

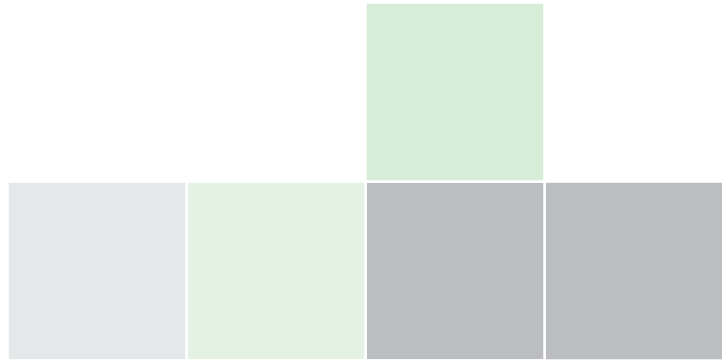
# HOSPITAL AUTHORITY ANNUAL REPORT

2006/07



醫院管理局  
HOSPITAL  
AUTHORITY





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# MEMBERSHIP OF THE HOSPITAL AUTHORITY



**Mr Anthony WU  
Ting-yuk, 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.



**Ms Vivien CHAN, JP**

Appointed on 1 December 2004, Ms CHAN is a solicitor, Senior Partner of Vivien Chan & Co., who is active in public and community service.



**Dr Margaret CHUNG  
Wai-ling**

Appointed on 1 December 2005, Dr Chung is an expert in Biomedicine and is currently a member of the Health and Medical Development Advisory Committee and the Rehabilitation Advisory Committee.



**Prof FOK Tai-fai, JP**

Prof Fok was appointed on 1 December 2004 in his capacity as the Dean of Faculty of Medicine of the Chinese University of Hong Kong.



**Ms Susie HO, JP**  
Deputy Secretary for  
Health, Welfare & Food  
(Health)

Appointed on 29 July 2004, Miss Ho is a member of the Authority in her capacity as Deputy Secretary for Health, Welfare and Food (Health). She retired from HA membership on 7 May 2006.



**Mr Edward HO Sing-tin,**  
SBS, JP

Appointed on 1 December 2002, Mr Ho is a distinguished professional architect with extensive public service experiences. He was a former Member of the Executive Council (1991-92) and Legislative Council (1987-2000).



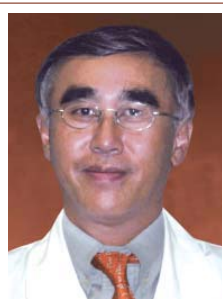
**Dr Anthony HO Yiu-wah,**  
JP

Appointed on 1 December 2001, Dr Ho is a legal consultant who has been active in public and community services for many years.



**Dr Hon KWOK Ka-ki**

Appointed on 1 December 2004, Dr Kwok is a private urologist by profession. He is a member of the Legislative Council from the medical functional constituency. He retired from HA membership on 1 December 2006.



**Prof LAI Kar-neng**

Appointed on 1 April 2005, Prof Lai is a chair professor of the Faculty of Medicine of the University of Hong Kong and the Cluster Chief of Service (Medicine) of Queen Mary Hospital.



**Dr P Y LAM, JP**  
Director of Health

Dr Lam is appointed in his capacity as the Director of Health.



**Prof LAM Shiu-kum**

Prof Lam was appointed on 1 April 2001 in his capacity as the Dean of Faculty of Medicine of the University of Hong Kong. Prof Lam retired from HA membership on 1 April 2007.



**Ms Polly LAU Mo-yee**

Appointed on 1 December 2005, Ms Lau is the Cluster Manager (Physiotherapy) of Kowloon Central Cluster and is currently the President of the Hong Kong Physiotherapy Association.



**Ms Sandra LEE, JP**  
Permanent Secretary  
for Health & Welfare

Appointed on 8 May 2006, Ms Lee is a member of the Authority in her capacity as Permanent Secretary for Health & Welfare during 2006/07.



**Mr Lawrence**  
**LEE Kam-hung, JP**

Appointed on 1 April 2005, Mr Lee is a solicitor and is the chairman and a partner of Baker & McKenzie Solicitors and Notaries.



**Dr Hon Joseph**  
**LEE Kok-long, JP**

Appointed on 1 December 2004, Dr Lee is an Assistant 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, JP**

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



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

Appointed on 1 December 2006, Dr Li is a private medical practitioner and a member of the Hospital Governing Committee of Our Lady of Maryknoll Hospital.



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

Appointed on 1 April 2006, Mr Lie is a businessman and a member of the Hong Kong General Chamber of Commerce. He is also a member of the Commission on Strategic Development.



**Mr Peter LO Chi-lik**

Appointed on 1 April 2005, Mr Lo is a solicitor and is currently a Council Member of the Law Society of Hong Kong.



**Mr Charles Peter MOK**

Appointed on 1 April 2005, Mr Mok is currently the Chief Executive Officer of Globe Technology Development Limited, a wireless information technology developer.



**Mrs Gloria NG WONG  
Yee-man, JP**

Appointed on 1 April 2002, Mrs Ng is a businesswoman who has been active in voluntary services in the health and welfare sectors.



**Mr Greg SO, JP**

Appointed on 1 April 2006, Mr So is a solicitor and a member of the Commission on Strategic Development.



**Mr Shane SOLOMON**

Mr Solomon has been a member of the Authority since 1 March 2006 in his capacity as the Chief Executive of the Hospital Authority.



**Miss Amy TSE, JP  
(Representing Secretary  
for Financial Services and  
the Treasury)**

Miss Tse has been appointed as a member of the Authority since 3 April 2006 in her capacity as representative of the Secretary for Financial Services and the Treasury.



**Prof Thomas WONG  
Kwok-shing, JP**

Appointed on 1 December 1999, Prof Wong is Dean of the Faculty of Health & Social Sciences, the Hong Kong Polytechnic University.



**Mr Paul YU Shiu-tin,  
BBS, JP**

Appointed on 1 December 2001, Mr Yu is a businessman who has been actively involved in community services. He is currently a member of the Advisory Board of Tung Wah Group of Hospitals.





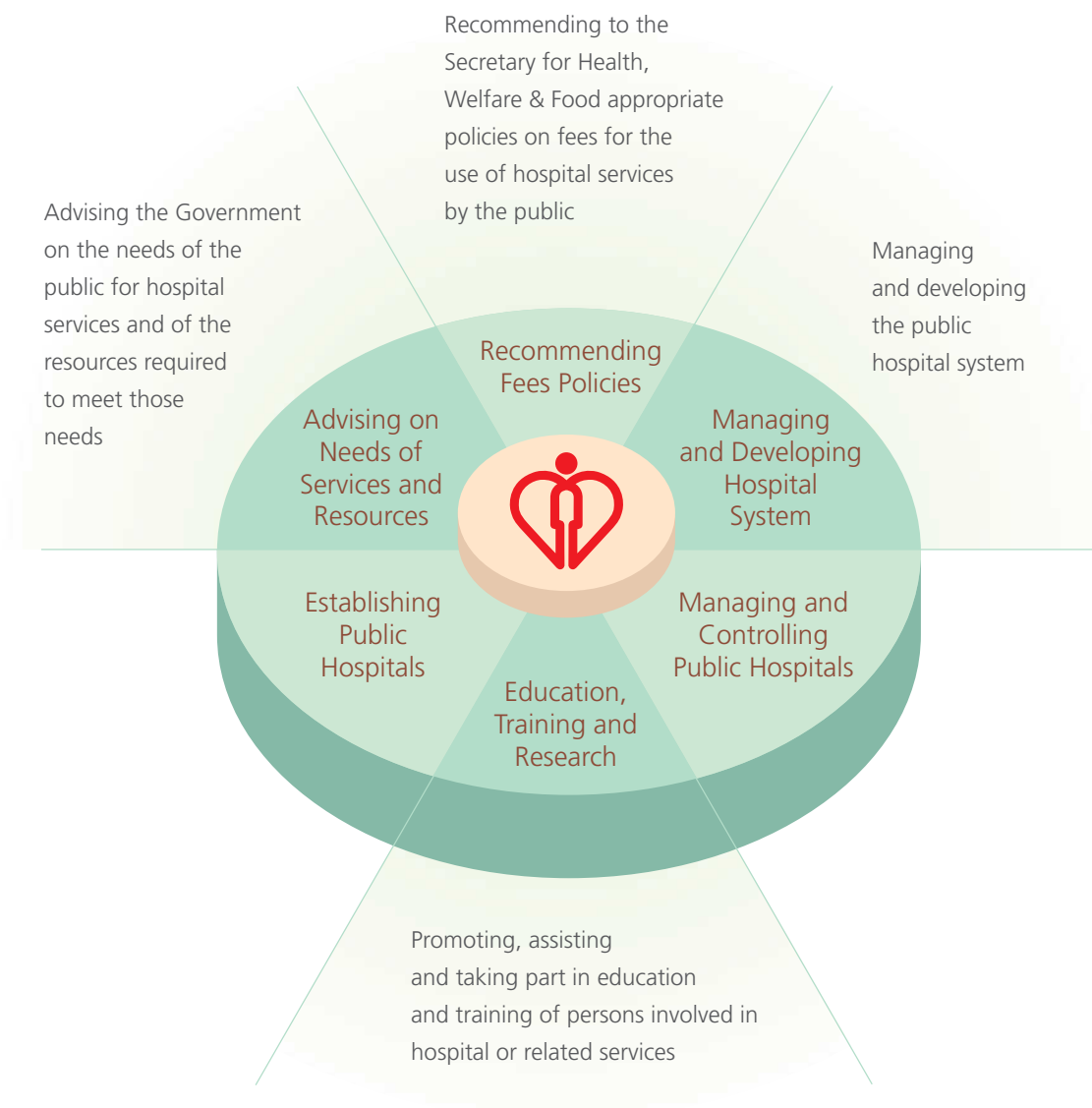
# ROLE, MISSION, CORPORATE VISION & CORPORATE GOVERNANCE

The Hospital Authority (HA) is a body corporate within the Hong Kong Special Administrative Region. Its functions are stipulated in Section 4 of the Hospital Authority Ordinance 1990. This Chapter outlines the role, mission, corporate vision and corporate governance practices of HA.



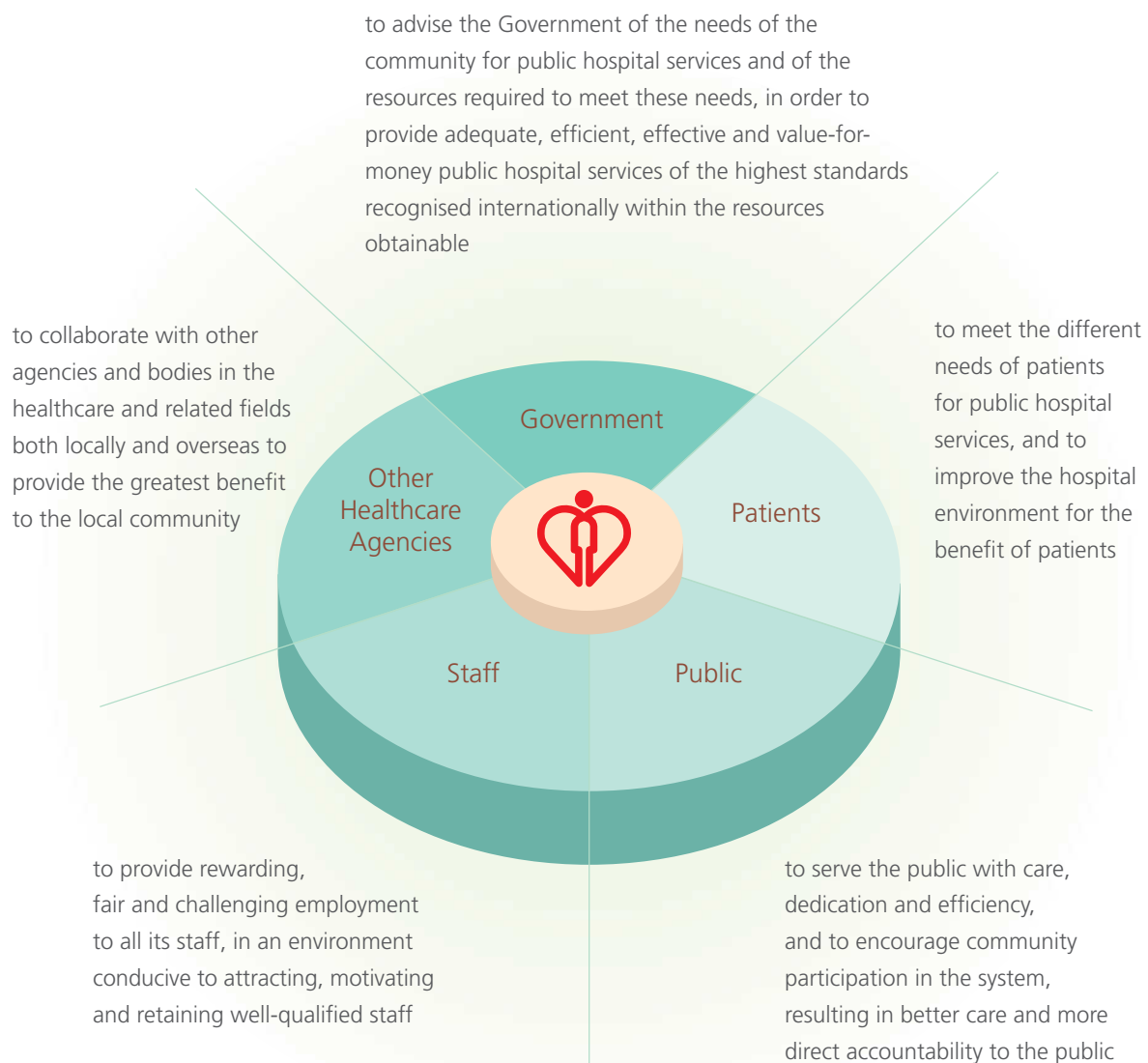
## ROLE OF THE HOSPITAL AUTHORITY

The Hospital Authority (HA) is a body corporate within the Hong Kong Special Administrative Region. It is responsible for:



## MISSION STATEMENT

The Mission of the Hospital Authority is:

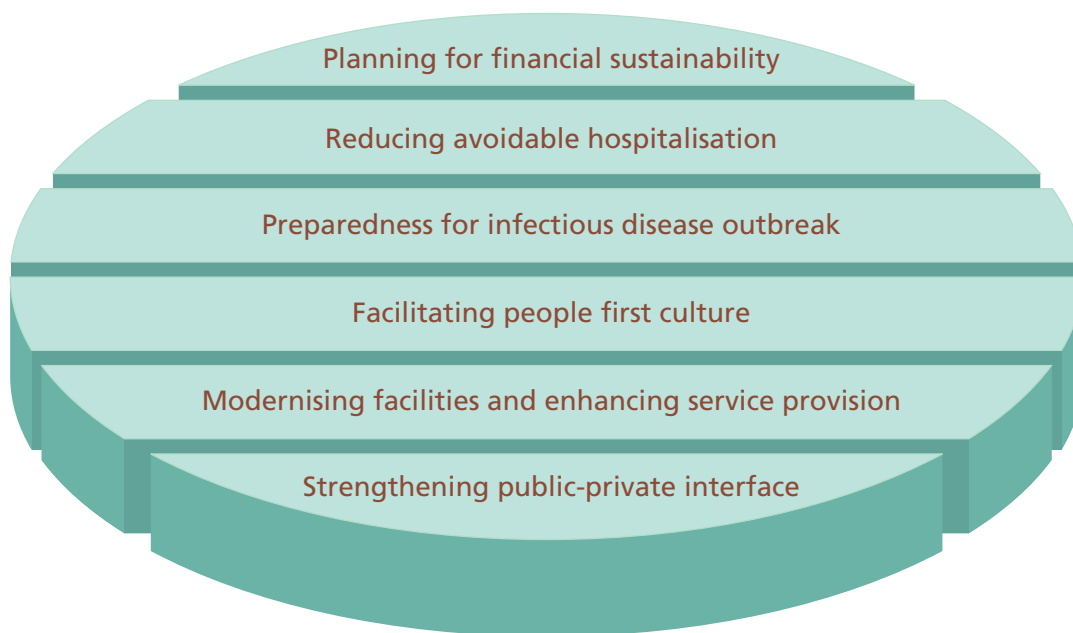


## CORPORATE VISION AND STRATEGIES

To realise its mission, HA has developed the following Corporate Vision:

*“The Hospital Authority will collaborate with other healthcare providers and carers in the community to create a seamless healthcare environment which will maximise healthcare benefits and meet community expectations.”*

The Authority aims to achieve this corporate vision by adopting the following six strategic priorities:



In his report of the year presented on pages 16-23, the Chief Executive set out some of the major achievements of the Authority under these strategies. In total, the Authority set 259 improvement targets for 2006/07, of which all but seven were achieved. The notable events occurring during the year are illustrated by photographs on pages 24-30 of this report.

## CORPORATE GOVERNANCE

### 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 Authority's approach to corporate governance and how it was practised during the year.

### Hospital Authority Board

Under the Hospital Authority Ordinance, the Chief Executive of the Hong Kong Special Administrative Region appoints members to the Authority Board. The 2006/07 Board consists of 24 members (including the Chairman) whose details are given in Appendix 1 of this report. Membership of the Authority comprises 20 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 times as required. In 2006/07, it met 14 times. In addition, 13 Board papers covering urgent matters had been circulated for approval between meetings.

### Board Committees

For the optimal performance of its roles and exercise of its powers, the HA Board has established the following committees: Audit Committee, Finance Committee, Human Resources Committee, Information Technology Services Governing Committee, Main Tender Board, Medical Services Development Committee, Public Complaints Committee, Staff Committee, Staff Appeals Committee, Supporting Services Development Committee, and Emergency Executive Committee (Appendix 2a). Membership of the committees and their terms of reference in 2006/07 are presented in Appendix 3.

### Hospital Governing Committees

To enhance community participation and governance of the public hospitals in accordance with the Hospital Authority Ordinance, 31 Hospital Governing Committees have been established in 38 hospitals/institutions (Appendix 4). These committees held three to six meetings during the year to receive regular management reports from Hospital Chief Executives, monitor operational and financial performance

of the hospitals, participate in human resources and procurement functions, as well as hospital and community partnership activities. In total, the 31 Hospital Governing Committees held 127 meetings in 2006/07.

## Regional Advisory Committees

In accordance with the Hospital Authority Ordinance and to provide the Authority with advice on the healthcare needs for specific regions of Hong Kong, the Authority has established three Regional Advisory Committees. Appendix 5 lists out these three Regional Advisory Committees and their respective memberships. Each Regional Advisory Committee meets four times a year.

In 2006/07, the three Regional Advisory Committees received reports from hospital clusters in their respective regions on new service delivery programmes, community care projects, disease management/infection control measures, implementation progress of the HA Drug Formulary, enhancement of obstetric services, and introduction of the General Outpatient Clinic Telephone Booking System. The Regional Advisory Committees also deliberated on the annual plan targets of individual clusters and gave advice to the Authority on the healthcare needs of local communities.

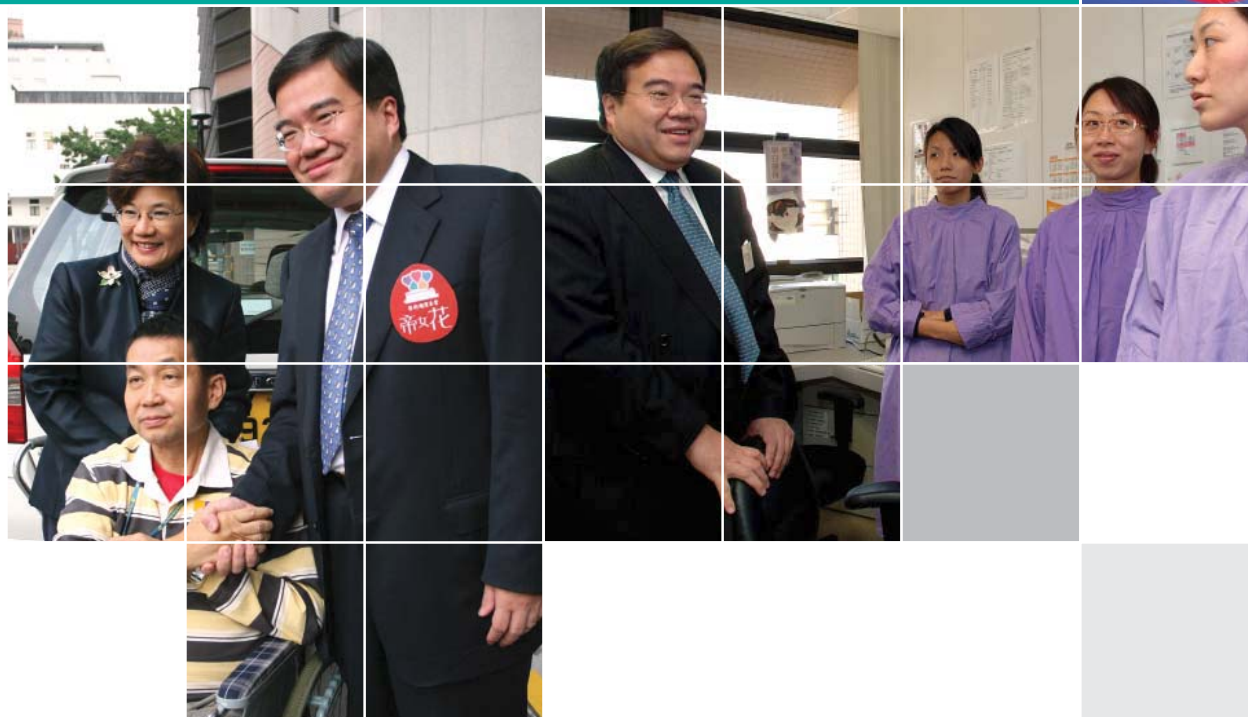
## Executive Management

The executive management team is shown in Appendix 2(b). The executives are charged by the Hospital Authority Board with the responsibility for managing and administering the Authority's day to day business and operations. To ensure the management can discharge its duties in an effective and efficient manner, the Board has set out certain clear delegated authorities, policies and codes of conduct. The Board also approves an annual plan that is prepared by the executives in accordance with the Board's direction. The executives make regular accountability reports to the Board that include agreed performance indicators and progress against established targets (See Appendix 8).

Under the powers stipulated in the Hospital Authority Ordinance, the Authority determines the remuneration and terms and conditions of employment for all of its employees. Remuneration packages of executive directors and other senior managers are aimed at attracting, motivating and retaining high-calibre individuals in a competitive international market. With regard to senior executives, each case is considered and endorsed by the Authority Board through its Staff Committee.



# CHAIRMAN'S REVIEW





I am delighted to write the Chairman's review for the Hospital Authority Annual Report 2006/07.

It has almost been three years since I took up the chairmanship of the Authority in October 2004. Looking back at our 16th year of operation last year, I am glad to see that the Authority has continued to rise to its challenges and provide excellent healthcare services to the people of Hong Kong.

2006/07 was another challenging year for the Hospital Authority (HA). Like most of our international counterparts, we faced the daunting challenges of surge in service demand due to an ageing population and early occurrence of chronic diseases, as well as tremendous financial pressure arising from escalating costs of healthcare services and rapid advances in medical technologies. Meanwhile, we also needed to address other critical issues such as increasing turnover of medical and nursing staff, inadequate interface between public and private healthcare sectors, and influx of non-eligible women giving birth in the public hospitals of Hong Kong, etc. Managing limited resources to meet the ever-increasing healthcare needs had therefore put the Authority under extreme testing.

Yet, thanks to the commitment and professionalism of our dedicated staff, the Authority has made significant progress on all fronts in these testing times. In the provision of preventive and primary care, we have been collaborating closely with other healthcare providers in the community to strengthen medical support to old aged homes, to organise early intervention and health promotion programmes, to promote integration of Western medicine and Chinese medicine, and to ensure continuity of patient care through sharing of clinical information with private practitioners. The demand for inpatient services has also been effectively managed by enhancing the gate-keeping function of the Accident & Emergency Departments and specialist outpatient clinics. In addition, the Authority has improved the accessibility of its general outpatient services by arranging scheduled appointments for the elderly and chronically ill patients through an automated phone appointment system.



The financial pressure on HA was slightly relieved during the year with additional funding from Government and by implementing measures to control expenditure and increasing revenue sources, such as better management of investment returns and delivery of food services through public-private partnership. A revised obstetric package charge for non-local pregnant women was introduced to manage demand for obstetric services and to ensure priority service to local expectant mothers. With the implementation of these initiatives, the Authority was able to balance its budget in 2006/07 amidst ever-increasing service demand.

To maintain pace with changes in the fast moving healthcare environment, we have been keeping the Authority modernised by way of upgrading its facilities and management systems, as well as replacing its aged equipment items. In 2006/07, new technologies, techniques and pharmaceuticals were introduced

after being carefully assessed to augment the quality of clinical services. Risk management initiatives were implemented to ensure staff and patient safety. To improve services provision, new capital works projects were launched to modernise hospital facilities. Preparedness for infectious disease outbreak was enhanced with commissioning of the new Infectious Disease Centre at Princess Margaret Hospital and by conducting drills to familiarise staff members with various contingency measures during crisis situations.

Having mentioned our major achievements last year, I am fully aware that all these would not have come into reality without the hard work and dedicated services of our most valued staff. In recent years, long working hours, heavy work pressure, lack of a clear career structure and financial stringency have had a negative impact on the development, advancement, morale and commitment of staff members. Building "People First" will therefore remain dear to my heart and high on the Authority's agenda. With the drawn-out litigation with public doctors on work hour compensation finally settled and payment of compensation made, much effort has been put forth towards building a people first culture in HA. The measures implemented in 2006/07 included improving communication between management and staff, enhancing staff wellness, reassuring career progression for doctors, protecting staff against workplace violence, organising structured core-competency training and development programmes, strengthening the management and leadership capabilities of senior clinical leaders, and recruiting more staff to relieve workload in pressure areas, etc.

Looking ahead, the viability of our healthcare system will depend on whether the community can continue to enjoy quality healthcare services which are sustainable, affordable and accessible to all in the future. Therefore, there is an urgent need to develop a feasible healthcare financing model which encourages appropriate use of healthcare services, ethical and effective professional care, reasonable and affordable contributions by users, and with targeted subsidies through public funds for needy patients. In 2006/07, we continued to support Government in the deliberation of long-term healthcare



financing options in the Health & Medical Development Advisory Committee by providing information and expertise for its further studies. In the coming year, the Authority will continue to support the Government's healthcare financing reform, ensure forward budget planning, explore funding allocation model for productivity and quality incentives, and enhance management accountability for the best use of resources.

Before ending this review, I would like to express my heartfelt gratitude to the Government of Hong Kong Special Administrative Region (HKSAR) for its able leadership and increased funding to the Authority for which we are most grateful.

I would also like to thank and pay tribute to some of our very dear friends and colleagues. During the year, there had been some changes in the membership of the HA Board. I wish to thank Ms Susie HO, Dr Hon KWOK Ka-ki and Prof S K LAM who retired from the Board during 2006/07. I am most grateful for their tremendous valuable contributions to the work of HA. I also want to welcome our new members,



including Ms Sandra LEE, Dr Donald LI, Mr David LIE, Mr Greg SO and Miss Amy TSE. My deepest appreciation goes to all members of the HA Board who have provided invaluable guidance and supported the executives and myself in formulating the strategies and policy directions of the Authority throughout the year.

Finally, I would like to congratulate Dr Hon C H LEONG, my predecessor, and Professor John WONG of the University of Hong Kong, who were respectively awarded Honorary Fellow and Honorary Medal by the Royal College of Surgeons of England in the year. I also wish to congratulate Queen Mary Hospital which received the Gold Award in this year's Reader's Digest Asia Trusted Brands Survey in the category of hospital in Hong Kong. This reflects the trust and confidence that the Hospital has been honoured with, and the wide recognition of the quality and value of its services to the community. In August 2006, our public-private interface projects, namely the Auto-reply Project and the Electronic Patient Record Project, also won a merit award for HA in the Asian Hospital Management Awards. My heartfelt congratulations to the staff members concerned!

Last but not least, I wish to congratulate all our outstanding staff and teams who won this year's outstanding staff and team awards. Their contributions to HA and promotion of its core values of respect, fairness, teamwork, professionalism and innovation have been well recognised across the organisation.

Stepping into the tenth anniversary year of the HKSAR, the Authority has experienced a wide range of new challenges and opportunities. Difficult times are ahead and there are many budgetary and human resource issues that need to be addressed. With a team of dedicated healthcare professionals and staff, the support of Board members and the concerted efforts from Government and community partners, I am confident that the Authority will be able to overcome the obstacles hindering its development and sustain a highly professional and quality healthcare service for the people of Hong Kong.

Anthony WU, JP  
Chairman



# CHIEF EXECUTIVE'S REPORT

## INTRODUCTION

Now well into my second year as the Chief Executive of the Hospital Authority (HA), I have learnt much about the challenges facing HA. The community has high expectations of HA, and at times colleagues find it difficult to meet these expectations despite their best efforts. The shared interest between patients and health professionals is to keep delivering a world-class health service at reasonable cost to the community.

To do this, HA has six strategic directions:

- **Financial sustainability** – we must use the resources the society gives us wisely
- **Reducing avoidable hospitalisation** – keeping people healthy and out of hospital is the best way to serve our patients, and will relieve pressure on hospital staff workloads
- **Preparedness for infectious disease outbreak** – this remains an ever-present threat for Hong Kong, and we must remain vigilant
- **People first culture** – staff morale has suffered over recent years, and HA must care for its staff if it is to care for patients
- **Modernising facilities and services** – healthcare is constantly changing and to maintain a modern high quality service, HA must constantly modernise how it delivers services
- **Strengthening public-private interface** – to keep people healthy, HA must work in collaboration with other health and community service providers in the community.

I would like to report on progress towards these strategic directions.

## FINANCIAL SUSTAINABILITY

For the first time since 2001/02, HA has achieved a balanced budget, in fact moving from an accrual deficit of \$1,230.9 million in 2005/06 (\$629 million being an abnormal one-off provision for the doctors' claim court case) to \$198 million surplus in 2006/07.

New performance management systems were introduced, setting clear expectations and monitoring systems that require Clusters and each hospital to balance their budgets. I want to thank Cluster Chief Executives for their diligence and excellent management within a continuing tight fiscal environment.

Revenue initiatives have also contributed to balancing the budget, with total income growing from \$30.13 billion in 2005/06 to \$30.68 billion in 2006/07.

One contributor to the increase in revenue was the introduction of new fees for non-local pregnant women under the direction from Government. All non-local pregnant women planning to deliver in HA hospitals had to make prior antenatal and delivery booking with an HA hospital and pay the minimum package charge of HK\$39,000 (previously HK\$20,000). Non-local pregnant woman receiving delivery



care in HA without prior booking would be charged at a higher rate of HK\$48,000 for the first three days and two nights of hospitalisation. This, together with other enhancement measures initiated by Government and HA, had helped manage service demand from non-local pregnant women and ensure priority obstetric services to local expectant mothers.

The drawn-out litigation with public doctors on work hour compensation was settled during the year at an estimated cost of \$629 million with the cash payment funded primarily through managing HA's working capital.

In response to the Director of Audit's review findings on the collection of outstanding medical fees, the Authority had initiated a number of enhancement measures to strengthen its debt management and fees collection function. These included tightening up the fees collection procedures, providing patients with more convenient means for settling medical bills, deferring submission of birth data to the Birth Registry for non-local obstetrics patients until settlement of outstanding fees, and introduction of administrative charge on overdue fees.

In 2006/07, HA continued to support Government in the deliberation of long-term healthcare financing options in the Health & Medical Development Advisory Committee by providing information and expertise for its further studies such as projection of long-term resources requirement, compilation of Domestic Health Account, and exploration of different healthcare financing options.

Looking ahead, HA had planned for its future financial requirements taking into account its baseline services and held regular discussions with Government on the funding for these requirements. The Government had been very positive in responding to HA's requirements, particularly the urgent need to replace many of the aged equipment items and to meet the demand for new services.

## REDUCING AVOIDABLE HOSPITALISATION

The Hospital Authority is turning more of its attention to keeping people healthy and out of hospital. Some initiatives should be highlighted.

The Visiting Medical Officer Scheme was fully implemented to strengthen medical support for old aged homes. In 2006/07, the number of attendances performed by HA's Visiting Medical Officers amounted to 122,199, covering 211 old aged homes in various districts. This reduced the number of older people being transferred from old aged homes into HA when their condition worsened.

Geriatric ward rounds conducted at observation and pre-admission wards of Accident & Emergency Departments had also helped prevent avoidable hospitalisation.



Other initiatives included:

- opening nurse clinics for Diabetes Mellitus patients;
- telemedicine/hotline services for old aged homes;
- compiling High Risk Elderly Database to identify patients at risk of frequent hospitalisation and providing them with telephone nursing consultation and voluntary support upon discharge from hospital;
- rolling out to all clusters the pilot project on enhancing physiotherapy service at Accident & Emergency Departments which reduced the number of admissions of patients suffering from low back pain; and
- creating and promulgating a manual on drug management for Residential Care Homes for the Elderly to prevent hospitalisation due to over-dosage or misuse of drugs.

I am encouraged that across HA, colleagues are identifying more clinical innovations that keep people healthy, happy and out of hospital.

Primary care services have a key role to play in supporting people in the community and this year HA continued to improve the accessibility of its general outpatient clinic services by arranging scheduled appointments for the elderly and chronically ill patients, and by commissioning an automated phone appointment system since October 2006.

Three new Chinese Medicine outpatient clinics and a Chinese Medicine and Western Medicine shared care service were commissioned in 2006/07 to improve population health.



## PREPAREDNESS FOR INFECTIOUS DISEASE OUTBREAK

A review of HA's preparation for avian influenza was conducted to update preparedness plans in the clusters and Head Office, covering areas such as the timeline for activation of isolation wards, maintenance of laboratory diagnostics capacity for H5N1, stockpiling of Personal Protection Equipment and antiviral drugs, infection control training and structure for providing psychological support to staff. A review of HA's policies on Personal Protection Equipment was also undertaken to strengthen inventory and supply management.

A new alert mechanism was implemented on 1 July 2006.

About 40 drills were organised by HA hospitals in 2006/07 to familiarise their staff with the contingency actions for a major infectious disease outbreak. The Authority participated in a territory-wide multi-departmental drill on influenza pandemic code-named Exercise Cypress in September 2006 and a cross-border drill on infectious disease outbreak in November 2006 to enhance HA's preparedness during crisis situations.

To help reduce the outbreak of seasonal flu amongst the high-risk groups, HA took part in administering the 2006/07 Government Influenza Vaccination Programme. The Hand Hygiene Programme was initiated to raise the level of alertness amongst healthcare workers and the Primary Nursing Review rolled out to improve organisation of nursing care activities to minimise cross patient contact.

The Authority's capability of monitoring infectious disease outbreaks was enhanced by the implementation of an electronic system for surveillance and reporting of Methicillin-resistant Staphylococcus Aureus (MRSA) in early 2007. The Surgical Site Infection Surveillance System and Notifiable Disease & Outbreak Reporting System were also upgraded to strengthen surveillance on clinical infections and communicable diseases. Construction of the HA Infectious Disease Centre at Princess Margaret Hospital was completed in 2006/07. Equipped with state-of-the-art isolation facilities, the Centre was opened in April 2007 to concentrate expertise in HA for the effective treatment and control of infectious diseases.

## FACILITATING PEOPLE FIRST CULTURE

The core values for building a "people first" culture in HA are respect, fairness, teamwork, professionalism and innovation.

After many years of pay reductions and limited funds to respond to community expectations, the morale of HA staff needs improving. Some changes in employment conditions were sought by staff, including:

- eligibility for permanent terms after six years of contract employment, subject to performance and service needs;
- re-introducing increments which were frozen after June 2002;
- creation of the Resident Specialist position, allowing newly qualified specialists to be recognised;
- grade reviews for finance and information technology staff as well as the General Services Assistants and Technical Services Assistants with the proposed new ranking structures scheduled to be implemented in 2007/08 after extensive staff consultation; and
- introduction of the five-day work week to improve work-life balance where this was possible without affecting patient care.

Leadership training programmes are essential for creating a "people first" culture, and these have included: "The Seven Habits of Highly Effective People", "Communication for Building Trust", and "Better

Patient Partnership" courses. The Clinical Leadership Development Curriculum was rolled out in July 2006 with positive response.

There was a net increase of 37.3 full-time equivalent (FTE) doctors and 71.5 allied health professionals. HA continued to experience difficulty in recruiting sufficient nurses, with a net decline of 36 over last year. To help relieve some workload on nurses, a net additional 169.4 FTE patient care support staff were employed, along with piloting theatre technicians and renal technicians.

The retirement benefits of HA staff were safeguarded by enhancing monitoring mechanisms for the two employee retirement schemes.

A series of workshops on "Life Education" and "Resilience to Crisis" were organised and the "Oasis at Workplace" project was rolled out to promote psychological wellness of staff members.

To further promote occupational safety and health, HA focused its attention on preventing musculoskeletal injuries, workplace violence and needle-stick injuries during the year. Staff education on prevention including behavioural-based training and promotion of risk awareness had been intensified and targeted at high-risk areas. Audits were conducted to monitor outcomes of the desired improvements.

## MODERNISING FACILITIES AND SERVICES

The new HA Infectious Disease Centre at Princess Margaret Hospital began operation. The Princess Margaret Hospital's new Oncology Centre and Accident & Emergency Department were officially opened in May 2006. Phasing in of the new Oncology Centre's inpatient (with 68 beds), outpatient and day chemotherapy services was completed in the first quarter of 2007, enabling it to handle about 2,200 new cases, 45,000 outpatient attendances and 5,500 day chemotherapy attendances for cancer patients of the Kowloon West Region every year.



The newly relocated Accident & Emergency Department of Princess Margaret Hospital is equipped with many state-of-the-art facilities, including two ambulance entrances to facilitate the transport of mass casualties; modern resuscitation rooms to enhance the hospital's role as the Trauma Centre in Kowloon West; a purpose-built Major Incident Control Centre with upgraded communication equipment; and a fever area with negative pressure, built-in X-ray facilities and isolated consultation room for managing suspected infectious disease patients.

Good progress had also been made in constructing the 13-storey Rehabilitation Block of Tuen Mun Hospital with completion of building services installation works of the main building and interior fitting-out works of the link bridge in the first quarter of 2007. The Pok Oi Hospital Redevelopment Project progressed as scheduled. At the end of the year, 240 rehabilitation beds had been re-provided in the new building occupying six general inpatient wards. The hospital's 24-hour clinic, specialist outpatient department, integrated allied health services, Community Health Centre, Radiology Service and Pharmacy had also been relocated to the new building.

The Government contributed a very significant increase in funding to replace ageing equipment, from the traditional level of \$200 million per year to \$500 million in 2007/08. Planning and systems to ensure

wise and timely spending of these funds were implemented, ensuring that the new equipment will get to the frontline as soon as possible.



Management systems are being modernised through introduction of the Enterprise Resource Planning (ERP) System and the Next Generation Patient Billing Solution. The Oracle system has been selected and adaptation to HA's needs is well advanced for implementation in 2008/09.

Modern health systems now put much emphasis on quality systems, recognising that as healthcare becomes faster and more complex, with multiple co-morbidities, the risk of error increases. Medical accidents have always happened, but in the past they have been hidden from public view. In the modern era, the approach is "open disclosure" so that we can learn from our mistakes and alter the systems of care to improve our quality for the future. The Advanced Incident Reporting System (AIRS) was finalised and rolled out to all HA hospitals to facilitate information capture and analyses of clinical incidents during the year. The restructure of HA Head Office has created a Division of Quality and Safety to lead this future focus on quality.

## STRENGTHENING PUBLIC-PRIVATE INTERFACE

Programmes that require collaboration with non-government organisations and community partners were implemented, including the Comprehensive Child Development Service, universal hearing screening for newborn babies, launching fall prevention programmes, and organising health promotion projects like the territory-wide Blood Pressure Check Campaign.

Public-private partnerships are important to offer patients more choices in healthcare and promote continuity of care between different service providers caring for the same person.

Information sharing is a cornerstone of public-private partnership. HA initiated two major projects, namely the Auto-reply Project and the Electronic Patient Record (ePR) Project, to promote a free flow of clinical information amongst healthcare providers. By the end of the year, a total of 1,662 private

practitioners had joined the Auto-reply Project with 26,833 auto-replies on patients' latest clinical conditions sent out to participating private doctors after their referral to HA hospitals. The community's response to the pilot ePR Project was also extremely positive. The initial quota of 500 private practitioners was filled up very quickly since its implementation in April 2006 with some 230 on the waiting list. As at 31 March 2007, the number of patients registered with the ePR amounted to 7,990 while the number



of access to the records had reached 5,440. The successful implementation of these two public-private interface projects had won a merit award for HA in the 2006 Asian Hospital Management Awards.

A cataract surgery charity scheme was launched in March 2006 under the sponsorship of Hong Kong Lions Eye Bank to provide additional evening sessions of cataract surgeries for needy patients. By the end of the year, the total number of cataract surgeries performed under the collaboration project had reached 1,631, helping HA reduce the long waiting time of cataract patients.

## CONCLUSION

In 2006/07, staff members of the Authority worked with dedication and commitment to provide quality healthcare services in the face of rising service demand, heavy workload and stringent financial constraints. I thank colleagues for their dedication and am proud of their efforts.

I would like to express my heartfelt thanks to the Secretary for Health, Welfare & Food, our Chairman and Board Members, my executive team and all staff of HA for the wonderful and unfailing support they have shown me throughout the year. We work as a team, and that is the foundation of continually improving our services for the good of the people of Hong Kong.

Shane SOLOMON  
Chief Executive





# CALENDAR OF THE YEAR

The Appendices to the Annual Report give details of the enormous amount of activity in the Hospital Authority that takes place every day of the year across Hong Kong. The following pages give a pictorial calendar of some of the key events and highlights of the Hospital Authority year.



## APRIL 06



Staff members of the Hospital Authority gave their full support to the charity race organised by Mass Transit Railway Corporation, showing their love and care to the community as well as their excellent team spirit.



The message of this campaign is simple. If you join the organ donor register you could save a life, if you don't you won't. There is a clear choice to be made.

## MAY 06



The Hospital Authority Convention 2006 was a huge success, which attracted over 2,500 local and overseas delegates to share experiences and knowledge under the theme of "From Policy to Practice".



The Princess Margaret Hospital's new Oncology Centre and Accident & Emergency Department were officially opened in May 2006, signifying the Hospital Authority's strenuous efforts to modernise its facilities and enhance the provision of quality healthcare services to the public.

## JUNE 06



The Hospital Authority Board held its strategic planning workshop on 1 June to share views on the critical issues facing the Authority, reaching broad consensus on the strategic directions for the coming few years.



The Board of Directors of Tung Wah Group of Hospitals paid a courtesy visit to the Hospital Authority, and exchanged ideas and opinions with the Chief Executive. Over the years, the Authority has established close partnership with non-government organisations to launch a wide range of health programmes for the people of Hong Kong.

## JULY 06



To heighten vigilance of the public against the spread of infectious disease, the Hospital Authority organised systematic infection control training for its healthcare workers, volunteers and community partners.



The Chief Executive paid regular visits to frontline units throughout the year to get first-hand information on their operations and to exchange views with frontline staff. He is seen chatting with a patient during a visit to Chesire Home, Shatin.

## AUGUST 06



A high-level steering committee was set up to formulate and implement improvement measures on work hours of public doctors in consultation with frontline medical staff and representatives from various specialities and cluster administration.



To reduce avoidable hospitalisation, the Authority collaborated with its community partners to organise various preventive care and early intervention programmes to improve population health. The "Tai Chi" fall prevention programme has received overwhelming response amongst the elders.

## SEPTEMBER 06



The Authority participated in a territory-wide multi-departmental drill on influenza pandemic code-named Exercise Cypress on 27 September 2006 to enhance its preparedness for an avian flu outbreak and to increase the alertness of both healthcare workers and the public.



The public-private interface projects of the Hospital Authority won a merit award in the 2006 Asian Hospital Management Awards.



## OCTOBER 06



The accessibility of the Authority's general outpatient clinic services has been greatly improved by arranging scheduled appointments for the elderly and chronically ill patients through an automated phone appointment system since October 2006.



Various health promotion projects like the territory-wide Blood Pressure Check Campaign were launched during the year to remind the public of the importance of taking care of their own health.

## NOVEMBER 06



The Authority implemented a new organisation structure for its Head Office with more clearly defined roles and accountability on 15 November 2006, following a thorough review by a panel of external expert advisors and extensive staff consultation.



To help reduce the outbreak of seasonal flu amongst the high-risk groups, the Authority took part in administering the 2006/07 Government Influenza Vaccination Programme starting from 6 November 2006.



The drawn-out litigation with public doctors on work hour compensation was fully settled with the compensation paid out to individual doctors at the end of November 2006.

## DECEMBER 06



The Authority organised a Chinese Opera Charity Concert in December and succeeded in raising over \$11 million for the Hospital Authority Charitable Foundation.



Significant progress has been made in upgrading the Authority's information systems, notably the development of the Enterprise Resource Planning (ERP) System. In December, a contract was signed with Oracle to further develop the ERP Project.

## JANUARY 07



In response to the Director of Audit's review findings on the collection of outstanding medical fees, the Authority has initiated a number of enhancement measures to strengthen its debt management and fees collection function, including tightening up collection procedures, providing patients with more convenient means for settling bills, and introduction of administrative charge on overdue fees.

## FEBRUARY 07



In response to the surge in demand for obstetric services, a number of measures were introduced by the Authority and Government to ensure priority service to local expectant mothers, including the implementation of a revised obstetric package charge for Non-Eligible Persons on 1 February 2007.



As an accountable and responsible public organisation, the Authority has been actively communicating with the public through various channels, particularly the mass media. In February, a Media Fun Night was organised to enhance regular liaison with the media.

## MARCH 07




Construction of the Hospital Authority Infectious Disease Centre at Princess Margaret Hospital was completed in the year. Equipped with state-of-the-art isolation facilities, the Centre will concentrate expertise for the effective treatment and control of infectious diseases.



Queen Mary Hospital received the Gold Award in the 2007 Reader's Digest Asia Trusted Brands Survey in the category of hospital in Hong Kong, reflecting the wide recognition of the quality and value of its services to the community.





# TEAMWORK, VALUES AND INNOVATIONS

The core values the Authority promotes to improve staff morale and service to the community include: *respect, fairness, teamwork, professionalism and innovation*. The five winners of this year's team excellence awards all clearly demonstrate the value of effective teamwork. They also demonstrate the Authority's other key values, making them all excellent exemplars of the superb work that goes on in teams throughout the organisation.

## KWAI CHUNG HOSPITAL DRAMA GROUP KWAI CHUNG HOSPITAL, KOWLOON WEST CLUSTER



### Eliminating discrimination and cultivating more support and care for mental patients and their relatives

Founded in 2001 and comprising hospital staff, relatives of mental patients and students, the Kwai Chung Hospital Drama Group has produced many plays on the lives of mental patients and their families, with aims of fighting discrimination against mental patients and promoting mental health. All members join the drama group voluntarily and whole-heartedly. Though most members have never received any proper theatrical training, they do have a deep understanding of the difficulties faced by mental patients and their families which helps to create quality plays. Despite limited financial resources and facilities, their productions can still relentlessly depict the reality of mental illness, and help the audience learn more about the stress faced by mental patients and their families. At the same time, patients and their families are also encouraged by the plays and their messages to live more happily and confidently. The Group hopes that one day there would be no more discrimination against mental patients, and the public will learn to care for and support them whole-heartedly.

Group members have contributed a lot of their own time to create and rehearse plays even after long and tiring office and school hours. They have never counted how much effort they have put in, and are always in high spirit. They hope their performances can promote our society's better understanding of the mental healthiness and their concern for mental patients. The Group has planned for a series of plays to be performed at different primary and secondary schools to educate students on the same theme. The Group believes that in the long run, students can further help promulgate the concepts of anti-discrimination and social acceptance in the community.

## OCCUPATIONAL MEDICINE CARE SERVICE TEAM NEW TERRITORIES EAST CLUSTER



### Fewer injured-on-duty cases and more tender loving care

Backed up by the New Territories East Cluster senior management and the Department of Community and Family Medicine of the Chinese University of Hong Kong, the Occupational Medicine Care Service (OMCS) was founded in November 2005. The Service delivers efficient and quality care to colleagues suffering from work injury.

Through collaboration with various clinical specialties and allied health disciplines, the OMCS has achieved its intended objective of helping injured colleagues, especially those requiring relatively long period of absence from work, recover more speedily. It has also succeeded in promoting a caring culture and mutual support amongst staff members. The OMCS is highly respected by colleagues of the Cluster, who having received help would have no hesitation in recommending its services to others in need.

Apart from helping the injured colleagues, the OMCS has also contributed a lot to the prevention of injured-on-duty cases and development of a caring workplace culture in the Cluster, as witnessed by the successful organisation of a Caring and Safety Week in November 2006 to promote occupational safety and health.

The OMCS is committed to creating a healthy atmosphere to reduce injured-on-duty cases and alleviate their impact. That is what we call a “people first and health based” culture.



## “NTEC NURSES DEVELOPMENT PROGRAMME – ONE NURSE ONE PLAN” PROJECT TEAM NEW TERRITORIES EAST CLUSTER



### Joining hands for tailor-made training

Ms Lily CHUNG, Cluster General Manager (Nursing) of the New Territories East Cluster (NTEC), believes that tailor-made training for frontline colleagues is conducive to quality enhancement. Ms Chung therefore formulated the “NTEC Nurses Development Programme – One Nurse One Plan”, which provides a well-structured training programme for each and every nurse in the Cluster to help all of them set their individual career goals.

Ms Chung convened a steering group comprising colleagues from the Central Nursing Division and the Cluster Human Resources Department. They worked together to make this dream come true.

The steering group worked on the implementation details. They enlisted the support of other departments and sections, including physiotherapy, clinical psychology, risk management, patient relations and finance, to come up with a quality programme, engaging these partners in providing professional training on fields such as patient rights, occupational safety & health, and skills for communicating with patients.

After initiation of the programme, the steering group received further support from the Information Technology Department to turn its administrative work paperless. Thanks to the information systems, the programme required much less resources to implement.

It is a brilliant example of teamwork, showing the selfless dedication and cooperation of many departments in the Cluster.

## CARDIAC AMBULATORY CARE TEAM QUEEN ELIZABETH HOSPITAL, KOWLOON CENTRAL CLUSTER



### Providing a full range of high quality cardiac ambulatory care services for the community of Hong Kong

The Cardiac Ambulatory Care Team of Queen Elizabeth Hospital was first established in 1995. It is a multidisciplinary team comprising doctors, nurses, physiotherapists, pharmacists, dieticians, psychologists and social workers. Over the past 12 years, the Team has grown in size and strength in line with the global, Government and HA direction of promoting ambulatory care services. It is now providing a full range of high quality cardiac ambulatory care services for the community of Hong Kong.

Members of the Team have always tried their best to fulfil the objectives listed below:

- Reduce cardiac inpatient workload by the provision of day-patient coronary angiogram service as well as pre- and post-procedural care of patients;
- Implement the "Congestive Heart Failure Programme" to reduce hospital admissions and improve quality of life and prognosis of patients with heart failure;
- Enhance education to staff and patients through health education talks;
- Establish cooperation network with other healthcare providers; and
- Build up patients' and carers' responsibilities and competence in self care, like reinforcing the importance of compliance in the medication, diet and exercise regimes.

Outcome measurements have shown that the services provided by the Cardiac Ambulatory Care Team are of high quality, safety and cost effectiveness. The key success factors of the Team include dedication, innovation, strong team spirit and always striving for continuous improvement.

**“POST-DISCHARGED PATIENT CARE FOR KWUN TONG COMMUNITY”  
PROJECT TEAM  
UNITED CHRISTIAN HOSPITAL, KOWLOON EAST CLUSTER**



**Providing support to the discharged elders through strong community support network**

With 14.5% of its 600,000 residents aged over 65, the Kwun Tong Community is facing the issues of an ageing population. Many of these elders are “frequent” inpatients of United Christian Hospital. Upon discharge, they require strong community support to get adapted to their new lifestyles.

Under the motto of “With Christian Love We Care, With Excellence We Serve”, the “Post-discharged Patient Care Project for Kwun Tong Community” has been initiated and coordinated by the Community Involvement and Volunteer Services Department of United Christian Hospital. The Community Nursing Department, Medical Social Service Department and Geriatric Wards are also involved as members of the core group for organising and implementing the project.

The primary objective of this project is to set up a community support network to care for the discharged patients through mobilisation of teams of committed and specially trained volunteers of United Christian Hospital and drawing support from social service agencies like the district elderly community centres and resident organisations.

The project served a total of 561 cases in the past two years. The quality patient-centred service delivered by volunteers through the project has received very positive response from clients, in particular those elders who live on their own with little support from relatives. They say that the feeling of loneliness is much lessened when our volunteers visit and talk to them. “They will take us to the community centres or Chinese restaurants. Some help us tidy our homes. Thanks so much for their support and care”, said one of the elderly clients. This reflects the care and loving spirit advocated by the project.





## CLUSTER REPORTS

The Hospital Authority provides public healthcare services to the people of Hong Kong through the following seven hospital clusters:

- |                  |                   |                        |
|------------------|-------------------|------------------------|
| ● Hong Kong East | ● Kowloon East    | ● New Territories East |
| ● Hong Kong West | ● Kowloon Central | ● New Territories West |
|                  | ● Kowloon West    |                        |

Below, each Cluster Chief Executive gives an overview of their cluster and highlights key achievements of the past year, under the six corporate strategic directions.

## HONG KONG EAST CLUSTER



The Hong Kong East Cluster takes care of the population of the eastern part of the Hong Kong Island as well as the Islands (excluding North Lantau), which is estimated to be around 0.82 million. There are six hospitals in the Cluster, including Pamela Youde Nethersole Eastern Hospital, Ruttonjee & Tang Shiu Kin Hospitals, Tung Wah Eastern Hospital, Wong Chuk Hang Hospital, Cheshire Home, Chung Hom Kok, and St. John Hospital. They provide a full range of comprehensive inpatient, ambulatory and community-based healthcare services. There are also ten general outpatient clinics in the Cluster, including four on the outlying islands of Lamma and Peng Chau. In addition, the Hong Kong Tuberculosis, Chest & Heart Association supports services of the Cluster by promoting primary and secondary prevention through health education programmes.

### Key Achievements

To reduce inpatient burden and unnecessary hospitalisation, the Hong Kong East Cluster continued to place strategic emphasis on community care and strengthen collaboration with community partners. The pilot project on High Risk Elderly Database and Telephone Nursing Consultation Service was extended to patients of selected non-geriatric specialties including Orthopaedics and Oncology to reduce avoidable hospitalisation.

The development of the Cluster's ambulatory and community services entered into a new era with the commissioning of Tang Shiu Kin Hospital Community Ambulatory Care Centre in the year. With its strategic location and ambulatory-oriented design and facilities, the Centre provides a wide range of ambulatory services in collaboration with non-government organisations, including general outpatient clinics, family medicine specialist service, Chinese Medicine clinic and rehabilitation. The Centre also houses an integrated palliative day care centre jointly run by palliative physicians, clinical oncologists,



nurses and allied health professionals. In addition, as part of the regionalisation initiative for psychiatric patients, 164 psychiatric beds were relocated to Kowloon East and Kowloon Central Clusters in 2006.

The Cluster has strengthened its preparation for influenza pandemic through enhancing its infection control measures, arousing staff awareness and stepping up surveillance. The hand hygiene campaign was promulgated towards reduction of hospital-acquired infections. The Violet Peel Polyclinic was relocated from Southorn Centre to the Tang Shiu Kin Hospital Community Ambulatory Care Centre to enable the upgrading of its infection control facilities and environmental setup, so as to better fulfil its role of designated clinic for avian influenza.

To enhance service quality and risk management, an integrated structure was established in September 2006 with appointment of the Cluster Service Director (Quality and Risk Management), followed by the formation of a network of departmental coordinators and panel specialists to participate in the management and investigation of clinical incidents and complaints. Cluster-wide safety forums were organised on a quarterly basis to share experience with regard to promoting staff and patient safety. Senior executive walk-rounds were conducted to demonstrate leadership commitment towards the enhancement of patient safety and proactive identification of on-site risks. Clinical audits were conducted under the guidance of a Cluster Clinical Audit Committee to foster a culture of continuous quality improvement.

To improve organisational performance and efficiency, a new Clinical Management Information System was developed to help optimise the utilisation of drugs and pathology service. Non-emergency Ambulance Transport Service was rationalised by setting up a control centre for both the Hong Kong East and Hong Kong West Clusters in December 2006. The structures of individual hospital committees were revamped by incorporating most of these committees into the new cluster board and committee structure to enhance accountability and reduce duplication.

One of the Cluster's major focuses of work in 2006/07 was to boost staff morale and build human resources capabilities. Ongoing programmes were launched to recognise achievements of staff members, enhance their leadership and management competencies, strengthen the staff communication and feedback mechanism, and facilitate efficient and effective management of poor performance. The human resources management structure was standardised in accordance with corporate directions on key performance indicators for regular reporting, including sick leave, annual leave, and injury-on-duty incidents. To promote work-life balance, staff in over 50 departments/units/offices of the Cluster had implemented the five-day week initiative.

## HONG KONG WEST CLUSTER



The Hong Kong West Cluster comprises seven hospitals and six satellite institutions serving an estimated population of 0.53 million in the Central, Western and Southern Districts. The seven hospitals are Queen Mary Hospital, Duchess of Kent Children's Hospital, Grantham Hospital, Fung Yiu King Hospital, MacLehose Medical Rehabilitation Centre, Tsan Yuk Hospital and Tung Wah Hospital. The six satellite institutions are David Trench Rehabilitation Centre, the General Outpatient Clinics in Sai Ying Pun, Aberdeen, Ap Lei Chau, Kennedy Town and the Central District Health Centre. Apart from providing a comprehensive range of healthcare services to cater for the needs of the residents in its catchment area, the Cluster is well known for its tertiary and quaternary services that serve the whole population of Hong Kong.

2006/07 was another year with gratifying results for the Hong Kong West Cluster as Queen Mary Hospital received the Gold Award in the 2007 Reader's Digest Asia's Trusted Brands Survey, reflecting the trust and confidence of the community in the Cluster's service contribution in past years. The Cluster continued its close collaboration during the year with Li Ka Shing Faculty of Medicine of The University of Hong Kong to support medical education and training.

### Key Achievements

To improve population health, Queen Mary Hospital collaborated with World Health Organization in launching the Global Patient Safety Challenge to modify healthcare workers' behaviour in hand hygiene practice for prevention of healthcare associated infections. Accordingly, a cluster-wide hand hygiene campaign was launched to promote the use of alcohol-based hand rub solution at the point of care.

To strengthen healthcare delivery in the community and to reduce avoidable hospitalisation, the Cluster set up a Combat Influenza-like Illness Team to coordinate the management and control of influenza-like Illness outbreaks in Residential Care Homes for the Elderly. The Visiting Medical Officer Scheme and medical support to elderly homes was enhanced through the implementation of an electronic patient record (e-PR) system.

To enhance organisational performance and operational efficiency, a new five-level annex was constructed at the Main Block of Queen Mary Hospital to accommodate and modernise the following service facilities:

- The Positron Emission Tomography/Computed Tomography Imaging Centre;
- The Magnetic Resonance Imaging Unit;
- The Integrated Brachytherapy Unit;
- The Combined Endoscopy Centre; and
- The Jockey Club Lithotripsy and Uro-diagnostic Centre and High Intensity Focused Ultrasound Centre.

To achieve more efficient use of public resources, ongoing efforts were initiated to consolidate and streamline various facilities and services. These included introduction of Octopus payment in the specialist outpatient clinics of Queen Mary Hospital to reduce queuing time, provision of one-stop service at the multidisciplinary Chemotherapy Day Centre, integration of the Non-emergency Ambulance Transport Service on Hong Kong Island, and implementation of a transport support system to improve service efficiency and quality.



A number of measures were introduced in 2006/07 to promote evidence-based prescription practice and effective utilisation of drugs, including establishment of a pharmacist-led clinic for diabetic patients, conducting a review on usage of high-volume, high-cost and high-variability drugs, expanding the role of clinical pharmacist in monitoring and auditing antibiotic usage, and provision of drug education and counselling for patients with chronic illnesses. These measures have helped reduce drug expenditure, unplanned readmission, as well as clinic and emergency visits.

During the year, the Cluster enhanced its clinical risk management and quality improvement initiatives by conducting detailed analyses of the data in the Advanced Incident Reporting System, organising training on the guidelines for safe intra-hospital transport of critically ill patients, replacing Cathode Ray

Tube monitors with Liquid Crystal Display monitors to optimize the use of e-PR image distribution, and performing fit testing of respirators to protect laboratory staff from chemical exposure.

To reinforce the “Care for Carers” culture, the Cluster set up a Critical Incident Support Team comprising over 60 staff volunteers to provide socio-psychological support to staff members experiencing crises. In addition, satellite OASIS facilities were upgraded and resource materials on “OASIS at workplace” promulgated to improve staff wellbeing. Relevant guidelines were also revised and education programmes organised to promote occupational safety and health.

To address staff sentiment and to boost staff morale, the Cluster continued to place emphasis on preventing workplace violence, strengthening staff relations and communication, resolving staff complaints, and enhancing their working conditions. Renovation works were carried out in staff facilities and hospital wards of the Cluster to provide a safer and better environment to staff members and the public.

## KOWLOON EAST CLUSTER



The Kowloon East Cluster serves the district of Kwun Tong, Tseung Kwan O and Sai Kung with an estimated population of 0.96 million. There are three hospitals in the Cluster, namely, United Christian Hospital, Tseung Kwan O Hospital and Haven of Hope Hospital. As of 31 March 2007, the Cluster operates 2,235 beds with 2,039 for acute and convalescent care, 116 for infirmary care and 80 for mentally ill. The Cluster also manages eight general outpatient clinics as well as the outpatient and day patient facilities in the Yung Fung Shee Memorial Centre and Pamela Youde Polyclinic.

During the year, the Cluster provided services to 121,573 inpatient and day patients, 302,049 Accident & Emergency attendees, 898,203 specialist/allied health outpatients, and 688,706 general outpatients. It also conducted 240,067 outreach patient visits.



## Key Achievements

With the successful establishment of the community volunteer network to support the at risk post-discharged patients in Kwun Tong district in 2005/06, the project was further rolled out to Tseung Kwan O. Patient and community feedback on this project has been very positive. The Post-discharged Patient Care Project for Kwun Tong Community received the Authority's Outstanding Team Award in 2006/07.



Community health was improved through the introduction of various programmes in general outpatient clinics, including establishment of Diabetic Mellitus Nurse clinics to strengthen support to patients and organisation of screening programmes for early detection of Chronic Obstructive Airways Disease cases in the community.

To enhance organisational performance, the Cluster management structure was reviewed and rationalised with the Cluster Chief Executive taking up the functions of Hospital Chief Executive (Haven of Hope Hospital) in addition to his duties of serving as Hospital Chief Executive (United Christian Hospital). Psychiatry care was rationalised through the addition of 50 psychiatry beds relocated from Pamela Youde Nethersole Eastern Hospital.

In an effort to enhance system sustainability, the Cluster implemented a number of revenue generation programmes in 2006/07, including surrendering the vacant Block J of United Christian Hospital to its parent organisation for operating an elderly home to save recurrent maintenance and repair charges, and renting vacant quarters of the Hospital to the Red Cross Residential School.

To improve quality of service to patients with acute injury, the Cluster has implemented pre-hospital primary trauma diversion for Tseung Kwan O region, diverting all patients with acute major trauma to the Trauma Centre at Queen Elizabeth Hospital. Evidence-based Chinese Medicine practice was promoted through the establishment of a new Chinese Medicine Clinic at Ngau Tau Kok in collaboration with United Christian Nethersole Community Health Service and the Chinese University of Hong Kong.

Recognising the importance of providing a healthy, safe and rewarding environment to support staff members in the delivery of patient care, the Cluster has placed much emphasis on the promotion of staff wellness. During the year, the Cluster spared no efforts to help staff members handle workplace violence

and develop healthy lifestyles. The “Staff Health Month” Programme was launched to enhance the development of a safety culture. To improve staff morale and career progression of nurses, the Cluster has worked out a five-year programme to facilitate all interested Enrolled Nurses to undertake the Registered Nurse Conversion Programme.

## KOWLOON CENTRAL CLUSTER



The Kowloon Central Cluster comprises six hospitals/institutions and six satellite clinics serving an estimated population of 0.5 million in the Yaumatei, Tsimshatsui and Kowloon City Districts. The six hospitals/institutions are Queen Elizabeth Hospital, Hong Kong Buddhist Hospital, Hong Kong Red Cross Blood Transfusion Service, Hong Kong Eye Hospital, Kowloon Hospital and Rehabaid Centre. The Cluster provides a full range of ambulatory, acute, convalescent, rehabilitation and extended care patient services to the public. As at 31 March 2007, there were 3,565 inpatient beds in the Cluster, which employed 7,313 staff, including 637 doctors, 2,754 nurses, 733 allied health and 3,189 other staff.

In 2006/07, the Kowloon Central Cluster implemented many initiatives to facilitate the provision of right care for the right patient at the right place. Community healthcare resources were strengthened to take care of new types of patients, thereby reducing the pressure on specialist outpatient clinics. On the other hand, the newly established Emergency Medicine Ward, under the support of geriatric outreach teams and other clinical specialties, had successfully relieved the pressure on inpatient beds. Moreover, risk management initiatives were implemented to enhance the safety and quality aspects of patient care. Internally, leadership training and performance management initiatives were initiated to improve overall organisational effectiveness.

## Key Achievements

The Emergency Medicine Ward was opened on 17 January 2007 to provide multidisciplinary integrated care and continual support to patients with relatively stable conditions to reduce unnecessary hospital admission. The gate-keeping function of the Accident & Emergency Department was enhanced by providing it with more Community Geriatric Assessment Team and Community Nursing Service support. A community-based secondary stroke prevention programme was launched to reduce the rate of stroke recurrence through active control of risk factors, close monitoring of drug compliance and promotion of healthy lifestyle amongst high risk patients. Effective models were developed for helping patients with stroke, depression and chronic illness history redesign their lifestyle to enhance preventive care.

To provide a comprehensive psychiatric service with good continuity of care to the population of Kowloon Central and Kowloon East Clusters, 180 psychiatric beds were relocated from Kwai Chung Hospital and Pamela Youde Nethersole Eastern Hospital to Kowloon Hospital. The Early Assessment Service for Young People with Psychosis was in full operation to facilitate early intervention and prevention of mental illness.

In an effort to enhance organisational performance, the workflow of radiology services in the Cluster was streamlined with implementation of the Generic Clinical Request System to improve efficiency for requesting radiology examinations and interventional radiology. Services for the newly diagnosed lung cancer patients were rationalised by adopting a multidisciplinary approach to improve communication, streamline logistics and align treatment regimes.

To manage service demand, a new medical triage clinic was set up at the Central Kowloon Health Centre in October 2006 to handle referrals from general outpatient clinics together with the triage centre at Yaumatei General Outpatient Clinic. Warfarin Clinics were also established to download stable chronically ill patients from specialist outpatient Clinics with support from Family Medicine/Ambulatory Care Physicians and specialty nurses. The public-private partnership project on food services was implemented at Queen Elizabeth Hospital in August 2006 to help maintain system sustainability.

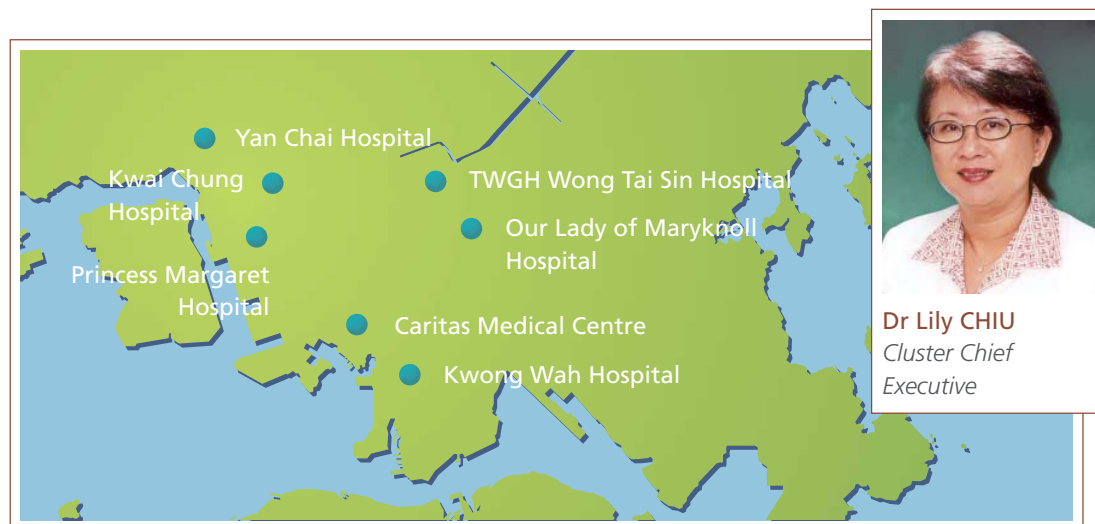
To continuously improve service quality, throughput of the Positron Emission Tomography service was expanded by 17% during the year to meet service demand from all HA hospitals. The Cluster also



collaborated with Hong Kong Baptist University to set up a shared-care Chinese Medicine Clinic at Queen Elizabeth Hospital to promote evidence-based Chinese Medicine practice and research. To manage clinical risks and to enhance patient safety, the Tracer Methodology was used to monitor infection control measures, medication incidents and delivery of drugs/specimen in addition to the performance of regular patient safety ward rounds. The Six-sigma Methodology was adopted to enhance hand hygiene compliance and a training programme was conducted to promote safe intra-hospital transport of critically ill patients.

To strengthen human resources capability, training workshops were conducted for frontline doctors and nurses to improve their communication with patients. Apart from recruiting 52 staff volunteers to operate a Critical Incident Support Team, “Oasis at Workplace” was established in 98 units to enhance psychological wellbeing of staff members. Leadership development programmes were organised for various levels of professional and clinical staff to develop a new generation of leaders. Under the guidance of the Nursing Manpower Panel, nursing staff rotation programmes were implemented and consolidated to enhance workforce planning, development and management. To meet the demand for nurses from the social welfare sector, the Nursing School at Queen Elizabeth Hospital continued to train about 110 enrolled nurses every year to deliver various kinds of nursing care in the community.

## KOWLOON WEST CLUSTER



The Kowloon West Cluster comprises seven public hospitals which include Caritas Medical Centre, Kwai Chung Hospital, Kwong Wah Hospital, Princess Margaret Hospital, Our Lady of Maryknoll Hospital, TWGHs Wong Tai Sin Hospital and Yan Chai Hospital. It is the largest Cluster under the Authority and serves a population of over 1.9 million in Wong Tai Sin, Mongkok, Shamshuipo, Kwai Chung, Tsing Yi, Tsuen Wan and Tung Chung districts. As at 31 March 2007, the Cluster had a total of 7,036 inpatient beds.

During the past year, there were many opportunities for the Cluster to meet new challenges. Great efforts were made to rationalise patient services to achieve effectiveness and results. The Cluster Oncology Centre was fully commissioned, providing a wide spectrum of services on cancer care. Construction of the Hospital Authority Infectious Disease Centre at Princess Margaret Hospital was completed, supporting Hong Kong with cutting-edge isolation facilities.

Underpinned by a long-term vision for quality patient care, the Cluster has set up its Major Trauma Centre at the new Accident & Emergency Department of Princess Margaret Hospital. Community Paediatric Service was further developed among Caritas Medical Centre, Princess Margaret Hospital and Yan Chai Hospital to bridge the existing service gap. The Cluster Mental Health Service was rationalised, enabling more effective management of resources. The support of Medical Social Service at the Accident & Emergency Departments of Kwong Wah Hospital and Caritas Medical Centre has been enhanced to provide immediate crisis intervention and early discharge management.

## Key Achievements

The Oncology Block at Princess Margaret Hospital, which houses the Cluster Oncology Centre and the new Accident & Emergency Department, was officially opened in May 2006. Being the sixth Oncology Centre in Hong Kong, it provides a comprehensive range of cancer services with inpatient wards, outpatient specialist clinic, day chemotherapy and radiotherapy services.

The Cluster's palliative care support has been strengthened through the establishment of a multidisciplinary team, which includes Oncologist, Pain Specialist, Clinical Psychologist, Physiotherapist, Occupational Therapist, Medical Social Worker, Dietician, Chinese Medicine practitioner and voluntary service coordinator. A Cancer Patient Resources Centre was established to render psychosocial service for cancer patients and their relatives. A Chinese Medicine Clinic at Ha Kwai Chung Polyclinic was set up, in collaboration with the Yan Chai Hospital Board and Hong Kong Baptist University to provide evidence-based Chinese Medicine service with emphasis on cancer cases.

The Cluster Major Trauma Centre, fitted with state-of-the-art trauma resuscitation facilities and operated by a team of multidisciplinary specialists, was set up at the new Accident & Emergency Department of Princess Margaret Hospital in 2006/07. All major trauma patients within the catchment areas of Caritas Medical Centre and Yan Chai Hospital will be sent directly from the injury site to the Centre for timely management. An Injury Surveillance System has been developed at this Centre for effective data analysis of injuries for patients in Kwai Tsing and Shumshuipo districts.

The building housing the Hospital Authority Infectious Disease Centre at Princess Margaret Hospital was completed in November 2006. It serves as the tertiary referral centre for managing infectious diseases in Hong Kong, and acts as clinical arms of





the Government's Centre for Health Protection and the Authority's Central Committee on Infectious Diseases. The Centre has commenced service by phases with commissioning of three clinical floors in the first quarter of 2007. It will be developed into a Centre of Excellence for training and research in infectious diseases and infection control.

The provision of Cluster Mental Health Service at Kwai Chung Hospital has been rationalised for effective management of resources. Through the re-clustering exercise with Kowloon Central Cluster, the number of gazette beds was downsized with relocation of Yaumatei Psychiatric Clinic to the Specialist Outpatient Department of Kwai Chung Hospital. The beds for severely handicapped children at the Development Disabilities Unit of Caritas Medical Centre were also downsized gradually to prepare for the transition to a more community-based model of care.

The Cluster set up a comprehensive child development service at the Maternal and Child Health Centre in Shamshuipo District to provide assessment for post-natal depression and early detection plus intervention for problem pregnancies. Counselling and referral to specialists will be arranged for patients, where appropriate.

In collaboration with the Social Welfare Department, the Cluster has helped provide training to social workers, empowering them to perform the role of primary mental health workers. Through a local network of schools and non-government organisations, these social workers have started handling triaged cases, organising educational talks and attending case conferences. The Medical Social Service at Accident & Emergency Departments of Kwong Wah Hospital and Caritas Medical Centre has also been strengthened to provide timely crisis intervention and early discharge management. The gate-keeping function of Accident & Emergency Departments was enhanced through the provision of more Community Geriatrics Assessment Team and Community Nursing Service support.

To prepare for the looming concern of a potential community Influenza outbreak, the Cluster launched a series of Healthy City initiatives in schools, housing estates and Old Ages Homes to raise the public's alertness to the threat of a major infectious disease outbreak. Training programmes were conducted for care workers of these institutions to enhance their infection control and preparatory measures.

To strengthen the clinical and psychosocial support to staff members injured on duty, the Cluster has introduced an occupational medicine care service to facilitate their rehabilitation and early return to work. Launched with a mechanism for monitoring staff's occupational health, the new initiative has received very encouraging responses.



## NEW TERRITORIES EAST CLUSTER



The New Territories East Cluster serves the districts of Shatin, Tai Po and North District with a total population of 1.3 million. There are seven hospitals in the Cluster, namely, Prince of Wales Hospital, North District Hospital, Alice Ho Miu Ling Nethersole Hospital, Tai Po Hospital, Shatin Hospital, Cheshire Home, Shatin and Bradbury Hospice. The Cluster provides a full range of ambulatory, acute, convalescent, rehabilitation and extended care patient services to the public. As at the end of March 2007, the Cluster operates 3,931 inpatient beds with 8,747 staff, including 847 doctors, 3,177 nurses, 848 allied health professionals and 3,875 other staff.

The Cluster had made strenuous effort in facilitating early discharge of patients and enhancing their continuity of care in the community to reduce the burden on inpatient services. It had also strengthened its partnership with the Chinese University of Hong Kong and local private healthcare providers to improve service quality and system sustainability. The Cluster placed much emphasis on the promotion of patient safety and risk management in the course of delivering patient care. It continuously promoted the wellbeing of staff members and enhanced their career development through various human resources management initiatives.

### Key Achievements

In 2006/07, the Cluster handled a total of 196,181 inpatient admissions, representing an increase of 1.9% as compared to the previous year. The number of accident & emergency attendances in the year was 387,192, recording an increase of 4% as compared to 2005/06. The attendance figures of specialist outpatient and general outpatient clinics were 959,272 and 765,222 respectively. The former was slightly higher than the figure of previous year, while the general outpatient attendances decreased by 4.6% due to the implementation of an extended drug prescription period for chronic patients. While the number of home visits conducted by community nurses only increased slightly as compared to the previous year,

there was a significant growth of 3.7% in the activities of the geriatric outreach teams, which recorded a total of 73,000 attendances.

During the year, the Cluster strengthened its psychiatric services by providing urgent psychiatric consultation at Accident and Emergency Departments to relieve the burden on acute psychiatric inpatient care. As a result of this initiative, about 400 urgent referrals were made to the fast track clinic or the psychiatric specialist outpatient clinic. The Cluster's number of psychiatric outpatient attendances increased by 8.7% in 2006/07 as compared to the previous year, partly due to its takeover of the follow-up management of about 1,300 psychiatric patients from Yau Ma Tei Psychiatric Clinic.

The demand for clinical oncology service in the Cluster had also increased significantly with a growth in annual attendances by 6% during 2006/07. To cope with increases in service demand, Prince of Wales Hospital expanded its clinical oncology service by commissioning a chemotherapy day service in the Ambulatory Cancer Care Centre.

The number of obstetric deliveries in 2006/07 was 6,693, representing an increase of 5.2% as compared to the previous year. Despite the growth in total, the number of deliveries by non-local expectant mothers recorded a decrease of 11.2%. This was attributable to the implementation of the revised obstetric package charge for Non-eligible Persons on 1 February 2007 and the associated measures to ensure priority service for local expectant mothers.



To enhance community-based services and to prevent unnecessary hospitalisation, the Cluster's Community Geriatric Assessment Team rolled out the pressure sore prevention programme to five additional private old aged homes in 2006/07, resulting in an improvement of their mean pressure ulcer incidence rate from 2% last year to 1.5% in 2006/07. Educational video clips on "Caring for Yourself" were developed and posted onto the Cluster's Nursing Informatics Website to help nurses organise patient education and self-care

activities. Electronic nursing discharge summary was provided to all discharged patients in the Cluster to improve continuity of care.

To provide better post-discharge support to Diabetes Mellitus patients to reduce their length of stay in hospitals, the Cluster implemented the Diabetes Mellitus Shared Care Information System in the year and succeeded in shortening their average length of stay from 6.1 to 4 days with support of the Community Outreach Service Team.

Prince of Wales Hospital opened its Poison Treatment Centre in the year to concentrate expertise for managing poisoning cases through a multidisciplinary team led by clinical toxicologists. As a tertiary referral centre for toxicological cases, the Centre provided clinical toxicology service for the assessment and clinical management of inpatients and outpatients with acute and chronic poisoning. It also

provided consultative service on the clinical management of poisoning and clinical toxicology training for healthcare professionals.

The Chinese University of Hong Kong-Prince of Wales Hospital Medical Centre was opened in early 2006 to enable academic staff of the University and specialists of the Authority to jointly provide an enhanced one-stop consultation service to private patients. In 2006/07, the Centre treated an average of about 840 patients every month.

Efforts were made to control the drug expenditure through rationalising drug use and implementing refill prescriptions. In 2006/07, the Cluster succeeded in realising a productivity gain of \$4.9 million by using generic drugs, rolling out the Antibiotics Stewardship Programme, and promulgating guidelines on using lipid lowering drugs. The prescription refill & drug counselling service was implemented at Prince of Wales Hospital in November 2006 to improve drug compliance amongst patients with prescription duration longer than 20 weeks.

Alice Ho Miu Ling Nethersole Hospital was developed to serve as a training centre for Escort Medicine and hazardous materials response. Training courses on “Advanced Hazmat Life Support” and “Escort Medicine” were organised for interested healthcare professionals during the year.

To enhance patient safety, the Cluster developed guidelines and conducted training on intra-hospital transport of critically-ill patients. All infusion pumps were provided with free-flow protection device with the replacement of 200 high-risk infusion pumps in 2006/07 to ensure patient safety. The safety of blood transfusion was improved with implementation of the 2D barcode scanning system for patient identification.

To care for the carers, the Cluster started an occupational medicine care service in the year to provide care and support to staff injured on duty and to facilitate their early return to work. Since its inception, the Centre had provided service to over 400 staff members who were injured on duty. To improve career development of staff, the Cluster had launched a development-linked career programme for all nursing and hospital administration staff through the “One Staff, One Plan” Programme. Career paths for staff in various supporting services ranks had also been designed to improve their career prospect. In addition, various training courses were organised to enhance management and leadership capability of senior staff. The Healthy Staff Programme was rolled out to all cluster hospitals with human resources managers designated to take care of staff members with defined sick leave in a specified period.



## NEW TERRITORIES WEST CLUSTER



The New Territories West Cluster comprises four hospitals, namely, Pok Oi Hospital, Castle Peak Hospital, Siu Lam Hospital and Tuen Mun Hospital. The Cluster also operates the Tuen Mun Ambulatory Care Centre, Tuen Mun Eye Centre, eight general outpatient clinics and the Butterfly Bay Laundry. The Cluster's service mission is to develop and deliver a sustainable community-oriented quality healthcare service to meet the health needs of the local population.

### Key Achievements

The Cluster has a steadfast commitment to the provision of quality patient services. In 2006/07, patient access to primary care services was substantially improved with the establishment of Tin Shui Wai North Clinic and a new Chinese Medicine Clinic at Tuen Mun. The commissioning of the Cluster Diabetes Centre has helped provide convenient and seamless care to patients through the delivery of specialist outpatient services, complication screening services and health education under the same roof.

The waiting time for cataract treatment was improved with the provision of an additional 200 cataract extraction operations. Integrated care plans for conditions like chronic obstructive pulmonary disease, stroke, fracture hip and breast cancer were developed to provide timely and appropriate treatment to patients with a multidisciplinary approach. Efforts had also been made to enhance pre-anaesthetic services for surgical patients and to ensure safety in intra-hospital transport of critically ill patients.

During the year, the New Territories West Cluster continued to modernise its equipment and facilities to maximise operational efficiency, e.g., completing the Pok Oi Hospital Redevelopment Project, infrastructure of the Tuen Mun Hospital Rehabilitation Block, and renovation of Tuen Mun Hospital Diagnostic Radiology Department. New and advanced medical equipment were purchased to improve service capacity, including installation of a new computer tomography simulator to provide two

additional sessions per week, implementation of the integrated After-loading Brachytherapy System and Portal Image System to augment services for cancer patients.

Special programmes were launched to improve psychiatric services in 2006/07. These included provision of new psychiatric drugs to 1,027 patients, jointly organising with the New Territories West Private Practitioners' Network a certificate training programme on the treatment of mood disorder, implementing the psychiatric component of the Comprehensive Child Development Service, and setting up the Peri-natal Psychiatric Outpatient Clinic to help mothers suffering from post-natal depression.

To enhance partnership with other healthcare providers, the Cluster developed a referral and management protocol to facilitate the referral of rectal bleeding cases by family physicians and private doctors. A campaign aiming at promoting proper use of antibiotics was also launched with support of various community partners.



Strenuous efforts were made to pursue efficiency and effectiveness in people and resources management. The structures of the Cluster Administration, Human Resources and Finance Departments were revamped to place the right person in the right position. The public-private partnership project on food services was successfully implemented to provide meals to all cluster hospitals in a cost-effective way. Ongoing projects were initiated to improve efficiency of central sluicing and laundry services. Eight lifts in Tuen Mun Hospital were replaced and the bulk tariff account of Castle Peak Hospital was upgraded to realise energy savings. Because of its achievements in environmental management, Tuen Mun Hospital was awarded a Certificate of Merit in the "Green Hospital Award Scheme" organised by the Environmental Protection Department.

Recognising the importance of attracting new recruits and addressing the issue of high staff turnover, the Cluster cooperated with local universities to enhance the supply of nurses through the arrangement of clinical practicum for undergraduate nursing students. Training for the nursing core teams and general teams in all clinical specialties was stepped up to increase the exposure and development opportunity of individual nursing staff. The basic salary of frontline clerical staff was raised after a comprehensive review. A multidisciplinary occupational medicine care team was set up to provide better support to staff members injured whilst on duty.





# INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

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## INDEPENDENT AUDITOR'S REPORT

### To The Members of the Hospital Authority

We have audited the consolidated financial statements of the Hospital Authority ("HA") set out on pages 57 to 101, which comprise the consolidated and HA balance sheets as at 31 March 2007, and the consolidated statement of income and expenditure, 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 notes.

### The Hospital Authority's responsibility for the financial statements

The Hospital Authority is responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### 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 as to whether the financial statements are free from material misstatement.

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

preparation and true and fair presentation of the financial statements 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 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 2007 and of the Group's surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards.



**PricewaterhouseCoopers**

Certified Public Accountants  
Hong Kong, 20 August, 2007

## HOSPITAL AUTHORITY CONSOLIDATED BALANCE SHEET

	Note	Balance at 31 March 2007 <i>HK\$'000</i>	Balance at 31 March 2006 <i>HK\$'000</i>
<b>Non-Current Assets</b>			
Property, plant and equipment	5	2,076,100	2,113,564
Intangible assets	6	52,884	13,975
Loans receivable	7	35,344	43,108
Fixed income instruments	8	753,790	1,224,077
		<u>2,918,118</u>	<u>3,394,724</u>
<b>Current Assets</b>			
Inventories	9	758,410	722,438
Loans receivable	7	2,622	2,944
Accounts receivable	10	151,100	122,577
Other receivables	11	55,622	138,579
Deposits and prepayments	12	247,373	232,140
Fixed income instruments	8	468,886	619,989
Bank deposits with maturity over three months	13	195,175	3,032,654
Cash and cash equivalents	13	5,122,046	1,778,678
		<u>7,001,234</u>	<u>6,649,999</u>
<b>Current Liabilities</b>			
Creditors and accrued charges	14	2,328,670	2,732,392
Deposits received	15	143,711	24,294
		<u>2,472,381</u>	<u>2,756,686</u>
<b>Net Current Assets</b>		<u>4,528,853</u>	<u>3,893,313</u>
<b>Total Assets Less Current Liabilities</b>		7,446,971	7,288,037
<b>Non-Current Liabilities</b>			
Death and disability liabilities	16	77,973	76,511
Deferred income	17	516,359	558,456
<b>Net Assets</b>		<u>6,852,639</u>	<u>6,653,070</u>
<b>Capital subventions and donations</b>	18	2,128,984	2,127,539
<b>Designated fund</b>	19	5,077,369	5,077,369
<b>Revenue reserve</b>		(353,714)	(551,838)
<b>Capital Subventions and Donations, Designated Fund and Reserves</b>		<u>6,852,639</u>	<u>6,653,070</u>



Mr John Lee, JP  
Chairman, Finance Committee



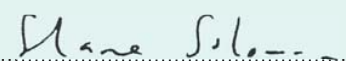
Mr Shane Solomon  
Chief Executive

## HOSPITAL AUTHORITY BALANCE SHEET

	Note	Balance at 31 March 2007 <i>HK\$'000</i>	Balance at 31 March 2006 <i>HK\$'000</i>
<b>Non-Current Assets</b>			
Property, plant and equipment	5	2,074,700	2,113,564
Intangible assets	6	52,884	13,975
Loans receivable	7	35,344	43,108
Fixed income instruments	8	753,790	1,224,077
		<u>2,916,718</u>	<u>3,394,724</u>
<b>Current Assets</b>			
Inventories	9	758,410	722,438
Loans receivable	7	2,622	2,944
Accounts receivable	10	151,100	122,577
Other receivables	11	55,622	138,579
Deposits and prepayments	12	247,373	232,140
Fixed income instruments	8	468,886	619,989
Bank deposits with maturity over three months	13	195,175	3,032,654
Cash and cash equivalents	13	5,122,046	1,778,678
		<u>7,001,234</u>	<u>6,649,999</u>
<b>Current Liabilities</b>			
Creditors and accrued charges	14	2,328,676	2,732,392
Deposits received	15	143,711	24,294
		<u>2,472,387</u>	<u>2,756,686</u>
<b>Net Current Assets</b>		<u>4,528,847</u>	<u>3,893,313</u>
<b>Total Assets Less Current Liabilities</b>		7,445,565	7,288,037
<b>Non-Current Liabilities</b>			
Death and disability liabilities	16	77,973	76,511
Deferred income	17	516,359	558,456
<b>Net Assets</b>		<u>6,851,233</u>	<u>6,653,070</u>
<b>Capital subventions and donations</b>	18	2,127,584	2,127,539
<b>Designated fund</b>	19	5,077,369	5,077,369
<b>Revenue reserve</b>		(353,720)	(551,838)
<b>Capital Subventions and Donations, Designated Fund and Reserves</b>		<u>6,851,233</u>	<u>6,653,070</u>



Mr John Lee, JP  
Chairman, Finance Committee



Mr Shane Solomon  
Chief Executive



## HOSPITAL AUTHORITY

### CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE

	Note	For the year ended 31 March 2007	For the year ended 31 March 2006
		<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Income</b>			
Recurrent Government subvention	20	27,181,694	26,388,732
Capital Government subvention		349,962	803,276
Hospital/clinic fees and charges	21	1,987,287	1,628,459
Donations		179	548
Transfers from:			
Designated donation fund	17	76,059	82,650
Training and Welfare Fund	17	47,589	28,132
Capital subventions	18	461,826	487,621
Capital donations	18	89,278	90,272
Home loan interest subsidy		–	310,160
Investment income		300,916	97,464
Other income		185,940	212,374
		<u>30,680,730</u>	<u>30,129,688</u>
<b>Expenditure</b>			
Staff costs		(23,047,262)	(23,044,334)
Medical supplies and equipment		(3,319,306)	(3,132,666)
Utilities charges		(843,844)	(820,166)
Repairs and maintenance		(1,019,705)	(1,019,574)
Building projects funded by the Government as set out in note 2(h)(ii) and (iii)		(349,962)	(803,276)
Operating lease expenses – office premises and equipment		(24,739)	(19,771)
Depreciation and amortisation	5, 6	(548,704)	(571,836)
Other operating expenses	22	(1,329,084)	(1,948,951)
		<u>(30,482,606)</u>	<u>(31,360,574)</u>
<b>Surplus/(deficit) for the year</b>		<u>198,124</u>	<u>(1,230,886)</u>

## HOSPITAL AUTHORITY CONSOLIDATED CASH FLOW STATEMENT

	Note	For the year ended 31 March 2007	For the year ended 31 March 2006
		<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Net cash used in operating activities</b>	26	(416,417)	(985,801)
<b>Investing activities</b>			
Investment income received		300,916	97,464
Purchases of property, plant and equipment	5	(494,512)	(539,724)
Purchases of intangible assets	6	(58,037)	(61,669)
Net decrease in bank deposits with maturity over three months		2,837,479	953,739
Net decrease in fixed income instruments		621,390	166,923
<b>Net cash from investing activities</b>		3,207,236	616,733
<b>Net cash before financing</b>		2,790,819	(369,068)
<b>Financing activities</b>			
Capital subventions	18	481,335	466,674
Capital donations	18	71,214	134,719
Home loan interest subsidy		–	845,240
<b>Net cash from financing</b>		552,549	1,446,633
<b>Increase in cash and cash equivalents</b>		3,343,368	1,077,565
<b>Cash and cash equivalents at beginning of year</b>		1,778,678	701,113
<b>Cash and cash equivalents at end of year</b>	13	5,122,046	1,778,678

## HOSPITAL AUTHORITY

### CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

	Capital subventions and donations	Designated Fund	Revenue Reserve	Total
	<i>HK\$'000</i> <i>[Note 18]</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 31 March 2005	2,104,039	4,542,289	679,048	7,325,376
Additions during the year	601,393	845,240	–	1,446,633
Transfers to statement of income and expenditure	(577,893)	(310,160)	–	(888,053)
Net gains not recognised in statement of income and expenditure	23,500	535,080	–	558,580
Deficit for the year	–	–	(1,230,886)	(1,230,886)
At 31 March 2006	2,127,539	5,077,369	(551,838)	6,653,070
Additions during the year	552,549	–	–	552,549
Transfers to statement of income and expenditure	(551,104)	–	–	(551,104)
Net gains not recognised in statement of income and expenditure	1,445	–	–	1,445
Surplus for the year	–	–	198,124	198,124
At 31 March 2007	2,128,984	5,077,369	(353,714)	6,852,639

## HOSPITAL AUTHORITY

### 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 Health, Welfare and Food 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.

## 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 and its subsidiary, HACM Limited (collectively the "Group") entered into agreements with nine non-governmental organisations ("NGOs") to operate 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 2007, the subvention paid to these NGOs amounted to HK\$16,566,000 (2006: HK\$8,888,000).

### (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



## 1. The Hospital Authority (Continued)

### (b) Hospitals and other institutions (Continued)

#### Schedule 1 Hospitals and Schedule 2 Hospitals: (Continued)

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  
 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

#### Standalone Specialist Clinics:

Central Kowloon Health Centre  
 David Trench Rehabilitation Centre  
 East Kowloon Polyclinic  
 Ha Kwai Chung Polyclinic and Special Education Services Centre  
 Tuen Mun Eye Centre  
 Yan Oi General Outpatient Clinic  
 Yaumatei Jockey Club Clinic  
 Yaumatei Specialist Clinic Extension  
 Yuen Long Madam Yung Fung Shee Health Centre  
 Yung Fung Shee Memorial Centre

## **1. The Hospital Authority (Continued)**

### **(b) Hospitals and other institutions (Continued)**

#### **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

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.

## **2. Principal accounting policies**

### **(a) Basis of preparation of financial statements**

In preparing the financial statements, the members of the HA Board have given careful consideration to the long-term financial sustainability of the Group in light of the negative revenue reserve of HK\$353,714,000 as at 31 March 2007. The members of the HA Board considers that the HA could manage its cashflow to meet the financial obligations. To maintain financial sustainability, the Group will continue to explore various revenue options from Government and non-Government sources and adopt stringent controls to manage its spending level. 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 judgement in the process of applying HA's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

## 2. Principal accounting policies (Continued)

### (b) Basis of presentation (Continued)

The financial statements are presented in units of thousands of Hong Kong dollars (HK\$'000) unless otherwise stated.

### (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 for the financial year ended 31 March 2007. Consolidated financial statements have been prepared for the year ended 31 March 2007, following the establishment of HACM Limited as a subsidiary of HA. The comparative financial information for the year ended 31 March 2006 relates to HA only.

The financial statements reflect the recorded book values of those assets owned by the Group and the liabilities relating to the Schedule 1 Hospitals and Schedule 2 Hospitals which were integrated with HA in 1991. 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 2007, 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

## 2. Principal accounting policies (Continued)

### (e) Adoption of new / revised HKFRSs

In the current year, the Group has adopted the new/revised HKFRSs below, which are appropriate to its operations:

HKAS 19 (Amendment)	Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures
HKFRS-Int 4	Determining whether an Arrangement contains a Lease

The adoption of the above HKFRSs did not have a material effect on these financial statements.

### (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.

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.

## 2. Principal accounting policies (Continued)

### (g) Donations

#### (i) Donated assets

Donations for specific assets ("donated assets") with a value below HK\$100,000 each are recorded as income and expenditure in the year of receipt of the assets.

Donated assets with a value of HK\$100,000 or more each are capitalised on receipt of the assets. Properties, computer software and systems donated to the Group with values of HK\$250,000 or more each are capitalised 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 are accounted for in the designated donation fund. When the funds are used in the manner prescribed by the donor 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 in the year of receipt.

### (h) Capitalisation of property, plant and equipment

- (i) Effective from 1 December 1991, the following types of assets owned by the Group 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).



## 2. Principal accounting policies (Continued)

### (h) Capitalisation of property, plant and equipment (Continued)

- (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. The same 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.

### (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

## **2. Principal accounting policies (Continued)**

### **(i) Depreciation (Continued)**

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.

### **(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.

## **2. Principal accounting policies (Continued)**

### **(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. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The provision is recognised in the statement of income and expenditure. Accounts receivable, including accrued income for services rendered, are stated net of such provision in the balance sheet.

### **(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 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.

## **2. Principal accounting policies (Continued)**

### **(q) Provisions and contingent liabilities (Continued)**

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.

### **(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.

## **2. Principal accounting policies (Continued)**

### **(r) Employee benefits (Continued)**

#### **(iii) Death and disability benefits costs (Continued)**

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.

#### **(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.

### **(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.



## **2. Principal accounting policies (Continued)**

### **(u) Translation of foreign currencies (Continued)**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates. Foreign exchange gains and losses resulting from the translation of monetary assets and liabilities denominated in foreign currencies are translated at 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.

### **(w) Recently issued accounting standards**

The HKICPA has issued a number of new/revised HKFRSs which are effective for accounting periods beginning on or after 1 January 2007.

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 March 2007. The Group is in the process of making an assessment of the impact of these new/revised HKFRSs and anticipates that apart from certain presentational changes, the adoption of the new/revised HKFRSs will not have a significant impact on its results of operations and financial position.

## **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 and where financial management of this exposure is mitigated. The Group's underlying principles of financial risk management are to transfer the financial cost of a significant level of risk through insurance and self insurance for operational risks, to diversify risk over many insurers and to comply with regulatory insurance requirements as an employer and owner of a motor fleet.

### **3. Financial risk management (Continued)**

#### **(a) Financial risk factors (Continued)**

With regard to investments, the primary objective is to meet liquidity requirements and protect capital while investing excess funds to match cash flows. Investments are placed under the Group's investment mandates and allocation parameters to provide reasonable returns. The risk exposures inherent in the investment portfolio ("Portfolio") as at 31 March 2007 are summarised below.

##### **(i) Debt Instruments**

The Portfolio consists entirely of bank balances and debt instruments and is subject to the debt instrument price risk inherent in debt instruments i.e. the value of holdings may fall as well as rise.

All transactions in debt instruments are settled/paid for upon delivery through approved and reputable banks. The risk of default is considered minimal since debt instruments are held to maturity and not sold. Accordingly, the Portfolio has no significant concentration of credit risk.

The Portfolio is exposed to a minimal interest rate risk as the Portfolio invests mainly in debt instruments and fixed income deposits. Only the bank balances are exposed to interest rate risk which is considered to be minimal. 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.

##### **(ii) 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:

### 3. Financial risk management (Continued)

#### (b) Fair values of financial assets and liabilities (Continued)

The Group and HA				
	Carrying Value [Note 8]		Fair Value	
	31 March 2007	31 March 2006	31 March 2007	31 March 2006
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Fixed Income Instruments	1,222,676	1,844,066	1,210,200	1,803,588

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

### 4. Critical accounting estimates and judgements

In preparing the financial statements, management is required to exercise significant judgements 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 judgements 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. The trial on liability in respect of three lead plaintiffs against HA for such claims was heard in the court. The judgement by the court on 1 March 2006 dismissed the lead plaintiffs' case for overtime but found in favour of the lead plaintiffs for rest days, statutory days and public holidays. Assessment of damages has not yet been dealt with. The lead plaintiffs have appealed against the judgement and the appeal will be heard in October 2007. There are other proceedings in the Labour Tribunal by doctors claiming against HA for loss of rest days, statutory holidays, public holidays and overtime. These cases have been adjourned pending the appeal.

#### **4. Critical accounting estimates and judgements (Continued)**

##### **(a) Provision for doctors' claims (Continued)**

Following the decision of the court, HA implemented a package for eligible doctors in settlement of claims for rest days, holidays and overtime. The settlement package offered is without prejudice to HA's rights and position in High Court Action No. 1924 of 2002 or any other legal proceedings on similar issues and does not amount to any admission of liability on the part of HA to claims in respect of rest days, statutory holidays, public holidays or overtime. As at the balance sheet date, 3,926 eligible serving doctors and 893 eligible doctors who have left HA have accepted the settlement package. Settlement to these two groups of eligible doctors, amounting to HK\$525,434,000, was paid in November 2006 and February 2007 respectively.

Presently, HA's liability for claims by doctors against HA for rest days and holidays cannot be assessed with certainty. A provision of HK\$104,000,000 has been made in the financial statements as at 31 March 2007 for those doctors who have not accepted the settlement package. This provision is based on management's best estimate after making reference to an independent qualified actuary.

##### **(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.

## 5. Property, plant and equipment

### The Group

	Building and improvements	Furniture, fixtures and equipment	Motor vehicles	Capital expenditure in progress	Computer equipment	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Cost</b>						
At 1 April 2006	1,028,556	5,900,471	115,331	33,934	1,087,199	8,165,491
Reclassifications	–	2,385	–	(54,139)*	10,627	(41,127)
Additions	–	402,820	5,061	40,207	46,424	494,512
Disposals	–	(210,994)	(1,916)	(86)	(198)	(213,194)
At 31 March 2007	1,028,556	6,094,682	118,476	19,916	1,144,052	8,405,682
<b>Accumulated depreciation</b>						
At 1 April 2006	189,075	4,834,574	105,601	–	922,677	6,051,927
Reclassifications	–	–	–	–	–	–
Charge for the year	20,628	392,149	4,625	–	71,047	488,449
Disposals	–	(208,681)	(1,915)	–	(198)	(210,794)
At 31 March 2007	209,703	5,018,042	108,311	–	993,526	6,329,582
<b>Net book value</b>						
At 31 March 2007	818,853	1,076,640	10,165	19,916	150,526	2,076,100

\* Includes HK\$41,127,000 of computer software and system development costs which have been reclassified to intangible assets

## 5. Property, plant and equipment (Continued)

### HA

	Building and improvements	Furniture, fixtures and equipment	Motor vehicles	Capital expenditure in progress	Computer equipment	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Cost</b>						
At 1 April 2006	1,028,556	5,900,471	115,331	33,934	1,087,199	8,165,491
Reclassifications	–	2,385	–	(54,139)*	10,627	(41,127)
Additions	–	402,820	5,061	40,207	44,674	492,762
Disposals	–	(210,994)	(1,916)	(86)	(198)	(213,194)
At 31 March 2007	1,028,556	6,094,682	118,476	19,916	1,142,302	8,403,932
<b>Accumulated depreciation</b>						
At 1 April 2006	189,075	4,834,574	105,601	–	922,677	6,051,927
Reclassifications	–	–	–	–	–	–
Charge for the year	20,628	392,149	4,625	–	70,697	488,099
Disposals	–	(208,681)	(1,915)	–	(198)	(210,794)
At 31 March 2007	209,703	5,018,042	108,311	–	993,176	6,329,232
<b>Net book value</b>						
At 31 March 2007	818,853	1,076,640	10,165	19,916	149,126	2,074,700

\* Includes HK\$41,127,000 of computer software and system development costs which have been reclassified to intangible assets



## 5. Property, plant and equipment (Continued)

### The Group and HA

	Building and improvements	Furniture, fixtures and equipment	Motor vehicles	Capital expenditure in progress	Computer equipment	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Cost</b>						
At 1 April 2005	1,045,471	4,837,471	115,598	40,207	1,760,355	7,799,102
Reclassifications #	(15,874)	743,489	–	(25,146)	(702,469)	–
Additions	–	483,741	3,367	18,873	33,743	539,724
Disposals	(1,041)	(164,230)	(3,634)	–	(4,430)	(173,335)
At 31 March 2006	1,028,556	5,900,471	115,331	33,934	1,087,199	8,165,491
<b>Accumulated depreciation</b>						
At 1 April 2005	171,669	4,036,085	104,062	–	1,390,402	5,702,218
Reclassifications #	(2,181)	549,115	–	–	(546,934)	–
Charge for the year	20,628	407,590	5,130	–	83,639	516,987
Disposals	(1,041)	(158,216)	(3,591)	–	(4,430)	(167,278)
At 31 March 2006	189,075	4,834,574	105,601	–	922,677	6,051,927
<b>Net book value</b>						
At 31 March 2006	839,481	1,065,897	9,730	33,934	164,522	2,113,564

# To enhance presentation, non-medical equipment was reclassified as "Furniture, fixtures and equipment".

## 6 Intangible assets

### The Group

	Computer software and systems	
	2007	2006
	HK\$'000	HK\$'000
<b>Cost</b>		
At 1 April	910,280	857,816
Reclassifications	41,127	–
Additions	58,037	61,669
Disposals	–	(9,205)
At 31 March	1,009,444	910,280
<b>Accumulated amortisation</b>		
At 1 April	896,305	850,661
Charge for the year	60,255	54,849
Disposals	–	(9,205)
At 31 March	956,560	896,305
<b>Net book value</b>		
At 31 March	52,884	13,975

### HA

	Computer software and systems	
	2007	2006
	HK\$'000	HK\$'000
<b>Cost</b>		
At 1 April	910,280	857,816
Reclassifications	41,127	–
Additions	55,588	61,669
Disposals	–	(9,205)
At 31 March	1,006,995	910,280
<b>Accumulated amortisation</b>		
At 1 April	896,305	850,661
Charge for the year	57,806	54,849
Disposals	–	(9,205)
At 31 March	954,111	896,305
<b>Net book value</b>		
At 31 March	52,884	13,975

## 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 5.525% as at 31 March 2007. 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 2007	Balance at 31 March 2006
	HK\$'000	HK\$'000
Repayable within one year	2,622	2,944
Repayable after one year	35,344	43,108
	<u>37,966</u>	<u>46,052</u>

## 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 2.5% and 4.2% (2006: between 2.1% and 4.2%).

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 2007	Balance at 31 March 2006
	HK\$'000	HK\$'000
Maturing within one year	468,886	619,989
Maturing in the second to fifth year, inclusive	753,790	1,224,077
	<u>1,222,676</u>	<u>1,844,066</u>

## 9 Inventories

	The Group and HA	
	Balance at 31 March 2007	Balance at 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Drugs	529,758	482,162
Medical consumables	203,125	214,299
General consumables	25,527	25,977
	<u>758,410</u>	<u>722,438</u>

## 10 Accounts receivable

	The Group and HA	
	Balance at 31 March 2007	Balance at 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Bills receivable [note 10(a)]	190,760	161,011
Accrued income	21,419	18,230
	<u>212,179</u>	<u>179,241</u>
Less: Provision for doubtful debts	(61,079)	(56,664)
	<u>151,100</u>	<u>122,577</u>

The Group recognised a doubtful debt provision expense of HK\$4,415,000 during the year ended 31 March 2007 (2006: doubtful debt provision expense of HK\$8,837,000) for the impairment of its accounts receivable.

**10 Accounts receivable (Continued)**

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

	The Group and HA	
	Balance at 31 March 2007	Balance at 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 - 30 days	62,822	55,232
31 - 60 days	26,194	19,939
61 - 90 days	16,434	16,784
Over 90 days	85,310	69,056
	<u>190,760</u>	<u>161,011</u>

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.
- (iv) Legal action will be instituted for outstanding bills where appropriate. Patients who have financial difficulties may be considered for waiver of fees charged.

**11 Other receivables**

	The Group and HA	
	31 March 2007	31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Donations receivable	7,945	65,550
Interest receivable	33,821	61,102
Receivable from the Government for reimbursement of expenditure incurred on capital projects	1,614	2,231
Other receivables	12,242	9,696
	<u>55,622</u>	<u>138,579</u>

**12 Deposits and prepayments**

	The Group and HA	
	Balance at 31 March 2007	Balance at 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Utility and other deposits	6,207	5,164
Prepayments to Government departments	130,315	123,125
Maintenance contracts and other prepayments	110,851	103,851
	<u>247,373</u>	<u>232,140</u>

**13 Cash and bank balances**

	The Group and HA	
	Balance at 31 March 2007	Balance at 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Cash at bank and in hand	93,898	88,580
Bank deposits with maturity within three months	5,028,148	1,690,098
Cash and cash equivalents	5,122,046	1,778,678
Bank deposits with maturity over three months	195,175	3,032,654
	<u>5,317,221</u>	<u>4,811,332</u>

The effective interest rate on short term bank deposits is between 2.5% and 6.0% (2006: 1% to 5.2%). These deposits have an average maturity of 65 days (2006: 40 days).



**14 Creditors and accrued charges**

	The Group	
	Balance at 31 March 2007	Balance at 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payable [note 14 (a)]	160,877	92,076
Accrued charges and other payables [note 14 (b)]	1,944,802	2,598,404
Current account with the Government	222,991	41,912
	<u>2,328,670</u>	<u>2,732,392</u>

	HA	
	Balance at 31 March 2007	Balance at 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payable [note 14 (a)]	160,877	92,076
Accrued charges and other payables [note 14 (b)]	1,944,802	2,598,404
Current account with the Government	222,991	41,912
Current account with a subsidiary	6	—
	<u>2,328,676</u>	<u>2,732,392</u>

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

	The Group and HA	
	Balance at 31 March 2007	Balance at 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
0 - 30 days	136,555	86,527
31 - 60 days	21,269	4,783
61 - 90 days	2,697	635
Over 90 days	356	131
	<u>160,877</u>	<u>92,076</u>

All trade payable as at 31 March 2007 are expected to be settled within one year.

#### 14 Creditors and accrued charges (Continued)

- (b) Accrued charges and other payables include provision for unutilised annual leave of HK\$910,023,000 (2006: HK\$899,378,000) and contract gratuity accrual of HK\$274,278,000 (2006: HK\$283,928,000). The balance also includes an estimated liability for doctors' claims of HK\$104,000,000 (2006: HK\$629,000,000) as described in note 4(a).

#### 15 Deposits received

	The Group and HA	
	Balance at 31 March 2007	Balance at 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Patient deposits	118,589	12,819
Deposits received from the Government in respect of building projects	–	5,306
Other deposits	25,122	6,169
	<u>143,711</u>	<u>24,294</u>

#### 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 2007	Balance at 31 March 2006
	HK\$'000	HK\$'000
Present value of funded obligations	77,562	74,864
Fair value of plan assets	(1,260)	(1,167)
	76,302	73,697
Unrecognised actuarial gains	1,671	2,814
Death and disability liabilities in the balance sheet	77,973	76,511

## 16 Death and disability liabilities (Continued)

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

	The Group and HA	
	2007	2006
	HK\$'000	HK\$'000
At 1 April	76,511	78,857
Total expense/(income)	4,107	(536)
Net premiums and benefits paid	(2,645)	(1,810)
At 31 March	77,973	76,511

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

	The Group and HA	
	2007	2006
	HK\$'000	HK\$'000
At 1 April	1,167	558
Actuarial (losses)/gains	(838)	544
Employer contributions	2,645	1,810
Benefits paid	(1,714)	(1,745)
At 31 March	1,260	1,167

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

	For the year ended 31 March 2007	For the year ended 31 March 2006
	HK\$'000	HK\$'000
Current service cost	5,736	5,860
Interest cost	3,312	3,342
Actuarial gains recognised	(4,941)	(9,738)
Total, included in staff costs	4,107	(536)

## 16 Death and disability liabilities (Continued)

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

	The Group and HA	
	For the year ended 31 March 2007	For the year ended 31 March 2006
	%	%
Discount rate	4.30	4.50
Assumed rate of future salary increases	3.20	3.10

Historical information:

	The Group and HA
	2007
	HK\$'000
Present value of death and disability liability obligations	77,562
Fair value of plan assets	(1,260)
Experience adjustments arising on plan liabilities – gain	6,360
Experience adjustments arising on plan assets – loss	838

## 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 2005	268,408	38,456	137,104	123,077	567,045
Additions during the year	135,805	–	–	3,473	139,278
Utilisation during the year	–	(9,609)	(676)	–	(10,285)
Transfers to statement of income and expenditure	(82,650)	–	–	(28,132)	(110,782)
Return of unspent funds to the Government	–	(26,800)	–	–	(26,800)
At 31 March 2006	321,563	2,047	136,428	98,418	558,456
Additions during the year	77,592	–	–	4,432	82,024
Utilisation during the year	–	(240)	(233)	–	(473)
Transfers to statement of income and expenditure	(76,059)	–	–	(47,589)	(123,648)
At 31 March 2007	323,096	1,807	136,195	55,261	516,359

### (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 construction costs and any unspent balance will be repaid to the Government.

## 17 Deferred income (Continued)

### (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. The remaining fund balance will be used for construction 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 is maintained in designated bank accounts which are included under cash and bank balances.

## 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 2005	1,108,475	995,564	2,104,039
Additions during the year	466,674	134,719	601,393
Transfers to statement of income and expenditure	(487,621)	(90,272)	(577,893)
At 31 March 2006	1,087,528	1,040,011	2,127,539
Additions during the year	481,335	71,214	552,549
Transfers to statement of income and expenditure	(461,826)	(89,278)	(551,104)
At 31 March 2007	1,107,037	1,021,947	2,128,984



**18 Capital subventions and donations (Continued)**

	HA		
	Capital subventions [Note 2(s)]	Capital donations [Note 2(g)]	Total
	HK\$'000	HK\$'000	HK\$'000
At 1 April 2005	1,108,475	995,564	2,104,039
Additions during the year	466,674	134,719	601,393
Transfers to statement of income and expenditure	(487,621)	(90,272)	(577,893)
At 31 March 2006	1,087,528	1,040,011	2,127,539
Additions during the year	477,138	71,214	548,352
Transfers to statement of income and expenditure	(459,029)	(89,278)	(548,307)
At 31 March 2007	1,105,637	1,021,947	2,127,584

**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 2006/07, the Group allocated HK\$329,876,000, 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 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 2007 and 2006, 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 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 2007 amounted to HK\$524,418,000 (2006: HK\$546,408,000).

**22 Other operating expenses**

Other operating expenses comprise office supplies, hospital supplies and other administrative expenses. The other operating expenses for the financial year ended 31 March 2006 included a charge of HK\$629,000,000 in respect of the provision for the estimated settlement package to doctors.

## 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:

Current Position / Name of Executives	Basic pay, allowance, retirement scheme contribution and other benefits	Variable remuneration related to performance^	Total for the year ended 31 March 2007	Total for the year ended 31 March 2006
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Chief Executive*				
Mr Shane, SOLOMON	4,102	–	4,102	342
Dr William HO	–	–	–	2,689
Dr Vivian Taam WONG	–	–	–	1,674
Cluster Chief Executive (New Territories East)				
Dr Hong FUNG	3,432	98	3,530	3,532
Cluster Chief Executive (Hong Kong West)				
Dr Lawrence LAI	3,381	98	3,479	3,519
Cluster Chief Executive (Hong Kong East)				
Dr Loretta YAM	3,381	98	3,479	3,466
Director (Cluster Services)				
Dr Wai Lun CHEUNG	3,413	–	3,413	3,257
	17,709	294	18,003	18,479

Note \* The Chief Executive ("CE") is a member of the Board while his remuneration is paid in the capacity as an executive. For the year ended 31 March 2006, the reported figures for Dr William Ho and Dr Vivian Taam Wong only included his/her remuneration during the term of appointment as CE. Dr William Ho's appointment as CE was ended on 19 September 2005 while Dr Vivian Taam Wong took up the appointment as CE from 20 September 2005 to 28 February 2006.

^ The CE and Director (Cluster Services) are not entitled to variable remuneration related to performance. Payment of variable remuneration to Cluster Chief Executives ended on 31 July 2006.

## 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.

### (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 2007, the total membership was 36,660 (2006: 37,361). During the financial year 2006/07, the Group contributed HK\$1,834,616,000 (2006: HK\$1,858,857,000) to the scheme, which is included in the staff costs for the year. The scheme's net asset value as at 31 March 2007 was HK\$34,572,299,000 (2006: HK\$29,881,429,000).

### (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.

## **24 Retirement schemes (Continued)**

### **(b) Mandatory Provident Fund Scheme (Continued)**

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 2007, the total membership was 13,232 (2006: 12,911). During the financial year 2006/07, total members' contributions were HK\$102,376,000 (2006: HK\$88,044,000). The Group's contributions to the scheme, including a contribution payable of HK\$12,054,000 as at 31 March 2007 (2006: HK\$10,941,000), totalled HK\$139,013,000 (2006: HK\$124,554,000) which is included in the staff costs for the year. The net asset value as at 31 March 2007, including assets transferred from members' previous employment, was HK\$1,577,401,000 (2006: HK\$1,227,200,000).

## **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\$584,999,000 (2006: HK\$569,230,000). Other services provided by the EMSD for the year (e.g. routine maintenance and improvement works) were approximately HK\$209,455,000 (2006: HK\$213,760,000).
- (b) HA has entered into agreements with the Correctional Services Department of the Government for providing linen products and laundry services to the Group. According to the terms of the agreements, the amounts incurred for purchases of goods and services for the year amounted to HK\$36,637,000 (2006: HK\$30,555,000).
- (c) 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 2007, revenue foregone in respect of medical services provided to these persons amounted to HK\$301,283,000 (2006: HK\$295,327,000). The cost of such services has been taken into account in the Government's subvention to the Group.

## 25 Related party transactions (Continued)

### (d) 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, Directors, Cluster Chief Executives and other division heads of the Head Office.

Total remuneration of the key management personnel is shown below:

	For the year ended 31 March 2007	For the year ended 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Basic pay and other short term employee benefits	40,699	41,451
Post-employment benefits	3,466	3,634
Other benefits	113	–
	<u>44,278</u>	<u>45,085</u>

### (e) 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.

### (f) Cash advance to key management personnel

A cash advance was made to the Chief Executive during the financial year 2005/06 to support the expenses incurred for his relocation to Hong Kong. The advance is interest-free and repayable in six equal instalments commencing from March 2006. Details are as follows:

	2007	2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 April	221	–
Amount advanced during the year	–	265
Amount repaid during the year	(221)	(44)
At 31 March	<u>–</u>	<u>221</u>

### (g) Outstanding balances with the Government as at 31 March 2007 are disclosed in note 11, 12, 14 and 15. The current account with a subsidiary, HACM Limited, is disclosed in note 14.



## 26 Reconciliation of the surplus/(deficit) for the year to net cash used in operating activities

	The Group	
	For the year ended 31 March 2007	For the year ended 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Surplus/(deficit) for the year	198,124	(1,230,886)
Investment income	(300,916)	(97,464)
Income transferred from capital subventions and donations	(551,104)	(577,893)
Income transferred from home loan interest subsidy	–	(310,160)
Loss on disposal of property, plant and equipment	2,400	6,057
Depreciation and amortisation	548,704	571,836
Increase/(decrease) in death and disability liabilities	1,462	(2,346)
Decrease in deferred income	(42,097)	(8,589)
Increase in inventories	(35,972)	(68,311)
Decrease in loans receivable	8,086	9,132
(Increase)/decrease in accounts receivable	(28,523)	16,690
Decrease/(increase) in other receivables	82,957	(74,025)
(Increase)/decrease in deposits and prepayments	(15,233)	9,371
(Decrease)/increase in creditors and accrued charges	(403,722)	764,568
Increase in deposits received	119,417	6,219
Net cash used in operating activities	(416,417)	(985,801)

## 27 Funds in trust

At 31 March 2007, funds held in trust (including accrued interest income) for the Government are set out below:

	The Group and HA	
	Balance at 31 March 2007	Balance at 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Health Care and Promotion Fund	60,288	61,385
Health Services Research Fund	2,189	2,703
	<u>62,477</u>	<u>64,088</u>

## 28 Donations from the Hong Kong Jockey Club Charities Trust

During the financial year 2006/07, the Hong Kong Jockey Club Charities Trust made donations totalling HK\$64,294,000 (2006: HK\$47,731,000) to the following institutions:

	<i>HK\$'000</i>
Haven of Hope Hospital	700
Hong Kong Red Cross Blood Transfusion Service	802
Pamela Youde Nethersole Eastern Hospital	16,937
Prince of Wales Hospital	4
Princess Margaret Hospital	14,991
Queen Elizabeth Hospital	14,397
Queen Mary Hospital	216
Tuen Mun Hospital	13,330
United Christian Hospital	2,917
	<u>64,294</u>

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 2007	At 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Authorised but not contracted for	1,689,100	1,698,772
Contracted for but not provided	735,220	528,196
	<u>2,424,320</u>	<u>2,226,968</u>
	HA	
	At 31 March 2007	At 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
Authorised but not contracted for	1,684,507	1,698,772
Contracted for but not provided	733,327	528,196
	<u>2,417,834</u>	<u>2,226,968</u>

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).

## 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 2007	At 31 March 2006
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Buildings</b>		
Within one year	3,853	7,217
In the second to fifth year, inclusive	1,157	4,606
	<u>5,010</u>	<u>11,823</u>
<b>Equipment</b>		
Within one year	5,192	1,361
In the second to fifth year, inclusive	6,686	–
	<u>11,878</u>	<u>1,361</u>

## 30 Taxation

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

## 31 Approval of financial statements

The financial statements were approved by members of HA on 20 August 2007.

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## MEMBERSHIP OF THE HOSPITAL AUTHORITY

Name	No. of plenary meetings attended in 2006/07	Committee participation in 2006/07*
Mr Anthony WU Ting-yuk, JP (Chairman)	14	Chairman of plenary meetings, SC, EEC, HACF, Taskforce on Legal Matters and Task Force on Doctors' Work Hours.
Ms Vivien CHAN, JP	6	Vice-chairman of AC; Member of SSDC; Rotating Member of MTB; and HGC Member of Prince of Wales Hospital.
Dr Margaret CHUNG Wai-ling	10	Member of MSDC and PCC.
Prof FOK Tai-fai, JP	10	Chairman of MSDC; Member of SC and EEC; Member of FC; HGC Member of Prince of Wales Hospital.
Miss Susie HO, JP Deputy Secretary for Health, Welfare & Food (Health) (up to 7.5.2006)	—	Member of EEC, FC, HRC, MSDC, SSDC and Taskforce on Legal Matters.
Mr Edward HO Sing-tin, SBS, JP	14	Chairman of SSDC; Member of SC and EEC; Rotating Member of MTB; and HGC Chairman of Prince of Wales Hospital.
Dr Anthony HO Yiu-wah, JP	13	Chairman of HRC, SAC and HAPFS; Member of SC and EEC; Member of MSDC, Taskforce on Legal Matters and Taskforce on Doctors' Work Hours; HGC Chairman of Queen Mary Hospital; HGC Member of Yan Chai Hospital; and Chairman of HRAC.
Dr Hon KWOK Ka-ki (up to 30.11.2006)	8	Member of HRC, MSDC and Taskforce on Doctors' Work Hours; Rotating Member of MTB.
Prof LAI Kar-neng	8	Member of HRC and MSDC.
Dr P Y LAM, JP, Director of Health	14	Member of MSDC.
Prof LAM Shiu-kum	6	Member of FC and MSDC; and HGC Member of Queen Mary Hospital and Grantham Hospital.
Ms Polly LAU Mo-yee	13	Member of HRC and MSDC.

Name	No. of plenary meetings attended in 2006/07	Committee participation in 2006/07*
Ms Sandra LEE, JP <i>Permanent Secretary for Health &amp; Welfare (from 8.5.2006)</i>	14	Member of EEC, FC, HRC, MSDC, SSDC and Taskforce on Legal Matters.
Mr Lawrence LEE Kam-hung, JP	12	Vice-chairman of FC and MTB; Member of MSDC and Taskforce on Legal Matters; and HGC Member of Grantham Hospital.
Dr Hon Joseph LEE Kok-long, JP	11	Member of HRC and MSDC; Member of PCC; and HGC Member of Kwai Chung Hospital and Princess Margaret Hospital.
Mr John LEE Luen-wai, JP	11	Chairman of FC and MTB; Member of SC; Member of Taskforce on Legal Matters; and HGC Chairman of Queen Elizabeth Hospital.
Dr Donald LI Kwok-tung, JP <i>(from 1.12.2006)</i>	5	Member of MSDC and HGC member of Our Lady of Maryknoll Hospital.
Mr David T C LIE, JP	9	Member of AC and MSDC <i>(from 24.5.2006)</i>
Mr Peter LO Chi-lik	6	Chairman of PCC; Member of SC and EEC; Member of SSDC, Taskforce on Legal Matters and Taskforce on Doctors' Work Hours.
Mr Charles Peter MOK	13	Vice-chairman of SSDC; Rotating Member of MTB; Member of ITGC, HRC and MSDC.
Mrs Gloria NG WONG Yee-man, JP	9	Member of FC and MSDC; HGC Chairman of North District Hospital; and Chairman of NRAC.
Mr Greg SO, JP	11	Member of HRC, ITGC, MSDC and Taskforce on Doctors' Work Hours.
Mr Shane SOLOMON <i>Chief Executive</i>	14	Chairman of ITGC; Member of FC, HAPFS, HRC, MTB, MSDC, SC, SSDC, EEC, all RACs and HGCs and Taskforce on Legal Matters.
Miss Amy TSE, JP <i>(representing Secretary for Financial Services and the Treasury) (from 3.4.2006)</i>	14	Member of FC and MSDC.

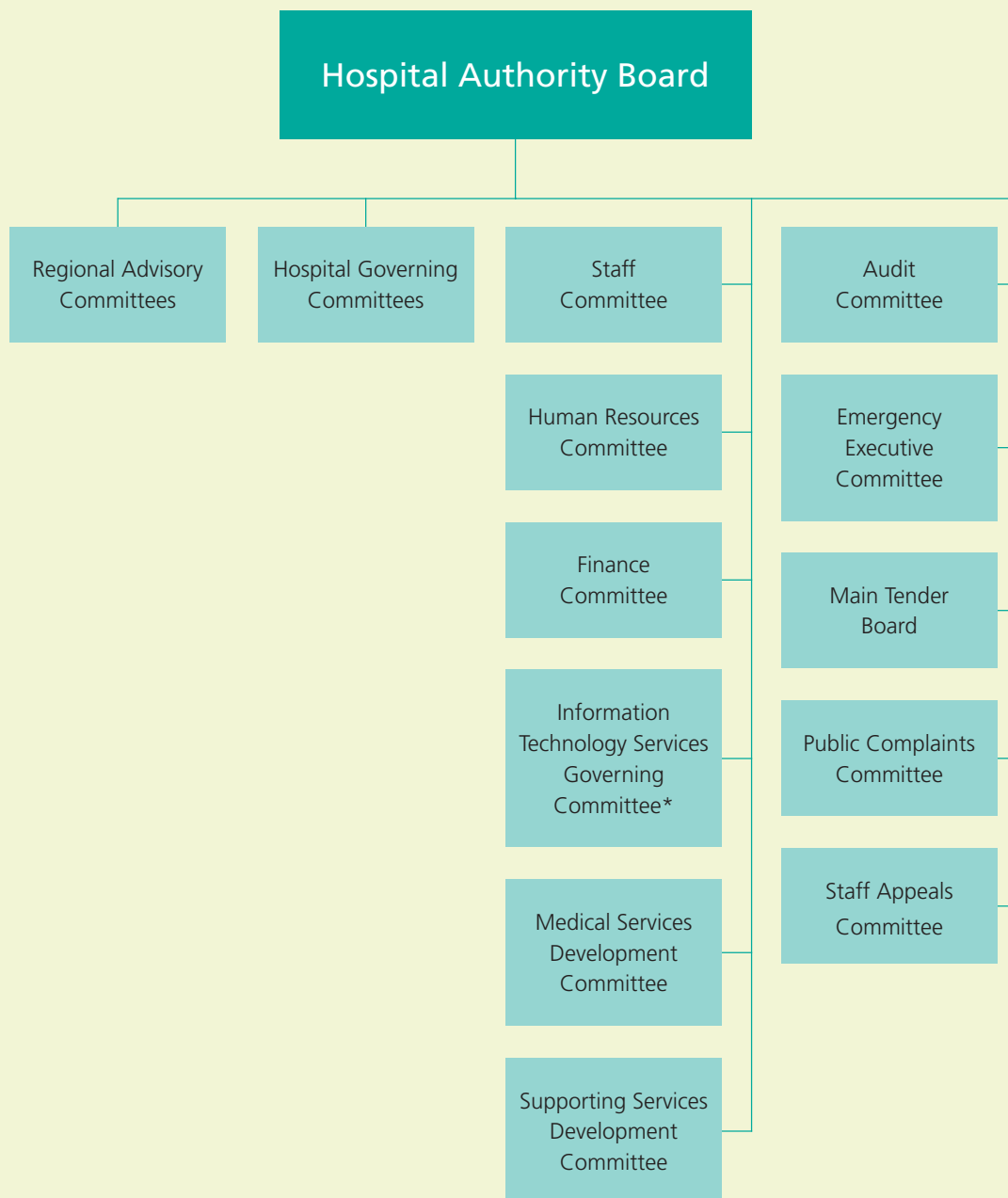


Name	No. of plenary meetings attended in 2006/07	Committee participation in 2006/07*
Prof Thomas WONG Kwok-shing, JP	10	Vice-chairman of MSDC; Member of HRC, SAC and Taskforce on Doctors' Work Hours and HGC Chairman of Shatin Hospital.
Mr Paul YU Shiu-tin, BBS, JP	13	Chairman of AC; Member of EEC, MSDC and SC; Rotating Member of MTB; Chairman of KRAC; HGC Chairman of Tuen Mun Hospital; and HGC Member of Kwong Wah Hospital/Wong Tai Sin Hospital.

\* Apart from the principal officer (the Hospital Authority Chief Executive), other members are not remunerated in the capacity as Board members. They participate in the 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:

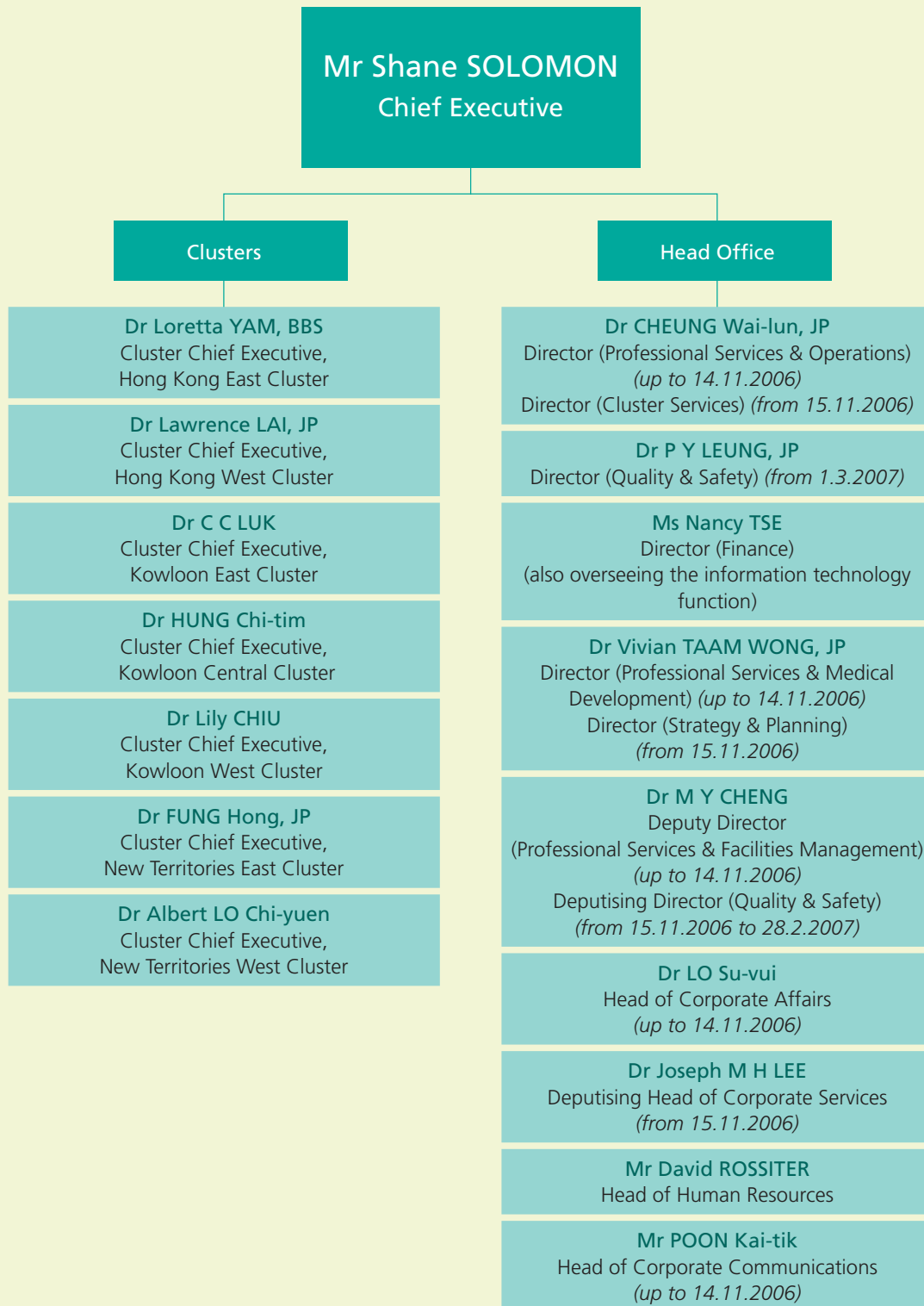
AC – Audit Committee	MTB – Main Tender Board
EEC – Emergency Executive Committee	NRAC – Regional Advisory Committee of the New Territories
FC – Finance Committee	PCC – Public Complaints Committee
HAPFS – Hospital Authority Provident Fund Scheme	SAC – Staff Appeals Committee
HACF – Hospital Authority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

## HOSPITAL AUTHORITY COMMITTEE STRUCTURE



\* The Information Technology Services Governing Committee was set up on 28.9.2006.  
Membership lists of the various committees are set out in Appendices 3, 4 and 5.

## EXECUTIVE STRUCTURE OF THE HOSPITAL AUTHORITY



## MEMBERSHIP AND TERMS OF REFERENCE OF FUNCTIONAL COMMITTEES

### Audit Committee

#### Membership List

<b>Chairman</b>	: Mr Paul YU Shiu-tin, BBS, JP
<b>Vice-Chairman</b>	: Ms Vivien CHAN, JP
<b>Members</b>	: Mr Edward HO Sing-tin, SBS, JP Mr David T C LIE, JP ( <i>from 25.5.2006</i> ) Ms Estella Y K NG
<b>In attendance</b>	: Mr Shane SOLOMON, <i>Chief Executive</i> Ms Susie HO, JP, <i>Deputy Secretary for Health, Welfare &amp; Food (Health) (up to 31.5.2006)</i> Ms Sandra LEE, JP, <i>Permanent Secretary for Health &amp; Welfare (from 1.6.2006)</i>

#### Terms of Reference

- 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 the internal control and risk management systems put in place by the Management; and
  - findings are actioned appropriately and timely.
- Recommend the appointment of the external auditor and the audit fee to the Board, endorse any non-audit services to be provided by the external auditor, and to consider any questions of resignation or dismissal.
- Consult with the External Auditor on all relevant matters including the:
  - nature and scope of the audit;
  - audited financial statements and the audit opinion;
  - management letter and management's response; and
  - matters of which the External Auditor may wish to draw attention.
- 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).
- 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.
- 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.]

## Finance Committee

### Membership List

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

**Vice-Chairman** : Mr Lawrence LEE Kam Hung, JP

**Members** : Prof FOK Tai-fai, JP  
Prof LAM Shiu-kum  
Mrs Gloria NG WONG Yee-man, JP  
Mr Shane SOLOMON  
Mr M N SOMERVILLE  
Miss Amy TSE, JP (*from 3.4.2006*)  
Ms Ernestina WONG (*representing Permanent Secretary for Health & Welfare*)  
(*up to 31.5.2006*)  
Ms Susie HO, JP (*representing Permanent Secretary for Health & Welfare*)  
(*from 1.6.2006 to 12.11.2006*)  
Mr Patrick NIP Tak-kuen, JP (*representing Permanent Secretary for Health & Welfare*)  
(*from 13.11.2006*)

#### 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 Authority.

## Human Resources Committee

### Membership List

**Chairman** : Dr Anthony HO Yiu-wah, JP

**Members** : Mr Billy KONG Chur-hoi, MH, JP  
Dr Hon KWOK Ka-ki (*up to 30.11.2006*)  
Prof LAI Kar-neng

Ms Polly LAU Mo-yee  
 Dr Hon Joseph LEE Kok-long, JP  
 Dr John LEUNG Chi-fai, JP  
 Dr Kim MAK  
 Mr Charles Peter MOK  
 Mr Greg SO, JP (*from 28.6.2006*)  
 Mr Shane SOLOMON  
 Prof Thomas WONG Kwok-shing, JP  
 Ms Ernestina WONG (*representing Permanent Secretary for Health & Welfare*)

#### 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 the Hospital Authority on the terms and conditions of employment for staff;
5. To advise, review and make recommendations to the Hospital Authority on staff pay awards and overall staffing structure; and
6. To advise, review and make recommendations to the Hospital Authority on any other staff related matters.

## Information Technology Services Governing Committee

### Membership List

**Chairman** : Mr Shane SOLOMON  
*Chief Executive*

**Members** : Mr Howard DICKSON, *Government Chief Information Officer*  
 Dr FUNG Hong, JP  
 Mr Charles Peter MOK  
 Mr Patrick NIP Tak-kuen, JP, *Deputy Secretary for Health, Welfare & Food (Health)*  
 Mr Greg SO, JP  
 Ms Nancy TSE

#### 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.

## Main Tender Board

### Membership List

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

**Vice-Chairman** : Mr Lawrence LEE Kam-hung, JP

**Ex-officio Members**: Mr Shane SOLOMON [*Chief Executive or his nominated representative*]  
Ms Nancy TSE [*Director (Finance) or her nominated representative*]

**Members** : Three of the following rotating members :  
Ms Vivien CHAN, JP  
Mr Edward HO Sing-tin, SBS, JP  
Dr Hon KWOK Ka-ki (*up to 30.11.2006*)  
Mr Charles Peter MOK  
Mr Paul YU Shiu-tin, BBS, JP

#### 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 (1) and (2) are in order and such approval should be final.

## Medical Services Development Committee

### Membership List

**Chairman** : Prof FOK Tai-fai, JP

**Vice-Chairman** : Prof Thomas WONG Kwok-shing, JP

**Members** : Dr Margaret CHUNG Wai-ling  
Dr Anthony HO Yiu-wah, JP  
Ms Susie HO, JP (*up to 31.5.2006*)  
Dr Hon KWOK Ka-ki (*up to 30.11.2006*)  
Prof LAI Kar-neng (*from 21.4.2005*)  
Dr P Y LAM, JP  
Prof LAM Shiu-kum  
Ms Polly LAU Mo-yee  
Dr Donald LI Kwok-tung, JP (*from 6.12.2006*)



Dr Hon Joseph LEE Kok-long, JP  
 Mr Lawrence LEE Kam Hung, JP  
 Ms Sandra LEE, JP (from 1.6.2006)  
 Mr David T C LIE, JP (from 24.5.2006)  
 Mr Charles Peter MOK  
 Mrs Gloria NG WONG Yee-man, JP  
 Mr Greg SO, JP (from 8.6.2006)  
 Mr Shane SOLOMON  
 Miss Amy TSE, JP (from 3.4.2006)  
 Mr Paul YU Shiu-tin, BBS, JP

#### 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 the 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 the 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 the public hospitals and related services.

## Public Complaints Committee

### Membership List

**Chairman** : Mr Peter LO Chi-lik

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

**Members** : Miss Iris CHAN Sui-ching, BBS  
 Mr CHAN Shu-ying, SBS  
 Dr Jennifer CHEUNG NG Chui-yiu  
 Rev Dr Eric CHONG Chee-min  
 Mr Rowland CHOW Ting-kwan  
 Mr Antonio CHU Lok-sang  
 Prof Joanne CHUNG Wai-yee  
 Dr Margaret CHUNG Wai-ling  
 Dr the Hon Joseph LEE Kok-long, JP  
 Mr Carlos LEUNG Sze-hung\*

(\* denotes Panel Chairman)

Dr Pamela LEUNG, JP\*  
 Mr Lawrence LI Shu-fai, SBS, JP  
 Mr MA Ching-yuk, BBS, JP  
 Mr Alexander MAK Kwai-wing (*up to 30.11.2006*)  
 Mrs Pauline NG CHOW May-lin, JP  
 Mr Stephen NG Chin-ming  
 Prof WAN Chin-chin (*from 1.12.2006*)  
 Mr Anthony WONG Luen-kin, JP  
 Mrs Elizabeth WONG YEUNG Po-wo  
 Sr Catherine WU Boon-biam  
 Ms Virginia WU Wei-kin  
 Dr YU Yuk-ling\*

(\* denotes 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.
  - (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 (listed below) 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.

#### PCC Complaint Handling Guidelines

1. The PCC is an appeal body within the Hospital Authority ("the HA") to consider 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 the HA more than 2 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 the 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 the patient concerned has instituted legal proceedings, or has indicated that he/she will institute legal proceedings, against the 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 the 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 staffs 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.)

## Staff Committee

### Membership List

**Chairman** : Mr Anthony WU Ting-yuk, JP

**Members** : Prof FOK Tai-fai, JP  
 Dr Anthony HO Yiu-wah, JP  
 Mr Edward HO Sing-tin, SBS, JP  
 Mr John LEE Luen-wai, JP  
 Mr Peter LO Chi-lik  
 Mr Shane SOLOMON  
 Mr Paul YU Shiu-tin, 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; and
4. Review the performance of Chief Executive, Directors and Cluster Chief Executives.

## Staff Appeals Committee

### Membership List

**Chairman** : Dr Anthony HO Yiu-wah, JP

**Members** : Mr Billy KONG Chur-hoi, MH, JP  
Dr Kim MAK  
Prof Thomas WONG Kwok-shing, JP (*from 25.5.2006*)  
Dr Raymond WU Wai-yung, GBS, JP (*from 25.5.2006 to 3.10.2006*)

#### Terms of Reference

1. To consider and decide upon appeals from staff members who have raised a grievance 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 the relevant information required from the management for making a decision;
  - ensure that appropriate action is taken;
  - reply to the appellant;
3. The Committee's decision shall represent the Hospital Authority's decision and shall be final; and
4. The Committee shall make annual reports to the Hospital Authority Board.

## Supporting Services Development Committee

### Membership List

**Chairman** : Mr Edward HO Sing-tin, SBS, JP

**Vice-Chairman** : Mr Charles Peter MOK

**Members** : Ms Vivien CHAN, JP  
Mr Peter LO Chi-lik  
Mr Shane SOLOMON  
Ms Ernestina WONG (*representing Permanent Secretary for Health & Welfare*)

#### 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.

## Emergency Executive Committee

### Membership List

**Chairman** : Mr Anthony WU Ting-yuk, JP  
*(In his absence, the Emergency Executive Committee chairmanship should be elected among its standing members)*

**Standing Members**: Dr Anthony HO Yiu-wah, JP  
*Chairman of Human Resources Committee*

Prof FOK Tai-fai, JP  
*Chairman of Medical Services Development Committee*

Mr Edward HO Sing-tin, SBS, JP  
*Chairman of Supporting Services Development Committee*

Mr Shane SOLOMON  
*The Chief Executive (in his/her absence, the Deputising CE)*

Ms Susie HO, JP *(up to 12.11.2006)*  
 Mr Patrick NIP Tak-kuen, JP *(from 13.11.2006)*  
*(representing Permanent Secretary for Health & Welfare)*

**Ad hoc Members** : Mr Peter LO Chi-lik  
 Mr Paul YU Shiu-tin, BBS, JP

[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;
  - (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 Authority Board and the making of regular reports to Hospital Authority Members as soon as practicable.

## MEMBERSHIP OF HOSPITAL GOVERNING COMMITTEES

### Alice Ho Miu Ling Nethersole Hospital

#### Chairman

Prof TAM Sheung-wai, GBS, JP

#### Ex-officio members

Hospital Authority Chief Executive or  
his representative

Hospital Chief Executive

#### Members

Dr CHENG Ngok

Mr Roland CHOW Kun-chee

Mr Deacon FUNG Sau-chung

Dr George H C HUNG

Ms KO Siu-wah, SBS, JP

Mr LEUNG Wo-ping, JP

Mr LI Fook-hing

Mrs June LI

Rev Dr LI Ping-kwong

Rev Eric SO Shing-yit

Rt Rev Dr Thomas SOO Yee-po, JP

Rev Dr Nicholas TAI Ho-fai (*from 6.9.2006*)

Ms Wendy TSANG Wan-man

Rev Josephine TSO Shiu-wan

Miss Nora WONG Pui-ha, JP

Mr YEUNG Po-kwan, JP

### Bradbury Hospice

#### Chairman

Sister Helen KENNY

#### Ex-officio members

Hospital Authority Chief Executive or  
his representative

Hospital Chief Executive

#### Members

Mrs Caroline COURTAULD

Dr Ben FONG Yuk-fai

Dr Joseph LEE Man-ho

Prof Joyce MA, LC

Father John RUSSELL, SJ

Dr TUNG Yuk

Dr Dominic WONG Shing-wah, GBS, JP

Prof WONG Hoi-kwok, BBS, JP

## Caritas Medical Centre

### Chairman

Prof David CHEUNG Lik-ching

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mr Denis CHANG, JP  
Mr Stephen CHENG Po-hong, JP  
Dr Benedict CHUNG Yat-ki  
Dr Daniel FANG Tak-sang  
Dr Conrad LAM Kui-shing, JP  
Mr LEUNG Kam-tao  
Dr Laurence SHEK Siu-lam  
Mr Anthony WONG Luen-kin, JP  
Mr William WONG Kuen-wai  
Rev Michael M C YEUNG

## 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 Alan CRAWLEY  
Mr Hilbert KA  
Ms Janice MORTON  
Dr WONG Chun-por  
Mrs Linda WONG LEUNG Kit-wah  
Mr Paul YOUNG Tze-kong, JP

## Castle Peak Hospital

### Chairman

Prof John LEONG Chi-yan, JP

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mr CHOONG Yin-lee  
Dr CHOW Chun-bong, BBS  
Dr CHUNG See-yuen  
Mr Lothar LEE Hung-sham  
Mrs Rita TONG LIU, BBS  
Prof TANG Siu-wa

## Cheshire Home, Shatin

### Chairman

Mr Alan CRAWLEY

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mrs Shelley M. CHOW  
Prof Suzanne C HO  
Mr JONG Koon-sang  
Dr LAM Cho-yee  
Prof LAM Tai-hing, JP  
Dr Edward LEUNG Man-fuk  
Ms Janice MORTON  
Mr Alfred POON Sun-biu  
Mr YEUNG Po-kwan, JP



## Duchess of Kent Children's Hospital at Sandy Bay

### Chairman

Mr Vivian LEE Wai-man (*from 18.5.2006*)

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mr Johnsmen AU Chung-man, JP  
Mr CHEUNG Tat-tong  
Dr Daniel FANG Tak-sang  
Mrs FOK Mei-ling  
Prof LAU Yu-lung  
Mr Vivian LEE Wai-man (*up to 17.5.2006*)  
Prof Keith LUK Dip-kei  
Mrs Elizabeth WONG YEUNG Po-wo  
Dr Arthur YAU

## Grantham Hospital

### Chairman

Mr Y L PANG, JP

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Prof LAM Shiu-kum  
Mr Steve Y F LAN  
Mr Sebastian LAU Ki-chit  
Mr Lawrence LEE Kam-hung, JP  
Mr Edwin LEUNG Chung-ching  
Mrs Elizabeth LI  
Prof MOK Che-keung  
Mrs Purviz Rusy SHROFF  
Mr SUEN Lai-sang  
Prof John WONG, SBS

## 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  
Mr Leroy KUNG Lin-yuen  
Dr Joseph KWAN Kai-cho  
Dr LAM Ching-choi, JP  
Mr Eddie NG Ping-yiu  
Dr NIP Kam-fan, JP  
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, MH  
Ms Elaine CHUNG Lai-kwok, BBS, JP  
Mr HO Tak-sum, MH  
Dr KAO Park-ming  
Ven KOK Kwong, GBS  
Mr LAI Sze-nuen, BBS, JP  
Mr Anthony LAM Chi-tat  
Ms Mavis LEE Ming-pui  
Mr LI Ka-cheung  
Ms SHUM Chiong-yen  
Ven SIK Hin-hung  
Ven SIK Ku-tay  
Ven SIK To-ping  
Ven SIK Wing-sing  
Ms Maria YEUNG Kam-chun

## Hong Kong Eye Hospital & Kowloon Hospital

### Chairman

Miss Eliza C H CHAN, BBS, JP

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executives

### Members

Dr Steven CHOW  
Mr Philip FAN Yan-hok  
Prof Joseph KWOK Kin-fun, BBS,JP  
Mr Hardy LOK Kung-chin  
Mr Louis LOONG Hon-biu  
Mr Alexander MAK Kwai-wing  
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 Vincent LO Wing-sang, BBS, JP

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mr CHAN Kai-ming  
Prof Gregory CHENG  
Mr Ambrose HO  
Mrs Patricia LING WOO Sau-ha, JP  
Mr Philip TSAI Wing-chung  
Mr Luke WONG Sui-kwong  
Mrs Irene YAU, JP

## Kwong Wah Hospital/ TWGH Wong Tai Sin Hospital

### Chairman

Mr Andy LAU Kam-kwok, BBS

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mr Christopher CHAN Yiu-chong, BBS  
Mr Charles CHANG Juo-hwa  
Mr CHOW Chun-fai, BBS, JP  
Dr Stephen CHOW Chun-kay, BBS, JP  
Dr William HO Shiu-wei, JP  
Dr John LEE Sam-yuen  
Mr Billy LEUNG Ting-yu  
Mr Patrick MA Ching-hang  
Mr MOK Ying-fan  
Mr Peter ONG Ka-lueng  
Mr Eddie WANG, BBS  
Mr Senta WONG, BBS  
Mr Ricky YEUNG Chiu-sing, BBS  
Mr Paul YU Shiu-tin, BBS, JP  
Dr YU Yuk-ling

## Kwai Chung Hospital & Princess Margaret Hospital

### Chairman

The Hon Vincent FANG Kang, 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 Sylvia CHEN Chia-lu, JP  
Dr Andy CHIU Tin-yan  
Mrs Alice CHIU TSANG Hok-wan, JP  
Mr CHOW Yick-hay, BBS, JP  
Mr Larry KWOK Lam-kwong, JP  
Mr Alan LEE Chi-keung  
Dr Hon Joseph LEE Kok-long, JP  
Ms Terry LOWE  
Dr TSAO Yen-chow

## MacLehose Medical Rehabilitation Centre

### Chairman

Dr David FANG, SBS, JP

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Ms Barbara CHAN  
Dr Eric CHIEN Ping  
Prof CHOW Shew-ping, JP  
Dr Daniel FANG Tak-sang  
Mr LEE Man-bun, SBS, JP  
Prof John LEONG Chi-yan, JP  
Prof Keith LUK Dip-kei  
Mr David MONG Tak-yeung  
Dr POON Tak-lun

## 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  
Mr LAU Hou-ting  
Mr David LI Ka-fai  
Mr Paul C N MAK  
Mr George PANG Chun-sing  
Dr Annie YEUNG Shou-fong

## 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  
Ms Carlye CHU Fun-ling  
Rev CHU Yiu-ming  
Mr Lester Garson HUANG  
Sister Helen KENNY  
Mrs Marigold LAU  
Dr Donald LI Kwok-tung, JP  
Sister Marilu LIMGENCO  
Sister Betty Ann MAHEU, MM  
(up to 31.10.2006)  
Mrs Pauline NG CHOW May-lin, JP  
Mrs Beverly TONG  
Dr YU Wing-kwong  
Sister Marya ZABOROWSKI

## Pamela Youde Nethersole Eastern Hospital

### Chairman

Dr Raymond WU Wai-yung, GBS, JP  
(passed away on 3.10.2006)

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mr CHAN Bing-woon, SBS, JP  
Rev CHU Yiu-ming  
Dr HUANG Chen-ya  
Ms KO Siu-wah, SBS, JP  
Mr LEUNG Sau-chi, JP  
Mr LI Fook-hing  
Mr Simon SIT Poon-ki  
Prof TAM Sheung-wai, GBS, JP  
Mr YEUNG Po-kwan, JP

## Pok Oi Hospital

### Chairman

Mr Alan WONG Wai-kai, MH

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Ms Yvonne CHUA  
Dr Linus IP Yiu-man  
Mr KAN Ho-chow, MH  
Mr Matthew LAM Kin-hong  
Mr LAM Kwok-hing  
Ms Alice WOO Wai-see  
Mr LEUNG Che-cheung, MH  
Mr Lawrence ONG Tong-sing  
Mr POON Chin-hung  
Mr SIU Shing-choi  
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

Ms Annie LIANG BENTLEY  
Ms Vivien CHAN, JP  
Prof FOK Tai-fai, JP  
Mr James B HAYBYRNE  
Ms Nancy KIT, JP  
Mr Stephen LIU Wing-ting, JP  
Mr Philip WONG Chak-piu  
Dr TSE Tak-fu, BBS

## Queen Mary Hospital/ Tsan Yuk Hospital

### Chairman

Dr Anthony HO Yiu-wah, JP

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Prof LAM Shiu-kum  
Prof J G MALPAS  
Mr Lincoln TSO  
Prof Judy TSUI LAM Sin-lai  
Ms Ada WONG Ying-kay, JP  
Dr Richard YU Yue-hong

## Queen Elizabeth Hospital

### Chairman

Mr John LEE Luen-wai, JP

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mrs Sheilah CHENG CHATJAVAL  
Dr Steven CHOW  
Dr LEE Kin-hung  
Mr NG Kin-sun  
Dr Victor WOO Chi-pang

## Rehabaid Centre

### Chairman

Mr Thomas J MULVEY, JP

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Ms Kelly CHAN Yuen-sau  
Ms CHOW Lai-ying  
Mrs Shelley M. CHOW  
Mrs Kimberley LAM KWONG Lan-heung  
Mr Christopher LAW Kin-chung  
Dr Leonard LI Sheung-wai  
Mrs Anne MARDEN, BBS, JP  
Dr Kenneth SO Hop-shing  
Mr TSANG Chiu-kwan  
Mrs Elizabeth WONG YEUNG Po-wo

## 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  
Mrs Peggy LAM, GBS, JP  
Mr Steve Y F LAN  
Mr Sebastian LAU Ki-chit  
Prof John LEONG Chi-yan, JP  
Mr PANG Yuk-ling, JP  
Mrs Purviz Rusy SHROFF  
Mr SHUM Choi-sang, SBS, JP  
Ms Anna TANG King-yung, MH  
Mr Richard TANG Yat-sun, BBS, JP  
Dr George TSENG Hing-chuen

## Shatin Hospital

### Chairman

Prof Thomas WONG Kwok-shing, JP

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mr Joseph KEUNG Shu-hoi  
Mrs Molly LEE  
Mr Arthur LI Ka-tat  
Mr Thomas PANG Cheung-wai, 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 Ruy Octavio BARRETTO (*up to 15.5.2006*)  
Mrs Gladys CHEN CHO Wai-han  
Mr CHEUNG Wing-fai  
Mr Richard FUNG Lap-chung  
Mr Edward LEE Chi-shing (*from 18.5.2006*)  
Dr Sammy POONE, BBS, JP  
Mrs Anne SHIH YU Mee-yee (*up to 10.8.2006*)  
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

Miss Iris CHAN Sui-ching, BBS  
Mr Raymond CHAN Wai-man  
Mr Francis CHAU Yin-ming, MH  
Dr Joseph KWAN Kai-cho  
Mr Henry LAI Hin-wing  
Sister Ophelia Marie LUI Woon-hing  
Dr Danny MA Ping-kwan  
Ms Nancy TSANG Lan-see

## 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

Mr CHAN How-chi  
Mr Michael CHAN Kee-huen  
Dr Eddie CHAN Tat  
Mr KU Moon-lun  
Mr Edward PONG Chong, BBS, JP  
Mr TSO Shiu-wai  
Dr Jimmy WONG Chi-ho, BBS, JP  
Mr Jonathan YU Hoy-gin, JP

## Tung Wah Hospital/ Tung Wah Eastern Hospital/ TWGH Fung Yiu King Hospital

### Chairman

Mr Andy LAU Kam-kwok, BBS

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mr Christopher CHAN Yiu-chong, BBS  
Mr Charles CHANG Juo-hwa  
Ms CHENG Lai-king  
Dr CHU Chor-lup  
Mr FUNG Wing-chung, BBS  
Dr William HO Shiu-wei, JP  
Mr HUNG Wing-tat  
Dr John LEE Sam-yuen  
Mr Billy LEUNG Ting-yu  
Mr Stephen LIU Wing-ting, JP  
Mr Patrick MA Ching-hang  
Mr John MA Hung-ming, BBS  
Mr Peter ONG Ka-lueng  
Mr Eddie WANG, BBS  
Mr Ricky YEUNG Chiu-sing, BBS

## United Christian Hospital

### Chairman

Mr John LI Kwok-heem

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mr Bunny CHAN Chung-bun, BBS, JP  
Mr Clifford King CHIU  
Mr Roland CHOW Kun-chee  
Rev Paul KAN Kei-piu  
Ms Sophia KAO, JP  
Mr Patrick LAI Shu-ho, MH, JP  
Mr Eddy LEE Wai-man  
Rev Lincoln LEUNG Lam-hoi  
Mr LI Fook-hing  
Mrs June LI  
Dr NIP Kam-fan, JP  
Rev PO Kam-cheong  
Mrs Winnie POON YAM Wai-chun, MH  
Mr Simon SIT Poon-ki  
Prof TAM Sheung-wai, GBS, JP  
Mr Thomas TSANG Fuk-chuen  
Rt Rev Louis TSUI Tsan-sang  
Dr Hayles WAI Heung-wah  
Dr WONG Bing-lai  
Mr WU Kwok-cheung, MH  
Dr Alice YUK Tak-fun, JP

## Yan Chai Hospital

### Chairman

Mr CHAU Tak-wai, MH

### Ex-officio members

Hospital Authority Chief Executive or  
his representative  
Hospital Chief Executive

### Members

Mr CHAN Wai-ming  
Dr Anthony HO Yiu-wah, JP  
Mr Alex LAN Khong-poh  
Mrs Tammy LAU LAU Po-chee  
Ms Elizabeth LAW Kar-shui  
Prof LEE Shiu-hung, SBS, JP  
Mr Wilson TSANG Churk-ming  
Ms Bess TSIN Man-kuen  
Mrs Christy TUNG NG Ling-ling  
Mr Alfred WONG Wai-kin

## MEMBERSHIP OF REGIONAL ADVISORY COMMITTEES

### Hong Kong Regional Advisory Committee

**Chairman** : Dr Anthony HO Yiu-wah, JP

**Ex-Officio Members** : Hospital Authority Chief Executive or his representative  
Director of Health or his representative

**Members** : Mrs Anita CHAN NG Shuet-fun (*up to 30.6.2006*)  
Dr Eva DUNN Lai-wah  
Dr Daniel FANG Tak-sang  
Dr David FANG, SBS, JP  
Prof HO Pak-chung  
Mr KAM Nai-wai, MH  
Mr KO Tam-kan, BBS  
Mr KONG Chack-ho, MH  
Mr LAM Kit-sing  
Mr LEE Kai-hung  
Mr Edwin LEUNG Chung-ching, JP  
Mr Patrick MA Ching-hang  
Mr PANG Yuk-ling, JP  
Dr TOM Kam-tim  
Mr Lincoln TSO  
Prof WONG Hoi-kwok, BBS, JP  
Mrs Linda WONG LEUNG Kit-wah  
Dr WONG Yau-tak (*from 10.11.2006*)

### Kowloon Regional Advisory Committee

**Chairman** : Mr Paul YU Shiu-tin, BBS, JP

**Ex-Officio Members** : Hospital Authority Chief Executive or his representative  
Director of Health or his representative

**Members** : Miss Eliza C H CHAN, BBS, JP  
Mr Simon CHAN Siu-man  
Ms Kelly CHAN Yuen-sau  
Ms CHAU Chuen-heung, MH, JP  
Mr CHAU Tak-wai, MH

Mr Francis CHAU Yin-ming, MH  
Mr Michael CHENG Tak-kin, JP  
Mr Charles C Y CHIU  
Mr CHOW Chun-fai, BBS, JP  
Mr CHOW Yick-hay, BBS, JP  
Mr IP Che-kin  
Mr Keith LAM Hon-keung, JP  
Mr LAM Ka-keung  
Ms Mavis LEE Ming-pui  
Mr John LI Kwok-heem  
Dr Danny MA Ping-kwan  
Mr Peter ONG Ka-lueng  
Mr WONG Ka-wa  
Mr WONG Kam-kuen, MH  
Mr Anthony WONG Luen-kin, JP  
Mr Luke WONG Sui-kwong  
Dr Victor WOO Chi-pang

## New Territories Regional Advisory Committee

**Chairman** : Mrs Gloria NG WONG Yee-man, JP

**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  
Prof LAU Tze-kin  
Dr Joseph LEE Man-ho  
Ms Robena LEE Ying  
Mr LEUNG Wo-ping, JP  
Mrs Rita LIU, BBS  
Mr LUI Hing-chung, MH  
Mr Paul C N MAK  
Mr Thomas PANG Cheung-wai, JP  
Mr Philip WONG Chak-piu  
Ms Peggy WONG Pik-kiu  
Mr Alan WONG Wai-kai, MH

## MEMBERSHIP OF THE BOARD OF TRUSTEES OF THE HOSPITAL AUTHORITY PROVIDENT FUND SCHEME

**Chairman** : Dr Anthony HO Yiu-wah, JP

**Trustees** : Mr John LEE Luen-wai, JP  
Mr Shane SOLOMON  
Mr Lincoln LEONG Kwok-kuen  
Mr Alan H SMITH, JP  
Ms Amy YIP Yok-tak, BBS, JP  
Ms Susie HO, JP (*up to 12.11.2006*)  
Mr Patrick NIP Tak-kuen, JP (*from 13.11.2006*)  
Mr Raymond LEUNG Ho-kwan  
Dr TSE Kong  
Dr WONG Tak-cheung  
Mr Luke CHIA Chi-keung

## PUBLIC FEEDBACK STATISTICS COMPLAINTS/APPRECIATION RECEIVED (1.4.2006 – 31.3.2007)

### Public Complaints Committee

Nature of Cases	Number of Appeal Cases
Medical Services	105
Staff Attitude	10
Administrative Procedure	38
Others	7
<b>Total Number of Appeal Cases handled</b>	<b>160</b>

### Hospital Complaints/Appreciation Statistics

Nature of Complaint/Appreciation Cases	Complaints received	Appreciation received
Medical Services	1,116	9,366
Staff Attitude	811	4,578
Administrative procedure	246	319
Overall Performance	0	10,188
Others	459	2,066
<b>Total Number of Complaints/Appreciation received</b>	<b>2,632</b>	<b>26,517</b>

## STATISTICS OF THE CONTROLLING OFFICER'S REPORT

The Hospital Authority generally achieved its performance targets in 2006/07. The Authority's committed effort to drive towards a community-based health service delivery model has resulted in an increase in activities for the majority of community service.

The key statistics of the Controlling Officer's Report used by the Government to measure the Authority's performance in 2005/06 and 2006/07 were:

	2005/06	2006/07
<b>(I) No. of hospital beds (as of end March)</b>		
▪ general (acute and convalescence)	20,225	20,180
▪ infirmary	2,151	2,151
▪ mentally ill	4,666	4,622
▪ mentally Handicapped	700	680
▪ total	27,742	27,633
<b>(II) Delivery of services</b>		
<b>In-patient services</b>		
<b>No. of discharges &amp; deaths</b>		
▪ general (acute and convalescence)	825,167	845,260
▪ infirmary	3,550	3,864
▪ mentally ill	15,201	16,048
▪ mentally handicapped	460	355
▪ overall	844,378	865,527
<b>No. of patient days</b>		
▪ general (acute and convalescence)	5,230,343	5,220,198
▪ infirmary	543,052	546,756
▪ mentally ill	1,196,409	1,122,315
▪ mentally handicapped	239,928	237,047
▪ overall	7,209,732	7,126,316
<b>Bed occupancy rate</b>		
▪ general (acute and convalescence)	82%	82%
▪ infirmary	89%	91%
▪ mentally ill	77%	74%
▪ mentally handicapped	95%	96%
▪ overall	82%	82%

	2005/06	2006/07
<b>Average length of stay (days)*</b>		
▪ general (acute and convalescence)	6.4	6.2
▪ infirmary	108	122
▪ mentally ill	93	104
▪ mentally handicapped	454	732
▪ overall	8.7	8.9
<b>Ambulatory diagnostic &amp; therapeutic services</b>		
<b>Day patient</b>		
▪ no. of discharges & deaths	280,887	289,699
▪ no. of day patients as % of total in-patient & day patient discharges & deaths	25%	25%
<b>Accident &amp; emergency services</b>		
▪ no. of attendance	2,019,451	2,052,774
<b>Out-patient services</b>		
▪ no. of specialist out-patient (clinical) attendances	6,018,338	6,005,257
▪ no. of general out-patient attendances	5,179,203	4,842,247
<b>Rehabilitation &amp; outreach services</b>		
<b>No. of home visits by community nurses</b>	792,811	814,236
<b>Psychiatric services</b>		
▪ no. of psychiatric outreach attendances	87,008	88,240
▪ no. of psychiatric day hospital attendances	183,487	179,170
▪ no. of psychogeriatric outreach attendances	49,588	50,847
<b>Geriatric services</b>		
▪ no. of outreach attendances	529,136	533,231
▪ no. of older persons assessed for infirmary care services	1,676	1,470
▪ no. of geriatric day hospital attendances	128,575	126,823
▪ no. of Visiting Medical Officer attendances@	86,911	122,199
<b>No. of allied health out-patient attendances#</b>	2,158,459	1,778,902
<b>(III) Quality of services</b>		
<b>No. of hospital deaths per 1000 population ^j</b>	3.8	3.7
<b>Unplanned readmission rate within 28 days for general in-patients</b>	9.3%	9.6%
<b>Accident and Emergency (A&amp;E) services</b>		
% of A&E patients within the target waiting time:		
▪ Triage I (critical cases - 0 minutes)	100%	100%
▪ Triage II (emergency cases - <15 minutes)	97%	96%
▪ Triage III (urgent cases - <30 minutes)	86%	86%



	2005/06	2006/07
<b>Specialist outpatient services</b>		
Median waiting time for first appointment at specialist clinics <sup>†</sup>		
▪ first priority patients	< 1 week	< 1 week
▪ second priority patients	5 weeks	5 weeks
<b>(IV) Cost of services</b>		
<b>Cost distribution</b>		
<b>Cost distribution by service types (%)</b>		
▪ in-patient	62.6%	62.3%
▪ ambulatory & outreach	37.4%	37.7%
<b>Cost by service types per 1000 population (\$m) <sup>j</sup></b>		
▪ in-patient	2.6	2.7
▪ ambulatory & outreach	1.5	1.7
<b>Cost of services for persons aged 65 or above</b>		
▪ share of cost of services (%)	45.6%	45.5%
▪ cost of services per 1000 population (\$m) <sup>j</sup>	15.8	16.3
<b>Unit costs</b>		
<b>Cost per in-patient discharged (\$)</b>		
▪ general (acute and convalescence)	19,660	19,170
▪ infirmary	158,960	140,620
▪ mentally ill	115,760	108,880
▪ mentally handicapped	512,160	639,210
<b>Cost per patient day (\$)</b>		
▪ general (acute and convalescence)	3,280	3,290
▪ infirmary	1,040	990
▪ mentally ill	1,470	1,560
▪ mentally handicapped	980	960
<b>Cost per accident &amp; emergency attendance (\$)</b>	720	700
<b>Cost per specialist out-patient attendance (\$)</b>	700	740
<b>Cost per general out-patient attendance (\$) <sup>++</sup></b>	250	260
<b>Cost per outreach visit by community nurse (\$)</b>	300	290
<b>Cost per psychiatric outreach attendance (\$)</b>	1,070	1,010
<b>Cost per geriatric day hospital attendance (\$)</b>	1,450	1,390
<b>Waivers <sup>~</sup></b>		
<b>% of Comprehensive Social Security Assistance (CSSA) waiver</b>	23.7	22.5
<b>% of non-CSSA waiver</b>	4.8	4.0

	2005/06	2006/07
<b>(V) Manpower (no. of FTE staff##)</b>		
<b>Medical</b>		
▪ doctor	4,569	4,617
▪ intern	325	313
▪ dentist	5	6
<b>Medical total</b>	<b>4,898</b>	<b>4,935</b>
<b>Nursing</b>		
▪ qualified staff	19,103	19,068
▪ trainee	145	144
<b>Nursing total</b>	<b>19,248</b>	<b>19,212</b>
<b>Allied health</b>	<b>4,894</b>	<b>4,966</b>
<b>Others</b>	<b>23,602</b>	<b>23,809</b>
<b>Total</b>	<b>52,643</b>	<b>52,922</b>

## Notes:

- \* Derived by dividing the sum of length of stay of inpatient by the corresponding number of inpatient discharged/treated.
- @ Refers 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.
- # There was a change in counting definition for allied health outpatient attendances at Optometry and Orthoptics with effect from April 2006.
- ^ 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.
- j The population with both resident and transient components was used for compilation of 2005/06 figure; while the population of resident component was only used for compilation of 2006/07 figure.
- † 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.
- ++ New Indicator. Includes the cost of pharmacists and specialist training in family medicine.
- ~ Refers to the amount waived as percentage to total charge.
- ## All staff in workforce (permanent, contract and temporary terms) are included in reported figures on full-time equivalent (FTE) basis.

## STATISTICS ON NUMBER OF BEDS, INPATIENT, ACCIDENT & EMERGENCY AND OUTPATIENT SERVICES IN 2006/07

Institution	No. of beds (as at end March 2007)	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 Specialty Clinic attendances	Total Allied Health Outpatient attendances	General Outpatient attendances
<b>Hong Kong East Cluster</b>									
Cheshire Home, Chung Hom Kok	240	255	92.6	269.8	–	–	–	140	–
Pamela Youde Nethersole Eastern Hospital	1,553	88,520	82.1	7.6	148,986	514,834	43,248	89,626	285,899
Ruttonjee & Tang Shiu Kin Hospitals	687	23,613	83.7	8.3	88,961	111,012	4,019	93,721	104,716
St John Hospital	93	2,701	51.9	5.8	8,936	104	–	8,342	34,211
Tung Wah Eastern Hospital	282	8,143	85.0	12.5	–	98,147	–	26,133	28,328
Wong Chuk Hang Hospital	160	163	92.0	397.7	–	–	–	–	–
<b>Sub-total</b>	<b>3,015</b>	<b>123,395</b>	<b>84.0</b>	<b>9.4</b>	<b>246,883</b>	<b>724,097</b>	<b>47,267</b>	<b>217,962</b>	<b>453,154</b>

Institution	No. of beds (as at end March 2007)	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 Specialty Clinic attendances	Total Allied Health Outpatient attendances	General Outpatient attendances
<b>Hong Kong West Cluster</b>									
Duchess of Kent Children's Hospital	130	2,178	48.4	13.0	–	17,594	–	26,188	–
TWGH Fung Yiu King Hospital	296	2,448	86.5	29.9	–	477	–	15	–
Grantham Hospital	491	12,628	70.8	12.9	–	47,512	–	2,350	–
MacLehose Medical Rehabilitation Centre	110	849	64.0	34.1	–	117	–	4,313	–
Queen Mary Hospital	1,592	104,791	73.0	4.9	123,801	529,297	16,365	113,486	262,326
Tung Wah Hospital	584	20,457	79.4	16.7	–	37,362	–	3,854	24,676
Tsan Yuk Hospital	4	733	–	–	–	24,888	–	5,247	–
<b>Sub-total</b>	<b>3,207</b>	<b>144,084</b>	<b>73.5</b>	<b>7.7</b>	<b>123,801</b>	<b>657,247</b>	<b>16,365</b>	<b>155,453</b>	<b>287,002</b>
<b>Kowloon East Cluster</b>									
Haven of Hope Hospital	425	6,175	91.4	23.1	–	8,097	–	3,293	–
Tseung Kwan O Hospital	425	29,536	84.0	4.7	104,918	144,596	873	74,181	234,760
United Christian Hospital	1,385	85,862	81.2	5.4	197,131	444,505	52,273	170,401	453,946
<b>Sub-total</b>	<b>2,235</b>	<b>121,573</b>	<b>83.8</b>	<b>6.3</b>	<b>302,049</b>	<b>597,198</b>	<b>53,146</b>	<b>247,875</b>	<b>688,706</b>

Institution	No. of beds (as at end March 2007)	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 Specialty Clinic attendances	Total Allied Health Outpatient attendances	General Outpatient attendances
<b>Kowloon Central Cluster</b>									
Hong Kong Buddhist Hospital	324	9,446	89.1	16.1	–	10,605	–	3,598	31,045
Hong Kong Eye Hospital	45	6,521	71.0	4.5	–	203,100	–	12,659	–
Kowloon Hospital	1,355	14,884	86.6	26.0	–	76,963	–	106,040	–
Queen Elizabeth Hospital	1,841	128,018	83.0	5.4	200,487	597,858	3,944	147,501	413,547
Rehabaid Centre	–	–	–	–	–	113	–	6,229	–
<b>Sub-total</b>	<b>3,565</b>	<b>158,869</b>	<b>84.8</b>	<b>8.7</b>	<b>200,487</b>	<b>888,639</b>	<b>3,944</b>	<b>276,027</b>	<b>444,592</b>
<b>Kowloon West Cluster</b>									
Caritas Medical Centre	1,203	47,362	83.1	8.1	136,046	322,670	735	57,930	217,714
Kwai Chung Hospital	1,272	4,224	61.2	99.5	–	174,651	–	20,553	–
Kwong Wah Hospital	1,213	83,617	72.2	4.6	148,428	315,006	2,620	122,394	219,144
Our Lady of Maryknoll Hospital	236	7,490	70.3	9.2	–	60,753	373	25,864	379,206
Princess Margaret Hospital	1,761	95,561	88.0	6.4	135,757	336,991	3,015	85,968	385,862
TWGH Wong Tai Sin Hospital	551	7,459	87.6	24.5	–	–	–	383	–
Yan Chai Hospital	800	45,410	82.0	5.2	141,059	165,140	1,260	66,173	230,771
<b>Sub-total</b>	<b>7,036</b>	<b>291,123</b>	<b>77.4</b>	<b>8.3</b>	<b>561,290</b>	<b>1,375,211</b>	<b>8,003</b>	<b>379,265</b>	<b>1,432,697</b>

Institution	No. of beds (as at end March 2007)	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 Specialty Clinic attendances	Total Allied Health Outpatient attendances	General Outpatient attendances
<b>New Territories East Cluster</b>									
Alice Ho Miu Ling Nethersole Hospital	641	40,565	83.5	4.3	118,662	179,893	9	89,792	210,130
Bradbury Hospice	28	645	86.4	12.9	–	133	–	488	–
North District Hospital	607	37,412	85.7	5.4	122,262	154,980	–	63,669	202,625
Prince of Wales Hospital	1,422	101,081	85.3	5.0	146,267	587,937	35,484	168,487	352,467
Cheshire Home, Shatin	296	169	78.8	422.2	–	–	–	535	–
Shatin Hospital	650	7,361	88.6	26.2	–	555	–	1,795	–
Tai Po Hospital	972	8,948	81.5	27.5	–	290	–	111	–
<b>Sub-total</b>	<b>4,616</b>	<b>196,181</b>	<b>84.4</b>	<b>7.9</b>	<b>387,191</b>	<b>923,788</b>	<b>35,493</b>	<b>324,877</b>	<b>765,222</b>

Institution	No. of beds (as at end March 2007)	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 Specialty Clinic attendances	Total Allied Health Outpatient attendances	General Outpatient attendances
<b>New Territories West Cluster</b>									
Castle Peak Hospital	1,639	2,299	84.9	328.4	–	99,251	–	16,836	–
Pok Oi Hospital	408	4,792	95.8	23.5	–	8,676	11,479	27,751	85,063
Siu Lam Hospital	350	163	97.9	989.8	–	–	–	–	–
Tuen Mun Hospital	1,562	112,747	84.5	5.2	231,073	534,071	21,382	132,856	685,811
<b>Sub-total</b>	<b>3,959</b>	<b>120,001</b>	<b>87.1</b>	<b>16.2</b>	<b>231,073</b>	<b>641,998</b>	<b>32,861</b>	<b>177,443</b>	<b>770,874</b>
<b>GRAND TOTAL</b>	<b>27,633</b>	<b>1,155,226</b>	<b>81.7</b>	<b>8.9</b>	<b>2,052,774</b>	<b>5,808,178</b>	<b>197,079</b>	<b>1,778,902</b>	<b>4,842,247</b>

## Notes:

1. Rehabaid Centre and Hong Kong Red Cross Blood Transfusion Service are Hospital Authority institutions with specific functions but no hospital beds.
2. The number of beds as at end March 2007 is based on the Annual Survey on Hospital Beds in Public Hospitals, 2006/07.
3. The outpatient attendances for different clinics are grouped under respective hospital management.
4. Total SOP attendances (clinical) exclude Family Medicine Specialty Clinic attendances.
5. Total Allied Health Outpatient attendances exclude follow-up consultations provided by the Medical Social Service Department. Figures from April 2006 onwards also exclude joint clinic consultations provided by the Optometry & Orthoptics Department with doctors.
6. Data prepared in September 2007.

## Abbreviations:

IP – Inpatient

DP – Day-patient

A&amp;E – Accident &amp; Emergency

SOP – Specialist Outpatient

## STATISTICS ON COMMUNITY AND REHABILITATION SERVICES, 2006/07

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
<b>Hong Kong East Cluster</b>									
Cheshire Home, Chung Hom Kok	–	–	–	–	–	43	–	–	–
Pamela Youde Nethersole Eastern Hospital	98,018	10,859	5,530	–	–	891	815	9,501	25,598
Ruttonjee & Tang Shiu Kin Hospitals	–	–	–	109,670	20,095	1,037	3,851	14,753	–
St John Hospital	3,854	–	–	29	–	14	–	–	–
Tung Wah Eastern Hospital	–	–	–	–	–	110	30,448	–	–
Wong Chuk Hang Hospital	–	–	–	–	–	–	–	2,154	–
<b>Sub-total</b>	<b>101,872</b>	<b>10,859</b>	<b>5,530</b>	<b>109,699</b>	<b>20,095</b>	<b>2,095</b>	<b>35,114</b>	<b>26,408</b>	<b>25,598</b>



Institution	Community Nursing Service*	Community Psychiatric Service <sup>#</sup>	Psycho- geriatric Service <sup>#</sup>	Community Geriatric Assessment Service <sup>@</sup>	Visiting Medical Officer attendances <sup>++</sup>	Community Allied Health attendances <sup>**</sup>	Rehabilitation day & palliative care day attendances	Geriatric day hospital attendances	Psychiatric day hospital attendances
<b>Hong Kong West Cluster</b>									
Duchess of Kent Children's Hospital	—	—	—	—	—	26	—	—	—
Grantham Hospital	—	—	—	—	—	21	2,178	—	—
MacLehose Medical Rehabilitation Centre	—	—	—	—	—	172	14,964	—	—
Queen Mary Hospital	50,920	5,068	6,933	—	—	516	—	—	14,470
TWGH Fung Yiu King Hospital	—	—	—	31,132	6,560	1,293	—	4,762	—
Tung Wah Hospital	—	—	—	—	—	205	6,351	2,404	—
<b>Sub-total</b>	<b>50,920</b>	<b>5,068</b>	<b>6,933</b>	<b>31,132</b>	<b>6,560</b>	<b>2,233</b>	<b>23,493</b>	<b>7,166</b>	<b>14,470</b>

<b>Kowloon East Cluster</b>									
Haven of Hope Hospital	31,614	—	—	5,680	1,919	388	1,403	2,954	—
Tseung Kwan O Hospital	—	—	—	—	—	79	—	—	—
United Christian Hospital	130,898	8,947	4,823	34,759	8,164	1,041	1,519	16,407	28,433
<b>Sub-total</b>	<b>162,512</b>	<b>8,947</b>	<b>4,823</b>	<b>40,439</b>	<b>10,083</b>	<b>1,508</b>	<b>2,922</b>	<b>19,361</b>	<b>28,433</b>

Institution	Community Nursing Service*	Community Psychiatric Service <sup>#</sup>	Psycho- geriatric Service <sup>#</sup>	Community Geriatric Assessment Service <sup>@</sup>	Visiting Medical Officer attendances <sup>++</sup>	Community Allied Health attendances <sup>**</sup>	Rehabilitation day & palliative care day attendances	Geriatric day hospital attendances	Psychiatric day hospital attendances
<b>Kowloon Central Cluster</b>									
Hong Kong Buddhist Hospital	–	–	–	–	–	13	–	–	–
Kowloon Hospital	59,360	6,113	3,408	41,759	6,194	1,608	727	–	9,991
Queen Elizabeth Hospital	–	–	–	27,053	8,157	489	–	7,959	–
Rehabaid Centre	–	–	–	–	–	981	–	–	–
<b>Sub-total</b>	<b>59,360</b>	<b>6,113</b>	<b>3,408</b>	<b>68,812</b>	<b>14,351</b>	<b>3,091</b>	<b>727</b>	<b>7,959</b>	<b>9,991</b>

<b>Kowloon West Cluster</b>									
Caritas Medical Centre	68,562	–	–	24,630	6,349	79	1,013	8,713	–
Kwai Chung Hospital	–	23,396	14,434	–	–	3,382	–	–	53,664
Kwong Wah Hospital	31,385	–	–	40,118	12,817	895	–	5,388	–
Our Lady of Maryknoll Hospital	44,916	–	–	–	–	93	499	–	–
Princess Margaret Hospital	91,078	–	–	59,243	15,126	608	–	9,256	–
TWGH Wong Tai Sin Hospital	–	–	–	–	–	115	–	7,756	–
Yan Chai Hospital	–	–	–	–	–	41	–	–	–
<b>Sub-total</b>	<b>235,941</b>	<b>23,396</b>	<b>14,434</b>	<b>123,991</b>	<b>34,292</b>	<b>5,213</b>	<b>1,512</b>	<b>31,113</b>	<b>53,664</b>

Institution	Community Nursing Service*	Community Psychiatric Service <sup>#</sup>	Psycho- geriatric Service <sup>#</sup>	Community Geriatric Assessment Service <sup>@</sup>	Visiting Medical Officer attendances <sup>++</sup>	Community Allied Health attendances <sup>**</sup>	Rehabilitation day & palliative care day attendances	Geriatric day hospital attendances	Psychiatric day hospital attendances
<b>New Territories East Cluster</b>									
Alice Ho Miu Ling Nethersole Hospital	28,984	—	—	24,722	7,427	1,912	280	10,803	10,254
Bradbury Hospice	—	—	—	—	—	16	397	—	—
Cheshire Home, Shatin	—	—	—	—	—	8	—	—	—
North District Hospital	31,426	7,339	3,288	31,114	7,008	1,457	—	5,276	7,450
Prince of Wales Hospital	—	—	—	—	—	144	—	—	—
Shatin Hospital	41,000	6,160	5,353	17,328	7,954	2,168	4,025	8,879	16,486
Tai Po Hospital	—	—	—	—	—	54	—	—	—
<b>Sub-total</b>	<b>101,410</b>	<b>13,499</b>	<b>8,641</b>	<b>73,164</b>	<b>22,389</b>	<b>5,759</b>	<b>4,702</b>	<b>24,958</b>	<b>34,190</b>

Institution	Community Nursing Service*	Community Psychiatric Service <sup>#</sup>	Psycho- geriatric Service <sup>#</sup>	Community Geriatric Assessment Service <sup>@</sup>	Visiting Medical Officer attendances <sup>++</sup>	Community Allied Health attendances <sup>**</sup>	Rehabilitation day & palliative care day attendances	Geriatric day hospital attendances	Psychiatric day hospital attendances
<b>New Territories West Cluster</b>									
Castle Peak Hospital	–	20,358	7,078	–	–	1,022	–	–	12,824
Pok Oi Hospital	–	–	–	–	–	362	–	–	–
Tuen Mun Hospital	102,221	–	–	87,464	14,429	1,782	2,737	9,858	–
<b>Sub-total</b>	<b>102,221</b>	<b>20,358</b>	<b>7,078</b>	<b>87,464</b>	<b>14,429</b>	<b>3,166</b>	<b>2,737</b>	<b>9,858</b>	<b>12,824</b>
<b>GRAND TOTAL</b>	<b>814,236</b>	<b>88,240</b>	<b>50,847</b>	<b>534,701</b>	<b>122,199</b>	<b>23,065</b>	<b>71,207</b>	<b>126,823</b>	<b>179,170</b>

\* 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 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.

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

## MANPOWER POSITION OF THE HOSPITAL AUTHORITY – BY CLUSTER BY INSTITUTION

Institution	No. of Full-time Equivalent (fte) staff (as at 31.3.2007) <sup>(Note)</sup>				
	Medical	Nursing	Allied Health	Others	Total
<b>Hong Kong East Cluster</b>	<b>560.51</b>	<b>2,008.10</b>	<b>565.82</b>	<b>2,944.28</b>	<b>6,078.71</b>
Cheshire Home, Chung Hom Kok	3.00	52.00	9.00	110.00	174.00
HK Tuberculosis, Chest & Heart Diseases Association	–	–	–	8.00	8.00
Hong Kong East Cluster Office	1.00	3.00	–	35.00	39.00
Pamela Youde Nethersole Eastern Hospital	427.51	1,294.91	342.82	1,694.19	3,759.43
Ruttonjee & Tang Shiu Kin Hospitals	84.00	408.34	138.00	619.09	1,249.43
St. John Hospital	6.00	32.00	8.00	67.00	113.00
Tung Wah Eastern Hospital	37.00	174.85	53.00	273.00	537.85
Wong Chuk Hang Hospital	2.00	43.00	15.00	138.00	198.00
<b>Hong Kong West Cluster</b>	<b>568.76</b>	<b>2,337.78</b>	<b>672.61</b>	<b>2,646.90</b>	<b>6,226.05</b>
Duchess of Kent Children's Hospital at Sandy Bay	6.00	64.00	40.00	116.00	226.00
Grantham Hospital	52.92	361.77	61.00	279.00	754.69
Hong Kong West Cluster Office	–	–	–	4.00	4.00
MacLehose Medical Rehabilitation Centre	2.00	31.00	32.00	79.00	144.00
Queen Mary Hospital	459.84	1,475.81	464.61	1,714.90	4,115.16
Tung Wah Group of Hospitals Fung Yiu King Hospital	14.00	89.92	16.00	139.00	258.92
Tung Wah Hospital	34.00	315.28	59.00	315.00	723.28

Institution	No. of Full-time Equivalent (fte) staff (as at 31.3.2007) <sup>(Note)</sup>				
	Medical	Nursing	Allied Health	Others	Total
<b>Kowloon Central Cluster</b>	<b>626.53</b>	<b>2,727.27</b>	<b>731.64</b>	<b>3,143.61</b>	<b>7,229.05</b>
HK Red Cross Blood Transfusion Service	3.00	42.03	46.00	185.20	276.23
Hong Kong Buddhist Hospital	13.33	136.00	23.00	142.20	314.53
Hong Kong Eye Hospital	31.51	62.68	15.00	126.00	235.19
Kowloon Central Cluster Office	1.00	–	–	10.00	11.00
Kowloon Hospital	55.72	718.10	151.23	736.72	1,661.77
Queen Elizabeth Hospital	521.97	1,768.46	484.41	1,929.11	4,703.95
Rehabaid Centre	–	–	12.00	14.38	26.38
<b>Kowloon East Cluster</b>	<b>565.30</b>	<b>1,905.97</b>	<b>502.83</b>	<b>2,166.25</b>	<b>5,140.35</b>
Haven of Hope Hospital	18.94	231.00	43.41	290.00	583.35
Kowloon East Cluster Office	–	–	–	6.00	6.00
Tseung Kwan O Hospital	122.10	405.02	123.54	396.95	1,047.61
United Christian Hospital	424.26	1,269.95	335.88	1,473.30	3,503.39
<b>Kowloon West Cluster</b>	<b>1,164.35</b>	<b>4,648.71</b>	<b>1,070.93</b>	<b>5,350.62</b>	<b>12,234.61</b>
Caritas Medical Centre	227.81	703.78	182.00	891.15	2,004.74
Kowloon West Cluster Office	–	–	–	5.00	5.00
Kwai Chung Hospital	59.00	547.54	65.00	522.00	1,193.54
Kwong Wah Hospital	298.17	1,084.05	254.72	1,194.99	2,831.93
Our Lady of Maryknoll Hospital	57.33	213.00	53.21	231.65	555.19
Princess Margaret Hospital	356.66	1,291.78	343.00	1,500.82	3,492.26
Tung Wah Group of Hospitals Wong Tai Sin Hospital	26.00	231.00	38.00	282.95	577.95
Yan Chai Hospital	139.38	577.56	135.00	722.06	1,574.00

Institution	No. of Full-time Equivalent (fte) staff (as at 31.3.2007) <sup>(Note)</sup>				
	Medical	Nursing	Allied Health	Others	Total
<b>New Territories East Cluster</b>	<b>846.82</b>	<b>3,176.99</b>	<b>848.00</b>	<b>3,875.08</b>	<b>8,746.89</b>
Alice Ho Miu Ling Nethersole Hospital	128.42	468.00	148.00	545.00	1,289.42
Bradbury Hospice	2.00	26.31	3.00	16.00	47.31
Cheshire Home, Shatin	2.00	65.00	6.00	95.00	168.00
New Territories East Cluster Office	–	60.68	–	344.54	405.22
North District Hospital	151.30	567.00	142.00	617.00	1,477.30
Prince of Wales Hospital	489.00	1,419.00	436.00	1,518.56	3,862.56
Shatin Hospital	35.10	282.00	55.00	358.98	731.08
Tai Po Hospital	39.00	289.00	58.00	380.00	766.00
<b>New Territories West Cluster</b>	<b>591.83</b>	<b>2,372.10</b>	<b>528.00</b>	<b>2,788.73</b>	<b>6,280.66</b>
Castle Peak Hospital	58.00	526.24	52.00	592.67	1,228.91
New Territories West Cluster Office	–	–	–	1.00	1.00
Pok Oi Hospital	16.00	210.86	65.00	244.00	535.86
Siu Lam Hospital	4.00	83.79	5.00	232.00	324.79
Tuen Mun Hospital	513.83	1,551.21	406.00	1,719.06	4,190.10
<b>Total</b>	<b>4,924.10</b>	<b>19,176.92</b>	<b>4,919.83</b>	<b>22,915.47</b>	<b>51,936.32*</b>

Note:

\* This figure excludes 985.8 staff in the Hospital Authority shared/agency services and the Head Office.

Manpower on full-time equivalent (fte) basis, including all staff in HA's workforce, i.e., permanent, contract and temporary staff.

## MANPOWER POSITION OF THE HOSPITAL AUTHORITY – BY STAFF GROUP

No. of Full-time Equivalent (fte) Staff <sup>(Note)</sup>	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Medical</b>					
Consultant	509.0	496.3	486.3	488.0	502.7
Senior Medical Officer/ Associate Consultant	887.5	924.0	926.8	977.8	1,010.0
Medical Officer/Resident	2,883.0	3,121.5	3,113.2	3,102.8	3,104.2
Intern	333.0	325.0	328.0	325.0	313.0
Senior Dental Officer/ Dental Officer	5.0	5.0	4.5	4.5	5.5
<b>Medical Total</b>	<b>4,617.5</b>	<b>4,871.8</b>	<b>4,858.8</b>	<b>4,898.1</b>	<b>4,935.4</b>
<b>Nurses</b>					
Senior Nursing Officer and above	93.0	80.0	68.0	65.0	66.0
Department Operations Manager	169.0	153.0	143.0	147.0	156.0
<b>General</b>					
Ward Manager/Nurse Specialist/Nursing Officer/Advanced Practice Nurse	2,411.5	2,365.5	2,308.5	2,374.0	2,409.4
Registered Nurse	11,454.0	11,423.6	11,509.3	11,712.6	11,787.6
Enrolled Nurse	3,402.0	3,180.5	2,948.0	2,907.6	2,718.2
Midwife/Others	67.0	46.0	43.5	42.0	40.7
Student Nurse/Pupil Nurse/Temporary Undergraduate Nursing Student	1.0	160.3	271.0	103.2	121.6
<b>Psychiatric</b>					
Ward Manager/Nurse Specialist/Nursing Officer/Advanced Practice Nurse	326.0	322.0	318.0	319.5	330.5
Registered Nurse	994.0	965.0	967.5	1,002.7	1,015.6
Enrolled Nurse	640.0	612.0	584.9	532.4	544.3
Student Nurse/Pupil Nurse	10.0	0.0	0.0	42.0	22.0
<b>Nursing Total</b>	<b>19,567.5</b>	<b>19,307.9</b>	<b>19,161.7</b>	<b>19,248.0</b>	<b>19,212.0</b>



No. of Full-time Equivalent (fte) Staff <sup>(Note)</sup>	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Allied Health</b>					
Audiology Technician	11.0	10.0	9.0	9.0	9.0
Clinical Psychologist	70.0	70.5	74.0	75.0	78.0
Dietitian	81.0	78.0	78.8	80.7	84.5
Dispenser	659.5	860.5	851.6	857.6	863.0
Medical Technologist/Medical Laboratory Technician	1,106.0	1,072.0	1,058.0	1,048.0	1,070.0
Mould Technologist/Mould Laboratory Technician	27.0	27.0	27.0	27.0	27.0
Optometrist	26.5	26.0	28.0	29.0	29.0
Orthoptist	12.0	12.0	12.0	12.0	12.0
Occupational Therapist	484.5	476.0	457.0	462.5	469.5
Pharmacist/Resident Pharmacist	231.5	281.5	304.2	318.7	321.7
Physicist/Resident Physicist	37.0	37.0	41.0	45.0	50.0
Physiotherapist	733.0	715.5	686.0	697.0	701.9
Podiatrist	18.5	19.0	17.5	21.1	17.1
Prosthetist-Orthotist	119.0	101.0	96.0	93.0	97.0
Radiographer	825.0	830.5	817.0	834.1	843.6
Scientific Officer (Medical)	55.5	54.5	54.6	59.6	59.6
Speech Therapist	52.0	50.0	50.0	52.0	54.0
Medical Social Worker	170.0	168.0	166.0	171.0	177.0
Dental Technician	2.0	2.0	2.0	2.0	2.0
<b>Allied Health Total</b>	<b>4,721.0</b>	<b>4,891.0</b>	<b>4,829.6</b>	<b>4,894.3</b>	<b>4,965.8</b>

No. of Full-time Equivalent (fte) Staff <sup>(Note)</sup>	2002/03	2003/04	2004/05	2005/06	2006/07
<b>Care-related Support Staff</b>					
Health Care Assistant	4,454.0	4,069.0	3,937.0	3,857.0	3,728.0
Ward Attendant	1,243.0	954.0	856.0	799.0	743.0
General Services Assistant/Technical Services Assistant (Care-related)/ Theatre Technical Assistant	1,054.0	1,814.5	2,095.3	2,425.7	2,780.1
<b>Care-related Support Staff Total</b>	<b>6,751.0</b>	<b>6,837.5</b>	<b>6,888.3</b>	<b>7,081.7</b>	<b>7,251.1</b>
<b>Direct Patient Care Total</b>	<b>35,657.0</b>	<b>35,908.2</b>	<b>35,738.4</b>	<b>36,122.1</b>	<b>36,364.3</b>
<b>Others</b>					
Chief Executive/Director/ Deputy Director/Head	10.0	9.0	11.0	10.0	7.0
Cluster Chief Executive/ Hospital Chief Executive	32.0	30.0	28.0	27.0	25.0
Chief Manager/Senior Manager/ Executive Manager/General Manager	102.0	88.0	80.0	86.0	88.0
Other Professionals/Administrative – Accountant, Hospital Administrator, Systems Manager, Analyst Programmer etc	881.0	854.5	882.0	913.5	938.6
Other Support Staff – Clerical, Secretarial, Workmen, Artisan, Property Attendant etc	16,075.0	15,561.0	15,385.2	15,484.0	15,499.3
<b>Non-direct Patient Care Total</b>	<b>17,100.0</b>	<b>16,542.5</b>	<b>16,386.2</b>	<b>16,520.5</b>	<b>16,557.9</b>
<b>HA Total</b>	<b>52,757.0</b>	<b>52,450.7</b>	<b>52,124.6</b>	<b>52,642.6</b>	<b>52,922.2</b>

Note:

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

Up to 2003/04, all full-time staff are counted as one and all part-time staff counted as 0.5

(Exceptions based on actual/estimated service sessions:

Medical: Each part-time Family Medicine Consultant/Visiting Medical Officer counted as 0.33fte/0.15fte respectively;

Nursing: Each temporary part-time nurse/undergraduate nursing student counted as 0.4fte/0.17fte respectively.)

From 2004/05 onwards, all fte manpower based on actual services sessions.

## RESOURCE UTILISATION BY HOSPITAL CLUSTERS FOR 2006/07

Cluster	2006/07 Resource Utilisation (\$ Mn)
Hong Kong East Cluster	2,999.3
Hong Kong West Cluster	3,208.8
Kowloon Central Cluster	3,737.5
Kowloon East Cluster	2,696.8
Kowloon West Cluster	6,210.1
New Territories East Cluster	4,455.8
New Territories West Cluster	3,294.8
Hospital Authority Head Office	445.3
Others <sup>(Note)</sup>	616.1
<b>Total Resource Utilisation</b>	<b>27,664.5</b>

Note:

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

## HOSPITAL AUTHORITY TRAINING AND DEVELOPMENT EXPENDITURE 2006/07

Hospital/Institution	Amount \$
Hong Kong East Cluster	\$2,817,704
Hong Kong West Cluster	\$2,484,081
Kowloon Central Cluster	\$3,138,051
Kowloon East Cluster	\$1,929,739
Kowloon West Cluster	\$4,241,896
New Territories East Cluster	\$2,589,611
New Territories West Cluster	\$1,975,991
Hospital Authority Head Office	\$1,953,771
<b>Total</b>	<b>\$21,130,843</b>

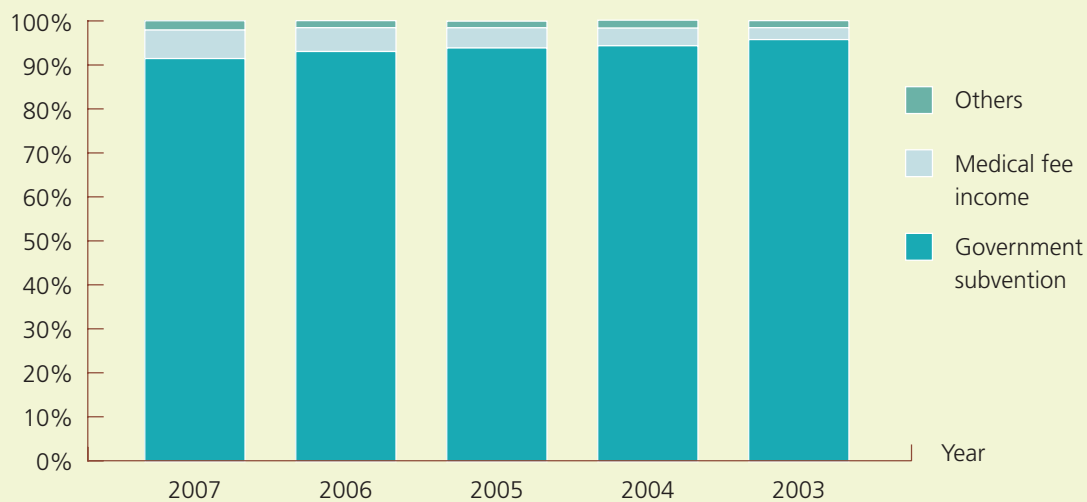
Central Programmes	Amount \$
Consultants' Continuous Education	\$1,044,103
Commissioned Training	\$3,621,801
Management & Staff Development Programmes	\$1,306,053
HA eLearning Centre	\$527,756
Vocational Skills Training for Supporting Staff	\$291,929
<b>Total</b>	<b>\$6,791,642</b>

## HOSPITAL AUTHORITY FIVE-YEAR FINANCIAL HIGHLIGHTS

### Financial Results (for the Year ended 31 March)

	2007 HK\$Mn	2006 HK\$Mn	2005 HK\$Mn	2004 HK\$Mn	2003 HK\$Mn
<b>Income</b>					
Government subvention (recurrent and capital)	28,041	28,019	28,417	30,039	29,977
Medical fee income (net of waivers)	1,987	1,628	1,386	1,243	849
Non-medical fee income	487	310	285	294	321
Designated donations	76	83	98	209	100
Capital donations	89	90	81	73	78
	30,680	30,130	30,267	31,858	31,325
<b>Expenditure</b>					
Staff costs	(23,047)	(23,044)	(23,412)	(25,170)	(24,798)
Medical supplies and equipment	(3,319)	(3,133)	(2,937)	(2,797)	(2,600)
Other operating expenses (include depreciation)	(4,116)	(5,184)	(4,256)	(4,265)	(4,147)
	(30,482)	(31,361)	(30,605)	(32,232)	(31,545)
<b>Surplus/(Deficit) for the Year</b>	<b>198</b>	<b>(1,231)</b>	<b>(338)</b>	<b>(374)</b>	<b>(220)</b>

Income by Source (in % of Total Income)

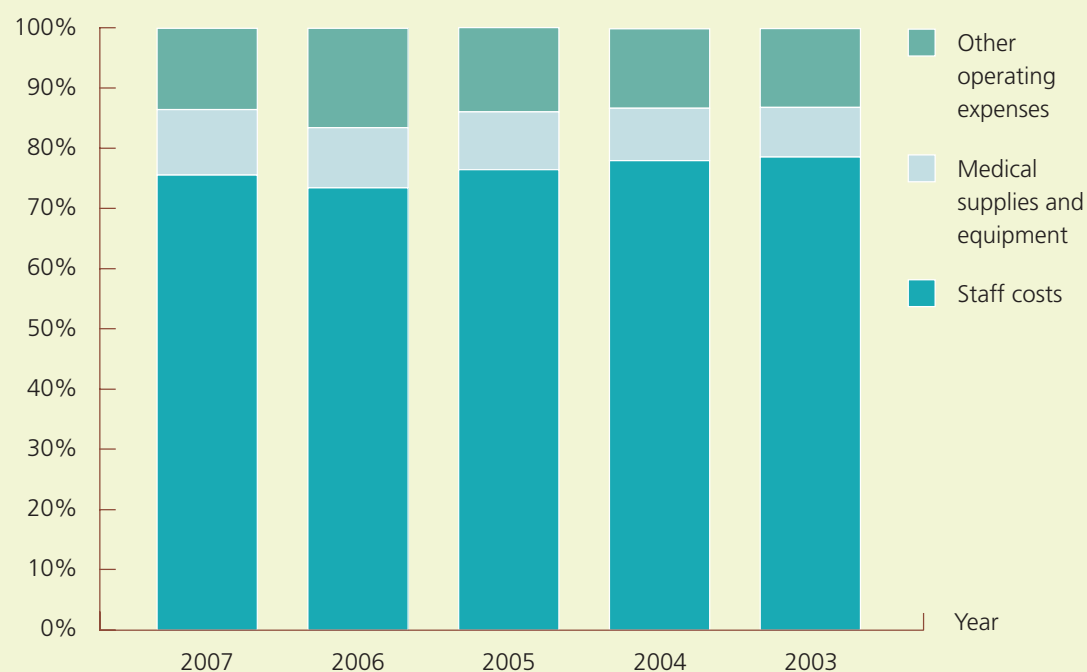


## Financial Results (for the Year ended 31 March)

## Key Financial Indicators

	2007 HK\$Mn	2006 HK\$Mn	2005 HK\$Mn	2004 HK\$Mn	2003 HK\$Mn
<b>Medical fee income</b>					
Inpatient fees	986	899	813	746	632
Outpatient fees	1,040	1,039	1,046	936	505
Itemised charges	429	187	55	40	47
Other medical fees	56	49	42	35	29
	2,511	2,174	1,956	1,757	1,213
Less: Waivers	(524)	(546)	(570)	(514)	(364)
<b>Medical fee income (net of waivers)</b>	<b>1,987</b>	<b>1,628</b>	<b>1,386</b>	<b>1,243</b>	<b>849</b>
<b>Write-off of medical fees</b>	<b>70</b>	<b>44</b>	<b>51</b>	<b>27</b>	<b>19</b>

Expenditure by Category (in % of Total Expenditure)



## Financial Position (as at 31 March)

	2007 HK\$Mn	2006 HK\$Mn	2005 HK\$Mn	2004 HK\$Mn	2003 HK\$Mn
Non-current assets	2,918	3,395	3,696	3,665	3,684
Current assets	7,001	6,650	6,261	6,211	5,837
Current liabilities	(2,472)	(2,757)	(1,986)	(1,922)	(1,848)
Net current assets	4,529	3,893	4,275	4,289	3,989
Non-current liabilities	(594)	(635)	(646)	(687)	(546)
<b>Net assets</b>	<b>6,853</b>	<b>6,653</b>	<b>7,325</b>	<b>7,267</b>	<b>7,127</b>
Capital subventions and donations	2,129	2,128	2,104	2,263	2,285
Designated fund	5,077	5,077	4,542	3,987	3,451
Revenue reserve	(353)	(552)	679	1,017	1,391
	<b>6,853</b>	<b>6,653</b>	<b>7,325</b>	<b>7,267</b>	<b>7,127</b>

## Key Financial Indicators

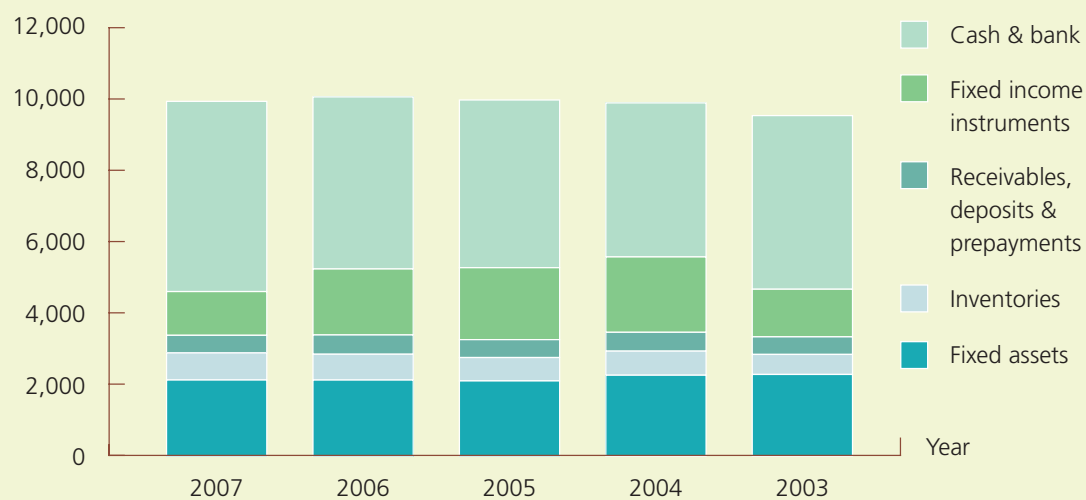
## Inventories

Drugs	530	482	416	399	374
Other medical and general consumable	228	240	238	275	186
	<b>758</b>	<b>722</b>	<b>654</b>	<b>674</b>	<b>560</b>

## Average stock holding period (weeks)

Drugs	11.9	11.9	11.1	11.8	12.2
Other medical and general consumable	9.9	10.8	10.3	12.5	13.0

## Total Assets (in HK\$ millions)



## ANALYSIS OF HOSPITAL/CLINIC FEES AND CHARGES

The charges for hospital services provided by the Hospital Authority are levied in accordance with those stipulated in the Gazette and are recognised as income in the Consolidated Statement of Income and Expenditure when services are provided.

Hospital fees and charges that are uncollectible are written off in the Consolidated Statement of Income and Expenditure for the year. In addition, provision is also made for those outstanding hospital fees and charges as at the financial year-end. The amount of provision for doubtful debts as at 31 March 2007 is HK\$61,079,000 (2006: HK\$56,664,000). Such provision is assessed based on both the aging as well as the recoverability rate of outstanding hospital fees and charges as at the financial year-end.

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

	2006/07		2005/06	
	HK'000	(%)	HK'000	(%)
Net hospital/clinic fees and charges	1,913,070	(76.2%)	1,575,783	(72.4%)
Hospital/clinic fees written-off and doubtful debts	74,217	(2.9%)	52,676	(2.4%)
Waiver of hospital/clinic fees for:				
▪ Eligible Persons*	511,693	(20.4%)	527,514	(24.3%)
▪ Non-Eligible Persons*	12,725	(0.5%)	18,894	(0.9%)
<b>Total hospital/clinic fees and charges</b>	<b>2,511,705</b>	<b>(100%)</b>	<b>2,174,867</b>	<b>(100%)</b>

\* Eligible Persons refer to those patients holding the Hong Kong Identity Cards and any other patients are classified as Non-Eligible Persons.



To live out our commitment to environmental protection,  
this Report can be found on our website at [www.ha.org.hk](http://www.ha.org.hk)

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