2010 for patients with hepatitis B and C virus. A specialist centre was established for joint replacement in HKBH in December 2010.



To align with People First culture advocated by HA, frontline nursing manpower in specialty area was relieved by introducing technical support team. A book on nursing services and development titled "To Nurse with Love" was published in May 2010.

Maintaining financial sustainability is important in KCC. The quality of procedure coding was enhanced through standardisation of workflow in specialty areas. Strategies to shorten length of stay were explored and implemented in HKBH through discharge planning enhancement and workflow re-engineering.

Kowloon East Cluster (KEC)



Haven of Hope Hospital



Tseung Kwan O Hospital



United Christian Hospital

The Kowloon East Cluster serves an estimated population of 0.98 million covering the districts of Kwun Tong, Tseung Kwan O and part of Sai Kung. The Cluster comprises three hospitals, namely United Christian Hospital (UCH), Tseung Kwan O Hospital (TKOH) and Haven of Hope Hospital (HHH), and eight general outpatient clinics. KEC also manages the outpatient and day patient facilities in Yung Fung Shee Memorial Centre and Pamela Youde Polyclinic. The Cluster provides a full range of comprehensive inpatient, day patient, outpatient, Accident & Emergency, as well as general, specialist, allied health, and community-based healthcare services.



Key Achievements

Facing challenges of escalating service demand with high complexity of illnesses from a growing elderly population, KEC strives to fully utilise existing resources to meet community needs and cater for service gaps in specific areas.





In 2010/11, the Cluster opened 42 additional acute beds at TKOH and 18 rehabilitation beds at UCH. Through the outcome focused and well-coordinated programmes, the Cluster has improved the capacity in a range of services including mental health, oncology, palliative care, cardiology, cataract operation, joint replacement and renal dialysis services. In parallel, clinical

support services including radiological examination, laboratory investigation, pharmacy support and information technology were also strengthened to ensure the delivery of seamless quality healthcare services.

In line with HA's priority focus on community-based healthcare, the KEC has established multi-disciplinary team to provide patients with chronic diseases with disease-specific risk factor assessment and targeted management. An integrated mental health programme was introduced in primary care setting for patients with common mental disorders while a community case management programme was established for patients with severe mental illness.

To improve service quality and safety, UCH was developed as a regional centre specialising in surgeries for children with cleft lip and palate. The multi-disciplinary team offering the service was also awarded one of HA's Outstanding Teams in 2011.

As a caring organisation, KEC continued to adopt a holistic approach to promote staff wellness and enhance occupational safety and health. Various channels were introduced to foster communication with staff at all levels within the Cluster, including open forums, lunches with Cluster Chief Executive (CCE) and Hospital Chief Executives (HCE), "Talk to CCE" letterbox, as well as regular gathering with interns and newly joined employees.



Kowloon West Cluster (KWC)

The Kowloon West Cluster serves an estimated population of 1.9 million covering the districts of Wong Tai Sin, Mongkok, Shamshuipo, Kwai Chung, Tsing Yi, Tsuen Wan and Tung Chung. The Cluster comprises seven hospitals and 23 general outpatient

clinics. The seven hospitals include Caritas Medical Centre (CMC), Kwai Chung Hospital (KCH), Kwong Wah Hospital (KWH), Princess Margaret Hospital (PMH), Our Lady of Maryknoll Hospital (OLMH), Tung Wah Group of Hospitals Wong Tai Sin Hospital (TWGHs WTSH) and Yan Chai Hospital (YCH). The Cluster provides a full range of inpatient, day patient, outpatient, Accident & Emergency as well as general, specialist, allied health, rehabilitation and convalescent services.



Key Achievements

KWC strengthened its services in key priority areas in 2010/11. To address increased service demand, the Cluster expanded radiological imaging services as well as services for urology, joint replacement, cataract, macular surgeries and radiotherapy. As a result, waiting time for these services was reduced. The support for end-stage renal failure patients was also enhanced with increase in hospital and home haemodialysis and palliative care service.

Additional resources were injected to enhance primary care and chronic disease management. An integrated mental health programme was launched to manage common mental disorders. A community-based case management programme was also launched to support mentally ill patients discharged from hospital.

The rapid advances of medical technology upgraded the quality in both diagnostics and therapeutics. Molecular diagnostic tests provided selected groups of cancer patients with effective prediction of therapies. Molecular technologies were also applied on Methicillin-resistant *Staphylococcus Aureus* (MRSA), atypical pneumonia and *Clostridium difficile*, which enabled effective management on infection control, and reduced prolonged hospitalisation and mortality. In addition, filmless radiological imaging service was implemented by phases in KWH.





Caritas Medical Centre



Kwai Chung Hospital



Kwong Wah Hospital

The Cluster continuously endeavours to promote a quality culture and implements various patient safety and risk management initiatives during the year. Universal Down Syndrome screening was offered to eligible pregnant women at PMH and KWH. Medication safety was enhanced with the introduction of reconciliation services piloted in KWH in which the pharmacist would keep track of selected patient's drug history before admission, during hospitalisation and upon discharge. Specific groups of drug were supplied in blister pack to further reduce the risk of using pre-packed pharmaceutical products.

KWC has implemented a series of cluster-wide safety initiatives and programmes in 2010/11 to enhance the safety and health of patients, visitors and employees. These programmes included Safety Climate Index Survey, Work Safe Behaviour Programme, Safety Auditors Training, Training Need Survey, Hospital Safety Plan, Safety Audit, Quality Improvement Plan and on-site audit by Occupational Safety & Health Council.





*Our Lady of Maryknoll
Hospital*



*Princess Margaret
Hospital*



*TWGHs Wong Tai Sin
Hospital*



Yan Chai Hospital



Staff is the most valuable asset. The School of Central Nursing at CMC continued the intake for the 3-year higher diploma programme in nursing to address the shortage of nurses. A well-structured and

comprehensive orientation programme for newly graduated registered nurses was organised in KWC in 2010/11, with a view to promoting caring culture among preceptors, mentors, ward supervisors and new graduates. Piloted in PMH, the tailor-made programme covered workshops, surveys, sharing sessions, clinical teaching and skill enhancement courses, registering overwhelming response from new graduates. Survey results indicated that they had successfully built up confidence and capability in taking up the role as registered nurses.



KWC continued various career progression initiatives to retain staff and sustain the quality of our workforce, including enhancement programmes for nurses of Community Nursing

Service and strengthened support for midwifery training. Additional resources were allocated to relieve medical social workers from taking up non-professional duties.



In line with HA's Pay-for-Performance internal resource allocation system, the Cluster Casemix Office continued to implement cost modeling and improve the quality of clinical coding.

New Territories East Cluster (NTEC)



The New Territories East Cluster serves an estimated population of 1.3 million covering the districts of Shatin, Tai Po, North District and part of Sai Kung. It comprises seven hospitals and 11 general outpatient clinics. The seven hospitals are Prince of Wales Hospital (PWH), North District Hospital (NDH), Alice Ho Miu Ling Nethersole Hospital, Tai Po Hospital,

Shatin Hospital, Cheshire Home (Shatin) and Bradbury Hospice. The Cluster provides a full range of acute, convalescent, rehabilitation and extended care, inpatient and specialist outpatient services to the public. There are three Accident & Emergency centres serving three major districts. Apart from the general outpatient clinics, NTEC also provides ambulatory care services in a number of day hospitals and centres as well as a large network of community outreach services including the Community Geriatric Assessment Teams and the Community Nursing Service.

Key Achievements

In response to growing demand for services, NTEC opened the PWH Extension Block in October 2010. Major acute and trauma services of the hospital were relocated to the new building with a total gross floor area of 71,500 sq.m. The new facility enabled the streamlining and improvement to the patient care processes, with the alleviation of prolonged waiting for admission in the Accident &





*Alice Ho Miu Ling
Nethersole Hospital*



Bradbury Hospice



*Cheshire Home
(Shatin)*



Emergency Department. A new model of care was implemented under the Respiratory Collaborative Care Programme at NDH to provide the patients with Chronic Obstructive Pulmonary Diseases with integrated home and discharge support.

The Cluster had implemented various initiatives to improve quality and safety. A major programme was launched to promote medical safety, including an interactive electronic platform for staff engagement.

The number of reported medication incidents continued to drop during the year. Safe surgery checklist was successfully rolled out to all three acute hospitals in NTEC. An audit conducted in 2010 showed an overall compliance rate of 98.8%. The surgical “Checklist 123” was also introduced to non-operating theatre settings.

Shatin Hospital



North District Hospital



Prince of Wales Hospital



Tai Po Hospital



NTEC also put continuous emphasis on building up the People First culture. Traditional staff communication platforms of CCE/HCE visits and staff forums, staff lunch gatherings, as well as workshops and events were organised to foster a caring culture and team spirit. The Cluster intranet platform was further strengthened to promote staff engagement and communication.



New Territories West Cluster (NTWC)



Castle Peak Hospital



Pok Oi Hospital



Siu Lam Hospital



Tuen Mun Hospital

The New Territories West Cluster serves an estimated population of 1.05 million covering the Tuen Mun and Yuen Long districts. It comprises four hospitals and eight general outpatient clinics. The four hospitals are Castle Peak Hospital, Pok Oi Hospital (POH), Siu Lam Hospital and Tuen Mun Hospital (TMH). Besides, the Cluster also manages Tuen Mun Ambulatory Care Centre, Tuen Mun Mental Health Centre, Tuen Mun Eye Centre and the Butterfly Bay Laundry. NTWC provides a full range of comprehensive general, psychiatry, inpatient, outpatient, acute, convalescent, rehabilitation, ambulatory, allied health and community-based healthcare services.



NTWC has made significant progress in 2010/11 and achieved all key pledges. It has not only expanded its services to address the twin demographic challenges of population growth and population ageing, but has also weighed up priorities to cope with increasing demand for general and psychiatric services. With various improvement measures and concerted efforts of departments, the Cluster has managed to achieve a balanced accrual budget.

Key Achievements

To meet rising demand for elective operations and rehabilitation support, the surgical services of the Cluster were expanded in phases with two new operating theatres and 31 additional beds at POH in 2010. In addition, one bed each of Intensive Care Unit and High Dependency Unit were added to strengthen higher level individual care to cater for growing complexity of patient conditions in POH. Meanwhile, a total of 47 rehabilitation beds and 17 day beds were added in TMH and POH to relieve bed congestion at acute medical wards in the Cluster.

While NTWC has the largest pool of patients with Continuous Ambulatory Peritoneal Dialysis (CAPD) amongst all Clusters, it has the lowest proportion of dialysis patients on haemodialysis (HD) compared with the HA average. In 2010/11, the Cluster expanded its HD capacity by treating five more patients with end-stage renal failure and providing 907 extra HD sessions.

In line with corporate target, NTWC continued to strengthen mental health services. The Cluster started the community-based multi-disciplinary case management programme for patients with severe mental illness, serving 1,518 additional patients and providing 12,333 additional psychiatric outreach attendances. Ambulatory care in Child and Adolescent Psychiatry was enhanced with 10% reduction in waiting time for first time appointment of specialist outpatient clinics. It also expanded the capacity of forensic psychiatry for mentally-disordered offenders in Siu Lam Psychiatric Centre by providing assessment and hospital order attendances, support for court cases, outreach and home visits.





Initiatives were implemented to improve service quality. Installation of the second magnetic resonance imaging (MRI) machine at TMH addressed increasing demand for specialised radiological imaging services and thus shortened waiting time for MRI examinations in NTWC. An electronic Pressure Ulcer Reporting System was developed to monitor and control pressure ulcers and ameliorate quality

of care. Auto-refill systems were rolled out to 26 wards to alleviate administrative workload of ward nurses. On the other hand, evidence-based nursing practice was enhanced through establishment of nurse-led clinics during the year to extend the roles of nurses and promote excellence in patient care.

The Cluster participated in hospital accreditation which formed an essential element in materialising the vision of becoming a “preferred healthcare provider” and exhibited the deeply rooted People First values. A three-year “Grow Our Capable Leaders for Success” (GOALS) programme was launched to identify and develop 30 upcoming leaders for new challenges of the future.



On the other hand, carers and supporting staff of the Cluster received equal attention on training and development. Core competence training programmes were developed for junior doctors and nurses to equip them for challenges of increasing complexity of modern healthcare settings. 1,300 supporting staff received refresher training in patient transportation, last-office work, occupational safety and health, and communication with patients.

Independent Auditor's Report and Audited Financial Statements

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Financial Statements

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羅兵咸永道

Independent Auditor's Report

To The Members of the Hospital Authority

We have audited the consolidated financial statements of the Hospital Authority ("HA") and its subsidiaries (together, the "Group") set out on pages 76 to 129, which comprise the consolidated and HA balance sheets as at 31 March 2011, and the consolidated statement of income and expenditure, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Hospital Authority's Responsibility for the Consolidated Financial Statements

The Hospital Authority is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and for such internal control as the Hospital Authority determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with section 10 of the Hospital Authority Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk

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assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of HA and of the Group as at 31 March 2011 and of the Group's surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', written over a horizontal line.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 12 October 2011



Consolidated Balance Sheet

| | Note | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
|--|------|--|--|
| Non-Current Assets | | | |
| Property, plant and equipment | 5 | 3,255,193 | 2,854,590 |
| Intangible assets | 6 | 337,457 | 235,530 |
| Loans receivable | 7 | 12,630 | 17,772 |
| Fixed income instruments | 8 | 2,030,979 | 1,430,966 |
| | | 5,636,259 | 4,538,858 |
| Current Assets | | | |
| Inventories | 9 | 892,890 | 823,316 |
| Loans receivable | 7 | 1,918 | 2,250 |
| Accounts receivable | 10 | 224,834 | 176,336 |
| Other receivables | 11 | 90,990 | 118,779 |
| Deposits and prepayments | 12 | 231,107 | 160,856 |
| Fixed income instruments | 8 | - | 280,000 |
| Bank deposits with maturity over three months | 13 | 6,110,375 | 4,248,746 |
| Cash and cash equivalents | 13 | 872,240 | 2,121,093 |
| | | 8,424,354 | 7,931,376 |
| Current Liabilities | | | |
| Creditors and accrued charges | 14 | 4,496,939 | 3,776,289 |
| Deposits received | 15 | 297,802 | 230,231 |
| | | 4,794,741 | 4,006,520 |
| Net Current Assets | | 3,629,613 | 3,924,856 |
| Total Assets Less Current Liabilities | | 9,265,872 | 8,463,714 |
| Non-Current Liabilities | | | |
| Death and disability liabilities | 16 | 142,082 | 135,928 |
| Deferred income | 17 | 515,884 | 464,524 |
| Net Assets | | 8,607,906 | 7,863,262 |
| Capital subventions and donations | 18 | 3,592,650 | 3,090,120 |
| Designated fund | 19 | 5,077,369 | 5,077,369 |
| Revenue reserve | | (62,113) | (304,227) |
| Capital Subventions and Donations, Designated Fund and Reserves | | 8,607,906 | 7,863,262 |



Mr John LEE, JP
Chairman
Finance Committee



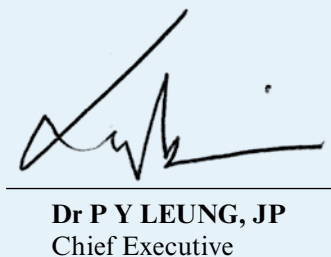
Dr P Y LEUNG, JP
Chief Executive

Balance Sheet

| | Note | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
|--|------|--|--|
| Non-Current Assets | | | |
| Property, plant and equipment | 5 | 3,255,016 | 2,853,885 |
| Intangible assets | 6 | 336,794 | 235,530 |
| Loans receivable | 7 | 12,630 | 17,772 |
| Fixed income instruments | 8 | 2,030,979 | 1,430,966 |
| | | 5,635,419 | 4,538,153 |
| Current Assets | | | |
| Inventories | 9 | 892,890 | 823,316 |
| Loans receivable | 7 | 1,918 | 2,250 |
| Accounts receivable | 10 | 224,834 | 176,336 |
| Other receivables | 11 | 90,990 | 118,779 |
| Deposits and prepayments | 12 | 231,107 | 160,856 |
| Fixed income instruments | 8 | - | 280,000 |
| Bank deposits with maturity over three months | 13 | 6,110,375 | 4,248,746 |
| Cash and cash equivalents | 13 | 872,240 | 2,121,093 |
| | | 8,424,354 | 7,931,376 |
| Current Liabilities | | | |
| Creditors and accrued charges | 14 | 4,496,945 | 3,776,295 |
| Deposits received | 15 | 297,802 | 230,231 |
| | | 4,794,747 | 4,006,526 |
| Net Current Assets | | 3,629,607 | 3,924,850 |
| Total Assets Less Current Liabilities | | 9,265,026 | 8,463,003 |
| Non-Current Liabilities | | | |
| Death and disability liabilities | 16 | 142,082 | 135,928 |
| Deferred income | 17 | 515,884 | 464,524 |
| Net Assets | | 8,607,060 | 7,862,551 |
| Capital subventions and donations | 18 | 3,591,810 | 3,089,415 |
| Designated fund | 19 | 5,077,369 | 5,077,369 |
| Revenue reserve | | (62,119) | (304,233) |
| Capital Subventions and Donations, Designated Fund and Reserves | | 8,607,060 | 7,862,551 |



Mr John LEE, JP
Chairman
Finance Committee



Dr P Y LEUNG, JP
Chief Executive



Consolidated Statement of Income and Expenditure

| | Note | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
|---|------|--|--|
| Income | | | |
| Recurrent Government subvention | 20 | 33,065,841 | 32,025,104 |
| Capital Government subvention | | 677,593 | 467,123 |
| Hospital/clinic fees and charges | 21 | 2,993,714 | 2,725,548 |
| Donations | | 144 | 1,093 |
| Transfers from: | | | |
| Designated donation fund | 17 | 142,966 | 132,214 |
| Training and Welfare Fund | 17 | 3,713 | 26,527 |
| Capital subventions | 18 | 619,350 | 578,591 |
| Capital donations | 18 | 113,263 | 109,656 |
| Investment income | | 104,479 | 112,349 |
| Other income | | 457,330 | 365,816 |
| | | 38,178,393 | 36,544,021 |
| Expenditure | | | |
| Staff costs | | (26,903,893) | (26,680,461) |
| Drugs | | (3,639,061) | (3,208,677) |
| Medical supplies and equipment | | (1,354,230) | (1,210,197) |
| Utilities charges | | (917,294) | (870,925) |
| Repairs and maintenance | | (1,150,909) | (1,078,233) |
| Building projects funded by the Government as set out in note 2(h)(ii) and (iii) | | (677,593) | (467,123) |
| Operating lease expenses - office premises and equipment | | (49,510) | (38,523) |
| Depreciation and amortisation | 5, 6 | (723,496) | (686,280) |
| Other operating expenses | 22 | (2,520,293) | (2,331,822) |
| | | (37,936,279) | (36,572,241) |
| Surplus / (deficit) for the year | | 242,114 | (28,220) |

Consolidated Statement of Comprehensive Income

| | Note | For the year ended 31 March 2011 <i>HK\$'000</i> | For the year ended 31 March 2010 <i>HK\$'000</i> |
|---|------|---|---|
| Surplus / (deficit) for the year | | 242,114 | (28,220) |
| Other comprehensive income | | | |
| Additions to capital subventions and donations | 18 | 1,235,143 | 953,774 |
| Transfers to consolidated statement of income and expenditure | 18 | (732,613) | (688,247) |
| Total comprehensive income for the year | | 744,644 | 237,307 |



Consolidated Cash Flow Statement

| | Note | For the year ended 31 March 2011 <i>HK\$'000</i> | For the year ended 31 March 2010 <i>HK\$'000</i> |
|---|------|---|---|
| Net cash from operating activities | 26 | 828,310 | 534,225 |
| Investing activities | | | |
| Investment income received | | 104,479 | 112,349 |
| Purchases of property, plant and equipment | 5 | (1,089,752) | (804,858) |
| Purchases of intangible assets | 6 | (145,391) | (148,916) |
| Net increase in bank deposits with maturity over three months | | (1,861,629) | (1,940,637) |
| Net increase in fixed income instruments | | (320,013) | (95,040) |
| Net cash used in investing activities | | (3,312,306) | (2,877,102) |
| Net cash before financing | | (2,483,996) | (2,342,877) |
| Financing activities | | | |
| Capital subventions | 18 | 1,103,825 | 832,305 |
| Capital donations | 18 | 131,318 | 121,469 |
| Net cash from financing | | 1,235,143 | 953,774 |
| Decrease in cash and cash equivalents | | (1,248,853) | (1,389,103) |
| Cash and cash equivalents at beginning of year | | 2,121,093 | 3,510,196 |
| Cash and cash equivalents at end of year | 13 | 872,240 | 2,121,093 |



Consolidated Statement of Changes in Net Assets

| | Capital subventions and donations <i>HK\$'000</i> [Note 18] | Designated Fund <i>HK\$'000</i> | Revenue Reserve <i>HK\$'000</i> | Total <i>HK\$'000</i> |
|--|---|---------------------------------------|---------------------------------------|--------------------------|
| At 1 April 2009 | 2,824,593 | 5,077,369 | (276,007) | 7,625,955 |
| Total comprehensive income for the year | 265,527 | - | (28,220) | 237,307 |
| At 31 March 2010 | 3,090,120 | 5,077,369 | (304,227) | 7,863,262 |
| Total comprehensive income for the year | 502,530 | - | 242,114 | 744,644 |
| At 31 March 2011 | 3,592,650 | 5,077,369 | (62,113) | 8,607,906 |



Notes to the Financial Statements

1. The Hospital Authority

(a) Background

The Hospital Authority (“HA”) and its subsidiaries are collectively referred to as the “Group” in the consolidated financial statements. HA is a statutory body established in Hong Kong on 1 December 1990 under the Hospital Authority Ordinance. The Hospital Authority Ordinance provides HA with the powers to manage and control the delivery of public hospital services in Hong Kong. Under the Hospital Authority Ordinance, HA is responsible for the following:

- advising the Government of the needs of the public for hospital services and of the resources required to meet those needs;
- managing and developing the public hospital system;
- recommending to the Secretary for Food and Health appropriate policies on fees for the use of hospital services by the public;
- establishing public hospitals; and
- promoting, assisting and taking part in education and training of HA staff and research relating to hospital services.

Pursuant to an arrangement, detailed in a draft Memorandum of Administrative Arrangement (“MAA”) with the Hong Kong Government (the “Government”), the Government passed the management and control of the ex-Government hospitals (the “Schedule 1 Hospitals”) to HA. Under this arrangement, certain specified assets were transferred to HA. The ownership of other assets was retained by the Government.

HA has also entered into agreements with the individual governing bodies of the ex-subvented hospitals (the “Schedule 2 Hospitals”) which allowed HA to assume ownership of some operating assets as at 1 December 1991 and to manage and control other assets, the ownership of which remains with the individual governing bodies.

As a result, HA has assumed full responsibility for the management of the hospital operations since 1 December 1991. Also, all operating and capital commitments outstanding as at 1 December 1991 were assumed by HA, except for the capital works projects funded under the Capital Works Reserve Fund of the Government.



Notes to the Financial Statements (Continued)

1. The Hospital Authority (Continued)

(a) Background (Continued)

As part of the Government's healthcare reform plan, HA has taken over the management and operation of all general outpatient clinics ("GOPCs") from the Department of Health since July 2003. Under the arrangement, the title and ownership in respect of the related operating assets of the GOPCs were retrospectively transferred to HA in July 2003 after receiving formal approval from the Government in June 2006. These assets were transferred at nil value.

In order to promote the development and research of Chinese medicine in Hong Kong, HA's subsidiary, HACM Limited entered into agreements with 10 non-governmental organisations ("NGOs") to operate 15 Chinese medicine clinics. Under the agreements with the NGOs, the Group has provided an annual subvention to the NGOs for operating Chinese medicine clinics in Hong Kong. These NGO clinics have provided Chinese medicine outpatient services including the prescription of Chinese herbal medicine and related services. For the year ended 31 March 2011, the subvention paid to these NGOs amounted to HK\$25,720,000 (2010: HK\$25,469,000).

In order to support the Government-led electronic health record ("e-HR") sharing programme, which is a 10-year-programme and an essential part of the healthcare reform, HA has been engaged to serve as the technical agency to the Government, leveraging its experience and know-how in the Clinical Management System ("CMS"). With this role, HA undertakes multiple streams of e-HR related projects, which are funded by the recurrent subvention and other designated funding from the Government. During the financial year 2010/11, HA recognised HK\$133,372,000 (2010: HK\$51,564,000) as other income to match with the expenditure incurred in relation to the e-HR and related programmes.



Notes to the Financial Statements (Continued)

1. The Hospital Authority (Continued)

(b) Hospitals and other institutions

At the balance sheet date, HA had under its management and control the following hospitals and institutions:

Schedule 1 Hospitals and Schedule 2 Hospitals:

Alice Ho Miu Ling Nethersole Hospital
Bradbury Hospice
Caritas Medical Centre
Castle Peak Hospital
Cheshire Home, Chung Hom Kok
Cheshire Home, Shatin
The Duchess of Kent Children's Hospital at Sandy Bay
Grantham Hospital
Haven of Hope Hospital
Hong Kong Buddhist Hospital
Hong Kong Eye Hospital
Kowloon Hospital
Kwai Chung Hospital
Kwong Wah Hospital
MacLehose Medical Rehabilitation Centre
North District Hospital
Our Lady of Maryknoll Hospital
Pamela Youde Nethersole Eastern Hospital
Pok Oi Hospital
Prince of Wales Hospital
Princess Margaret Hospital
Queen Elizabeth Hospital
Queen Mary Hospital
Ruttonjee & Tang Shiu Kin Hospitals
Shatin Hospital
Siu Lam Hospital
St. John Hospital



Notes to the Financial Statements (Continued)

1. The Hospital Authority (Continued)

(b) Hospitals and other institutions (Continued)

Schedule 1 Hospitals and Schedule 2 Hospitals (Continued):

Tai Po Hospital
Tsan Yuk Hospital
Tseung Kwan O Hospital
Tuen Mun Hospital
Tung Wah Eastern Hospital
Tung Wah Group of Hospitals Fung Yiu King Hospital
Tung Wah Group of Hospitals Wong Tai Sin Hospital
Tung Wah Hospital
United Christian Hospital
Wong Chuk Hang Hospital
Yan Chai Hospital

Other Institutions:

HACare (ceased operation of the long stay care home on 31 December 2004 and has remained inactive thereafter)
HACM Limited
Hong Kong Red Cross Blood Transfusion Service
Rehabaid Centre
Specialist outpatient clinics
General outpatient clinics
Other clinics and associated units

(c) Principal office

The address of the principal office of the Hospital Authority is Hospital Authority Building, 147B Argyle Street, Kowloon, Hong Kong.



Notes to the Financial Statements (Continued)

2. Principal accounting policies

(a) Basis of preparation of financial statements

The Group has a negative revenue reserve of HK\$62,113,000 as at 31 March 2011. In preparing the financial statements, the members of the HA Board have given careful consideration to cash flow requirements and believe HA could manage its cash flow to meet its financial obligations. In addition, the Government has increased recurrent budget allocation to the Group for financial years 2009/10 to 2011/12 by nearly HK\$870,000,000 a year. In order to ensure the long term sustainability of the public healthcare system, the Group will continue to (i) explore ways to meet the challenges brought about by the limited supply of healthcare professional amidst growing service demand; (ii) refine the Pay for Performance (“P4P”) internal resources allocation system, with a view to promote better use of Casemix data for supporting resources allocation to areas of greatest need and ensuring effective resource management; and (iii) liaise with Government to formulate a longer term funding arrangement for HA from 2012/13 onwards, taking into consideration the growing service demand, the anticipated cost pressures, as well as HA's plans on continuous quality and efficiency improvement and modernisation strategies. Accordingly, the financial statements have been prepared on a going concern basis.

(b) Basis of presentation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as appropriate to Government subvented and not-for-profit organisations. They have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets which are stated at fair value. The more significant accounting policies are set out below. These policies have been consistently applied to the two years presented, unless otherwise stated.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying HA's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.



Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(c) Basis of consolidation

The financial statements of the Group include the income and expenditure of the Head Office, subsidiaries, all Schedule 1 Hospitals and Schedule 2 Hospitals, Specialist Clinics, General Outpatient Clinics and other institutions made up to 31 March 2011.

The financial statements reflect the recorded book values of those assets owned by the Group and the liabilities assumed by the Group. Those assets under the management and control of HA, but not owned by HA, are not accounted for in these financial statements.

(d) Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date that control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intra-group transactions, balances and unrealised gains on transactions within the Group have been eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. The accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

At as 31 March 2011, the principal subsidiary of HA comprises:

| Name | Principal activities | Place of incorporation / operation | Effective percentage held by the Group |
|--|--|------------------------------------|--|
| HACM Limited (limited by guarantee) | To steer the development and delivery of Chinese medicine services | Hong Kong | 100 |



Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(e) Adoption of new / revised HKFRSs

The HKICPA has issued a number of new / revised HKFRSs, including interpretations, amendments or improvements to the existing standards, which become effective in the current year. These new / revised HKFRSs are not applicable to the Group and have no effect on the Group's financial statements.

The HKICPA has also issued a number of new / revised HKFRSs which are effective for accounting period beginning on or after 1 January 2011. The Group has not early adopted these new / revised HKFRSs in the financial statements for the year ended 31 March 2011, except HKAS 24 (Revised) – Related Party Disclosures, which was early adopted for the year ended 31 March 2010.

(f) Recognition of income

Recurrent grants are recognised on an accruals basis. Non-recurrent grants that are spent on expenditure which does not meet the capitalisation policy of property, plant and equipment or intangible assets as set out in note 2(h)(i) and note 2(j) respectively are recognised when incurred.

Hospital/clinic fees and charges are recognised when services are provided.

Designated donations are recognised as income when the amounts have been received or are receivable from the donors and the related expenditure is charged to the statement of income and expenditure. Other donation income is recognised upon receipt of non-designated cash or donations-in-kind not meeting the capitalisation policy of property, plant and equipment or intangible assets as set out in note 2(h)(i) and note 2(j) respectively.

Transfers from the designated donation fund are recognised when the designated donation fund is utilised and the expenditure does not meet the capitalisation policy of property, plant and equipment or intangible assets as set out in note 2(h)(i) and note 2(j) respectively.

Transfers from the Training and Welfare Fund are recognised when the related expenditure is charged to the statement of income and expenditure.

Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(f) Recognition of income (Continued)

Transfers from capital subventions and capital donations are recognised when depreciation or amortisation and net book value of assets disposed/written off are charged to the statement of income and expenditure.

Investment income from fixed income instruments is recognised as set out in note 2(k).

Investment income from bank deposits is recognised on a time proportion basis using the effective interest method.

(g) Donations

(i) Donated assets

Properties, computer software and systems donated to the Group with a value below HK\$250,000 each and other donated assets with a value below HK\$100,000 each are recorded as income and expenditure in the year of receipt of the assets.

Properties, computer software and systems donated to the Group with a value of HK\$250,000 or more each and other donated assets with a value of HK\$100,000 or more each are capitalised on receipt of assets according to the policy set out in note 2(h)(i) and note 2(j). The amount of the donated assets is credited to the capital donations account. Each year, an amount equal to the depreciation or amortisation charge for these assets and the net book value of assets disposed is transferred from the capital donations account and credited to the statement of income and expenditure.

(ii) Cash donations

Cash donations for specific use as prescribed by the donor are accounted for in the designated donation fund. When the fund is utilised and spent for expenditure not meeting the capitalisation policy as set out in note 2(h)(i) or note 2(j), they are accounted for as expenditure of the designated donation fund and, in the case of capital expenditure, in accordance with the policy for donated assets outlined above.

Non-specified donations for general operating purposes are recorded as donations in the statement of income and expenditure upon receipt of cash donations.



Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(h) Capitalisation of property, plant and equipment

- (i) Effective from 1 December 1991, the following types of assets which give rise to economic benefits have been capitalised:

Building projects costing HK\$250,000 or more; and

All other assets costing HK\$100,000 or more on an individual basis.

The accounting policy for depreciation of property, plant and equipment is set out in note 2(i).

- (ii) For properties which are funded by the Government through HA but are owned by an ex-subvented governing body, the associated expenditure is charged to the statement of income and expenditure in the year as incurred. Under the agreements with ex-subvented governing bodies, the ownership of building projects, although funded by the Government through HA, is vested with the governing bodies. Similar accounting policy has been adopted for the North District Hospital and the Tseung Kwan O Hospital, which are both funded by the Government through HA.
- (iii) For expenditure on subsequent improvement to properties the ownership of which has not been vested with HA, the amount spent is capitalised only if the improvement does not form part of the properties and can be re-used by HA when re-located. Otherwise, the expenditure is charged to the statement of income and expenditure in the year as incurred.
- (iv) Expenditure on furniture, fixtures, equipment, motor vehicles and computer hardware is capitalised (subject to the minimum expenditure limits set out in note 2(h)(i) above) and the corresponding amounts are credited to the capital subventions and capital donations accounts for capital expenditure funded by the Government and donations respectively.
- (v) Property, plant and equipment transferred from the hospitals to HA at 1 December 1991 was recorded at nil value.



Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(i) Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. Additions represent new or replacement of specific components of an asset. An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The historical cost of assets acquired and the value of donated assets received by the Group since 1 December 1991 are depreciated using the straight-line method over the expected useful lives of the assets as follows:

| | |
|-----------------------------------|---|
| Leasehold improvements | Over the life of the lease to which the improvement relates |
| Buildings | 20-50 years |
| Furniture, fixtures and equipment | 3-10 years |
| Motor vehicles | 5-7 years |
| Computer equipment | 3-6 years |

The useful lives of assets are reviewed and adjusted, if appropriate, at each balance sheet date.

The gain or loss arising from disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of income and expenditure.

Capital expenditure in progress is not depreciated until the asset is placed into commission.

(j) Intangible assets

Computer software and systems including related development costs costing HK\$250,000 or more each, which give rise to economic benefits are capitalised as intangible assets. Intangible assets are stated at cost less accumulated amortisation and are amortised on a straight line basis over the estimated useful lives of 1 to 3 years.



Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(k) Fixed income instruments

Fixed income instruments are classified as held-to-maturity investments on the basis that the Group has the positive intention and ability to hold the investments to maturity.

Fixed income instruments are recognised on a trade-date basis and stated at amortised cost, less any impairment loss recognised to reflect irrecoverable amounts. The annual amortisation of any discount or premium on the acquisition of fixed income instruments is aggregated with other investment income receivable over the term of the instrument using the effective interest method.

(l) Inventories

Inventories, which comprise drugs, other medical and general consumable stores, are valued at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Where applicable, provision is made for obsolete and slow-moving items. Inventories are stated net of such provision in the balance sheet. Net realisable value is determined with reference to the replacement cost.

(m) Accounts receivable

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the carrying amount of the accounts receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the accounts receivable is reduced through the use of an allowance account, and the amount of the loss is recognised as an expense in the statement of income and expenditure. Decrease in the previously recognised impairment loss shall be reversed by adjusting the allowance account. When an accounts receivable is uncollectible and eventually written off, the respective uncollectible amount is offset against the allowance account for accounts receivable. Subsequent recoveries of amounts previously written off are credited against the current year's expense in the statement of income and expenditure.



Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(n) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks, and cash investments with a maturity of three months or less from the date of investment.

(o) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation. They are tested for impairment at least annually and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

(p) Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(q) Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.



Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(r) Employee benefits

(i) Retirement benefits costs

Payments to the Group's defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to the Mandatory Provident Fund Scheme are dealt with as payments to defined contribution plans where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit plan. The retirement benefit costs charged in the statement of income and expenditure represent the contributions payable in respect of the current year to the Group's defined contribution retirement benefit plan and the Mandatory Provident Fund Scheme.

(ii) Termination benefits costs

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement age or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits costs when there is an obligation to make such payments without possibility of withdrawal.

(iii) Death and disability benefits costs

The cost of the Group's obligations in respect of death and disability benefits provided to employees is recognised as staff costs in the statement of income and expenditure with reference to annual actuarial valuations performed by an independent qualified actuary.

The death benefits for eligible employees are accounted for as post employment defined benefits. Any cumulative unrecognised actuarial gains and losses exceeding 10% of the greater of the present value of the Group's obligations and the fair value of any qualifying insurance policies are recognised in the statement of income and expenditure over the expected average remaining service lives of the employees.

The disability benefits are accounted for as other long-term employee benefits. Actuarial gains and losses are recognised immediately in the statement of income and expenditure.

Further details of the death and disability liabilities are set out in note 16.



Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(r) Employee benefits (Continued)

(iv) Other employee benefits costs

Other employee benefits such as annual leave and contract gratuity are accounted for as they accrue.

(s) Government grants

Subvention grants approved for the year less amounts spent on property, plant and equipment and intangible assets during the year are classified as recurrent grants.

Government subventions of a capital nature (“capital subventions”) are credited to the capital subventions account and the corresponding amounts are capitalised as property, plant and equipment or intangible assets as set out in note 2(h)(iv) and note 2(j) respectively. This includes capital expenditure on furniture, fixtures, equipment, motor vehicles, computer hardware, software and systems. Each year, an amount equal to the depreciation or amortisation charge for these assets and net book value of assets disposed is transferred from the capital subventions account and credited to the statement of income and expenditure.

(t) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are recognised as expenses in the statement of income and expenditure on a straight line basis over the period of the lease.



Notes to the Financial Statements (Continued)

2. Principal accounting policies (Continued)

(u) Translation of foreign currencies

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The financial statements are presented in Hong Kong dollars, which is the Group's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange gains and losses are dealt with in the statement of income and expenditure.

(v) Related parties

Parties are considered to be related to the Group if the party has the ability, directly or indirectly, to control the Group or exercise significant influence over the Group in making financial and operating decisions, or vice versa. Related parties also include key management personnel having authority and responsibility for planning, directing and controlling the activities of the Group.

For the purpose of these financial statements, transactions between the Group and Government departments, agencies or Government controlled entities, other than those transactions such as the payment of rent and rates, fees etc. that arise in the normal dealings between the Government and the Group, are considered to be related party transactions.



Notes to the Financial Statements (Continued)

3. Financial risk management

(a) Financial risk factors

The Group's activities of providing healthcare services to patients, the administration of drugs, the employment of a large workforce and the investment activities are primary areas of risk being mitigated by the Group's financial management process. The Group's underlying principles of financial risk management are to transfer the cost of financing risks of significant level through insurance with a diversity of insurers, to self insure for the operational risks and to comply with regulatory insurance requirements as an employer and owner of a motor fleet.

With regard to investments, in accordance with the Group's policies and guidelines, the primary objectives are to meet liquidity requirements, to protect capital and to provide a reasonable return. The investment portfolio ("Portfolio") as at 31 March 2011 consisted entirely of bank deposits and debt instruments. Based on the risk control measures as summarised below, the risk of default by the counterparties is considered minimal and the Portfolio has no significant concentration of credit risk. Besides, the Portfolio has no significant currency risk because substantially all assets and liabilities are denominated in Hong Kong dollars, the Group's functional and presentation currency. The Group manages its cash flow requirements and risk as disclosed in note 3(c).

(i) Bank Deposits

Bank deposits are placed with the Group's approved banks which are of investment grade as determined by Standard and Poor's and Moody's. For bank deposits, banks must meet the minimum credit rating not lower than Moody's Baa3 or equivalent.

(ii) Debt Instruments

Debt instruments are subject to the price risk caused by the changes in the market interest rates and perceived credit risks of the issuers. All transactions in debt instruments are settled / paid for upon delivery through approved banks. The credit risks of the issuers are assessed based on the credit ratings determined by Standard and Poor's or Moody's. Investments in debt instruments (i.e. certificate of deposits or bonds) should be with issuers of credit ratings not lower than Moody's A3 or equivalent. Where the maturity is over 2 years, the credit ratings should not be lower than Moody's Aa3 or equivalent at the time of investments.



Notes to the Financial Statements (Continued)

3. Financial risk management (Continued)

(a) Financial risk factors (Continued)

(ii) Debt Instruments (Continued)

The Portfolio's interest rate risk arises from interest bearing cash at bank, bank deposits and debt instruments. Cash at bank, which earns interest at variable rates, gives rise to cash flow interest rate risk. Fixed rate bank deposits and debt instruments expose the Portfolio to fair value interest rate risk. Sensitivity analyses have been performed by the Group with regard to interest rate risk as at 31 March 2011. If interest rates had been increased or decreased by 50 basis points, which represent management's assessment of a reasonably possible change in those rates, and all other variables were held constant, the effect on the Group's surplus and net assets is insignificant.

(iii) Other financial assets and liabilities

Other financial assets and liabilities are substantially denominated in Hong Kong dollars, the Group's functional and presentation currency, and hence will not be exposed to significant currency risk.

(b) Fair values of financial assets and liabilities

The fair values of fixed income instruments (including Hong Kong Dollar Bonds and Exchange Fund Notes) are determined based on quoted market prices at the balance sheet date and are summarised as follows:

| The Group and HA | | | | |
|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | Carrying Value [Note 8] | | Fair Value | |
| | 31 March 2011 HK\$'000 | 31 March 2010 HK\$'000 | 31 March 2011 HK\$'000 | 31 March 2010 HK\$'000 |
| Fixed Income Instruments | 2,030,979 | 1,710,966 | 2,060,590 | 1,779,159 |

The carrying values of other financial assets and liabilities such as cash and bank balances, loans receivable, accounts receivable and trade payable approximate their fair values and accordingly, no disclosure of fair values for these items is presented.



Notes to the Financial Statements (Continued)

3. Financial risk management (Continued)

(c) Capital management

Under the Hospital Authority Ordinance, the resources of the Group consist of the following:

- All money paid by the Government to HA and appropriated for that purpose by the Legislative Council and otherwise provided to HA by the Government; and
- All other money and property, including gifts, donations, fees, rent, interest and accumulations of income received by HA.

In this regard, the capital of the Group comprises revenue reserve, designated fund, capital subventions and donations and deferred income as shown in the consolidated balance sheet. As at 31 March 2011, the capital of the Group was HK\$9,123,790,000 (2010: HK\$8,327,786,000).

The Group's objective for managing capital is to safeguard the Group's ability to continue as a going concern to ensure sustainability of the public health care system. As in previous years, the Group undertook a budget planning process to work out a viable budget plan for financial year 2010/11. The 2010/11 budget is compiled by assessing and mapping the optimal level of manpower and other resources requirement against the funding indicated by the Government together with other sources of income, including patient fee and other alternative source of income, to be generated in the coming year to meet the baseline activities and newly approved programmes or initiatives incorporated in the HA annual plan. The Group targeted to achieve a balanced budgetary position by containing the overall expenditure within the annual subvention provided by the Government. To enhance accountability for the appropriate use of resources, key performance indicators have been developed to measure performance of hospitals / clusters and monitor the spending level against budget on an ongoing basis.



Notes to the Financial Statements (Continued)

4. Critical accounting estimates and judgments

In preparing the financial statements, management is required to exercise significant judgments in the selection and application of accounting policies, including making estimates and assumptions. The following is a review of the more significant accounting policies that are impacted by judgments and uncertainties and for which different amounts may be reported under a different set of conditions or using different assumptions.

(a) Provision for doctors' claims

165 doctors filed claims against HA for alleged failure to grant rest days, statutory holidays, public holidays and overtime worked over a period going back to 1996 in High Court Action No. 1924 of 2002. In the judgment of the Court of Final Appeal on 20 October 2009, the doctors' overtime claim was dismissed. The court declared that doctors and interns are entitled to be granted rest days and statutory holidays in accordance with the Employment Ordinance as well as public holidays and doctors rostered on call on such day are entitled to compensation for an alternative day whether they have worked or not on that day or for how long. The court hearing date for the assessment of damages is fixed on 19 to 22 June 2012. Similar claims by other doctors in the Labour Tribunal between 2006 and 2011 were adjourned pending assessment of the High Court claim.

HK\$525,434,000 was paid out during the financial year 2006/07 by HA under a settlement package implemented in 2006. In June 2010, the HA Board approved another settlement package to eligible doctors and agreed to reopen the 2006 settlement offer to eligible doctors in the remaining High Court plaintiffs and Labour Tribunal claimants as well as other existing doctors who had received offers in 2006. Over 90% eligible doctors (including leavers who have submitted interests to receive settlement offer) have accepted their settlement offer under the 2010 settlement package. Remaining claims will be dealt with in the court process.

To cover potential claims from remaining staff, a provision of HK\$556,000,000 has been recorded in the financial statements as at 31 March 2011, representing management's best estimate after making reference to an independent qualified actuary.



Notes to the Financial Statements (Continued)

4. Critical accounting estimates and judgments (Continued)

(b) Provision for medical malpractice claims

The Group co-insures and retains a designated sum for each claim. For those claims in excess of the retained sum, the claims will be borne by the insurer. In view of the complex nature and long development period of the claims, a Claims Review Panel consisting of the participating medical malpractice insurers, the external panel law firms appointed by the insurers and HA's in-house experts review the status of potential and active claims semi-annually and assess the provision required on each significant case. With reference to the Claims Review Panel assessments, management reviews the claims exposure and determines the provision required to cover the Group's exposure at each balance sheet date.

(c) Death and disability liabilities

The Group has engaged an independent qualified actuary to assess the present value of obligations for its death and disability scheme at each balance sheet date. Major actuarial assumptions include the discount rate and salary inflation rate which are set out in note 16. The present value of the Group's obligations is discounted with reference to market yields on Hong Kong Exchange Fund Notes, which have terms to maturity approximating the terms of the related obligations. The long-term salary inflation is generally based on the market's long-term expectation of price inflation.



Notes to the Financial Statements (Continued)

5. Property, plant and equipment

| The Group | | | | | |
|---------------------------------|------------------------------|---|-------------------|-----------------------|-----------|
| | Building and improvements | Furniture, fixtures and equipment | Motor vehicles | Computer equipment | Total |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Cost | | | | | |
| At 1 April 2010 | 1,045,125 | 7,054,146 | 147,269 | 1,180,100 | 9,426,640 |
| Reclassifications | - | - | - | 163 | 163 |
| Additions | 2,176 | 1,001,396 | 13,038 | 73,142 | 1,089,752 |
| Disposals | - | (392,759) | (5,715) | (162,945) | (561,419) |
| At 31 March 2011 | 1,047,301 | 7,662,783 | 154,592 | 1,090,460 | 9,955,136 |
| Accumulated depreciation | | | | | |
| At 1 April 2010 | 273,946 | 5,197,637 | 97,341 | 1,003,126 | 6,572,050 |
| Reclassifications | - | - | - | 163 | 163 |
| Charge for the year | 22,215 | 585,974 | 16,998 | 56,327 | 681,514 |
| Disposals | - | (385,566) | (5,714) | (162,504) | (553,784) |
| At 31 March 2011 | 296,161 | 5,398,045 | 108,625 | 897,112 | 6,699,943 |
| Net book value | | | | | |
| At 31 March 2011 | 751,140 | 2,264,738 | 45,967 | 193,348 | 3,255,193 |



Notes to the Financial Statements (Continued)

5. Property, plant and equipment (Continued)

| HA | | | | | |
|---------------------------------|------------------------------|---|-------------------|-----------------------|-----------|
| | Building and improvements | Furniture, fixtures and equipment | Motor vehicles | Computer equipment | Total |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Cost | | | | | |
| At 1 April 2010 | 1,045,125 | 7,054,146 | 147,269 | 1,177,463 | 9,424,003 |
| Reclassifications | - | - | - | 163 | 163 |
| Additions | 2,176 | 1,001,396 | 13,038 | 73,142 | 1,089,752 |
| Disposals | - | (392,759) | (5,715) | (162,945) | (561,419) |
| At 31 March 2011 | 1,047,301 | 7,662,783 | 154,592 | 1,087,823 | 9,952,499 |
| Accumulated depreciation | | | | | |
| At 1 April 2010 | 273,946 | 5,197,637 | 97,341 | 1,001,194 | 6,570,118 |
| Reclassifications | - | - | - | 163 | 163 |
| Charge for the year | 22,215 | 585,974 | 16,998 | 55,799 | 680,986 |
| Disposals | - | (385,566) | (5,714) | (162,504) | (553,784) |
| At 31 March 2011 | 296,161 | 5,398,045 | 108,625 | 894,652 | 6,697,483 |
| Net book value | | | | | |
| At 31 March 2011 | 751,140 | 2,264,738 | 45,967 | 193,171 | 3,255,016 |



Notes to the Financial Statements (Continued)

5. Property, plant and equipment (Continued)

| The Group | | | | | |
|---------------------------------|------------------------------|---|-------------------|-----------------------|-----------|
| | Building and improvements | Furniture, fixtures and equipment | Motor vehicles | Computer equipment | Total |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Cost | | | | | |
| At 1 April 2009 | 1,039,892 | 6,878,799 | 147,801 | 1,278,197 | 9,344,689 |
| Reclassifications | - | 12,799 | - | - | 12,799 |
| Additions | 5,233 | 725,761 | 7,706 | 66,158 | 804,858 |
| Disposals | - | (563,213) | (8,238) | (164,255) | (735,706) |
| At 31 March 2010 | 1,045,125 | 7,054,146 | 147,269 | 1,180,100 | 9,426,640 |
| Accumulated depreciation | | | | | |
| At 1 April 2009 | 251,823 | 5,217,727 | 89,960 | 1,113,654 | 6,673,164 |
| Charge for the year | 22,123 | 541,331 | 15,619 | 53,552 | 632,625 |
| Disposals | - | (561,421) | (8,238) | (164,080) | (733,739) |
| At 31 March 2010 | 273,946 | 5,197,637 | 97,341 | 1,003,126 | 6,572,050 |
| Net book value | | | | | |
| At 31 March 2010 | 771,179 | 1,856,509 | 49,928 | 176,974 | 2,854,590 |

Notes to the Financial Statements (Continued)

5. Property, plant and equipment (Continued)

| HA | | | | | |
|---------------------------------|------------------------------|---|-------------------|-----------------------|-----------|
| | Building and improvements | Furniture, fixtures and equipment | Motor vehicles | Computer equipment | Total |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Cost | | | | | |
| At 1 April 2009 | 1,039,892 | 6,878,799 | 147,801 | 1,275,560 | 9,342,052 |
| Reclassifications | - | 12,799 | - | - | 12,799 |
| Additions | 5,233 | 725,761 | 7,706 | 66,158 | 804,858 |
| Disposals | - | (563,213) | (8,238) | (164,255) | (735,706) |
| At 31 March 2010 | 1,045,125 | 7,054,146 | 147,269 | 1,177,463 | 9,424,003 |
| Accumulated depreciation | | | | | |
| At 1 April 2009 | 251,823 | 5,217,727 | 89,960 | 1,112,250 | 6,671,760 |
| Charge for the year | 22,123 | 541,331 | 15,619 | 53,024 | 632,097 |
| Disposals | - | (561,421) | (8,238) | (164,080) | (733,739) |
| At 31 March 2010 | 273,946 | 5,197,637 | 97,341 | 1,001,194 | 6,570,118 |
| Net book value | | | | | |
| At 31 March 2010 | 771,179 | 1,856,509 | 49,928 | 176,269 | 2,853,885 |



Notes to the Financial Statements (Continued)

6. Intangible assets

| The Group | | |
|---------------------------------|-------------------------------|-----------|
| | Computer software and systems | |
| | 2011 | 2010 |
| | HK\$'000 | HK\$'000 |
| Cost | | |
| At beginning of year | 1,295,470 | 1,265,824 |
| Reclassifications | (163) | (12,799) |
| Additions | 145,391 | 148,916 |
| Disposals | (103,386) | (106,471) |
| At end of year | 1,337,312 | 1,295,470 |
| Accumulated amortisation | | |
| At beginning of year | 1,059,940 | 1,112,756 |
| Reclassifications | (163) | - |
| Charge for the year | 41,982 | 53,655 |
| Disposals | (101,904) | (106,471) |
| At end of year | 999,855 | 1,059,940 |
| Net book value | | |
| At 31 March | 337,457 | 235,530 |

| HA | | |
|---------------------------------|-------------------------------|-----------|
| | Computer software and systems | |
| | 2011 | 2010 |
| | HK\$'000 | HK\$'000 |
| Cost | | |
| At beginning of year | 1,290,071 | 1,260,425 |
| Reclassifications | (163) | (12,799) |
| Additions | 144,668 | 148,916 |
| Disposals | (103,386) | (106,471) |
| At end of year | 1,331,190 | 1,290,071 |
| Accumulated amortisation | | |
| At beginning of year | 1,054,541 | 1,108,583 |
| Reclassifications | (163) | - |
| Charge for the year | 41,922 | 52,429 |
| Disposals | (101,904) | (106,471) |
| At end of year | 994,396 | 1,054,541 |
| Net book value | | |
| At 31 March | 336,794 | 235,530 |

Notes to the Financial Statements (Continued)

7. Loans receivable

Certain eligible employees under the Home Loan Interest Subsidy Scheme are offered downpayment loans for the purchase of their residential properties. The repayment period of the loans is the lesser of the mortgage life or 20 years. Interest charged on the downpayment loans is determined by the Group from time to time and is set at 2.099% as at 31 March 2011 (2010: 2.099%). New applications for the downpayment loans have been suspended since April 2002.

As at the balance sheet date, the downpayment loans advanced to eligible staff which are fully secured by charges over the properties are as follows:

| The Group and HA | | |
|---------------------------|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| Repayable within one year | 1,918 | 2,250 |
| Repayable after one year | 12,630 | 17,772 |
| | 14,548 | 20,022 |

The loans receivable is neither past due nor impaired. The maximum exposure to credit risk at the reporting date is the carrying value of receivable mentioned above. According to the terms and conditions of the scheme, the monthly principal repayment and payment of interest in respect of the downpayment loans are deducted from the employees' wages and that any benefits to which an employee will be entitled to receive under the HA Provident Fund Scheme shall stand charged with repayment of downpayment loan and interest thereon if such debt has not been paid by the employee upon resignation or on an agreed date. On this basis, the receivable balance is considered to be fully recoverable.



Notes to the Financial Statements (Continued)

8. Fixed income instruments

The fixed income instruments represent Hong Kong Dollar Bonds and Exchange Fund Notes with maturity periods of no more than 5 years. The overall expected yield of instruments held by the Group is between 1.4% and 2.9% (2010: between 1.9% and 3.2%).

As at the balance sheet date, the fixed income instruments held by the Group and HA are as follows:

| The Group and HA | | |
|---|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| Maturing within one year | - | 280,000 |
| Maturing in the second to fifth year, inclusive | 2,030,979 | 1,430,966 |
| | 2,030,979 | 1,710,966 |

The above financial assets are neither past due nor impaired. The credit quality of these assets is disclosed in note 3(a) while the maximum exposure to credit risk at the reporting date is the fair value of these assets as stated in note 3(b). The Group does not hold any collateral as security.

9. Inventories

| The Group and HA | | |
|---------------------|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| Drugs | 713,070 | 640,496 |
| Medical consumables | 156,150 | 144,880 |
| General consumables | 23,670 | 37,940 |
| | 892,890 | 823,316 |



Notes to the Financial Statements (Continued)

10. Accounts receivable

| The Group and HA | | |
|---|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| Bills receivable [note 10(a)] | 247,405 | 176,058 |
| Accrued income | 20,128 | 34,749 |
| | 267,533 | 210,807 |
| Less: Provision for doubtful debts [note 10(b)] | (42,699) | (34,471) |
| | 224,834 | 176,336 |

(a) Aging analysis of bills receivable is set out below:

| The Group and HA | | |
|------------------|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| Past due by: | | |
| 0-30 days | 102,492 | 80,981 |
| 31-60 days | 42,374 | 31,122 |
| 61-90 days | 24,115 | 18,621 |
| Over 90 days | 78,424 | 45,334 |
| | 247,405 | 176,058 |

The Group's policy in respect of patient billing is as follows:

- (i) Patients attending outpatient and accident and emergency services are required to pay fees before services are performed.
- (ii) Private patients and non-eligible persons are required to pay deposit on admission to hospital.
- (iii) Interim bills are sent to patients during hospitalisation. Final bills are sent if the outstanding amounts have not been settled on discharge.



Notes to the Financial Statements (Continued)

10. Accounts receivable (Continued)

- (iv) Administrative charge is imposed on late payments of medical fees and charges for medical services provided on or after 1 July 2007. The administrative charge is imposed at 5% of the outstanding fees overdue for 60 days from issuance of the bills, subject to a maximum charge of HK\$1,000 for each bill. An additional 10% of the outstanding fees are imposed if the bills remain outstanding 90 days from issuance of the bills, subject to a maximum additional charge of HK\$10,000 for each bill.
- (v) Legal action will be instituted for outstanding bills where appropriate. Patients who have financial difficulties may be considered for waiver of fees charged.

An aging analysis of receivables that are past due but not impaired is as follows:

| The Group and HA | | |
|------------------|---|---|
| | Balance at 31 March 2011 HK\$'000 | Balance at 31 March 2010 HK\$'000 |
| Past due by: | | |
| 0-30 days | 74,809 | 50,145 |
| 31-60 days | 31,741 | 21,443 |
| 61-90 days | 18,074 | 12,329 |
| Over 90 days | 44,951 | 20,726 |
| | 169,575 | 104,643 |

Receivables that are past due but not impaired include outstanding debts to be settled by government departments, charitable organisations or other institutions for whom the credit risk associated with these receivables is relatively low. The Group does not hold any collateral over these balances.

- (b) At 31 March 2011, bills receivable of HK\$77,830,000 (2010: HK\$71,415,000) were impaired by HK\$42,699,000 (2010: HK\$34,471,000) of which HK\$23,230,000 (2010: HK\$12,457,000) was related to receivables individually determined to be impaired. These were mainly related to non-eligible persons, the recoverability of which are considered to be low after taking all possible debt recovery actions. Remaining allowance for impairment of HK\$19,469,000 (2010: HK\$22,014,000) was made by reference to historical past due recovery patterns. It was assessed that a portion of the receivables is expected to be recovered.



Notes to the Financial Statements (Continued)

10. Accounts receivable (Continued)

Movements in the provision for impairment of accounts receivable are as follows:

| The Group and HA | | |
|---|-------------------------|-------------------------|
| | 2011 <i>HK\$'000</i> | 2010 <i>HK\$'000</i> |
| At beginning of year | 34,471 | 33,764 |
| Provision for impairment of receivables | 37,354 | 37,095 |
| Uncollectible amounts written off | (29,126) | (36,388) |
| At end of year | 42,699 | 34,471 |

The maximum exposure to credit risk at the reporting date is the fair value of receivable mentioned above. The Group does not hold any collateral as security.

11. Other receivables

| The Group and HA | | |
|---|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| Donations receivable | 40,352 | 15,512 |
| Interest receivable | 30,009 | 41,512 |
| Receivable from the Government for reimbursement or refund of expenditure incurred on capital projects | 451 | 10,804 |
| Other receivables | 20,178 | 50,951 |
| | 90,990 | 118,779 |

Other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group does not hold any collateral as security.



Notes to the Financial Statements (Continued)

12. Deposits and prepayments

| The Group and HA | | |
|---|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| Utility and other deposits | 8,602 | 7,280 |
| Prepayments to Government departments | 128,967 | 81,925 |
| Maintenance contracts and other prepayments | 93,538 | 71,651 |
| | 231,107 | 160,856 |

The above balances do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the fair value of the assets mentioned above. The Group does not hold any collateral as security.

13. Cash and bank balances

| The Group and HA | | |
|---|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| Cash at bank and in hand | 295,419 | 300,180 |
| Bank deposits with maturity within three months | 576,821 | 1,820,913 |
| Cash and cash equivalents | 872,240 | 2,121,093 |
| Bank deposits with maturity over three months | 6,110,375 | 4,248,746 |
| | 6,982,615 | 6,369,839 |

The effective interest rate on short term bank deposits is between 0.01% and 4.35% (2010: 0.01% to 3.51%). These deposits have an average maturity of 35 days (2010: 39 days).



Notes to the Financial Statements (Continued)

14. Creditors and accrued charges

| The Group | | |
|--|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| Trade payable [note 14 (a)] | 302,025 | 406,451 |
| Accrued charges and other payables [note 14 (b)] | 3,379,962 | 2,928,816 |
| Current account with the Government | 814,952 | 441,022 |
| | 4,496,939 | 3,776,289 |
| HA | | |
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| Trade payable [note 14 (a)] | 302,025 | 406,444 |
| Accrued charges and other payables [note 14 (b)] | 3,379,962 | 2,928,790 |
| Current account with the Government | 814,952 | 441,022 |
| Current account with a subsidiary | 6 | 39 |
| | 4,496,945 | 3,776,295 |



Notes to the Financial Statements (Continued)

14. Creditors and accrued charges (Continued)

(a) Aging analysis of trade payable is set out below:

| The Group | | |
|--------------|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| 0-30 days | 242,675 | 324,505 |
| 31-60 days | 49,044 | 64,960 |
| 61-90 days | 7,724 | 5,634 |
| Over 90 days | 2,582 | 11,352 |
| | 302,025 | 406,451 |

| HA | | |
|--------------|--|--|
| | Balance at 31 March 2011 <i>HK\$'000</i> | Balance at 31 March 2010 <i>HK\$'000</i> |
| 0-30 days | 242,675 | 324,498 |
| 31-60 days | 49,044 | 64,960 |
| 61-90 days | 7,724 | 5,634 |
| Over 90 days | 2,582 | 11,352 |
| | 302,025 | 406,444 |

All trade payable as at 31 March 2011 are expected to be settled within one year. The Group has maintained adequate cash flows and banking facilities for settlement of trade payable.

(b) Accrued charges and other payables included accrual for unutilised annual leave of HK\$1,228,568,000 (2010: HK\$1,181,905,000) and contract gratuity accrual of HK\$628,013,000 (2010: HK\$514,141,000). The balance also included a provision for doctors' claims of HK\$556,000,000 (2010: HK\$442,000,000) as described in note 4(a).

Notes to the Financial Statements (Continued)

15. Deposits received

| The Group and HA | | |
|---|---|---|
| | Balance at 31 March 2011 HK\$'000 | Balance at 31 March 2010 HK\$'000 |
| Patient deposits | 233,626 | 171,115 |
| Deposits received from the Government in respect of building projects | 73 | 534 |
| Other deposits | 64,103 | 58,582 |
| | 297,802 | 230,231 |

16. Death and disability liabilities

Under their terms of employment, HA employees are entitled to death and disability benefit cover. This is funded by HA through the recurrent subvention from the Government.

The amounts recognised in the balance sheet are as follows:

| The Group and HA | | |
|---|---|---|
| | Balance at 31 March 2011 HK\$'000 | Balance at 31 March 2010 HK\$'000 |
| Present value of funded obligations | 134,858 | 132,261 |
| Fair value of plan assets | (3,878) | (5,241) |
| | 130,980 | 127,020 |
| Unrecognised actuarial gains | 11,102 | 8,908 |
| Death and disability liabilities in the balance sheet | 142,082 | 135,928 |

Movements in the liabilities recognised in the balance sheet are as follows:

| The Group and HA | | |
|--------------------------------|------------------|------------------|
| | 2011 HK\$'000 | 2010 HK\$'000 |
| At beginning of year | 135,928 | 133,690 |
| Total expense | 9,802 | 5,707 |
| Net premiums and benefits paid | (3,648) | (3,469) |
| At end of year | 142,082 | 135,928 |



Notes to the Financial Statements (Continued)

16. Death and disability liabilities (Continued)

The movement in the fair value of plan assets in the year is as follows:

| The Group and HA | | |
|----------------------------|----------|----------|
| | 2011 | 2010 |
| | HK\$'000 | HK\$'000 |
| At beginning of year | 5,241 | 633 |
| Actuarial (losses) / gains | (2,367) | 3,774 |
| Employer contributions | 3,648 | 3,469 |
| Benefits paid | (2,644) | (2,635) |
| At end of year | 3,878 | 5,241 |

The amounts recognised in the consolidated statement of income and expenditure have been calculated by reference to an actuarial valuation and are as follows:

| The Group and HA | | |
|--------------------------------|-------------------------------------|-------------------------------------|
| | For the year ended 31 March 2011 | For the year ended 31 March 2010 |
| | HK\$'000 | HK\$'000 |
| Current service cost | 16,651 | 16,920 |
| Interest cost | 3,631 | 2,721 |
| Actuarial gains recognised | (10,480) | (13,934) |
| Total, included in staff costs | 9,802 | 5,707 |

Principal actuarial assumptions used in the actuarial valuation are as follows:

| The Group and HA | | |
|---|-------------------------------------|-------------------------------------|
| | For the year ended 31 March 2011 | For the year ended 31 March 2010 |
| | % | % |
| Discount rate | 2.90 | 2.80 |
| Assumed rate of future salary increases | 3.40 | 2.80 |



Notes to the Financial Statements (Continued)

16. Death and disability liabilities (Continued)

Historical information:

| The Group and HA | | |
|--|----------|----------|
| | 2011 | 2010 |
| | HK\$'000 | HK\$'000 |
| Present value of death and disability liability obligations | 134,858 | 132,261 |
| Fair value of plan assets | (3,878) | (5,241) |
| Experience adjustments arising on plan liabilities - gains | 10,547 | 12,312 |
| Experience adjustments arising on plan assets - (losses) / gains | (2,367) | 3,774 |

17. Deferred income

| The Group and HA | | | | | |
|---|---|---|--|--|-----------|
| | Designated donation fund [Note 2(g)] | North District Hospital Fund [Note 17(a)] | Tseung Kwan O Hospital Fund [Note 17(b)] | Training and Welfare Fund [Note 17(c)] | Total |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| At 1 April 2009 | 390,729 | 1,807 | 101,356 | 33,641 | 527,533 |
| Additions during the year | 110,188 | - | - | 64 | 110,252 |
| Utilisation during the year | - | - | (11,365) | (3,155) | (14,520) |
| Transfers to consolidated statement of income and expenditure | (132,214) | - | - | (26,527) | (158,741) |
| At 31 March 2010 | 368,703 | 1,807 | 89,991 | 4,023 | 464,524 |
| Additions during the year | 205,978 | - | - | - | 205,978 |
| Utilisation during the year | - | - | (2,910) | (310) | (3,220) |
| Transfers to consolidated statement of income and expenditure | (142,966) | - | - | (3,713) | (146,679) |
| Return of unspent funds to the Government | - | - | (4,719) | - | (4,719) |
| At 31 March 2011 | 431,715 | 1,807 | 82,362 | - | 515,884 |



Notes to the Financial Statements (Continued)

17. Deferred income (Continued)

(a) North District Hospital Fund

During the financial year 1993/94, the Government advanced to HA a sum of HK\$1,690,350,000 for the construction of the North District Hospital. The sum is held by HA in trust for the Government to meet the construction costs of the North District Hospital which are managed by HA as an agent for the Government. All interest earned from this grant is repaid annually to the Government. The hospital was commissioned in the financial year 1997/98. Subsequently, advances totalling HK\$188,400,000 and the balance payable to the Government as at 31 March 2006 of HK\$26,800,000 were returned to the Government during the financial year 2002/03 and 2006/07 respectively. The remaining fund balance will be used for project costs and any unspent balance will be repaid to the Government.

(b) Tseung Kwan O Hospital Fund

During the financial year 1995/96, the Government advanced HK\$2,047,290,000 to HA for the construction of Tseung Kwan O Hospital. All interest earned from this grant is repaid annually to the Government. The hospital was commissioned in the financial year 1999/2000. Subsequently, an amount of HK\$373,000,000 was returned to the Government during the financial year 2002/03 and the balance payable of HK\$29,497,000 as at 31 March 2008 was returned to the Government during the financial year 2008/09. As at 31 March 2011, the fund balance after deducting the estimated amount of unspent funds to be returned to the Government of HK\$4,719,000 was HK\$82,362,000. The remaining fund balance will be used for project costs and any unspent balance will be repaid to the Government.

(c) Training and Welfare Fund

During the financial year 2003/04, the Government made a special grant of HK\$200,000,000 to HA for setting up a Training and Welfare Fund to provide (i) its health care staff with additional training to maintain and enhance their expertise in infectious disease control in the hospital setting, (ii) special recuperation grant and additional compensation for those health care staff who contracted Severe Acute Respiratory Syndrome ("SARS") while on duty, and (iii) for the implementation of other staff welfare initiatives.

The Training and Welfare Fund was fully spent during the year.



Notes to the Financial Statements (Continued)

18. Capital subventions and donations

| The Group | | | |
|--|---------------------------------------|-------------------------------------|-----------|
| | Capital subventions [Note 2(s)] | Capital donations [Note 2(g)] | Total |
| | HK\$'000 | HK\$'000 | HK\$'000 |
| At 1 April 2009 | 1,810,528 | 1,014,065 | 2,824,593 |
| Additions during the year | 832,305 | 121,469 | 953,774 |
| Transfers to consolidated statement of income and expenditure | (578,591) | (109,656) | (688,247) |
| At 31 March 2010 | 2,064,242 | 1,025,878 | 3,090,120 |
| Additions during the year | 1,103,825 | 131,318 | 1,235,143 |
| Transfers to consolidated statement of income and expenditure | (619,350) | (113,263) | (732,613) |
| At 31 March 2011 | 2,548,717 | 1,043,933 | 3,592,650 |

| HA | | | |
|--|---------------------------------------|-------------------------------------|-----------|
| | Capital subventions [Note 2(s)] | Capital donations [Note 2(g)] | Total |
| | HK\$'000 | HK\$'000 | HK\$'000 |
| At 1 April 2009 | 1,808,069 | 1,014,065 | 2,822,134 |
| Additions during the year | 832,305 | 121,469 | 953,774 |
| Transfers to consolidated statement of income and expenditure | (576,837) | (109,656) | (686,493) |
| At 31 March 2010 | 2,063,537 | 1,025,878 | 3,089,415 |
| Additions during the year | 1,103,102 | 131,318 | 1,234,420 |
| Transfers to consolidated statement of income and expenditure | (618,762) | (113,263) | (732,025) |
| At 31 March 2011 | 2,547,877 | 1,043,933 | 3,591,810 |



Notes to the Financial Statements (Continued)

19. Designated Fund - Home Loan Interest Subsidy Scheme

The Group offers eligible employees under the scheme an interest subsidy to finance the purchase of a residence in Hong Kong. Eligibility under the scheme is primarily determined by the employee's length of service. The amount of subsidy generally represents half of the interest rate payable by the eligible employee up to a maximum of 6% per annum. However, eligibility and the maximum amount of subsidies granted are subject to a number of restrictions as further defined in the scheme.

The scheme is funded by HA through the recurrent subvention from the Government. A designated fund has been set aside for the scheme and is maintained in designated bank and investment accounts which are included under cash and bank and fixed income instruments balances respectively.

During the financial year 2010/11, the Group allocated HK\$87,264,000 (2010: HK\$106,212,000), out of its recurrent subvention from the Government, for meeting the related expenditure of the scheme. This amount is included within the recurrent Government subvention for the year in the consolidated statement of income and expenditure and has been fully utilised.

20. Recurrent Government subvention

The Group receives annual operating grants from the Government to provide hospital services in Hong Kong. The draft MAA, described in note 1, provides a formula for the claw back of the excess of income over expenditure in the reporting period. For the years ended 31 March 2011 and 2010, no provision for claw back was required under the terms of the draft MAA.

21. Hospital/clinic fees and charges

The charges for hospital services provided by the Group are levied in accordance with those stipulated in the Gazette. Since the Government has established a set of policies and procedures on granting fee waivers to the needy patients, the hospital/clinic fees and charges recognised as income in the consolidated statement of income and expenditure are stated net of such waivers. The amount of hospital/clinics fees and charges waived for the financial year ended 31 March 2011 amounted to HK\$542,095,000 (2010: HK\$523,139,000).



Notes to the Financial Statements (Continued)

22. Other operating expenses

Other operating expenses comprise office supplies, hospital supplies, non-capitalised project expenditure and other administrative expenses. For the financial year ended 31 March 2011, other operating expenses included an accrual for auditor's remuneration of HK\$3,300,000 (2010: HK\$3,100,000).

23. Remuneration of Members of the Board and Five Highest Paid Executives

- (a) No Board members are remunerated in the capacity as Board members.
- (b) The remuneration of the five highest paid executives, which is included in the staff costs for the year, is as follows:

For the year ended 31 March 2011

| Current Position / Name of Executives | Basic pay, allowance, retirement scheme contribution and other benefits <i>HK\$'000</i> |
|--|--|
| Chief Executive Mr Shane, SOLOMON (1/4/2010 – 24/10/2010) | 2,702 |
| Dr Pak Yin LEUNG (8/11/2010 – 31/3/2011) | 1,716 |
| | <u>4,418</u> |
| Director (Finance)* Ms Nancy TSE | 3,871 |
| Cluster Chief Executive (New Territories East) Dr Hong FUNG | 3,849 |
| Director (Cluster Services) Dr Wai Lun CHEUNG | 3,766 |
| Cluster Chief Executive (Hong Kong East) Dr Loretta YAM | 3,735 |
| | <u>19,639</u> |

Note: All executives do not receive any variable remuneration related to performance.

- * Served as Deputised Chief Executive from 25/10/2010 to 7/11/2010 in addition to her duties as Director (Finance).



Notes to the Financial Statements (Continued)

23. Remuneration of Members of the Board and Five Highest Paid Executives (Continued)

For the year ended 31 March 2010

| Current Position / Name of Executives | Basic pay, allowance, retirement scheme contribution and other benefits <i>HK\$'000</i> |
|--|--|
| Chief Executive Mr Shane, SOLOMON | 4,528 |
| Cluster Chief Executive (New Territories East) Dr Hong FUNG | 3,890 |
| Director (Cluster Services) Dr Wai Lun CHEUNG | 3,831 |
| Cluster Chief Executive (Hong Kong East) Dr Loretta YAM | 3,830 |
| Director (Finance) Ms Nancy TSE | 3,830 |
| | 19,909 |

Note: All executives do not receive any variable remuneration related to performance.



Notes to the Financial Statements (Continued)

24. Retirement schemes

The Group operates an occupational retirement scheme, the Hospital Authority Provident Fund Scheme (“HAPFS”). In accordance with the Mandatory Provident Fund (“MPF”) Schemes Ordinance, the Group set up a MPF Scheme on 1 December 2000 by participating in a master trust scheme provided by INVESCO Strategic MPF Scheme (“MPFS”). Permanent employees can choose between the HAPFS and the MPFS while contract and temporary employees are required to join the MPFS unless otherwise exempted.

(a) HA Provident Fund Scheme

The HAPFS is a defined contribution scheme. The scheme was established and governed by its Trust Deed and Rules dated 22 October 1991, and registered under section 18 of the Hong Kong Occupational Retirement Schemes Ordinance (“ORSO”), and was terminated on 1 April 2003 for the purpose of establishing a new provident fund scheme (“the New HAPFS”), with effect from that date. All the funds, assets and monies of the HAPFS as at 1 April 2003 were transferred to the New HAPFS. The New HAPFS was established under a Trust Deed and Rules dated 29 January 2003 and registered under section 18 of the ORSO.

Most employees who have opted for HA terms of employment are eligible to join the HAPFS on a non-contributory basis. The HAPFS is a defined contribution scheme as all benefits are defined in relation to contributions except that a minimum death benefit equating to twelve months’ salary applies on the death of a member. However, when the member’s account balance is less than his twelve months’ scheme salary, the difference will be contributed by the Death and Disability Scheme of the Group.

The monthly normal contribution by the Group is currently set at 15% of each member’s monthly basic salary. The percentage of benefit entitlement, receivable by the employee on resignation or retirement, increases with the length of service.

At 31 March 2011, the total membership was 33,585 (2010: 34,717). During the financial year 2010/11, the Group contributed HK\$1,947,385,000 (2010: HK\$1,990,888,000) to the scheme, which is included in the staff costs for the year. The scheme’s net asset value as at 31 March 2011 was HK\$42,798,283,000 (2010: HK\$37,906,470,000).



Notes to the Financial Statements (Continued)

24. Retirement schemes (Continued)

(b) Mandatory Provident Fund Scheme

Effective from the MPF commencement date of 1 December 2000, HA joined the INVESCO Strategic MPF Scheme which has been registered with the Mandatory Provident Fund Schemes Authority and authorised by the Securities and Futures Commission.

The Group's contributions to MPFS are determined according to each member's terms of employment. Members' mandatory contributions are fixed at 5% of monthly salary up to a maximum of HK\$1,000 per month.

At 31 March 2011, the total membership was 26,676 (2010: 22,835). During the financial year 2010/11, total members' contributions were HK\$178,573,000 (2010: HK\$157,051,000). The Group's contributions to the scheme, including a contribution payable of HK\$21,053,000 as at 31 March 2011 (2010: HK\$18,927,000), totalled HK\$242,698,000 (2010: HK\$219,924,000) which is included in the staff costs for the year. The net asset value as at 31 March 2011, including assets transferred from members' previous employment, was HK\$3,046,940,000 (2010: HK\$2,424,023,000).

25. Related party transactions

Significant related party transactions entered into by the Group include the following:

- (a) HA has entered into agreements with the Electrical and Mechanical Services Department ("EMSD") of the Government for providing biomedical and general electronics engineering services, hospital engineering services and health building maintenance services to the Group. According to the terms of agreements, the amounts incurred for these services for the year amounted to HK\$633,437,000 (2010: HK\$611,360,000). Other services provided by the EMSD for the year (e.g. routine maintenance and improvement works) were approximately HK\$261,588,000 (2010: HK\$230,702,000).
- (b) HA has entered into an agreement with the Government to provide serving and retired civil servants, their eligible dependants and other eligible persons with the services and facilities at all public hospitals and clinics free of charge or at the prevailing rates as prescribed in the Civil Service Regulations. For the year ended 31 March 2011, revenue foregone in respect of medical services provided to these persons amounted to HK\$291,164,000 (2010: HK\$292,617,000). The cost of such services has been taken into account in the Government's subvention to the Group.



Notes to the Financial Statements (Continued)

25. Related party transactions (Continued)

(c) Remuneration of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. It comprises the Chief Executive, Cluster Chief Executives, Directors and other division heads of the Head Office.

Total remuneration of the key management personnel is shown below:

| | For the year ended 31 March 2011 <i>HK\$'000</i> | For the year ended 31 March 2010 <i>HK\$'000</i> |
|--|---|---|
| Basic pay and other short term employee benefits | 42,415 | 45,344 |
| Post-employment benefits | 4,006 | 4,266 |
| | 46,421 | 49,610 |

- (d) Other significant related party transactions with the Government include annual recurrent grants (note 20), capital subventions (note 18) and designated funds (notes 17 and 19). Details of transactions relating to the Group's retirement schemes are included in note 24.
- (e) Outstanding balances with the Government as at 31 March 2011 are disclosed in notes 11, 12, 14 and 15. The current account with a subsidiary, HACM Limited, is disclosed in note 14.



Notes to the Financial Statements (Continued)

26. Reconciliation of the surplus / (deficit) for the year to net cash from operating activities

| The Group | | |
|---|---|---|
| | For the year ended 31 March 2011 HK\$'000 | For the year ended 31 March 2010 HK\$'000 |
| Surplus / (deficit) for the year | 242,114 | (28,220) |
| Investment income | (104,479) | (112,349) |
| Income transferred from capital subventions and donations | (732,613) | (688,247) |
| Loss on disposal of property, plant and equipment and intangible assets | 9,117 | 1,967 |
| Depreciation and amortisation | 723,496 | 686,280 |
| Increase in death and disability liabilities | 6,154 | 2,238 |
| Increase / (decrease) in deferred income | 51,360 | (63,009) |
| (Increase) / decrease in inventories | (69,574) | 40,492 |
| Decrease in loans receivable | 5,474 | 5,377 |
| Increase in accounts receivable | (48,498) | (22,435) |
| Decrease / (increase) in other receivables | 27,789 | (51,645) |
| (Increase) / decrease in deposits and prepayments | (70,251) | 73,277 |
| Increase in creditors and accrued charges | 720,650 | 673,979 |
| Increase in deposits received | 67,571 | 16,520 |
| Net cash from operating activities | 828,310 | 534,225 |

27. Funds in trust

At 31 March 2011, funds held in trust (including accrued interest income) for the Government are set out below:

| The Group and HA | | |
|--------------------------------|---|---|
| | Balance at 31 March 2011 HK\$'000 | Balance at 31 March 2010 HK\$'000 |
| Health Care and Promotion Fund | 53,089 | 56,447 |
| Health Services Research Fund | 1,126 | 1,402 |
| | 54,215 | 57,849 |

Notes to the Financial Statements (Continued)

28. Donations from the Hong Kong Jockey Club Charities Trust

During the financial year 2010/11, the Hong Kong Jockey Club Charities Trust made donations totalling HK\$24,351,000 (2010: HK\$56,028,000) to the following institutions:

| | <i>HK\$'000</i> |
|--------------------------------|-----------------|
| Hospital Authority Head Office | 5,184 |
| Caritas Medical Centre | 17,490 |
| United Christian Hospital | 1,634 |
| Queen Elizabeth Hospital | 43 |
| | 24,351 |

The donations were accounted for in the designated donation fund in accordance with the accounting policy set out in note 2(g)(ii).

29. Commitments

As at the balance sheet date, the Group and HA had the following commitments:

(a) Capital commitments

| The Group | | |
|-----------------------------------|-------------------------|-------------------------|
| | At 31 March 2011 | At 31 March 2010 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Authorised but not contracted for | 2,814,895 | 3,184,611 |
| Contracted for but not provided | 618,941 | 886,376 |
| | 3,433,836 | 4,070,987 |

| HA | | |
|-----------------------------------|-------------------------|-------------------------|
| | At 31 March 2011 | At 31 March 2010 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Authorised but not contracted for | 2,808,727 | 3,180,495 |
| Contracted for but not provided | 618,623 | 886,150 |
| | 3,427,350 | 4,066,645 |

The capital commitments disclosed above include both costs to be capitalised under property, plant and equipment or intangible assets and also costs which are to be charged to the statement of income and expenditure in accordance with the accounting policy set out in note 2(h).



Notes to the Financial Statements (Continued)

29. Commitments (Continued)

(b) Operating lease commitments

As at the balance sheet date, the Group and HA had commitments for future minimum payments under non-cancellable operating leases which fall due as follows:

| The Group and HA | | |
|--|------------------|------------------|
| | At 31 March 2011 | At 31 March 2010 |
| | HK\$'000 | HK\$'000 |
| Buildings | | |
| Within one year | 13,140 | 5,287 |
| In the second to fifth year, inclusive | 9,959 | 1,359 |
| | 23,099 | 6,646 |
| Equipment | | |
| Within one year | 7,327 | 5,371 |
| In the second to fifth year, inclusive | 21,614 | 1,015 |
| Over five years, inclusive | 831 | - |
| | 29,772 | 6,386 |

30. Judicial Review

In November 2007, a Hong Kong permanent resident married to a Mainland woman who held a Two-Way Permit made an application for judicial review against HA. Later, the Secretary for Food and Health was joined as a Respondent and the Mainland woman also joined as a party. The application for judicial review challenged, among others, the decision (effective 28 March 2003) to reclassify spouses of HKID holders, who were not themselves HKID holders, as non-eligible persons (NEP) for services at hospitals and clinics of HA; the decision to introduce an Obstetric Package charge for NEP at HK\$20,000 effective 1 September 2005; and the decision to increase the Obstetric Package charge for NEP to HK\$39,000 for booked cases and HK\$48,000 for non-booked cases effective 1 February 2007.



Notes to the Financial Statements (Continued)

30. Judicial Review (Continued)

The application for judicial review was heard in May and September 2008 in the Court of First Instance of the High Court of Hong Kong. The Court of First Instance gave judgment in December 2008 dismissing the application for judicial review. In February 2009, the Hong Kong permanent resident and his Mainland wife lodged an appeal to the Court of Appeal. The appeal was heard in March 2010 and the Court of Appeal handed down its judgment on 10 May 2010. The Court of Appeal rejected the challenge to the current definition of “Eligible Person” and “Non-eligible Person”, and the related charging policy applied in the provision of obstetric services in public hospitals. The appellants have obtained legal aid and applied to the Court of Appeal for leave to appeal to the Court of Final Appeal. On 4 May 2011, the Court of Appeal rejected the appellants’ application for leave to appeal. On 31 May 2011, the appellants applied to the Appeal Committee of the Court of Final Appeal for leave to appeal. On 25 August 2011, the Appeal Committee of the Court of Final Appeal granted the application and scheduled the appeal hearing on 6 and 7 February 2012.

Based on the status of the judicial review case stated above, no liability has so far been established against HA and accordingly, no provision for liability has been made in the financial statements.

31. Taxation

No taxation is provided as HA is exempt from taxation under the Hospital Authority Ordinance.

32. Approval of financial statements

The financial statements were approved by members of HA on 12 October 2011.



Appendices

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Appendix 1

Membership of the Hospital Authority

| Name | No. of plenary meetings attended in 2010/11 | Committee participation in 2010/11* |
|---|---|---|
| Mr Anthony WU Ting-yuk, GBS, JP <i>Chairman, HA</i> | 14/14 | Chairman of plenary meetings, EC, EEC, HACF, Taskforce on Doctors' Work Hours and Taskforce on Legal Matters. |
| Mr CHAN Bing-woon, SBS, JP | 13/14 | Member of HRC, MTB and PCC; HGC member of Pamela Youde Nethersole Eastern Hospital, Chairman of HRAC. |
| Ms Vivien CHAN, BBS, JP <i>(up to 30.11.2010)</i> | 2/8 | Vice-chairman of AC; Member of MTB and SSDC; and HGC Member of Prince of Wales Hospital. |
| Mr CHENG Yan-kee, JP | 13/14 | Member of ITGC, MSDC, MTB and SSDC. |
| Ms Quince CHONG Wai-yan <i>(from 1.12.2010)</i> | 3/6 | Member of HRC and MSDC <i>(from 14.12.2010)</i> . |
| Dr Margaret CHUNG Wai-ling | 11/14 | Chairman of PCC and Member of EC, EEC and MSDC; Chairman of NTRAC; HGC Chairman of Shatin Hospital. |
| Prof FOK Tai-fai, SBS, JP | 11/14 | Chairman of MSDC, Member of EC, EEC and FC; HGC Member of Prince of Wales Hospital. |
| Mr Ricky FUNG Choi-cheung, SBS, JP <i>(from 1.12.2010)</i> | 6/6 | Member of AC and PCC <i>(from 7.12.2010)</i> . |
| Mr Benjamin HUNG Pi-cheng, JP | 11/14 | Vice-Chairman of FC. |



| Name | No. of plenary meetings attended in 2010/11 | Committee participation in 2010/11* |
|---|--|---|
| Prof LAI Kar-neng, JP | 9/14 | Member of HRC, MSDC and MTB. |
| Dr P Y LAM, JP <i>Director of Health</i> | 14/14 | Member of MSDC. |
| Ms Ka-shi LAU | 10/14 | Vice-chairman of HRC and Member of HAPFS and MSDC. |
| Ms Alice LAU, JP <i>Deputy Secretary for Financial Services and the Treasury</i> | 14/14 | Member of FC and MSDC. |
| Mrs Yvonne LAW SHING Mo-han | 12/14 | Member of HRC, MTB and Taskforce on Doctors' Work Hours and Chairman of KRAC. |
| Mr Lawrence LEE Kam-hung, JP | 12/14 | Chairman of AC and MTB; Member of EC, EEC, FC, MSDC and Taskforce on Legal Matters; and HGC Chairman of Pamela Youde Nethersole Eastern Hospital and Member of Grantham Hospital. |
| Dr Joseph LEE Kok-long, SBS, JP | 11/14 | Member of HRC, MSDC and MTB; and HGC Member of Kwai Chung Hospital and Princess Margaret Hospital. |
| Mr John LEE Luen-wai, BBS, JP | 13/14 | Chairman of FC and HAPFS; Member of EC, EEC and Taskforce on Legal Matters; and HGC Chairman of Queen Elizabeth Hospital. |
| Ms Sandra LEE, JP <i>Permanent Secretary for Health</i> | 14/14 | Member of EEC, FC, HRC, MSDC, SSDC and Taskforce on Legal Matters. |



| Name | No. of plenary meetings attended in 2010/11 | Committee participation in 2010/11* |
|---|--|---|
| Prof LEE Sum-ping | 7/14 | Member of PCC; HGC Member of Queen Mary Hospital / Tsan Yuk Hospital. |
| Ms Queenie LEUNG Pik-man | 13/14 | Member of HRC and MSDC. |
| Dr Donald LI Kwok-tung, SBS, JP | 10/14 | Vice-chairman of MSDC and Member of AC. |
| Mr David LIE Tai-chong, SBS, JP | 7/14 | Member of AC and MSDC. |
| Mr Peter LO Chi-lik | 12/14 | Chairman of HRC and SAC; Member of EC, EEC, HAPFS, SSDC, Taskforce on Legal Matters and Taskforce on Doctors' Work Hours. |
| Mr Patrick MA Ching-hang, BBS, JP | 14/14 | Member of AC and FC and HAPFS. |
| Mr Charles Peter MOK | 11/14 | Vice-chairman of ITGC and SSDC; Member of HRC, MSDC and MTB. |
| Ms Winnie NG (<i>from 1.12.2010</i>) | 6/6 | ---- |
| Mr Shane SOLOMON <i>Chief Executive, HA (up to 24.10.2010)/</i> | 8/8 | Chairman of ITGC; Member of EC, EEC, FC, HAPFS, HRC, MTB, |
| Dr LEUNG Pak-yin, JP <i>Chief Executive, HA (from 8.11.2010)</i> | 6/6 | MSDC, SSDC, all RACs and HGCs and Taskforce on Legal Matters. |
| Prof George WOO | 11/14 | Member of HRC and MSDC. |
| Mr Stephen YIP Moon-wah, BBS, JP | 11/14 | Chairman of SSDC; Vice-Chairman of MTB; and Member of EC and EEC. |



* Note

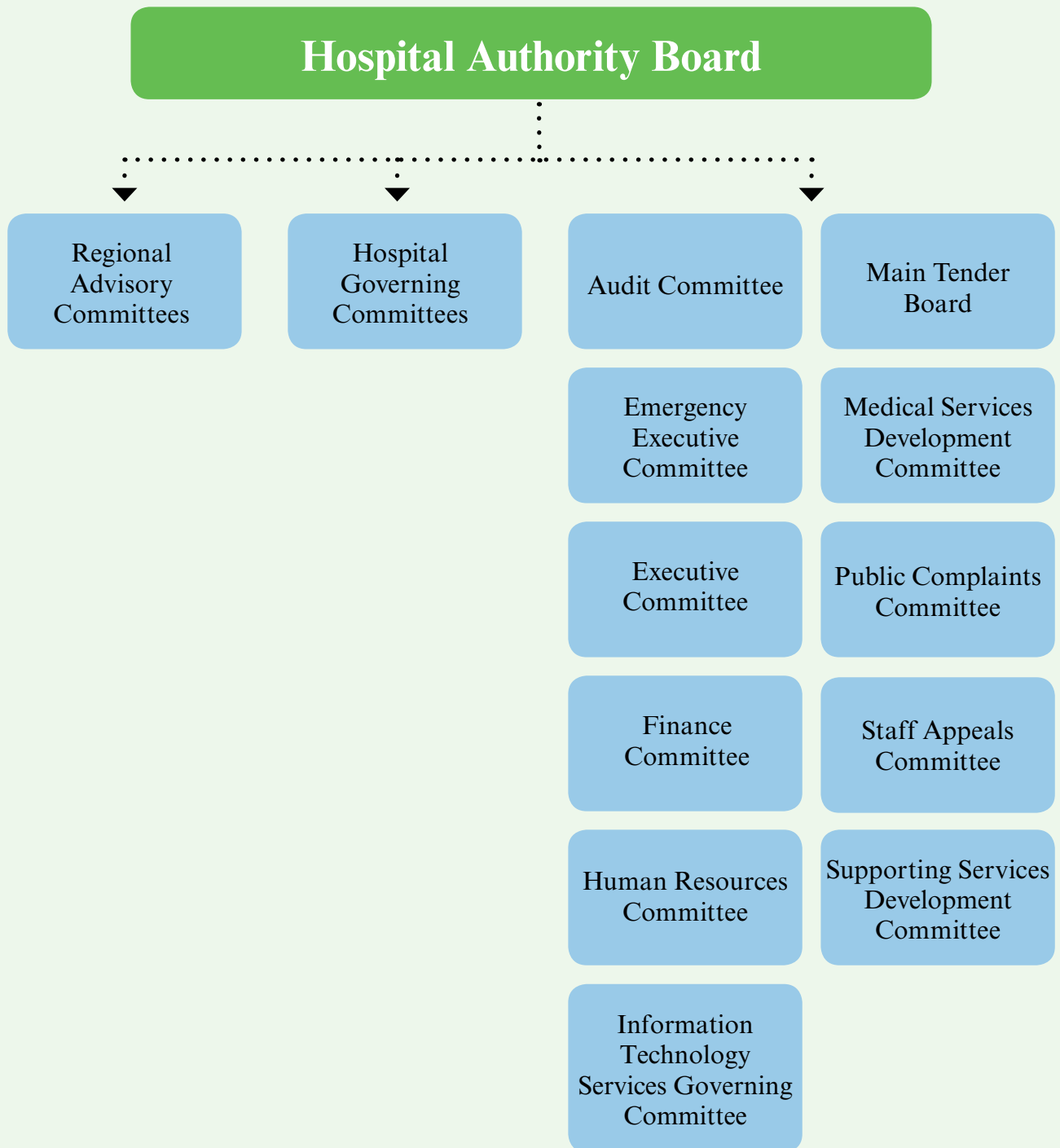
Apart from the principal officer (the Hospital Authority Chief Executive), other members are not remunerated in the capacity as Board members. They discharge the role of governance of the Authority through formulating policies/directions and overseeing executive performance at Board meetings, as well as taking part in steering the work of various committees of the Authority including:

| | |
|-------|---|
| AC | - Audit Committee |
| EC | - Executive Committee |
| EEC | - Emergency Executive Committee |
| FC | - Finance Committee |
| HAPFS | - Hospital Authority Provident Fund Scheme |
| HACF | - Hospital Authority Charitable Foundation |
| HGC | - Hospital Governing Committee |
| HRAC | - Regional Advisory Committee of Hong Kong |
| HRC | - Human Resources Committee |
| ITGC | - Information Technology Services Governing Committee |
| KRAC | - Regional Advisory Committee of Kowloon |
| MSDC | - Medical Services Development Committee |
| MTB | - Main Tender Board |
| NRAC | - Regional Advisory Committee of the New Territories |
| PCC | - Public Complaints Committee |
| SAC | - Staff Appeals Committee |
| SSDC | - Supporting Services Development Committee |



Appendix 2(a)

Hospital Authority Committee Structure

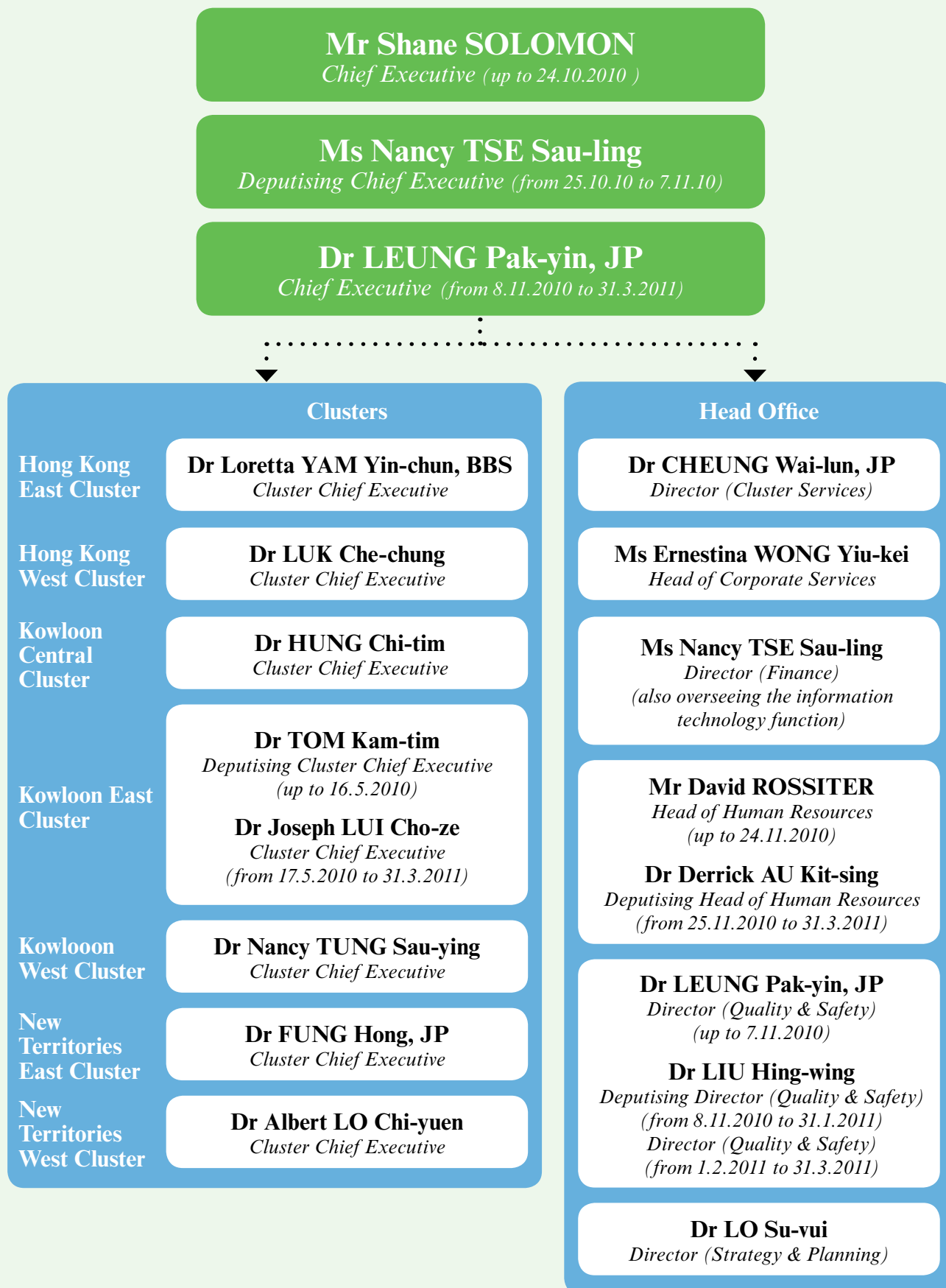


Note : Membership lists of various committees are listed in Appendices 3, 4 and 5.



Appendix 2(b)

Hospital Authority Executive Structure



Appendix 3

Membership and Terms of Reference of Functional Committees

Audit Committee

Membership List

- Chairman** : Mr Lawrence LEE Kam-hung, JP
- Vice-Chairman** : Ms Vivien CHAN, BBS, JP (*up to 30.11.2010*)
- Members** : Mr Ricky FUNG Choi-cheung, SBS, JP (*from 7.12.2010*)
Dr Donald LI Kwok-tung, SBS, JP
Mr David LIE Tai-chong, SBS, JP
Mr Patrick MA Ching-hang, BBS, JP
Ms Estella Y K NG
Mr Paul YU Shiu-tin, BBS, JP
- In attendance** : Ms Sandra LEE, JP, *Permanent Secretary for Health*
Mr Shane SOLOMON, *Chief Executive (up to 24.10.2010)*
Dr P Y LEUNG, JP, *Chief Executive (from 8.11.2010)*

Terms of Reference

1. Exercise an active oversight of the internal audit function to ensure that its:
 - mandate, resources and organisational status are appropriate;
 - plans and activities are adequate to provide systematic coverage of internal control and risk management systems put in place by the Management; and
 - findings are actioned appropriately and timely;
2. Recommend the appointment of the external auditor and the audit fee to the HA Board, endorse any non-audit services to be provided by the external auditor, and to consider any questions of resignation or dismissal;
3. Consult with the External Auditor on all relevant matters including the:
 - nature and scope of audit;
 - audited financial statements and audit opinion;
 - management letter and management's response; and
 - matters of which the External Auditor may wish to draw attention;
4. Gain reasonable assurance on the completeness, accuracy, and fairness of audited financial statements, including appropriateness of accounting policies and standards, adequacy of disclosures and significant audit adjustments (in collaboration with the Finance Committee);



5. Monitor HA's financial and administrative control processes, including those designed to ensure the safeguarding of resources and operational efficiency, through the results of internal and external audit; and
6. Oversee the processes implemented by the Management for monitoring:
 - compliance with pertinent statutes and regulations;
 - compliance with HA's Code of Conduct; and
 - effectiveness of controls against conflicts of interest and fraud.

Note: It should be noted that although the functions of the Audit Committee cover a wide area, matters that are of a pure clinical nature (such as medical ethics) are not within its purview.

Focus of Work in 2010/11

The Audit Committee met six times in 2010/11 with every meeting considering a planned agenda to cover the Committee's Terms of Reference. To exercise an active oversight of internal audit function, the Committee approved the Annual Internal Audit Plan for 2010/11 and directly received quarterly progress reports from the Chief Internal Auditor on completed audit results and follow-up actions. The internal audits reviewed during the year included the following:

- Statutory holidays / public holidays and rest days for doctors – compliance follow-up
- Leave management
- Revenue collection – private patients – Queen Mary Hospital (PricewaterhouseCoopers)
- Fee waiver / cluster checking units
- Public-private interface – radiological image sharing pilot project
- Information technology hardware inventory and maintenance management
- HA term contracts for minor works
- Non-Emergency Ambulance Transfer Service ("NEATS") fleet management
- Use of physical restraint
- Personal data privacy follow-up
- Oracle environment security and controls, and
- Management of quality and safety of food supplies

In the area of external audit, the Committee reviewed the external auditor's Audit Strategy Memorandum, including their audit risk assessment and work plan. Subsequently, the Committee received and discussed their audit opinion on HA's financial statements in a joint meeting with the Finance Committee.

The Committee considered accountability reports from responsible subject officers to monitor the financial and administrative control processes in place such as measures in enhancing corporate governance and drug procurement safety, Enterprise Resources Planning implementation and patient billing development and implementation. The Committee also received an update on best practices on corporate governance and considered reports on management for multi-drug resistant organisms, public-private partnership projects and risk management of major capital works projects.



Emergency Executive Committee

Membership List

- Chairman** : Mr Anthony WU Ting-yuk, GBS, JP
(In his absence, the Emergency Executive Committee chairmanship should be elected among its standing members)
- Members** : Prof FOK Tai-fai, SBS, JP
Chairman of Medical Services Development Committee
- Dr Margaret CHUNG Wai-ling
Chairman of Public Complaints Committee
- Mr Peter LO Chi-lik
Chairman of Human Resources Committee
- Mr Lawrence LEE Kam-hung, JP
Chairman of Audit Committee
- Mr John LEE Luen-wai, BSS, JP
Chairman of Finance Committee
- Mrs Susan MAK, JP
(representing Permanent Secretary for Health)
- Mr Shane SOLOMON *(up to 24.10.2010)*
Dr LEUNG Pak-yin, JP *(from 8.11.2010)*
Chief Executive (in his absence, the Deputising CE)
- Mr Stephen YIP Moon-wah, BBS, JP
Chairman of Supporting Services Development Committee

Note: The Emergency Executive Committee was set up by the Board on 15 January 2004. It will automatically be called into action when the Authority activates the Tier-three Strategic Response to a major incident, which is defined as an incident with prolonged and territory-wide implications, such as the Serious Level (S2) or Emergency Level Response (E1 and E2) to influenza pandemic.

Terms of Reference

1. To act for the Hospital Authority Board and exercise its powers and functions, including:
 - (a) altering, amending or overriding existing Hospital Authority policies, standards, guidelines and procedures and;
 - (b) the establishment of sub-committees or task forces to tackle particular matters at hand;



2. To identify the objectives and assess the risks facing Hospital Authority in the emergency situation;
3. To approve the strategies and policies for managing the emergency formulated by the Hospital Authority Central Command Committee, and monitor implementation progress in all HA hospitals and institutions;
4. To coordinate activities of the other Hospital Authority committees including Hospital Governing Committees;
5. To ensure effective communication of clear and concise messages to key stakeholders, including staff, patients, Government and the public; and
6. To be accountable to the Hospital Authority Board and the making of regular reports to Hospital Authority Members as soon as practicable.

Focus of Work in 2010/11

No meeting was convened during 2010/11.



Executive Committee

Membership List

| | |
|-----------------|--|
| Chairman | : Mr Anthony WU Ting-yuk, GBS, JP |
| Members | : Prof FOK Tai-fai, SBS, JP |
| | Dr Margaret CHUNG Wai-ling |
| | Mr Peter LO Chi-lik |
| | Mr Lawrence LEE Kam-hung, JP |
| | Mr John LEE Luen-wai, BBS, JP |
| | Mr Shane SOLOMON (<i>up to 24.10.2010</i>) |
| | Dr LEUNG Pak-yin, JP (<i>from 8.11.2010</i>) |
| | <i>Chief Executive (in his absence, the Deputising CE)</i> |
| | Mr Stephen YIP Moon-wah, BBS, JP |

Terms of Reference

1. Advise the Board on the organisation structure and functions of the HA Head Office and its Divisions;
2. Advise the Board on the appointment, remuneration changes, contract variation of Directors and Cluster Chief Executives;
3. Approve the appointment, remuneration changes, and contract variation of Hospital Chief Executives, Deputy Directors and Heads of Division;
4. Review the performance of Chief Executive, Directors and Cluster Chief Executives;
5. Convene as the Emergency Executive Committee (EEC) consistent with HA's Emergency Contingency Plan (supplemented by a senior Food & Health Bureau official when meeting as EEC); and
6. Oversee self-assessment of the Board and advise on changes to Board structure and processes.

Focus of Work in 2010/11

In 2010/11, the Executive Committee met six times. The Committee discussed and approved 16 papers (including four through circulation) covering issues on appointment and remuneration matters of senior executives and those of chiefs of clusters and hospitals. Issues on cluster structure review and doctors' settlement package and manpower strain were also discussed.



Finance Committee

Membership List

Chairman : Mr John LEE Luen-wai, BBS, JP

Vice-Chairman : Mr Benjamin HUNG Pi-cheng, JP

Members : Prof FOK Tai-fai, SBS, JP

Ms Alice LAU, JP / Miss Katy FONG
(representing Secretary for Financial Services and the Treasury)

Mr Lawrence LEE Kam-hung, JP

Mr Patrick MA Ching-hang, BBS, JP

Mrs Susan MAK, JP
(representing Permanent Secretary for Health)

Mr Shane SOLOMON, *Chief Executive (up to 24.10.2010)*

Dr P Y LEUNG, JP, *Chief Executive (from 8.11.2010)*

Mr Michael N SOMERVILLE

Terms of Reference

1. To advise and make recommendations on the financial aspects of the Hospital Authority Corporate Plan and Annual Plan;
2. To advise and make recommendations on the financial planning, control, performance, monitoring and reporting aspects of the Hospital Authority;
3. To advise on policy guidelines for all financial matters, including investment, business and insurance;
4. To advise and make recommendations on the resource allocation policies;
5. To advise and recommend to the Hospital Authority on the financial statements (audited and unaudited) of the Hospital Authority;
6. To liaise with the Trustees of the Hospital Authority Provident Fund Scheme and the Hospital Authority Mandatory Provident Fund Scheme and make recommendations to the Hospital Authority; and
7. To monitor the financial position of the Hospital Authority.



Focus of Work in 2010/11

In 2010/11, the Finance Committee held four meetings to advise and make recommendations to the Board on the financial planning, control, performance, monitoring and reporting aspects of the Authority. It considered the renewal of HA's insurance programme for 2010/11; progress updates on treasury operations and management; Enterprise Resource Planning (Human Capital Management) system implementation; and development of the Next Generation Patient Billing System.

It reviewed monthly financial reports, the draft unaudited financial statements for 2009/10, mid-year financial review, and the unaudited financial statements for the six months ended 30 September 2010. It also received reports on an audit for the electronic Health Record Programme development undertaken by HA Information Technology Services and the experience on Pay for Performance internal resources allocation system one year down the road.

It also considered a report on the 2009/10 financial position of the Samaritan Fund, a proposal for the addition of six banks and updates on treasury operations and management, 2011/12 HA budget and resources allocation, 2011/12 insurance approach and direction and the Annual Work Plan of the Finance Division.



Human Resources Committee

Membership List

Chairman : Mr Peter LO Chi-lik

Vice-Chairman : Ms Ka-shi LAU

Members : Mr CHAN Bing-woon, SBS, JP

Ms Quince CHONG Wai-yan (*from 14.12.2010*)

Mr Billy KONG Churk-hoi, BBS, JP

Prof LAI Kar-neng, JP

Mrs Yvonne LAW SHING Mo-han

Dr Hon Joseph LEE Kok-long, SBS, JP

Ms Queenie LEUNG Pik-man

Miss Gloria LO Kit-wai
(*representing Permanent Secretary for Health*)

Dr Kim MAK

Mr Charles Peter MOK

Mr Shane SOLOMON, *Chief Executive (up to 24.10.2010)*

Dr P Y LEUNG, JP, *Chief Executive (from 8.11.2010)*

Prof Thomas WONG Kwok-shing, JP

Prof George WOO

Terms of Reference

1. To advise on staff training and development matters;
2. To advise on manpower planning;
3. To advise, review and make recommendations on human resources policies and related issues;
4. To advise, review and make recommendations to HA on the terms and conditions of employment for staff;



5. To advise, review and make recommendations to HA on staff pay awards and overall staffing structure; and
6. To advise, review and make recommendations to HA on any other staff related matters.

Focus of Work in 2010/11

The Human Resources Committee met six times in 2010/11 to discuss various human resources (HR) matters.

The Committee endorsed and gave comments on grade reviews and the pay packages of nurses, allied health professionals, part-time doctors and General Services Assistants / Technical Services Assistants. It considered the starting salaries of entry ranks as well as the increment arrangement for employees joining the Hospital Authority (HA) on fixed pay contracts; and reviewed various allowances such as the Special Honorarium Scheme, allowance of continuous night shift and managerial responsibility allowance. Staff benefits including enhancement of medical benefits were also considered.

During the year, the Committee was updated on the cluster structure review. In addition, it noted the findings of a tax consultancy study on HA's payments / reimbursement to staff and the performance of HA's Mandatory Provident Fund Scheme. It also noted the progress of the HA staff engagement programme, the launching of electronic human resources (e-HR) services in HA, the implementation of Enterprise Resource Planning with its go-live of Human Capital Management.

Regarding staff issues, the Committee discussed and endorsed the Authority's proposed measures to address issues arising from medical staff manpower strain. On staff training and development, it supported the proposed direction and foci of training and development as well as the future roles of the Training & Development team. It also noted and gave comments on the Management 101 Integrated Training Curriculum.



Information Technology Services Governing Committee

Membership List

Chairman : Mr Shane SOLOMON, *Chief Executive (up to 24.10.2010)*
Dr P Y LEUNG, JP, *Chief Executive (from 8.11.2010)*

Vice-Chairman : Mr Charles Peter MOK

Members : Mr Thomas CHAN, JP
Deputy Secretary for Food and Health (Health)
Mr CHENG Yan-kee, JP
Mr Jeremy Richard GODFREY *(up to 11.2.2011)*
Government Chief Information Officer
Mr Stephen MAK, BBS, JP *(from 12.2.2011)*
Government Chief Information Officer
Mr Stephen LAU Ka-men, JP *(up to 25.2.2011)*

Terms of Reference

1. Approve corporate policies and standards for information technology / information systems;
2. Approve and monitor the overall progress of the implementation of the information technology / information systems strategic plan;
3. Approve and monitor the execution of the information technology / information systems annual business plan;
4. Receive recommendations on the priorities for information technology systems development and implementation;
5. Receive advice from the Information Technology Advisory Committee;
6. Receive performance and status reports; and
7. Provide periodic progress report to the Hospital Authority Board.



Focus of Work in 2010/11

The Information Technology (IT) Services Governing Committee met four times in 2010/11 to discuss various issues relating to the strategic development of information technology/information systems in HA.

During this period, members discussed and deliberated the HA Green IT strategy and plans in supporting environmental sustainability and energy conservation; strategies on the procurement of data centre facility through contracted services to support demand on accommodating the corporate IT equipment in HA; the revised electronic communication policy to meet information security and privacy challenges; the institutional arrangements for HA in support of licensing for the Government's electronic Health Record (e-HR) related intellectual property; enhanced IT governance structure in mitigating overall IT operational risk and improving IT asset management enterprise-wide.

To meet growing demand for IT systems to support the operation of the organisation, members also discussed and deliberated the future development plans of HA IT Services in order to respond to challenges in continuing existing service delivery and delivering major strategic IT enabled projects; and the progress on information security and privacy action plan.

To support HA's business needs and accountability reporting, the Committee also endorsed the IT Block Vote Submission for 2011/12; the IT Services Annual Budget and Services Plan 2011/12; IT Services Performance Reports; and Clinical Management System Phase III Progress Reports.



Main Tender Board

Membership List

- Chairman** : Mr Lawrence LEE Kam-hung, JP
- Vice-Chairman** : Mr Stephen YIP Moon-wah, BBS, JP
- Ex-officio members** : Mr Shane SOLOMON, *Chief Executive (up to 24.10.2010)*
Dr P Y LEUNG, JP, *Chief Executive (from 8.11.2010)*
(Chief Executive or his nominated representative)
- Ms Nancy TSE Sau-ling
Director (Finance) or her nominated representative
- Members** : **Two of the following rotating members:**
- Mr CHAN Bing-woon, SBS, JP
- Ms Vivien CHAN, BBS, JP *(up to 30.11.2010)*
- Mr CHENG Yan-kee, JP
- Prof LAI Kar-neng, JP
- Mrs Yvonne LAW SHING Mo-han
- Dr Hon Joseph LEE Kok-long, SBS, JP
- Mr Charles Peter MOK

Terms of Reference

1. To review and assess the recommendations made by the assessment panel;
2. To review the procedures and criteria adopted by the assessment panel in the course of its selection; and
3. To approve the selection made by the assessment panel after satisfying itself that (i) and (ii) are in order and such approval should be final.

Focus of Work in 2010/11

In 2010/11, the Main Tender Board met 23 times to consider a total of 572 tender papers for procurement of supplies and services with value of over \$1 million for Hospital Authority Head Office and above \$4 million for Clusters and hospitals. Tenders for procurement of supplies mainly covered purchases of pharmaceutical products, medical and laboratory equipment and consumables whereas service tenders were mainly related to hospital domestic and supporting services, maintenance of medical and laboratory equipment, and information technology systems and data hosting facilities. Capital works tenders were mainly related to hospital redevelopment projects and minor works improvements for maintenance of hospital premises.



Medical Services Development Committee

Membership List

Chairman : Prof FOK Tai-fai, SBS, JP

Vice-Chairman : Dr Donald LI Kwok-tung, SBS, JP

Members : Mr CHENG Yan-kee, JP

Ms Quince CHONG Wai-yan (*from 14.12.2010*)

Dr Margaret CHUNG Wai-ling

Prof LAI Kar-neng, JP

Dr LAM Ping-yan, JP
Director of Health

Ms Ka-shi LAU

Mr Lawrence LEE Kam-hung, JP

Dr Hon Joseph LEE Kok-long, SBS, JP

Ms Sandra LEE, JP
Permanent Secretary for Health

Ms Queenie LEUNG Pik-man

Mr David LIE Tai-chong, SBS, JP

Ms Alice LAU, JP / Miss Katy FONG
(representing the Secretary for Financial Services and the Treasury)

Mr Charles Peter MOK

Mr Shane SOLOMON, *Chief Executive (up to 24.10.2010)*

Dr P Y LEUNG, JP, *Chief Executive (from 8.11.2010)*

Prof George WOO



Terms of Reference

1. To examine, review and make recommendations on the changing needs of the community in respect of clinical services provided by public hospitals and institutions;
2. To advise and make recommendations on the overall policies, directions and strategies relating to the provision, planning and development of public hospitals and related services, having regard to the availability of technology, staff and other resources and the need to provide a patient-centred, outcome-focused quality healthcare service by a knowledge-based organisation;
3. To consider and make recommendations on the overall priorities for the planning and development of public hospitals and related services in order to ensure an optimal utilisation of available resources; and
4. To consider, review and make recommendations on any other matters related to the planning and development of public hospitals and related services.

Focus of Work in 2010/11

The Medical Services Development Committee met five times in 2010/11 to discuss issues relating to the planning, development and management of clinical services.

On clinical services planning and development, the Committee considered and deliberated on the manpower requirement and strategy for doctors, nurses and allied health professionals; strategic areas of development in general out-patient clinics; development of mental health service plan for adults in the HA; renal service development; consultancy study on the development of a public-private partnership model for phase two of the North Lantau Hospital project; and reorganisation of paediatric services.

The Committee considered and gave advice on clinical management issues relating to inclusion of new drugs and indications under the Samaritan Fund from 2010/11; development of mortuary services; quality assurance and pharmacovigilance of Chinese Medicine; reducing the reprocessing and reuse of single used devices; management of interventional medical devices in the HA and enhancement of the HA's complaints and feedback management system.

The Committee also received progress reports of different clinical programmes including the cataract surgeries programme; the Tin Shui Wai primary care partnership project, the filmless HA project, and the establishment of Youth Wellness Centre in the New Territories West Cluster.



Public Complaints Committee

Membership List

Chairman : Dr Margaret CHUNG Wai-ling

Vice-Chairman : Dr LAM Ching-choi, BBS, JP*

Members : Mr CHAN Bing-woon, SBS, JP

Rev Canon Dr Alan CHAN Chor-choi

Mr CHAN Shu-ying, SBS, JP

Mrs Jennifer CHEUNG NG Chui-yiu

Sister Nancy Cheung Chu-kin (*from 1.12.2010*)

Mr CHOI Chi-sum

Dr Eric CHONG Chee-min

Mr Antonio CHU Lok-sang

Prof Joanne CHUNG Wai-yee

Mr Ricky FUNG Choi-cheung, SBS, JP (*from 1.12.2010*)

Mr Andy LAU Kwok-fai

Dr Robert LAW Chi-lim*

Prof LEE Sum-ping

Mr Carlos LEUNG Sze-hung*

Dr Pamela LEUNG, JP*

Mr Lawrence LI Shu-fai, SBS, JP

Prof WAN Chin-chin

Dr WONG Kwok-chun

Mr Anthony WONG Luen-kin, JP

Mrs Elizabeth WONG YEUNG Po-wo, MBE

Sister Catherine WU Boon-biam (*up to 30.11.2010*)

Ms Virginia WU Wei-kin

Ms Lina YAN Hau-yee, MH, JP

Ms Lisa YIP Sau-wah, JP

* Panel Chairman



Terms of Reference

1. The Public Complaints Committee (PCC) is the final complaint redress and appeal body of the Hospital Authority (HA).
2. The PCC shall independently:
 - (a) consider and decide upon complaints from members of the public who are dissatisfied with the response of the HA/hospital to which they have initially directed their complaints; and
 - (b) monitor HA's handling of complaints.
3. Pursuant to Para 2 above, the PCC shall independently advise and monitor the HA on the PCC's recommendations and their implementation.
4. In handling complaint cases, the PCC shall follow the PCC Complaint Handling Guidelines which may be amended from time to time.
5. The PCC shall from time to time and at least once a year, make reports to the HA Board and public, including statistics or raising important issues where applicable.

Complaint Handling Guidelines

1. The PCC is an appeal body within the Hospital Authority (HA) that considers appeals made by the public relating to its services. Based on its Terms of Reference, the following are guidelines set by the PCC to facilitate the handling of complaints.
2. The PCC shall not normally handle a complaint:
 - (a) if the complaint relates to services provided by HA more than two years before the date of the lodging of the complaint, unless the PCC is satisfied that in the particular circumstances it is proper to conduct an investigation into such complaint not made within that period;
 - (b) if the complaint is made anonymously and/or the complainant cannot be identified or traced;
 - (c) if the complainant has failed to obtain proper consent of the patient, to whom the services were provided, in the lodging of the complaint (this restriction will not be applicable if the patient has died or is for any reason unable to act for himself or herself);
 - (d) if the subject matter of the complaint has been referred to or is being considered by the coroner;
 - (e) if the complaint relates to a matter for which a specific statutory complaint procedure exists;



- (f) if the complainant or patient concerned has instituted legal proceedings, or has indicated that he/she will institute legal proceedings, against HA, the hospital or any persons who provided the services (in any event, the Committee shall not entertain any request for compensation);
- (g) if the complaint relates to dispute over the established policies of HA, for example fees charging policy of HA in respect of its services;
- (h) if the complaint relates to an assessment made by a medical staff pursuant to any statutory scheme whereas such scheme provides for a channel of appeal, for example, the granting of sick leave under the provisions of the Employees' Compensation Ordinance, Cap. 282;
- (i) if the complaint relates to personnel matters or contractual matters and commercial matters;
- (j) if the PCC considers that the complaint is frivolous or vexatious or is not made in good faith; or
- (k) if the complaint, or a complaint of a substantially similar nature, has previously been the subject matter of a complaint which had been decided upon by the PCC.

3. Taking into account the following:

- (a) the disclosure of legal privileged documents in an open hearing;
- (b) the disclosure of personal data in an open hearing;
- (c) the PCC is not a judicial or quasi-judicial body;
- (d) an aggrieved party has other channels to seek redress; and
- (e) the PCC should not duplicate the functions of other institutions such as the courts or the Medical Council;

the PCC considers that its meetings shall not be open to the public.

4. In considering the merits of a complaint, the PCC may from time to time obtain expert opinion by medical professionals or other experts relating to the subject matter of the complaint. If the PCC considers appropriate, it may also invite the complainant, the patient, the medical staff or any other relevant persons to attend an interview.

(The above guidelines on the handling of complaint cases may be amended from time to time as appropriate.)



Focus of work in 2010/11

In 2010/11, the Public Complaints Committee held 18 meetings and handled a total of 274 cases, of which 182 were related to medical services, 38 related to administrative procedure, 28 related to staff attitude and 26 others. In addition to the handling of appeal cases, the Committee also formulated complaint handling policies to improve the efficiency and effectiveness of the Authority's complaints system, and make recommendations for system change and improvement of healthcare services. Regular internal and external communication programmes were conducted to enhance transparency and credibility of HA's complaint system and the Committee as the final appeal body. Through its Secretariat, the Committee also shared important lessons learned for risk management and enhanced the complaint handling skills of frontline staff through regular specialist complaint management training. The Public Complaints Committee Secretariat also handled a total of 15,541 feedback cases from patients and complainants and was tasked to take up 102 cases referred by The Ombudsman, and 3,439 complaint cases directed to the Hospital Authority Head Office.



Staff Appeals Committee

Membership List

Chairman : Mr Peter LO Chi-lik

Members : Mr Billy KONG Churk-hoi, BBS, JP

Dr Kim MAK

Prof Thomas WONG Kwok-shing, JP

Terms of Reference

1. To consider and decide upon appeals from staff members who have raised grievances through the normal internal complaint channels and who wish to appeal against the decision made;
2. The Committee shall:
 - consider whether the appeal cases need further investigation by the management;
 - direct the appeal cases to be investigated;
 - have access to all relevant information required from the management for making a decision;
 - ensure that appropriate action is taken; and
 - reply to the appellant;
3. The Committee's decision shall represent HA's decision and shall be final; and
4. The Committee shall make annual reports to the HA Board.

Focus of Work in 2010/11

The Staff Appeals Committee was set up on 19 December 2002 as an independent authority for handling staff appeals which have already exhausted the normal staff complaint channels within the Hospital Authority's operation. The Committee received two cases in 2010/11.



Supporting Services Development Committee

Membership List

- Chairman** : Mr Stephen YIP Moon-wah, BBS, JP
- Vice-Chairman** : Mr Charles Peter MOK
- Members** : Mr Shane SOLOMON, *Chief Executive (up to 24.10.2010)*
Dr P Y LEUNG, JP, *Chief Executive (from 8.11.2010)*
- Ms Vivien CHAN, BBS, JP (*up to 30.11.2010*)
- Mr CHENG Yan-kee, JP
- Mr Peter LO Chi-lik
- Miss Gloria LO Kit-wai
(*representing Permanent Secretary for Health*)

Terms of Reference

1. To advise on the directions and policies related to the development of Business Support Services and Environmental Protection to best support clinical services delivery in the Hospital Authority.
2. To review and advise on the implementation and monitoring of Capital Works projects in the Hospital Authority.
3. To review and advise on the new initiatives in Business Support Services such as improvements in supply chain management, equipment management, strategic outsourcing and public-private-partnership of non-core functions, and the development of supporting services for revenue generation.
4. To advise on the adoption of better practices and industry innovations related to the planning and delivery of business support services and implementation of Capital Works Projects in the Hospital Authority.



Focus of Work in 2010/11

In 2010/11, the Supporting Services Development Committee held four meetings to fulfil its Terms of Reference, mainly to advise on the directions and policies related to the development of business support services and environmental protection to best support clinical service delivery in HA. It considered reports on the procurement risk management of non-drug items, replacement of medical and engineering equipment for 2010/11 and planning for 2011/12, enhancement of drug procurement, performance management of pharmaceutical manufacturers and suppliers, and implementation of Enterprise Resources Planning System for pharmaceutical supplies. It also reviewed reports on the implementation of cook chill cum cold-plating and upgrading of catering facilities, improvement of Non-Emergency Ambulance Transfer Service and the development plan for hospital laundry services.

During the year, it also considered reports on the progress of major capital works projects, carbon audit for HA hospitals, barrier free access to HA facilities, use of air-cooled and water-cooled air conditioning systems in HA hospitals, enhancement of routine maintenance in HA facilities, hospital fire protection efficiency improvement, and the development of the latest version of the Capital Works Procedural Manual.



Appendix 4

Membership of Hospital Governing Committees

Alice Ho Miu Ling Nethersole Hospital

| | |
|---------------------------|---|
| Chairman | : Mr Roland CHOW Kun-chee |
| Ex-officio members | : Hospital Authority Chief Executive or his representative Hospital Chief Executive |
| Members | : Dr Bonba CHIU Sik-ho Ms Michelle CHOW Yan-wai Mr FUNG Sau-chung Dr Pamela LEUNG, JP Mr John LI Kwok-heem Rev Dr LI Ping-kwong Mr Wilson MOK Yu-sang Rev Eric SO Shing-yit Rt Rev Dr Thomas SOO Yee-po, JP Bishop Nicholas TAI Ho-fai Prof TAM Sheung-wai, GBS, JP Ms Wendy TSANG Wan-man Rev Josephine TSO Shiu-wan Dr WONG Fook-yee Ms Peggy WONG Pik-kiu, MH Miss Nora WONG Pui-ha, JP |



Bradbury Hospice

- Chairman** : Dr Geoffrey LIEU Sek-yiu
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Hubert CHAN Chung-yee, JP
Dr Amy CHOW Yin-man
Sister Helen KENNY
Dr KWAN Wing-hong
Prof Samantha PANG Mei-che
Father John RUSSELL, S.J.
Mr SHUM Si-ki
Prof WONG Hoi-kwok, BBS, JP
Prof Dr Dominic WONG Shing-wah, GBS, JP

Caritas Medical Centre

- Chairman** : Prof David CHEUNG Lik-ching
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Wallace CHAN Chi-ho
Mr Denis CHANG, JP
Dr Benedict CHUNG Yat-ki
Dr Daniel FANG Tak-sang
Dr Conrad LAM Kui-shing, JP
Mr LEUNG Kam-tao
Mr William WONG Kuen-wai, BBS
Mr Anthony WONG Luen-kin, JP
Rev Michael M C YEUNG, VG
Rev Joseph YIM Tak-lung



Castle Peak Hospital

- Chairman** : Prof John LEONG Chi-yan, SBS, OBE, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr CHOW Chun-bong, BBS, JP
Dr IP Yan-ming, JP
Mr Lothar LEE Hung-sham, MH
Mrs Rita LIU, SBS
Prof SHAM Pak-chung
Prof Thomas WONG Kwok-shing, JP

Cheshire Home, Chung Hom Kok

- Chairman** : Dr Albert WONG Chi-chiu
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mrs Shelley M CHOW
Mr Hilbert KA Ping-wah
Mr Peter LI Lan-yiu
Ms Janice MORTON
Dr WONG Chun-por
Mrs Linda WONG LEUNG Kit-wah
Dr Paul YOUNG Tze-kong, JP



Cheshire Home, Shatin

- Chairman** : Mrs Linda WONG LEUNG Kit-wah
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mrs Shelley M CHOW
Prof Suzanne C HO
Dr Edward LEUNG Man-fuk
Dr Pamela LEUNG, JP
Prof Mark MACALPINE
Mr Paul MAK Chun-nam
Ms Janice MORTON
Mr Alfred POON Sun-biu

Duchess of Kent Children's Hospital at Sandy Bay

- Chairman** : Mr Vivian LEE Wai-man
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr CHEUNG Tat-tong
Dr Daniel FANG Tak-sang
Mrs FOK Mei-ling
Prof LAU Yu-lung
Mr Renny LIE Ken-jie
Mr Gordon Gilbert LOCH Han-van
Prof Keith LUK Dip-kei
Mrs Elizabeth WONG YEUNG Po-wo
Dr Arthur Charles YAU Meng-choy (*Passed away in January 2011*)



Grantham Hospital

- Chairman** : Mr PANG Yuk-ling, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr CHENG Chun-ho
- Prof FAN Sheung-tat, SBS
- Prof Karen LAM Siu-ling
- Mr Steve Y F LAN
- Mr Sebastian LAU Ki-chit
- Mr Lawrence LEE Kam-hung, JP
- Mr Edwin LEUNG Chung-ching
- Dr Vitus LEUNG Wing-hang
- Mrs Elizabeth LI
- Mrs Purviz Rusy SHROFF
- Mr Rocco YIM Sen-kee, BBS, JP

Haven of Hope Hospital

- Chairman** : Mr Charles C Y CHIU
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Thomas CHAN Sze-tong, JP
- Dr Margaret CHUNG Wai-ling
- Dr HO Wai-ip
- Dr Joseph KWAN Kai-cho
- Dr LAM Ching-choi, BBS, JP
- Mr Eddie NG Ping-yiu
- Mr Edward PONG Chong, BBS, JP
- Mr Peter WONG Chun-kow
- Mr WONG Kai-man, BBS, JP



Hong Kong Buddhist Hospital

- Chairman** : Mr Keith LAM Hon-keung, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr AU Kit-ming, BBS, MH (*Passed away in October 2010*)
Ms Kelly CHAN Yuen-sau
Ms Elaine CHUNG Lai-kwok, BBS, JP
Ms Pearl HO Chun-yee
Mr HO Tak-sum, MH
Mr HO Yin-fai
Dr KAO Park-ming
Ven KOK Kwong, GBS
Mr LAI Sze-nuen, BBS, JP
Mr Anthony LAM Chi-tat
Mr LEE Ka-cheung
Ms Mavis LEE Ming-pui
Ven SIK Hin-hung
Ven SIK Hong-ming
Ven SIK Ku-tay
Ven SIK Kuan-yun
Ven SIK To-ping

Hong Kong Eye Hospital & Kowloon Hospital

- Chairman** : Dr Eliza C H CHAN, BBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr Philip FAN Yan-hok
Mr IP Che-kin, MH
Mr Louis LOONG Hon-biu
Mrs Delia PEI CHEN Chi-kuen, BBS, JP
Dr Victor WOO Chi-pang
Mr James YIP Shiu-kwong



Hong Kong Red Cross Blood Transfusion Service

- Chairman** : Mr Philip TSAI Wing-chung
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr CHAN Kai-ming
Prof Gregory CHENG
Mr Ambrose HO, JP
Dr HO Chung-ping, MH, JP
Ms Ada LAM Wai-ming
Mr Vincent LO Wing-sang, BBS, JP
Ms Clara SHEK
Mr Luke WONG Sui-kwong
Mrs Irene YAU, JP

Kwai Chung Hospital & Princess Margaret Hospital

- Chairman** : Hon Vincent FANG Kang, SBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr CHAN How-chi
Mr CHAU How-chen, GBS, JP
Dr Alice CHIU TSANG Hok-wan, BBS, JP
Mr CHOW Yick-hay, BBS, JP
Mr Larry KWOK Lam-kwong, BBS, JP
Mr Alan LEE Chi-keung, MH
Dr Hon Joseph LEE Kok-long, SBS, JP
Dr John LEUNG Yat-wai
Mr Henry TONG Sau-chai
Dr TSAO Yen-chow
Prof WONG Chack-kie, MH



Kwong Wah Hospital & TWGHs Wong Tai Sin Hospital

Chairman : Mr Billy LEUNG Ting-yu

Ex-officio members : Hospital Authority Chief Executive or his representative
Hospital Chief Executive

Members : Mrs Viola CHAN MAN Yee-wai

Dr Ina CHAN Un-chan

Mr Christopher CHAN Yiu-chong, BBS, JP

Mr Charles CHANG Juo-hwa

Mr CHOW Chun-fai, BBS, JP

Mr Frederick FUNG King-wai

Dr John LEE Sam-yuen, BBS

Mr Patrick MA Ching-hang, BBS, JP

Mr MOK Ying-fan

Mr Stephen NG Chi-wing

Mr Peter ONG Ka-lueng, BBS

Mr Ivan SZE Wing-hang

Mr Eddie WANG, BBS

Mr Paul YU Shiu-tin, BBS, JP

Dr YU Yuk-ling



MacLehose Medical Rehabilitation Centre

- Chairman** : Dr David FANG, SBS, JP (*up to 26.5.2010*)
Dr Eric CHIEN Ping (*from 27.5.2010*)
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Ms Mabel CHAU Man-ki
Mr Vincent CHENG Wing-ming
Dr Eric CHIEN Ping (*up to 26.5.2010*)
Prof CHOW Shew-ping, JP
Dr Daniel FANG Tak-sang
Mr Martin HE
Prof Keith LUK Dip-kei
Mr David MONG Tak-yeung
Dr POON Tak-lun
Mr Adrian WONG Koon-man, JP
Mr David YAU Po-wing
Mr YU See-ho

North District Hospital

- Chairman** : Mrs Gloria NG WONG Yee-man, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr HAU Kam-lam, MH, JP
Mr HUNG Siu-ling
Mr David LI Ka-fai
Mr MA Ching-nam, JP
Mr George PANG Chun-sing
Dr Annie YEUNG Shou-fong
Mr Charlie YIP Wing-tong



Our Lady of Maryknoll Hospital

- Chairman** : Dr Conrad LAM Kui-shing, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr Vincent CHANG
Mr Michael CHENG Tak-kin, JP
Dr Gabriel CHOI Kin
Ms Carlye CHU Fun-ling
Dr Nancy FOK
Mr Lester Garson HUANG, JP
Mrs Marigold LAU, JP
Sister Marilu LIMGENCO
Sister Susan Kanuu NCHUBIRI
Mrs Pauline NG CHOW May-lin, JP
Mrs Beverly TONG
Dr Gene TSOI Wai-wang
Sister Marya ZABOROWSKI

Pamela Youde Nethersole Eastern Hospital

- Chairman** : Mr Lawrence LEE Kam-hung, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr CHAN Bing-woon, SBS, JP
Ms Ophelia CHAN
Mr Roland CHOW Kun-chee
Rev CHU Yiu-ming
Ms KO Siu-wah, SBS, JP
Mr Peter LEE Kwok-wah
Mr John LI Kwok-heem
Dr Yvonne LUI Lai-kwan
Rt Rev Dr Thomas SOO Yee-po, JP
Prof TAM Sheung-wai, GBS, JP
Mr YEUNG Po-kwan, JP
Dr Dominic YOUNG Ying-nam



Pok Oi Hospital

- Chairman** : Mr WONG Fan-foung, MH
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Prof Chetwyn CHAN Che-hin
Mr Stanley CHEUNG Tak-kwai
Dr CHONG Man-yuk
Ms Yvonne CHUA
Mr LAM Yin-kee
Mr LEUNG Che-cheung, BBS, MH, JP
Mr Henry POON Shiu-man, MH
Mr Henry TONG Sau-chai
Dr Sam WONG Chun-sing, MH
Mr Victor WONG Kai-tai, MH
Mr Chris YIP Yiu-shing, MH

Prince of Wales Hospital

- Chairman** : Mr Edward HO Sing-tin, SBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mrs Annie LIANG BENTLEY
Prof FOK Tai-fai, SBS, JP
Mr James B HAYBYRNE
Ms Nancy KIT, JP
Mr Peter LEE Kwok-wah
Mr Stephen LIU Wing-ting, JP
Mr Philip WONG Chak-piu



Queen Elizabeth Hospital

- Chairman** : Mr John LEE Luen-wai, BBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Eliza C H CHAN, BBS, JP
Mrs Sheilah CHENG CHATJAVAL
Dr Steven CHOW
Mr Emmanuel KAO Chu-chee
Dr LEE Kin-hung
Mr David MUI Ying-yuen, MH, JP
Ms Winnie NG
Dr Victor WOO Chi-pang
Mr John WU Man-keung, BBS, MH

Queen Mary Hospital & Tsan Yuk Hospital

- Chairman** : Dr Anthony HO Yiu-wah, BBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Prof Joseph LEE Hun-wei (*up to 17.10.2010*)
Prof LEE Sum-ping
Mrs Margaret LEUNG, JP
Ms Winnie NG
Mr Lincoln TSO
Prof Amy TSUI Bik-may (*from 18.10.2010*)
Prof Judy TSUI LAM Sin-lai
Prof Richard YU Yue-hong, SBS



Rehabaid Centre

- Chairman** : Hon Judge Kevin Anthony BROWNE
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Dr Joseph BOSCO
Ms Kelly CHAN Yuen-sau
Mrs Shelley M CHOW
Mr Robin GILL
Mrs Kimberley LAM KWONG Lan-heung
Dr Leonard LI Sheung-wai
Mr TSANG Chiu-kwan, JP

Ruttonjee & Tang Shiu Kin Hospitals

- Chairman** : Mr Edwin LEUNG Chung-ching
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Ms Lillian CHAN Lit-yee
Mr Raymond CHOW Wai-kam, JP
Prof Peggy LAM, GBS, JP
Mr Steve Y F LAN
Mr Sebastian LAU Ki-chit
Mrs Alice LAU WOO Wai-see
Prof John LEONG Chi-yan, SBS, OBE, JP
Dr Vitus LEUNG Wing-hang
Dr LIU Ka-ling
Mr PANG Yuk-ling, JP
Mrs Purviz Rusy SHROFF
Mr SHUM Choi-sang, SBS, JP
Ms Anna TANG King-yung, BBS
Mr Richard TANG Yat-sun, BBS, JP



Shatin Hospital

- Chairman** : Dr Margaret CHUNG Wai-ling
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr CHEUNG Tak-hai
Mr FONG Cheung-fat
Mr Joseph KEUNG Shu-hoi
Prof LAM Tai-hing, JP
Mr Thomas PANG Cheung-wai, BBS, JP
Mr Peter SUEN Yiu-chan

Tai Po Hospital

- Chairman** : Dr Lily CHIANG
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr CHEUNG Wing-fai
Mr Richard FUNG Lap-chung
Mr LEUNG Wo-ping, JP
Mr Arthur LI Ka-tat
Mr MAN Chen-fai, MH
Dr Sammy POONE, SBS, JP (*Passed away in March 2011*)
Dr SHUM Chi-wang

Tseung Kwan O Hospital

- Chairman** : Mr LO Chung-hing, SBS
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr Raymond CHAN Wai-man
Dr Joseph KWAN Kai-cho
Mr Henry LAI Hin-wing
Dr Danny MA Ping-kwan
Ms Nancy TSANG Lan-see
Mr WAN Yuet-cheung, MH, JP



Tuen Mun Hospital

- Chairman** : Mr Paul YU Shiu-tin, BBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Prof Alfred CHAN Cheung-ming, BBS, JP
Mr CHAN How-chi
Mr Michael CHAN Kee-huen
Prof Sophia CHAN Siu-chee
Dr Eddie CHAN Tat
Mr KU Moon-lun
Mr Edward PONG Chong, BBS, JP
Dr Jimmy WONG Chi-ho, SBS, JP

Tung Wah Hospital / Tung Wah Eastern Hospital / TWGHs Fung Yiu King Hospital

- Chairman** : Mr Billy LEUNG Ting-yu
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mrs Viola CHAN MAN Yee-wai
Dr Ina CHAN Un-chan
Mr Christopher CHAN Yiu-chong, BBS, JP
Mr Charles CHANG Juo-hwa
Ms CHENG Lai-king
Dr CHU Chor-lup
Mr Frederick FUNG King-wai
Dr John LEE Sam-yuen, BBS
Mr Stephen LIU Wing-ting, JP
Mr Patrick MA Ching-hang, BBS, JP
Mr Stephen NG Chi-wing
Mr Peter ONG Ka-lueng, BBS
Mr Ivan SZE Wing-hang
Mr TONG Chun-wan
Mr Eddie WANG, BBS



United Christian Hospital

- Chairman** : Prof TAM Sheung-wai, GBS, JP
- Ex-officio members** : Hospital Authority Chief Executive or his representative
Hospital Chief Executive
- Members** : Mr Bunny CHAN Chung-bun, SBS, JP
- Mr Derek CHAN Man-foon
- Mr Clifford King CHIU
- Mr Roland CHOW Kun-chee
- Rev Paul KAN Kei-piu
- Ms Sophia KAO, SBS, JP
- Mr Patrick LAI Shu-ho, BBS, MH, JP
- Rev Lincoln LEUNG Lam-hoi
- Mr John LI Kwok-heem
- Mr Kenneth NG Kin (*up to 12.12.2010*)
- Rev PO Kam-cheong
- Mrs Winnie POON YAM Wai-chun, MH
- Rev Eric SO Shing-yit
- Mr Thomas TSANG Fuk-chuen
- Mr Herbert TSOI Hak-kong, BBS, JP
- Rt Rev Louis TSUI Tsan-sang
- Dr Hayles WAI Heung-wah
- Mr David WONG Tat-kee
- Mr WU Kwok-cheung, MH
- Dr Alice YUK Tak-fun, JP



Yan Chai Hospital

| | |
|---------------------------|--|
| Chairman | : Mrs Christy TUNG NG Ling-ling |
| Ex-officio members | : Hospital Authority Chief Executive or his representative Hospital Chief Executive |
| Members | : Prof Edwin CHENG Shing-lung Mr CHENG Yan-kee, JP Ms Vanessa LAM Wai-shan Mr Alex LAN Khong-poh Mr Edmond LEE Man-bun Prof LEE Shiu-hung, SBS, JP Mr Raymond LEUNG Cheong-ming Mr Peter LO Siu-kit Mrs Susan SO CHAN Wai-hang Mr Alfred WONG Wai-kin |



Appendix 5

Membership of Regional Advisory Committees

Hong Kong Regional Advisory Committee

| | |
|---------------------------|---|
| Chairman | : Mr CHAN Bing-woon, SBS, JP |
| Ex-officio members | : Hospital Authority Chief Executive or his representative Director of Health or his representative |
| Members | : Mr AU Lap-sing Ms Ophelia CHAN Mrs Viola CHAN MAN Yee-wai Dr Eric CHIEN Ping Dr Daniel FANG Tak-sang Mr JONG Koon-sang Mr KONG Chack-ho, MH Ms Kenny LEE Kwun-yee Mr Edwin LEUNG Chung-ching Mr Tommy LI Ying-sang, BBS, MH, JP Mr PANG Yuk-ling, JP Mr TSANG Wing-wah Mr Lincoln TSO Dr Loretta YAM Yin-chun, BBS Dr Paul YOUNG Tze-kong, JP Prof Richard YUEN Man-fung Mr YUNG Chi-ming, MH |



Kowloon Regional Advisory Committee

| | |
|---------------------------|--|
| Chairman | : Mrs Yvonne LAW SHING Mo-han |
| Ex-officio members | : Hospital Authority Chief Executive or his representative Director of Health or his representative |
| Members | : Dr Eliza C H CHAN, BBS, JP Mr CHAN Kai-wai Mr Charles CHANG Juo-hwa Ms CHAU Chuen-heung, BBS, MH, JP Mr Michael CHENG Tak-kin, JP Mr CHEUNG Yan-hong Mr Charles C Y CHIU Mr CHOW Chun-fai, BBS, JP Mr CHOW Ping-tim Mr CHOW Yick-hay, BBS, JP Mr HO Tak-sum, MH Ms Nancy LAM Chui-ling Mr LAM Ka-keung Mr Raymond LEUNG Cheong-ming Mr John LI Kwok-heem Mr TSANG Chiu-kwan, JP Ms Nancy TSANG Lan-see Mr WONG Kam-kuen, MH, JP Mr WONG Kwok-yan Mr Anthony WONG Luen-kin, JP Mr Luke WONG Sui-kwong Dr Victor WOO Chi-pang |



New Territories Regional Advisory Committee

Chairman : Dr Margaret CHUNG Wai-ling

Ex-officio members : Hospital Authority Chief Executive or his representative
Director of Health or his representative

Members : Mr Daniel CHAM Ka-hung, MH, JP

Mr CHAN How-chi

Mr Richard FUNG Lap-chung

Prof Suzanne C HO

Ms Nancy KIT, JP

Mr LAM Tak-leung, MH

Mr LAU Kwok-fan

Prof LAU Tze-kin (*up to 23.3.2011*)

Mr Lothar LEE Hung-sham, MH

Mr LI Kwok-ying, BBS, MH, JP

Prof Simon NG Siu-man (*from 24.3.2011*)

Mr Thomas PANG Cheung-wai, BBS, JP

Mr George PANG Chun-sing

Mr SHUM Si-ki

Mr Philip WONG Chak-piu

Mr WONG Fan-foung, MH

Miss Nora WONG Pui-ha, JP



Appendix 6

Membership of the Board of Trustees of the Hospital Authority Provident Fund Scheme

Chairman : Mr John LEE Luen-wai, BBS JP

Trustees : Dr Gordon JAN Siu-kei

Ms LAU Ka-shi

Mr Raymond LEE Wing-hung (*from 7.4.2010*)

Mr Lincoln LEONG Kwok-kuen (*up to 6.4.2010*)

Mr Raymond LEUNG Ho-kwan, MH

Mr Peter LO Chi-lik

Mr LO Kam-shing

Mr Patrick MA Ching-hang, BBS

Mrs Susan MAK LOK Suet-ling, JP

Mr Alan Howard SMITH, JP

Ms Nancy TSE Sau-ling

Dr WONG Chi-keung



Appendix 7

Public Feedback Statistics

Complaint / Appreciation Received (1.4.2010 – 31.3.2011)

| Public Complaints Committee | |
|---|------------------------|
| Nature of cases | Number of appeal cases |
| Medical services | 182 |
| Staff attitude | 28 |
| Administrative procedure | 38 |
| Others | 26 |
| Total number of appeal cases handled | 274 |

| Hospital Complaint / Feedback / Appreciation Statistics | | | |
|--|--------------------|-------------------|-----------------------|
| Nature of complaint / feedback / appreciation cases | Complaint received | Feedback received | Appreciation received |
| Medical services | 1,017 | 3,649 | 15,427 |
| Staff attitude | 456 | 2,680 | 9,677 |
| Administrative procedure | 351 | 2,685 | 1,931 |
| Overall performance | 119 | 1,820 | 1,232 |
| Others | 111 | 528 | 5,427 |
| Total number of hospital complaint / feedback/ appreciation | 2,054 | 11,362 | 33,694 |

| GOPC* Complaint / Feedback / Appreciation Statistics | | | |
|---|--------------------|-------------------|-----------------------|
| Nature of complaint / feedback / appreciation cases | Complaint received | Feedback received | Appreciation received |
| Medical services | 69 | 289 | 949 |
| Staff attitude | 61 | 302 | 884 |
| Administrative procedure | 58 | 424 | 51 |
| Overall performance | 17 | 119 | 45 |
| Others | 12 | 27 | 275 |
| Total number of complaint / feedback / appreciation received by GOPC | 217 | 1,161 | 2,204 |

* General outpatient clinics



Appendix 8

Statistics of the Controlling Officer's Report

The Hospital Authority generally achieved its performance targets in 2010/11. The volume of patient care activities across the full range of services in 2010/11 is comparable to the level in 2009/10.

The key statistics of the Controlling Officer's Report used by the Government to measure the Authority's performance in 2009/10 and 2010/11 were:

| | 2009/10 | 2010/11 |
|---|-----------|-----------|
| (I) No. of hospital beds (as of end March) | | |
| General (acute and convalescence) | 20,516 | 20,733 |
| Infirmery | 2,041 | 2,041 |
| Mentally ill | 3,607 | 3,607 |
| Mentally Handicapped | 660 | 660 |
| Total | 26,824 | 27,041 |
| (II) Delivery of services | | |
| <i>Inpatient services</i> | | |
| No. of discharges & deaths | | |
| General (acute and convalescence) | 928,609 | 961,714 |
| Infirmery | 3,340 | 3,651 |
| Mentally ill | 16,018 | 15,921 |
| Mentally handicapped | 347 | 353 |
| Overall | 948,314 | 981,639 |
| No. of patient days | | |
| General (acute and convalescence) | 5,314,224 | 5,442,356 |
| Infirmery | 520,405 | 520,394 |
| mentally ill | 1,010,256 | 1,025,260 |
| Mentally handicapped | 221,649 | 215,346 |
| Overall | 7,066,534 | 7,203,356 |
| Bed occupancy rate | | |
| General (acute and convalescence) | 82% | 84% |
| Infirmery | 90% | 89% |
| Mentally ill | 77% | 79% |
| Mentally handicapped | 92% | 89% |
| Overall | 82% | 84% |
| Average length of stay (days) * | | |
| General (acute and convalescence) | 5.8 | 5.7 |
| Infirmery | 135 | 123 |
| Mentally ill | 74 | 73 |
| Mentally handicapped | 838 | 616 |
| Overall | 7.7 | 7.5 |



| | 2009/10 | 2010/11 |
|---|-----------|-----------|
| <i>Ambulatory diagnostic & therapeutic services</i> | | |
| Day patient | | |
| No. of discharges & deaths | 416,885 | 459,548 |
| No. of day patients as % of total inpatient & day Patient discharges and deaths | 31% | 32% |
| Accident & Emergency (A&E) services | | |
| No. of attendance | 2,214,422 | 2,237,249 |
| Outpatient services | | |
| No. of specialist outpatient (clinical) attendances** | 6,392,410 | 6,630,190 |
| No. of general outpatient attendances*** | 4,700,543 | 4,979,754 |
| No. of family medicine specialist clinic attendances | 272,146 | 281,858 |
| No. of primary care attendances*** | 4,972,689 | 5,261,612 |
| <i>Rehabilitation & outreach services</i> | | |
| No. of home visits by community nurses | 823,907 | 833,934 |
| Psychiatric services | | |
| No. of psychiatric outreach attendances | 135,927 | 167,086 |
| No. of psychiatric day hospital attendances | 211,675 | 211,993 |
| No. of psychogeriatric outreach attendances | 83,003 | 82,716 |
| Geriatric services | | |
| No. of outreach attendances | 626,287 | 619,844 |
| No. of older persons assessed for infirmary care service | 1,417 | 1,450 |
| No. of geriatric day hospital attendances**** | 133,992 | 137,088 |
| No. of Visiting Medical Officer attendances | 114,876 | 114,540 |
| No. of allied health outpatient attendances | 2,024,568 | 2,109,534 |
| (III) Quality of services | | |
| <i>No. of hospital deaths per 1000 population ^</i> | 3.6 | 3.5 |
| <i>Unplanned readmission rate within 28 days for general inpatient@</i> | 11.0% | 10.4% |
| <i>Accident and Emergency (A&E) services</i> | | |
| % of A&E patients within the target waiting time: | | |
| Triage I (critical cases - 0 minutes) | 100 | 100 |
| Triage II (emergency cases - 15 minutes) | 98 | 98 |
| Triage III (urgent cases - 30 minutes) | 90 | 90 |
| <i>Specialist outpatient services</i> | | |
| Median waiting time for first appointment at specialist clinics † | | |
| First priority patients | <1 week | <1 week |
| Second priority patients | 5 weeks | 5 weeks |



| | 2009/10 | 2010/11 |
|---|---------|---------|
| (IV)Cost of Services | | |
| Cost distribution | | |
| Cost distribution by service types (%) | | |
| Inpatient | 57.2% | 56.1% |
| Ambulatory and outreach | 42.8% | 43.9% |
| Cost by service types per 1000 population (\$m) | | |
| Inpatient | 2.9 | 2.9 |
| Ambulatory and outreach | 2.2 | 2.3 |
| Cost of services for persons aged 65 or above | | |
| Share of cost of services (%) | 44.9% | 45.8% |
| Cost of services per 1000 population (\$m) | 18.1 | 18.4 |
| Unit costs | | |
| Cost per inpatient discharged (\$) | | |
| General (acute and convalescence) | 18,920 | 18,630 |
| Infirmary | 175,290 | 161,460 |
| Mentally ill | 112,420 | 112,660 |
| Mentally handicapped | 682,100 | 655,390 |
| Cost per patient day (\$) | | |
| General (acute and convalescence) | 3,590 | 3,600 |
| Infirmary | 1,130 | 1,130 |
| Mentally ill | 1,780 | 1,750 |
| Mentally handicapped | 1,070 | 1,070 |
| Cost per accident & emergency attendance (\$) | 800 | 800 |
| Cost per specialist outpatient attendance (\$) | 880 | 910 |
| Cost per general outpatient attendance (\$) | 290 | 290 |
| Cost per family medicine specialist clinic attendance (\$) | 820 | 860 |
| Cost per outreach visit by community nurse (\$) | 320 | 330 |
| Cost per psychiatric outreach attendance (\$) | 1,100 | 1,160 |
| Cost per geriatric day hospital attendance (\$) | 1,510 | 1,490 |
| Waivers ~ | | |
| % of Comprehensive Social Security Assistance (CSSA) waiver (%) | 19.6 | 18.8 |
| % of non-CSSA waiver (%) | 3.8 | 3.9 |



Notes :

- * Derived by dividing the sum of length of stay of inpatient by the corresponding number of inpatient discharged/treated.
- ** Number of specialist outpatient attendances includes number of nurse clinic attendances.
- *** Number of primary care attendances comprises the number of general outpatient (GOP) attendances and family medicine specialist clinic attendances. GOP attendances include nurse clinic attendances, it also includes attendances under Integrated Mental Health Program (IMHP) with effective from 2010/11. Eight GOP clinics were designated as Designated Flu Clinics for human swine influenza (H1N1 Influenza A) between 13 June 2009 and 23 May 2010. The attendances of the Designated Flu Clinics are not included in the figure.
- **** No. of geriatric day hospital attendances under Integrated Discharge Support Program are excluded.
- ^ Refers to the standardised mortality rate covering all deaths in HA hospitals. This is derived by applying the age-specific mortality rate in HA in a particular year to a “standard” population which is the 2001 Hong Kong mid-year population.
- † Refers to median waiting time of major clinical specialties which include Ear, Nose and Throat, Gynaecology, Medicine, Ophthalmology, Orthopaedics & Traumatology, Paediatrics and Adolescent Medicine, Psychiatry and Surgery.
- @ With effective from 2010/11, the counting basis for unplanned readmission rate is redefined as “readmission to same specialty” instead of “readmission to same hospital”.
- ~ Refers to the amount waived as percentage to total charge.



Appendix 9

Statistics on Number of Beds, Inpatient, Outpatient and Accident & Emergency Services in 2010/11

| Institution | No. of Beds (as at end March 2011) | Total IP & DP Discharges and Deaths | Inpatient Occupancy Rate (%) | Inpatient Average Length of Stay (days) | Total A&E Attendances | Total SOP Attendances (clinical) | Family Medicine Specialist Clinic Attendances | Total Allied Health Outpatient Attendances | General Outpatient Attendances |
|--|--|--|------------------------------------|--|--------------------------|--|---|---|--------------------------------------|
| Hong Kong East Cluster | | | | | | | | | |
| Cheshire Home, Chung Hom Kok | 240 | 350 | 83.9 | 288.7 | - | - | - | 156 | - |
| Pamela Youde Nethersole Eastern Hospital | 1,597 | 128,074 | 82.4 | 5.6 | 154,874 | 534,835 | 57,757 | 102,902 | 298,186 |
| Ruttonjee & Tang Shiu Kin Hospitals | 663 | 25,283 | 82.3 | 7.5 | 86,691 | 124,089 | 10,063 | 100,829 | 102,727 |
| St John Hospital | 87 | 3,290 | 81.0 | 4.2 | 11,046 | 114 | - | 6,578 | 35,912 |
| Tung Wah Eastern Hospital | 282 | 8,570 | 83.8 | 12.9 | - | 108,736 | - | 28,386 | 28,375 |
| Wong Chuk Hang Hospital | 160 | 176 | 94.1 | 298.4 | - | - | - | - | - |
| Sub-total | 3,029 | 165,743 | 83.4 | 7.7 | 252,611 | 767,774 | 67,820 | 238,851 | 465,200 |
| Hong Kong West Cluster | | | | | | | | | |
| Duchess of Kent Children's Hospital | 130 | 2,841 | 50.5 | 10.6 | - | 20,235 | - | 27,558 | - |
| TWGHs Fung Yiu King Hospital | 272 | 3,053 | 70.6 | 17.0 | - | 485 | - | 312 | - |
| Grantham Hospital | 372 | 13,892 | 73.3 | 12.5 | - | 33,742 | - | 1,875 | - |
| MacLehose Medical Rehabilitation Centre | 110 | 1,043 | 62.5 | 24.6 | - | 311 | - | 4,220 | - |
| Queen Mary Hospital | 1,698 | 124,017 | 74.4 | 4.7 | 128,398 | 640,333 | 18,919 | 136,841 | 270,312 |
| Tung Wah Hospital | 550 | 24,618 | 83.3 | 13.7 | - | 41,231 | - | 5,205 | 29,521 |
| Tsan Yuk Hospital | 3 | 365 | - | - | - | 23,725 | - | 4,708 | - |
| Sub-total | 3,135 | 169,829 | 73.9 | 6.6 | 128,398 | 760,062 | 18,919 | 180,719 | 299,833 |

| Institution | No. of Beds (as at end March 2011) | Total IP & DP Discharges and Deaths | Inpatient Occupancy Rate (%) | Inpatient Average Length of Stay (days) | Total A&E Attendances | Total SOP Attendances (clinical) | Family Medicine Specialist Clinic Attendances | Total Allied Health Outpatient Attendances | General Outpatient Attendances |
|--------------------------------|---|--|---|--|--------------------------------------|---|--|---|---|
| Kowloon Central Cluster | | | | | | | | | |
| Hong Kong Buddhist Hospital | 324 | 8,665 | 87.6 | 16.3 | - | 13,027 | - | 5,069 | 33,061 |
| Hong Kong Eye Hospital | 45 | 7,796 | 56.9 | 4.4 | - | 231,925 | - | 20,811 | - |
| Kowloon Hospital | 1,335 | 16,270 | 87.6 | 27.3 | - | 87,179 | - | 129,149 | - |
| Queen Elizabeth Hospital | 1,841 | 152,875 | 87.6 | 5.0 | 212,630 | 652,483 | 8,242 | 198,109 | 433,127 |
| Rehabaid Centre | - | - | - | - | - | 137 | - | 21,588 | - |
| Sub-total | 3,545 | 185,606 | 87.4 | 8.2 | 212,630 | 984,751 | 8,242 | 374,726 | 466,188 |
| Kowloon East Cluster | | | | | | | | | |
| Haven of Hope Hospital | 425 | 6,050 | 90.3 | 22.3 | - | 9,485 | - | 3,197 | - |
| Tseung Kwan O Hospital | 503 | 40,636 | 96.5 | 4.5 | 118,917 | 183,963 | 1,701 | 77,122 | 252,803 |
| United Christian Hospital | 1,403 | 116,705 | 82.0 | 4.5 | 198,306 | 515,095 | 55,728 | 195,324 | 473,244 |
| Sub-total | 2,331 | 163,391 | 86.6 | 5.4 | 317,223 | 708,543 | 57,429 | 275,643 | 726,047 |
| Kowloon West Cluster | | | | | | | | | |
| Caritas Medical Centre | 1,183 | 53,848 | 81.0 | 7.0 | 134,480 | 342,211 | 1,136 | 61,443 | 250,966 |
| Kwai Chung Hospital | 920 | 3,564 | 77.6 | 80.2 | - | 196,543 | - | 23,035 | - |
| Kwong Wah Hospital | 1,201 | 91,656 | 71.0 | 4.2 | 149,502 | 348,662 | 2,541 | 153,014 | 210,613 |
| Our Lady of Maryknoll Hospital | 236 | 10,170 | 74.1 | 8.4 | - | 68,309 | 358 | 27,703 | 372,997 |
| Princess Margaret Hospital | 1,731 | 122,713 | 89.8 | 5.5 | 148,007 | 387,954 | 11,997 | 104,496 | 397,820 |
| TWGHs Wong Tai Sin Hospital | 511 | 7,540 | 92.3 | 26.2 | - | - | - | 674 | - |
| Yan Chai Hospital | 800 | 49,559 | 81.9 | 4.9 | 143,399 | 197,195 | 2,895 | 70,137 | 243,646 |
| Sub-total | 6,582 | 339,050 | 81.4 | 6.9 | 575,388 | 1,540,874 | 18,927 | 440,502 | 1,476,042 |



| Institution | No. of Beds (as at end March 2011) | Total IP & DP Discharges and Deaths | Inpatient Occupancy Rate (%) | Inpatient Average Length of Stay (days) | Total A&E Attendances | Total SOP Attendances (clinical) | Family Medicine Specialist Clinic Attendances | Total Allied Health Outpatient Attendances | General Outpatient Attendances |
|--|---|--|---|--|--------------------------------------|---|--|---|---|
| New Territories East Cluster | | | | | | | | | |
| Alice Ho Miu Ling Nethersole Hospital | 583 | 49,591 | 82.4 | 4.2 | 125,938 | 224,524 | 5,120 | 100,818 | 210,219 |
| Bradbury Hospice | 26 | 636 | 84.6 | 12.8 | - | 31 | - | 764 | - |
| Cheshire Home, Shatin | 304 | 163 | 75.5 | 500.6 | - | - | - | 676 | - |
| North District Hospital | 607 | 36,563 | 85.7 | 5.2 | 115,730 | 177,686 | 6,600 | 62,628 | 231,806 |
| Prince of Wales Hospital | 1,449 | 129,774 | 85.0 | 4.9 | 150,917 | 632,886 | 44,144 | 165,113 | 396,791 |
| Shatin Hospital | 553 | 7,642 | 87.5 | 20.9 | - | 441 | - | 743 | - |
| Tai Po Hospital | 992 | 9,962 | 84.1 | 25.5 | - | 507 | - | 619 | - |
| Sub-total | 4,514 | 234,331 | 84.2 | 7.5 | 392,585 | 1,036,075 | 55,864 | 331,361 | 838,816 |
| New Territories West Cluster | | | | | | | | | |
| Castle Peak Hospital | 1,144 | 2,722 | 78.6 | 161.2 | - | 127,365 | - | 24,621 | - |
| Pok Oi Hospital | 504 | 36,001 | 89.3 | 5.6 | 125,449 | 77,866 | 34,025 | 48,853 | - |
| Siu Lam Hospital | 350 | 190 | 98.5 | 619.7 | - | - | - | - | - |
| Tuen Mun Hospital | 1,907 | 144,324 | 92.3 | 6.0 | 232,965 | 626,880 | 20,632 | 194,258 | 707,628 |
| Sub-total | 3,905 | 183,237 | 88.2 | 10.3 | 358,414 | 832,111 | 54,657 | 267,732 | 707,628 |
| GRAND TOTAL | 27,041 | 1,441,187 | 83.5 | 7.5 | 2,237,249 | 6,630,190 | 281,858 | 2,109,534 | 4,979,754 |

Notes:

1. The number of beds as at end March 2011 is based on the Annual Survey on Hospital Beds in Public Hospitals, 2010/11.
2. The outpatient attendances for different clinics are grouped under respective hospital management.
3. Total SOP attendances (clinical) include Nurse Clinic attendances.
4. General outpatient attendances include Nurse Clinic attendances and attendances under Integrated Mental Health Program (IMHP).
5. Total Allied Health outpatient attendances exclude follow-up consultations provided by the Medical Social Service Department and joint clinic consultations provided by the Optometry & Orthoptics Department with doctors.
6. Data prepared in July 2011.

Abbreviations:

IP — Inpatient

DP — Day Patient

A&E — Accident & Emergency

SOP — Specialist Outpatient



Appendix 10

Statistics on Community and Rehabilitation Services in 2010/11

| Institution | Community Nursing Service * | Community Psychiatric Service # | Psycho- geriatric Service # | Community Geriatric Assessment Service @ | Visiting Medical Officer attendances ⁺⁺ | Community Allied Health attendances ⁺⁺ | Rehabilitation Day & Palliative care day attendances | Geriatric day hospital attendances ^{***} | Psychiatric day hospital attendances |
|--|-----------------------------------|---------------------------------------|-----------------------------------|---|---|--|--|--|---|
| Hong Kong East Cluster | | | | | | | | | |
| Cheshire Home, Chung Hom Kok | - | - | - | - | - | 80 | - | - | - |
| Pamela Youde Nethersole Eastern Hospital | 96,531 | 14,534 | 9,551 | - | - | 799 | 1,019 | 10,823 | 29,845 |
| Ruttonjee & Tang Shiu Kin Hospitals | - | - | - | 115,851 | 18,775 | 1,541 | 8,834 | 15,414 | - |
| St John Hospital | 5,294 | - | - | - | - | 3 | - | - | - |
| Tung Wah Eastern Hospital | - | - | - | - | - | 87 | 30,791 | - | - |
| Wong Chuk Hang Hospital | - | - | - | - | - | - | - | 2,236 | - |
| Sub-total | 101,825 | 14,534 | 9,551 | 115,851 | 18,775 | 2,510 | 40,644 | 28,473 | 29,845 |
| Hong Kong West Cluster | | | | | | | | | |
| Duchess of Kent Children's Hospital | - | - | - | - | - | 20 | - | - | - |
| TWGHs Fung Yiu King Hospital | - | - | - | 39,474 | 12,098 | 1,688 | - | 4,582 | - |
| Grantham Hospital | - | - | - | - | - | 224 | 3,450 | - | - |
| Maclehose Medical Rehabilitation Centre | - | - | - | - | - | 152 | 12,923 | - | - |
| Queen Mary Hospital | 58,040 | 7,495 | 11,318 | - | - | 534 | - | - | 17,291 |
| Tung Wah Hospital | - | - | - | - | - | 206 | 7,046 | 3,471 | - |
| Sub-total | 58,040 | 7,495 | 11,318 | 39,474 | 12,098 | 2,824 | 23,419 | 8,053 | 17,291 |



| Institution | Community Nursing Service * | Community Psychiatric Service # | Psycho- geriatric Service # | Community Geriatric Assessment Service @ | Visiting Medical Officer attendances ⁺⁺ | Community Allied Health attendances ^{**} | Rehabilitation Day & Palliative care day attendances | Geriatric day hospital attendances ^{***} | Psychiatric day hospital attendances |
|--------------------------------|-----------------------------------|---------------------------------------|-----------------------------------|---|---|--|--|--|---|
| Kowloon Central Cluster | | | | | | | | | |
| Hong Kong Buddhist Hospital | - | - | - | - | - | 92 | 730 | - | - |
| Kowloon Hospital | 65,929 | 8,755 | 6,653 | 39,003 | 5,135 | 2,063 | 791 | - | 10,152 |
| Queen Elizabeth Hospital | - | - | - | 29,835 | 7,436 | 729 | - | 8,438 | - |
| Rehabaid Centre | - | - | - | - | - | 1,238 | - | - | - |
| Sub-total | 65,929 | 8,755 | 6,653 | 68,838 | 12,571 | 4,122 | 1,521 | 8,438 | 10,152 |
| Kowloon East Cluster | | | | | | | | | |
| Haven of Hope Hospital | 29,718 | - | - | 5,813 | 1,171 | 468 | 1,275 | 3,299 | - |
| Tsang Kwan O Hospital | - | - | - | - | - | 94 | - | - | - |
| United Christian Hospital | 127,613 | 23,450 | 8,572 | 31,880 | 8,233 | 1,384 | 2,656 | 20,049 | 31,499 |
| Sub-total | 157,331 | 23,450 | 8,572 | 37,693 | 9,404 | 1,946 | 3,931 | 23,348 | 31,499 |
| Kowloon West Cluster | | | | | | | | | |
| Caritas Medical Centre | 77,752 | - | - | 38,716 | 5,482 | 168 | 1,121 | 9,417 | - |
| Kwai Chung Hospital | - | 46,755 | 20,375 | - | - | 2,673 | - | - | 65,809 |
| Kwong Wah Hospital | 34,555 | - | - | 48,120 | 10,539 | 1,022 | - | 5,746 | - |
| Our Lady of Maryknoll Hospital | 44,767 | - | - | 14,426 | - | 74 | 713 | - | - |
| Princess Margaret Hospital | 82,706 | - | - | 38,964 | 5,835 | 773 | 665 | 9,243 | - |
| TWGHs Wong Tai Sin Hospital | - | - | - | - | - | 74 | - | 10,702 | - |
| Yan Chai Hospital | - | - | - | 38,987 | 5,728 | 72 | - | - | - |
| Sub-total | 239,780 | 46,755 | 20,375 | 179,213 | 27,584 | 4,856 | 2,499 | 35,108 | 65,809 |



| Institution | Community Nursing Service * | Community Psychiatric Service # | Psycho- geriatric Service # | Community Geriatric Assessment Service @ | Visiting Medical Officer attendances ++ | Community Allied Health attendances ** | Rehabilitation Day & Palliative care day attendances | Geriatric day hospital attendances *** | Psychiatric day hospital attendances |
|--|--|--|--|---|--|---|---|---|---|
| New Territories East Cluster | | | | | | | | | |
| Alice Ho Miu Ling Nethersole Hospital | 34,567 | - | 821 | 27,746 | 7,078 | 2,115 | 310 | 10,226 | 5,102 |
| Bradbury Hospice | - | - | - | - | - | 32 | 385 | - | - |
| Cheshire Home, Shatin | - | - | - | - | - | 1 | - | - | - |
| North District Hospital | 35,968 | 8,130 | 8,125 | 29,509 | 6,701 | 2,621 | - | 7,311 | 11,825 |
| Prince of Wales Hospital | - | - | - | - | - | 94 | - | - | - |
| Shatin Hospital | 57,055 | 10,440 | 5,869 | 23,364 | 8,971 | 3,891 | 5,292 | 10,017 | 16,807 |
| Tai Po Hospital | - | 3,288 | 315 | - | - | 40 | 68 | - | 7,046 |
| Sub-total | 127,590 | 21,858 | 15,130 | 80,619 | 22,750 | 8,794 | 6,055 | 27,554 | 40,780 |
| New Territories West Cluster | | | | | | | | | |
| Castle Peak Hospital | - | 44,239 | 11,117 | - | - | 680 | - | - | 16,617 |
| Pok Oi Hospital | - | - | - | 2,254 | - | 360 | - | - | - |
| Tuen Mun Hospital | 83,439 | - | - | 97,352 | 11,358 | 3,460 | 2,284 | 10,124 | - |
| Sub-total | 83,439 | 44,239 | 11,117 | 99,606 | 11,358 | 4,500 | 2,284 | 10,124 | 16,617 |
| GRAND TOTAL | 833,934 | 167,086 | 82,716 | 621,294 | 114,540 | 29,552 | 80,353 | 141,098 | 211,993 |

* For Community Nursing Service, the activity refers to number of home visits made.

For Community Psychiatric Service and Psychogeriatric Service, the activity refers to the total number of outreach attendances and home visits. The activity of Community Psychiatric Service also includes Recovery Support Programme and Personalised Care Programme for patients with SMI attendances, while the activity of Psychogeriatric Service also includes consultation-liaison attendances.

@ For Community Geriatric Assessment Service, the activity refers to the total number of outreach attendances and infirmary care service assessments performed.

++ Visiting Medical Officer attendances refer to the services provided to elderly persons living in Resident Care Homes for the Elderly under the Visiting Medical Officers Scheme introduced in 2003/04.

** Community Allied Health attendances exclude follow-up consultations provided by the Medical Social Service Department.

*** Geriatric day hospital attendances include attendances from Integrated Discharge Support Programme (IDSP).

Note: The activity performed in different centres and teams are grouped under respective hospital management.



Appendix 11(a)

Manpower Position - by Cluster and Institution

| Institution | No. of Full-time Equivalent (FTE) Staff (as at 31.3.2011)* | | | | |
|---|--|-----------------|---------------|-----------------|-----------------|
| | Medical | Nursing | Allied Health | Others | Total |
| Hong Kong East Cluster | 573.46 | 2,099.96 | 622.81 | 3,231.48 | 6,527.71 |
| Cheshire Home, Chung Hom Kok | 3.00 | 53.00 | 9.00 | 107.00 | 172.00 |
| HK Tuberculosis, Chest & Heart Diseases Association | | | | 8.00 | 8.00 |
| Hong Kong East Cluster Office | 1.00 | 30.64 | 3.50 | 421.87 | 457.01 |
| Pamela Youde Nethersole Eastern Hospital | 446.81 | 1,369.03 | 402.31 | 1,657.12 | 3,875.27 |
| Ruttonjee & Tang Shiu Kin Hospitals | 77.65 | 398.49 | 137.00 | 588.49 | 1,201.63 |
| St John Hospital | 5.00 | 31.98 | 10.00 | 62.00 | 108.98 |
| Tung Wah Eastern Hospital | 38.00 | 173.07 | 57.00 | 282.00 | 550.07 |
| Wong Chuk Hang Hospital | 2.00 | 43.75 | 4.00 | 105.00 | 154.75 |
| | | | | | |
| Hong Kong West Cluster | 624.46 | 2,438.84 | 737.65 | 3,070.39 | 6,871.34 |
| Duchess of Kent Children's Hospital | 8.00 | 60.85 | 36.00 | 117.00 | 221.85 |
| Grantham Hospital | 25.00 | 213.78 | 44.00 | 253.00 | 535.78 |
| Hong Kong West Cluster Office | | | | 53.00 | 53.00 |
| MacLehose Medical Rehabilitation Centre | 1.00 | 33.31 | 25.00 | 80.00 | 139.31 |
| Queen Mary Hospital | 536.46 | 1,741.58 | 545.65 | 2,069.39 | 4,893.08 |
| TWGHs Fung Yiu King Hospital | 15.00 | 87.54 | 19.00 | 153.00 | 274.54 |
| Tung Wah Hospital | 39.00 | 301.78 | 68.00 | 345.00 | 753.78 |



| Institution | No. of Full-time Equivalent (FTE) Staff (as at 31.3.2011)* | | | | |
|--|--|-----------------|-----------------|-----------------|------------------|
| | Medical | Nursing | Allied Health | Others | Total |
| Kowloon Central Cluster | 685.58 | 2,781.33 | 826.97 | 3,583.85 | 7,877.73 |
| HK Red Cross Blood Transfusion Service | 4.00 | 66.23 | 54.00 | 203.00 | 327.23 |
| Hong Kong Buddhist Hospital | 14.00 | 137.44 | 28.00 | 163.20 | 342.64 |
| Hong Kong Eye Hospital | 37.20 | 68.68 | 19.00 | 140.00 | 264.88 |
| Kowloon Central Cluster Office | 1.00 | | | 62.00 | 63.00 |
| Kowloon Hospital | 62.23 | 719.28 | 155.67 | 787.06 | 1,724.24 |
| Queen Elizabeth Hospital | 567.15 | 1,789.70 | 558.30 | 2,216.59 | 5,131.74 |
| Rehabaid Centre | | | 12.00 | 12.00 | 24.00 |
| | | | | | |
| Kowloon East Cluster | 612.61 | 2,097.39 | 569.03 | 2,567.11 | 5,846.14 |
| Haven of Hope Hospital | 17.02 | 228.96 | 46.02 | 309.33 | 601.33 |
| Kowloon East Cluster Office | | | | 8.00 | 8.00 |
| Tseung Kwan O Hospital | 138.05 | 472.11 | 133.04 | 500.36 | 1,243.56 |
| United Christian Hospital | 457.54 | 1,396.32 | 389.97 | 1,749.42 | 3,993.25 |
| | | | | | |
| Kowloon West Cluster | 1,255.30 | 4,729.54 | 1,222.87 | 5,952.10 | 1,3159.81 |
| Caritas Medical Centre | 241.16 | 732.57 | 192.25 | 993.87 | 2,159.85 |
| Kowloon West Cluster Office | 1.00 | 5.00 | 3.00 | 191.00 | 200.00 |
| Kwai Chung Hospital | 68.62 | 534.32 | 88.31 | 520.00 | 1,211.25 |
| Kwong Wah Hospital | 309.94 | 1,053.37 | 273.00 | 1,302.84 | 2,939.15 |
| Our Lady of Maryknoll Hospital | 60.54 | 219.24 | 58.23 | 285.12 | 623.13 |
| Princess Margaret Hospital | 394.20 | 1,398.20 | 424.08 | 1,569.72 | 3,786.20 |
| TWGHs Wong Tai Sin Hospital | 24.00 | 228.80 | 39.00 | 285.49 | 577.29 |
| Yan Chai Hospital | 155.84 | 558.04 | 145.00 | 804.06 | 1,662.94 |



| Institution | No. of Full-time Equivalent (FTE) Staff (as at 31.3.2011)* | | | | |
|---------------------------------------|--|------------------|-----------------|------------------|------------------|
| | Medical | Nursing | Allied Health | Others | Total |
| New Territories East Cluster | 899.01 | 3,272.19 | 921.00 | 4,135.94 | 9,228.14 |
| Alice Ho Miu Ling Nethersole Hospital | 132.51 | 485.00 | 159.00 | 603.00 | 1,379.51 |
| Bradbury Hospice | 3.23 | 24.50 | 4.00 | 18.00 | 49.73 |
| Cheshire Home, Shatin | 2.00 | 81.00 | 8.00 | 115.00 | 206.00 |
| New Territories East Cluster Office | 1.00 | 123.97 | 1.00 | 371.02 | 496.99 |
| North District Hospital | 163.30 | 572.54 | 144.00 | 640.00 | 1,519.84 |
| Prince of Wales Hospital | 510.97 | 1,404.18 | 483.00 | 1,610.92 | 4,009.07 |
| Shatin Hospital | 44.00 | 285.00 | 57.00 | 369.00 | 755.00 |
| Tai Po Hospital | 42.00 | 296.00 | 65.00 | 409.00 | 812.00 |
| | | | | | |
| New Territories West Cluster | 675.32 | 2,634.94 | 652.05 | 3,519.64 | 7,481.95 |
| Castle Peak Hospital | 68.60 | 528.20 | 65.00 | 574.53 | 1,236.33 |
| New Territories West Cluster Office | | | | 67.00 | 67.00 |
| Pok Oi Hospital | 100.49 | 366.50 | 100.33 | 465.53 | 1,032.85 |
| Siu Lam Hospital | 3.00 | 88.03 | 5.00 | 224.00 | 320.03 |
| Tuen Mun Hospital | 503.23 | 1,652.21 | 481.72 | 2,188.58 | 4,825.74 |
| | | | | | |
| Total | 5,325.74 | 20,054.19 | 5,552.38 | 26,060.51 | 56,992.82 |

- * This figure excludes 1,480.61 staff in the Hospital Authority shared/agency services and the Head Office.
- * Manpower on full-time equivalent (FTE) basis includes all staff in HA's workforce i.e. permanent, contract and temporary.



Appendix 11(b)

Manpower Position - by Staff Group

| | No. of Full-time Equivalent (FTE) Staff * | | | | |
|---|---|-----------------|-----------------|-----------------|-----------------|
| | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 |
| Medical | | | | | |
| Consultant | 502.7 | 530.9 | 563.4 | 590.1 | 630.1 |
| Senior Medical Officer / Associate Consultant | 1,010.0 | 1,085.4 | 1,172.9 | 1,241.5 | 1,294.0 |
| Medical Officer / Resident(excluding Visiting Medical Officer) | 3,087.9 | 3,091.4 | 3,110.5 | 3,147.4 | 3,111.8 |
| Visiting Medical Officer | 16.3 | 14.7 | 16.3 | 15.6 | 16.1 |
| Intern | 313.0 | 329.0 | 292.0 | 277.0 | 280.0 |
| Senior Dental Officer / Dental Officer | 5.5 | 5.5 | 5.5 | 6.3 | 5.3 |
| Medical Total: | 4,935.4 | 5,057.0 | 5,160.5 | 5,277.9 | 5,337.4 |
| | | | | | |
| Nursing | | | | | |
| Senior Nursing Officer and above | 66.0 | 69.0 | 83.0 | 81.0 | 80.0 |
| Department Operations Manager | 156.0 | 157.0 | 158.0 | 163.0 | 161.0 |
| General - | | | | | |
| Ward Manager / Nurse Specialist / Nursing Officer / Advanced Practice Nurse | 2,409.4 | 2,521.5 | 3,038.4 | 3,161.6 | 3,274.8 |
| Registered Nurse | 11,787.6 | 11,731.0 | 11,478.1 | 11,780.1 | 11,981.0 |
| Enrolled Nurse | 2,718.2 | 2,541.9 | 2,375.4 | 2,199.4 | 2,189.9 |
| Midwife / Others | 40.7 | 37.7 | 35.3 | 28.6 | 24.6 |
| Student Nurse / Pupil Nurse / Temporary Undergraduate Nursing student | 121.6 | 260.7 | 397.8 | 487.0 | 407.7 |
| Psychiatric - | | | | | |
| Ward Manager / Nurse Specialist / Nursing Officer / Advanced Practice Nurse | 330.5 | 347.0 | 397.7 | 415.3 | 436.3 |
| Registered Nurse | 1,015.6 | 1,107.7 | 1,061.5 | 1,067.5 | 1,058.8 |
| Enrolled Nurse | 544.3 | 491.7 | 496.4 | 473.8 | 473.0 |
| Student Nurse / Pupil Nurse | 22.0 | 8.0 | 0.0 | 9.0 | 6.0 |
| Nursing Total: | 19,212.0 | 19,273.3 | 19,521.6 | 19,866.3 | 20,093.1 |



| | No. of Full-time Equivalent (FTE) Staff * | | | | |
|--|---|-----------------|-----------------|-----------------|-----------------|
| | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 |
| Allied Health | | | | | |
| Audiology Technician | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 |
| Clinical Psychologist | 78.0 | 85.0 | 92.0 | 92.3 | 100.3 |
| Dietitian | 84.5 | 84.0 | 85.7 | 92.2 | 91.9 |
| Dispenser | 863.0 | 886.8 | 919.0 | 949.0 | 971.0 |
| Medical Technologist / Medical Laboratory Technician | 1,070.0 | 1,081.0 | 1,106.1 | 1,148.0 | 1,175.7 |
| Mould Technologist / Mould Laboratory Technician | 27.0 | 27.0 | 27.0 | 27.0 | 27.0 |
| Optometrist | 29.0 | 29.0 | 29.0 | 32.0 | 41.0 |
| Orthoptist | 12.0 | 12.0 | 12.0 | 12.0 | 14.0 |
| Occupational Therapist | 469.5 | 480.5 | 498.6 | 531.6 | 572.6 |
| Pharmacist / Resident Pharmacist | 321.7 | 330.7 | 353.7 | 375.7 | 391.7 |
| Physicist / Resident Physicist | 50.0 | 51.0 | 55.0 | 56.0 | 58.0 |
| Physiotherapist | 701.9 | 709.0 | 729.2 | 755.0 | 774.9 |
| Podiatrist | 17.1 | 19.1 | 22.2 | 24.0 | 26.8 |
| Prosthetist-Orthotist | 97.0 | 98.0 | 100.2 | 107.0 | 105.0 |
| Radiographer | 843.6 | 853.5 | 869.7 | 898.0 | 905.7 |
| Scientific Officer (Medical) | 59.6 | 65.6 | 64.6 | 65.6 | 66.9 |
| Speech Therapist | 54.0 | 54.0 | 58.0 | 61.0 | 58.5 |
| Medical Social Worker | 177.0 | 186.0 | 198.0 | 210.0 | 223.5 |
| Dental Technician | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Allied Health Total: | 4,965.8 | 5,063.1 | 5,231.1 | 5,447.4 | 5,615.4 |
| | | | | | |
| Care-related Support Staff | | | | | |
| Health Care Assistant | 3,728.0 | 3,598.0 | 3,465.0 | 3,283.0 | 3,087.0 |
| Ward Attendant | 743.0 | 668.0 | 599.0 | 537.0 | 478.0 |
| General Services Assistant / Technical Services Assistant (Care-related) / Theatre Technical Assistant | 2,780.1 | 3,503.6 | 4,265.9 | 5,133.2 | 5,632.2 |
| Care-related Support Staff Total: | 7,251.1 | 7,769.6 | 8,329.9 | 8,954.2 | 9,197.2 |
| | | | | | |
| Direct Patient Care Total: | 36,364.3 | 37,163.0 | 38,243.1 | 39,545.9 | 40,243.0 |



| | No. of Full-time Equivalent (FTE) Staff * | | | | |
|--|---|-----------------|-----------------|-----------------|-----------------|
| | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 |
| Others | | | | | |
| Chief Executive / Director / Deputy Director / Head | 7.0 | 7.0 | 7.0 | 7.0 | 6.0 |
| Cluster Chief Executive / Hospital Chief Executive | 25.0 | 23.0 | 27.0 | 27.0 | 27.0 |
| Chief Manager / Senior Manager / Executive Manager / General Manager | 88.0 | 89.0 | 86.6 | 87.6 | 85.6 |
| Other Professionals / Administrator, System Manager, Analyst Programmer, etc. | 938.6 | 1,032.4 | 1,213.7 | 1,407.4 | 1,514.8 |
| Other Supporting Staff - Clerical, Secretarial, Workman, Artisan, Property Attendant, etc. | 15,499.3 | 15,774.8 | 16,333.9 | 16,638.9 | 16,597.0 |
| Non-direct Patient Care Total: | 16,557.9 | 16,929.2 | 17,668.2 | 18,166.9 | 18,230.4 |
| | | | | | |
| HA Total: | 52,922.2 | 54,089.2 | 55,911.3 | 57,712.8 | 58,473.4 |

* Manpower on full-time equivalent (FTE) includes all staff in HA's workforce i.e. permanent, contract and temporary.

All FTE manpower counting are based on actual service sessions.



Appendix 12(a)

Resource Utilisation for 2010/11

| Clusters | 2010/11 Resource Utilisation (\$Mn) |
|---|--|
| Hong Kong East Cluster | 3,457 |
| Hong Kong West Cluster | 3,773 |
| Kowloon Central Cluster | 4,444 |
| Kowloon East Cluster | 3,180 |
| Kowloon West Cluster | 7,296 |
| New Territories East Cluster | 5,242 |
| New Territories West Cluster | 4,146 |
| Hospital Authority Head Office and Others ^{Note} | 1,398 |
| Total | 32,936 |

Note:

Others include resources for hospital services (e.g. intern) and corporate programmes (e.g. insurance premium, legal costs / claims and information technology / information systems services, etc) and others.

Appendix 12(b)

Training and Development Expenditure for 2010/11 (*)

| Clusters | Amount |
|--------------------------------|---------------------|
| Hong Kong East Cluster | \$5,471,608 |
| Hong Kong West Cluster | \$4,706,002 |
| Kowloon Central Cluster | \$6,215,436 |
| Kowloon East Cluster | \$2,404,824 |
| Kowloon West Cluster | \$6,821,220 |
| New Territories East Cluster | \$7,770,840 |
| New Territories West Cluster | \$6,667,401 |
| Hospital Authority Head Office | \$48,771,329 |
| Total | \$88,828,660 |

- * Expenditure in providing training and development for HA workforce with items including course / conference fees, passages and travel, scholarships, subsistence allowances, teaching aids and devices, publications, trainer fees and other relevant charges.



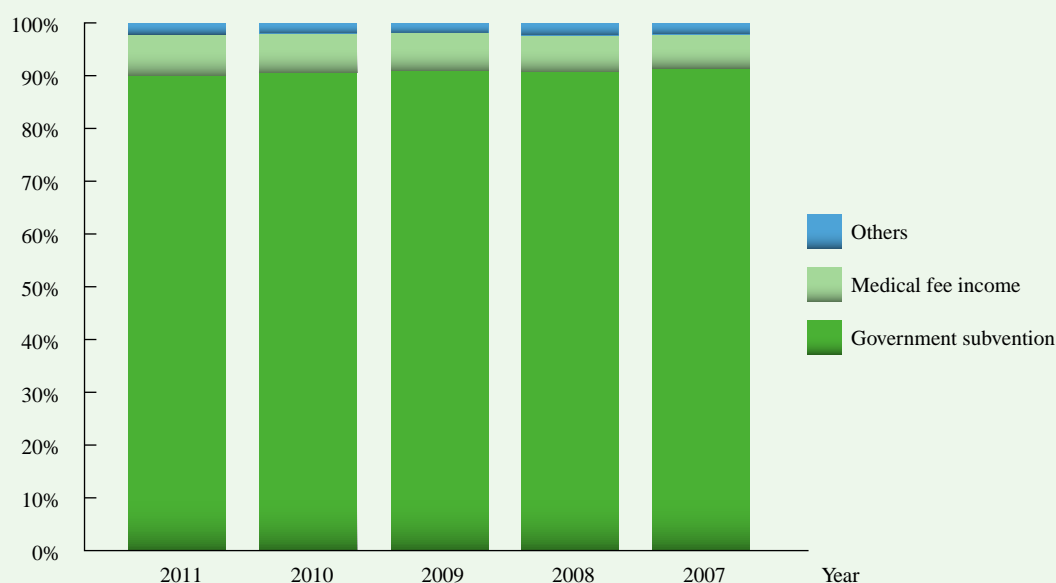
Appendix 13

Five-Year Financial Highlights

Financial Results (for the Year ended 31 March 2011)

| | 2011 HK\$Mn | 2010 HK\$Mn | 2009 HK\$Mn | 2008 HK\$Mn | 2007 HK\$Mn |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Income | | | | | |
| Government subvention (recurrent and capital) | 34,366 | 33,098 | 31,915 | 29,915 | 28,041 |
| Medical fee income (net of waivers) | 2,994 | 2,726 | 2,527 | 2,296 | 1,987 |
| Non-medical fee income | 562 | 478 | 454 | 564 | 487 |
| Designated donations | 143 | 132 | 112 | 108 | 76 |
| Capital donations | 113 | 110 | 98 | 93 | 89 |
| | 38,178 | 36,544 | 35,106 | 32,976 | 30,680 |
| Expenditure | | | | | |
| Staff costs | (26,904) | (26,680) | (26,387) | (24,468) | (23,047) |
| Drugs | (3,639) | (3,209) | (2,812) | (2,596) | (2,340) |
| Medical supplies and equipment | (1,354) | (1,210) | (1,211) | (1,105) | (979) |
| Other operating expenses (include depreciation) | (6,039) | (5,473) | (4,879) | (4,546) | (4,116) |
| | (37,936) | (36,572) | (35,289) | (32,715) | (30,482) |
| Surplus/(Deficit) for the Year | 242 | (28) | (183) | 261 | 198 |

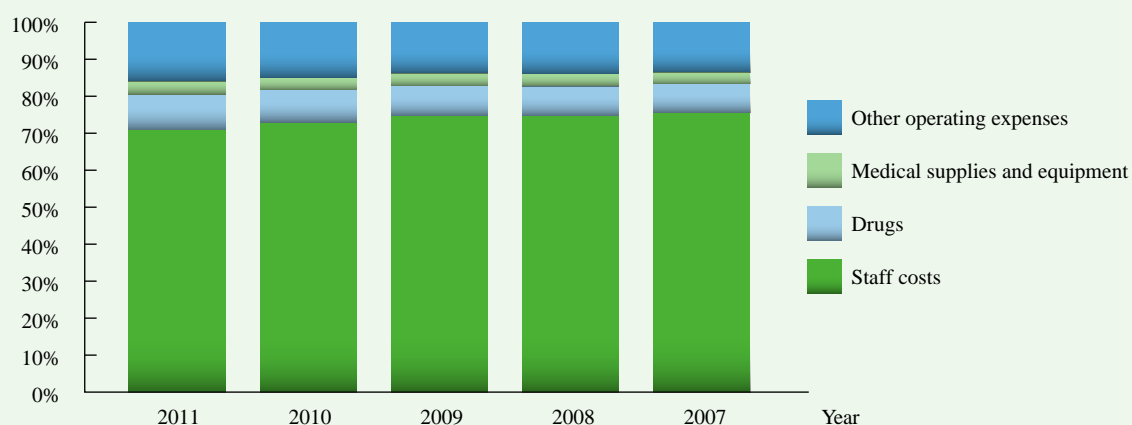
Income by Source (in% of Total Income)



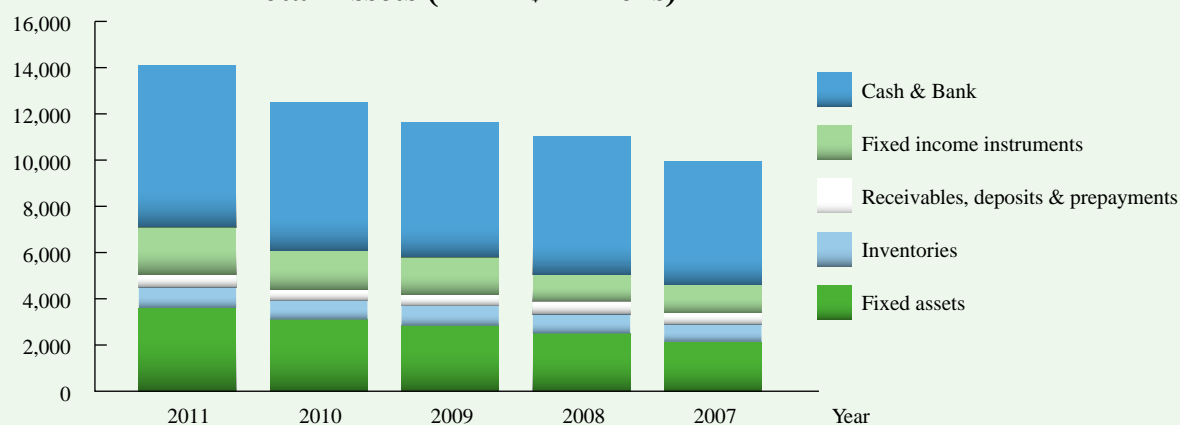
Key Financial Indicators

| | 2011 HK\$Mn | 2010 HK\$Mn | 2009 HK\$Mn | 2008 HK\$Mn | 2007 HK\$Mn |
|--|----------------|----------------|----------------|----------------|----------------|
| Medical fee income | | | | | |
| Inpatient fees | 1,269 | 1,174 | 1,169 | 1,110 | 986 |
| Outpatient fees | 1,169 | 1,128 | 1,083 | 1,046 | 1,040 |
| Itemised charges | 1,032 | 887 | 711 | 590 | 429 |
| Other medical fees | 66 | 60 | 61 | 61 | 56 |
| | 3,536 | 3,249 | 3,024 | 2,807 | 2,511 |
| Less: Waivers | (542) | (523) | (497) | (511) | (524) |
| Medical fee income (net of waivers) | 2,994 | 2,726 | 2,527 | 2,296 | 1,987 |
| Write-off of medical fees | 29 | 36 | 34 | 62 | 70 |

Expenditure by Category (in % of Total Expenditure)



Total Assets (in HK\$ millions)



Financial Position (as at 31 March 2011)

| | 2011 HK\$Mn | 2010 HK\$Mn | 2009 HK\$Mn | 2008 HK\$Mn | 2007 HK\$Mn |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Non-current assets | 5,636 | 4,539 | 3,127 | 2,935 | 2,918 |
| Current assets | 8,425 | 7,931 | 8,476 | 8,075 | 7,001 |
| Current liabilities | (4,795) | (4,007) | (3,316) | (2,908) | (2,472) |
| Net current assets | 3,630 | 3,924 | 5,160 | 5,167 | 4,529 |
| Non-current liabilities | (658) | (600) | (661) | (626) | (594) |
| Net assets | 8,608 | 7,863 | 7,626 | 7,476 | 6,853 |
| Capital subventions and donations | 3,593 | 3,090 | 2,825 | 2,492 | 2,129 |
| Designated fund | 5,077 | 5,077 | 5,077 | 5,077 | 5,077 |
| Revenue reserve | (62) | (304) | (276) | (93) | (353) |
| | 8,608 | 7,863 | 7,626 | 7,476 | 6,853 |

Key Financial Indicators

| | 2011 HK\$Mn | 2010 HK\$Mn | 2009 HK\$Mn | 2008 HK\$Mn | 2007 HK\$Mn |
|---|----------------|----------------|----------------|----------------|----------------|
| Inventories | | | | | |
| Drugs | 713 | 640 | 680 | 639 | 530 |
| Other medical and general consumable | 180 | 183 | 184 | 200 | 228 |
| Average stock holding period (weeks) | | | | | |
| Drugs | 10.2 | 10.0 | 12.5 | 12.8 | 11.9 |
| Other medical and general consumable | 9.4 | 8.2 | 7.2 | 8.0 | 9.9 |



Appendix 14

Analysis of Hospital/Clinic Fees and Charges

The fees and charges for medical services provided by the Hospital Authority are levied in accordance with those stipulated in the Gazette. The fees and charges are recognised as income in the Statement of Income and Expenditure when services are provided. Different charge rates are applicable for Eligible Persons and Non-Eligible Persons. Eligible Persons of public health services are holders of Hong Kong Identity Card issued under the Registration of Persons Ordinance or children under 11 years of age with Hong Kong resident status. Persons who are not Eligible Persons are classified as Non-Eligible Persons.

Fees and charges that are uncollectible after all possible attempts are written off in the Statement of Income and Expenditure for the year. In addition, provision is made for outstanding fees and charges. Such provision is assessed based on both the aging as well as the recoverability rate of outstanding hospital fees and charges as at the end of the financial year. The amount of provision for doubtful debts as at 31 March 2011 is HK\$42,699,000 (as at 31 March 2010: HK\$34,471,000).

Fees and charges for public medical services are waived for recipients of Comprehensive Social Security Assistance (CSSA). Other patients who have financial difficulties in paying fees and charges for medical services can approach the Medical Social Workers to apply for waivers which may be granted after assessment of the patients' financial condition.

The analysis of the hospital/clinic fees and charges of the Hospital Authority is as follows:

| | 2010/2011 | | | 2009/2010 | | |
|--|-----------|------------------|---------------|-----------|------------------|---------------|
| | HK\$'000 | HK\$'000 | (%) | HK\$'000 | HK\$'000 | (%) |
| Net hospital/clinic fees and charges | | 2,956,360 | (83.6%) | | 2,688,453 | (82.8%) |
| Hospital/clinic fees written-off and changes in provision for doubtful debts | | | | | | |
| Actual write-off | 29,126 | | | 36,388 | | |
| Increase in provision | 8,228 | | | 707 | | |
| | | 37,354 | (1.1%) | | 37,095 | (1.1%) |
| Waiver of hospital/clinic fees for: | | | | | | |
| Eligible Persons | | 501,481 | (14.2%) | | 493,459 | (15.2%) |
| Non-Eligible Persons | | 40,614 | (1.1%) | | 29,680 | (0.9%) |
| Total hospital/clinic fees and charges | | 3,535,809 | (100%) | | 3,248,687 | (100%) |



The Hospital Authority is committed to environmental protection.
You may access this Report on our website www.ha.org.hk

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