10 The Effectiveness of the Elderly Health Care Voucher Scheme in Sustainable Primary Health Care in Hong Kong

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Abstract

With the demands posed by a rapidly ageing population, longer life expectancies, and increasing chronic conditions, the sustainability of the healthcare system in Hong Kong is being challenged. The Hong Kong Government launched the Elderly Health Care Voucher Scheme (EHCVS) in 2014, aiming to implement the "money follows the patient" concept by providing financial subsidies to encourage the utilization of private healthcare services, and to improve the quality and efficiency of healthcare services in the long term. Nonetheless, poor health literacy, low financial affordability, an inadequate number of participating private providers, and a lack of monitoring have limited the effectiveness of EHCVS. Most of the vouchers have not been used on preventive services and older adults continue to

rely on public healthcare services. This chapter explores actions and strategies for improving the EHCVS, including public education and promotions, policy development, and adjustments and amendments, to alleviate utilization of public services and raise public confidence in the private sector.

Keywords: Elderly Health Care Voucher Scheme; Health Voucher; Money Follows the Patient; Primary Care; Sustainability

Introduction

Background

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The sustainability of Hong Kong's healthcare system is being tested by several formidable ordeals: A rapidly ageing population, longer life expectancies, and increasing chronic conditions. These factors collectively exert immerse pressure on the long-term viability of the system, including healthcare resources, facilities, and financial sustainability. Data from the Census and Statistics Department (2023) revealed that an estimated one-fifth (20.3%) of the population of Hong Kong was aged 65 or above in 2021, but that proportion is projected to rise drastically to over one-third (36.6%) in 2066 (Wong and Yeung, 2019:3). This demographic shift, coupled with a rise in chronic conditions as individuals age (Boutayeb and Boutayeb, 2005), is leading to a heightened demand for healthcare services. Therefore, comprehensive and proactive strategies are imperative to ensure that healthcare remains accessible, affordable, and of high quality for all individuals.

The Hong Kong healthcare system operates on a unique dual-track model where the public sector provides healthcare services at a relatively low cost, while the private sector is an option for individuals with greater financial capacity. However, despite the availability of private healthcare services, many older adults prefer to access healthcare in the public sector because of its affordability and perceived quality (Liu et al., 2013). This preference has led to an over-reliance on the public healthcare system. In addition, the healthcare system is

facing other challenges such as a shortage of healthcare practitioners, long waiting times for outpatient services, and insufficient hospital beds in the public system, affecting the quality of health services and public satisfaction, and ultimately undermining the sustainability of the long-term care (LTC) and healthcare systems (Lee et al., 2020). To tackle these challenges, the Hong Kong Government has implemented measures such as the Elderly Health Care Voucher Scheme (EHCVS). This scheme specifically targets older adults aged 65 and above, providing them with financial subsidies to encourage them to utilize private sector healthcare services, and to enhance the quality and efficiency of healthcare services in the long term.

Concept of "Money Follows the Patient"

Stabilizing the sustainability of healthcare systems while ensuring the provision of safe, effective, and efficient health services is a significant challenge for both the health sector and policymakers (Braithwaite et al., 2019). The consumer-directed care (CDC)approach has emerged as an effective healthcare model for empowering the elderly, giving users greater autonomy, more disposable resources, and the motivation to choose healthcare services that are aligned with their individual needs and preferences (Gill et al., 2018; Kan, 2022). Some countries, including the United States, Germany, Austria, Canada, and Australia (Gill et al., 2018; Kodner, 2003; Moore, 2021) have adopted the CDC to enhance primary care services for the elderly. Embracing the CDC model can bring multiple advantages to the healthcare system. It promotes person-centred care, which ensures that individual preferences, values, and goals are more likely to be met, eventually boosting patient satisfaction and health outcomes.

The Money Follows the Patient (MFP) model, a concept derived from the CDC, is designed to address the imbalance between the public and private healthcare systems by allocating financial subsidies based on a patient's healthcare needs. Its primary objective is to ensure that medical resources are allocated according to the actual needs of patients; thereby optimizing resource allocation and improving the overall efficiency of the healthcare system. The implementation of the MFP model in the United States has yielded some positive

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outcomes, particularly for long-term healthcare services. Consumers have expressed sufficient support for LTC, while enjoying more options to receive care in community-based settings. Consequently, the MFP model facilitates the transition from institutional care, such as nursing homes, to individualized care in community-based services (Medicaid.gov, n.d.).

From the social perspective, the MFP model will increase awareness and consciousness of the care options available to older adults. They will have a broader range of choices in the types of services that they receive, how they are delivered, and who provides them (Moore, 2021). It can boost healthy competition in the private sector, leading to an improvement in service quality and lower costs, in order to remain competitive. Hence, older adults can enjoy more affordable health services, resulting in increased satisfaction.

Elderly Health Care Voucher Scheme

The Hong Kong Government introduced the pilot EHCVS in 2009 and converted this pilot scheme into a regular programme in 2014 (Elderly Health Care Voucher Scheme, 2023a), with the aim of implementing the “money follows the patient” concept by providing financial subsidies to encourage utilization of private healthcare so as to improve the quality and efficiency of healthcare services in the long term.

The EHCVS provides people aged 65 or above with a yearly subsidy of HK$2,000 to visit private healthcare service providers. The cumulative limit of the vouchers was raised to HK$8,000 in 2019 to encourage the elderly to more actively access primary care services (Elderly Health Care Voucher Scheme, 2023b). From the economic perspective, the provision of financial support seems to be a sustainable initiative to improve public health because of the preservation of resources and the emphasis on using resources in an efficient, effective, and appropriate manner (Molero et al., 2021). On the other hand, the EHCVS can enhance primary care and LTC for the elderly by reallocating demand from the public to the private sector to alleviate the imbalance in the public-private healthcare system

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and build a trusting long-term patient-doctor relationship (Lai et al., 2018).

The proportion of private doctors in the scheme more than doubled from 2009 to 2016 after the implementation of the EHCVS (Wu et al., 2018:S60). However, the use of preventive care and the management of chronic conditions have been relatively low, contradicting the objective of the EHCVS (Yam et al., 2019). On the other hand, the total number of healthcare service providers enrolled in the EHCVS (EHCPs) has increased slightly. Although 14 types of healthcare professionals are eligible to enroll in the EHCVS, there is still a very low rate of enrolment of some types of health professionals, including occupational therapists, physiotherapists, and nurses (Health Care Voucher Division, 2023:2, 12). Indeed, consumers and providers generally lack the motivation to manage preventive care and chronic diseases (McFadden et al., 2008). Moreover, some vulnerable older adults, especially those with low health literacy, have remained very passive in terms of learning about social policies and accessing medical services (Gill et al., 2018). They are also unclear about the coverage and operations of the EHCVS. For example, as many as 97% of voucher users did not know that the vouchers could be used in mainland China, such as for the outpatient services provided by The University of Hong Kong-Shenzhen Hospital (HKU-SZH) (Food and Health Bureau and Department of Health, 2019:11).

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Furthermore, the number of complaints against EHCPs has increased dramatically in recent years, from 2 cases in 2009 to 120 in 2018, in relation to improper voucher claims and disputes over service charges (Food and Health Bureau and Department of Health, 2019:25). These improper behaviours and criminal deceptions have weakened the relationship of trust between the elderly and the private service providers (Ho and Ng, 2020). Older adults are unfamiliar with private health services in the community and lack sufficient confidence in the private sector, thus causing an unbalanced distribution in the utilization of the vouchers (Our Hong Kong Foundation, 2021).

Critique of the Elderly Health Care Voucher Scheme

In-depth Analysis of the Effectiveness of the EHCVS

Given that the objective of the EHCVS is to provide eligible elderly individuals with optimal primary healthcare services, it is critical to evaluate the effectiveness of the scheme, particularly in achieving its intended goals, and to determine whether adjustments are necessary.

Utilization

Almost all eligible elderly people in Hong Kong have used the service. According to the "Report on the Review of the Elderly Health Care Voucher Scheme" (Food and Health Bureau, 2019:7), 94% of elderly people used the scheme by the end of 2018. This means that one of the aims of the EHCVS has been fulfilled, to make private healthcare services more accessible to the elderly. The total number of voucher claims made from 2009 to 2019 showed an upward trend. However, there was a sudden drop in 2020, with only the HKU-SZH showing an increase (Department of Health, 2021:6; Food and Health Bureau and Department of Health, 2019:8). This might have been due to the COVID-19 pandemic. Some older adults might have avoided seeking medical consultations for fear of getting infected.

Continuity of Care

The EHCVS may inadvertently hinder the continuity of care for the elderly in Hong Kong. Continuity of care refers to the ongoing relationship between a patient and a specific healthcare provider or team (Gulliford et al., 2006). However, the research has indicated that more than 40% of elderly people consulted multiple healthcare practitioners (Food and Health Bureau and Department of Health, 2019:22). The Continuity of Care Index also dropped from 0.95 in 2009 to 0.82 in 2017, indicating that only 73% of the elderly consistently visited the same doctor (Food and Health Bureau and Department of Health, 2019:22). One possible reason for this is that the EHCVS vouchers were being utilized for different health services based on individual needs.

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Health-seeking Behaviour

The health-seeking behaviour of the elderly seems to have remained unchanged since the introduction of the scheme. The intention of this scheme is to reduce the high level of utilization of public health services by transforming the health-seeking behaviour of the elderly. Older adults are encouraged to subscribe to more primary care services in the private sector with the use of the EHCVS. Yam et al. (2019) conducted 2 rounds of cross-sectional surveys in 2010 and 2016 among approximately 1,000 people aged 70 and over. They found that 61.5% of the respondents agreed that the scheme encouraged the use of private primary care services. However, most of the participants reported utilizing vouchers specifically for acute services in the private sector, while a lower proportion opted for preventive care (40.3%) and chronic disease management (12.2%) (Yam et al., 2019). The health care vouchers had not helped to reduce the use of public health care services, although it had led to an increase in the use of private healthcare services. The average number of attendances of public services per person per year increased from 5.81 in 2009 to 6.38 in 2015, while the average number of attendances of private medical practitioners using vouchers per person per year increased from 0.62 in 2009 to 3.45 in 2015 (Food and Health Bureau and Department of Health, 2019:20). Thus, there was no tremendous change in the health-seeking behaviour of the elderly. A possible reason for this was that the amount granted by the scheme did not fully cover the cost of regular check-ups in private clinics, so people continued to use services in public hospitals.

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Utilization in Preventive Care

The aim in the establishment of the EHCVS was to motivate the elderly to use primary care services in the private sector. However, the vouchers have been used in a way that is inconsistent with the original intention (Yam et al., 2011). Most older adults have used the vouchers for acute episodic services. In 2009, 69% of voucher claims were spent on the management of the acute conditions, and only 7% on preventive care (Food and Health Bureau and Department of Health,

2019:17). It is noteworthy that the health-seeking behaviours of the elderly can change from time to time, as an increasing percentage of older adults began to visit EHCPs for preventive healthcare services, from 10% in 2009 to 36% in 2017 (Food and Health Bureau and Department of Health, 2019:18).

Deficiencies of the EHCVS

The EHCVS aims to offer additional choices for the elderly. There are three main types of primary care services: Preventive care, acute episodic care, and rehabilitation care.

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Capability of Individual Elderly People

Poor Health Literacy

Health literacy plays a significant role in health behaviour (Aaby et al., 2017). It refers to the degree to which an individual has the ability to obtain and process health information, which is essential in making health decisions. Older adults with better health literacy can obtain proper health materials and figure out the importance of preventive care, and thus will be more likely to use the vouchers for health screenings and immunizations. Unfortunately, many older adults do not have the concept of preventive care. They even fail to distinguish between preventive and curative care (Liao et al., 2021). When signs or symptoms emerge, curative care has the higher priority. Poor health literacy has subverted the use of vouchers for preventive care.

Financial Barriers

The affordability of healthcare services presents a major obstacle for the elderly in selecting service providers within the EHCVS. Moreover, the lack of clear guidelines from the Government regarding treatment costs has intensified this concern (Lai et al., 2018). The health care vouchers often fall short of covering the whole expense, resulting in a significant disparity between the cost of the treatment and the available voucher subsidies. Hence, many older adults may be hesitant to opt for private services as a viable option.

Moreover, the lower prices and better quality of the services in

the public sector mean that the elderly prefer to choose public services. Liao et al. (2021) conducted a study to investigate the perspectives of older adults regarding preventive care and the EHCVS. The study utilized a qualitative approach, with focus group discussions that involved community-dwelling individuals aged 60 or older from various districts of Hong Kong. Some respondents indicated that they were satisfied with the good referral and follow-up system in the public sector. They preferred public services because they could afford them. Thus, they were reluctant to pay for private preventive health services. Moreover, they could get more medicines in the public sector (Liao et al., 2021).

Although the purpose of health care vouchers is to encourage higher utilization of preventive healthcare, most respondents said that such financial subsidies could not be used for preventive care because the vouchers were not sufficient to meet the treatment requirements. Even if they had unused vouchers, participants were more inclined to accumulate the vouchers for use in future illnesses, instead of spending them on private preventive services. Therefore, they would not use the vouchers for health checks (Liao et al., 2021).

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Uncertainty about the Quality of Services

In addition to economic considerations, the elderly perceived the quality of services from private primary care as unsatisfactory. Generally, they lacked trust in private healthcare providers. In the absence of mutual trust between doctors and patients, disease prevention as carried out by private primary physicians is difficult to promote. Some of the elderly indicated that they would not seek private healthcare services except for a cold or flu because the services provided were not good enough based on previous experience (Liao et al., 2021). As a result, some elderly people may miss the opportunity to discover some chronic conditions that may ultimately worsen.

Institutional Barriers

Lack of Professional Support

Professional support is necessary for raising the effectiveness of the EHCVS. Professionals can help older people make informed choices

in relation to the EHCVS. Professional support can include providing information, explanations, suggestions, and recommendations (Kan, 2022). Without professional support such as that from social workers, it is difficult for the elderly to make informed choices on the use of the EHCVS as they cannot obtain useful information on how and where to use the vouchers. There have been many cases about the elderly not using the voucher service due to insufficient knowledge about the scheme. To encourage the vouchers to be used, it is important to provide professional support, including follow-up actions, to teach the elderly how to use the health care vouchers.

Low Participation Rate of Private Providers

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The EHCVS is unattractive to healthcare providers due to its administrative burden and unattractive financial incentives. Registered providers are required to verify and check their voucher accounts each day (Elderly Health Care Voucher Scheme, 2023c), causing additional workload for healthcare providers. Another underlying reason for the limited uptake is the lack of prevalence of the concept of "family doctor" among the general population in Hong Kong. Unlike the practice of establishing a long-term relationship with a specific healthcare professional, many individuals engage in doctor shopping and seek medical care on an as-needed basis for acute conditions (Griffiths and Lee, 2012). In addition, the monetary value of the EHCVS (HK$2,000) is often perceived as inadequate for managing chronic illnesses in the private sector (Fung et al., 2020). The limited value has also failed to attract private healthcare providers to participate in the scheme.

Voucher Programmes in Selected Countries

Some developed countries have focused on dental care and oral services, including Australia, Sweden, and Finland (Conquest et al., 2017; Franzon et al., 2017; Leinonen and Vehkalahti, 2021). In Australia, the Government encourages the use of vouchers to purchase private dental services (Ajwani et al., 2019). Although the total healthcare costs of voucher-paying dental services in private clinics are higher than those in the public health sector, the