



消費者委員會
CONSUMER COUNCIL



Price Transparency in Healthcare: Fostering Consumer Trust and Value

Press Conference
6 March 2025

Price Transparency in Healthcare:
Fostering Consumer Trust and Value

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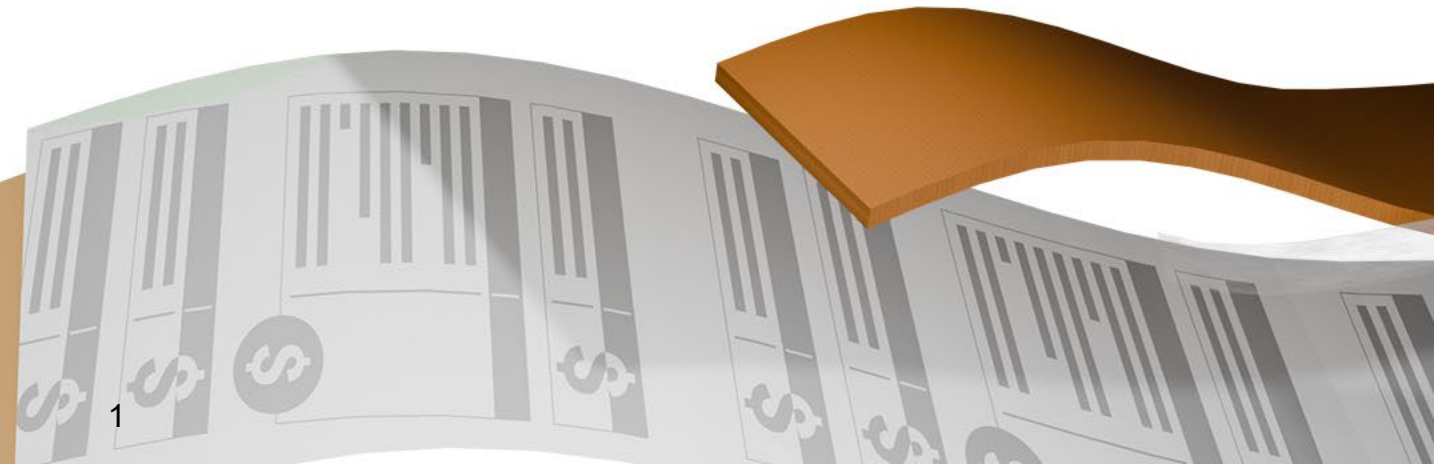
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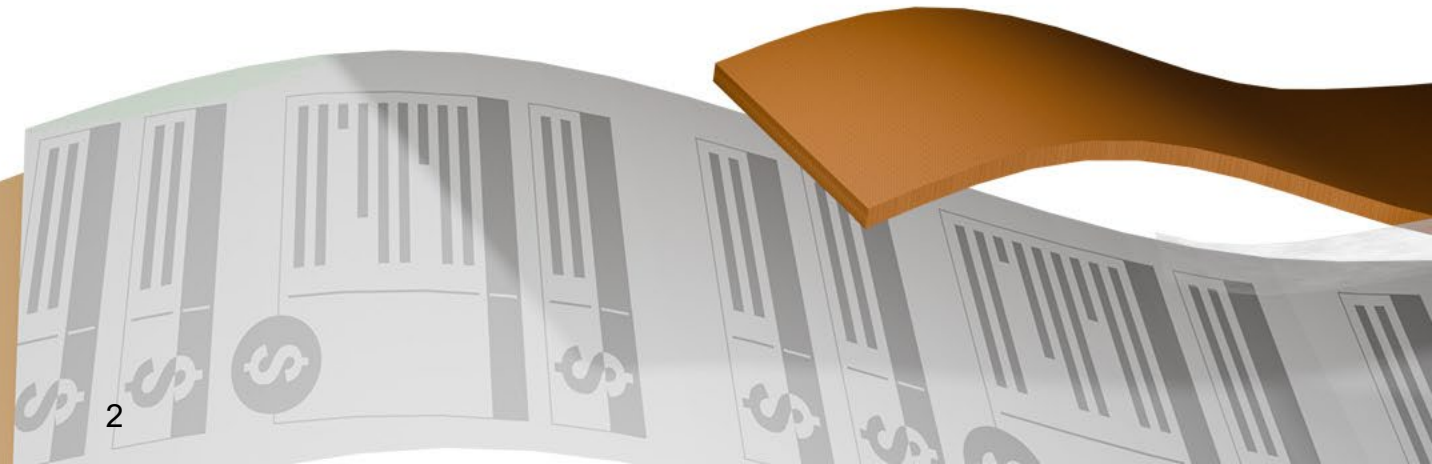
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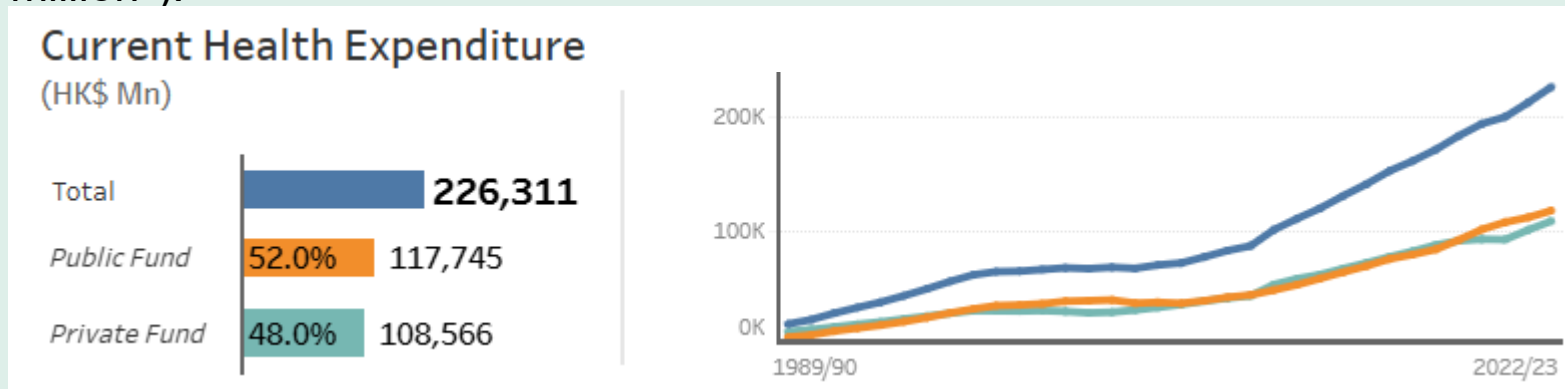
Part 1

BACKGROUND



Growing Healthcare Needs and Spending

- **Growing healthcare needs:**
 - With growing life expectancy and rapidly ageing population, approximately 36% of the population are expected to be elderly by 2046.
 - Despite the trend of becoming more health-conscious among all ages, there is an increase in the number of individuals with chronic health conditions.
- **Increasing healthcare spending:**
 - The **current health expenditure in Hong Kong has surged significantly** by 73% over the past decade (2013/14: HKD\$130,749 million → 2022/23: HKD\$226,311 million*).



* Excluding identified COVID-19 expenditure

Regulatory Regime on Price Transparency for Private Healthcare Sector in Hong Kong

Pilot Programme for Enhancing Price Transparency for Private Hospitals (Pilot Programme) (launched in 2016)

Currently, all private hospitals (PHs) in Hong Kong have participated **voluntarily** in the Pilot Programme to provide:

Fee Schedules

- Publicise on PHs' websites
- Cover major chargeable items (e.g. ward accommodation, operating theatre charges, charges for common nursing procedures)

Example

Accommodation-Medical Surgical Department (MS)	Per Day	Observation Fee (applies to use of room for up to four hours or less)
Private Room with balcony, subject to availability	\$4,500	\$2,250
Twin Room	\$2,300	\$1,150
Standard Room	\$1,100	\$550
Emergency Room	-	\$550

Historical Bill Sizes Statistics (HBS)

- Publicise on websites of PHs and The Office for Regulation of Private Healthcare Facilities the HBS for 30 common and non-emergency treatments/ procedures
- Include statistics on the annual number of discharges, and the actual billing data for the 50th percentile and 90th percentile of each of the 30 treatment/procedures

Example

Treatment / Procedures	Annual number of discharges (in range)	Average length of stay (no. of day)	Percentile	Doctor's fees (HK\$)	Hospital charges (HK\$)	Total charges (HK\$)
Bronchoscopy with or without biopsy	30 - 100	2.0	50th percentile	16,600	37,173	53,773
			90th percentile	46,100	47,880	93,980
			<30	Day Surgery	13,800	15,561
Caesarean section	>200	4.0	50th percentile	29,500	27,074	86,574
			90th percentile	43,100	42,363	105,463
			<30	Day Surgery	22,400	12,718
Carpal tunnel release	-	1.0	50th percentile	26,400	14,391	40,791
			90th percentile	N/A	N/A	N/A
			<30	Day Surgery	N/A	N/A
Cholecystectomy (Laparoscopic)	>200	1.0	50th percentile	47,000	39,155	86,155
			90th percentile	68,000	41,171	109,171
			<30	Day Surgery	51,087	39,604
Cholecystectomy (Open)	<30	3.0	50th percentile	51,087	39,604	90,691
			90th percentile	51,087	39,604	90,691
			50th percentile	13,200	17,017	30,217
Circumcision	101 - 200	1.0	50th percentile	29,500	15,293	44,793
			90th percentile	18,000	7,877	25,877
			30 - 100	Day Surgery	19,100	15,344
Colectomy (Laparoscopic)	30 - 100	6.0	50th percentile	87,746	111,466	199,212
			90th percentile	127,500	113,204	240,704
			50th percentile	107,200	78,442	185,642
Colectomy (Open)	<30	8.0	50th percentile	133,500	125,211	258,711
			90th percentile	13,000	13,965	26,965
			>200	Day Surgery	8,823	31,726
Colonoscopy with or without polypectomy	>200	1.0	50th percentile	12,050	8,338	20,388
			90th percentile	8,500	19,584	28,084

Budget Estimate

- Provide to patients (or their next of kin) receiving the 30 common and non-emergency treatments/ procedures at the PHs, before hospital admission

Example

預算醫生費用 Estimated Doctor's Fees (由醫生填寫 To be completed by doctor)	
每日醫生巡房費 Daily Doctor's Round Fee:	\$ _____ x _____ 日 day(s)
手術費 Surgical Fee:	\$ _____
預算醫院費用 Estimated Hospital Charges (由醫生根據醫院提供的收費資料填寫 To be completed by doctor based on the charges information provided by hospital)	
其他 Costs:	參考範圍 Reference Range (第 _____ 百分位數 _____ 至 _____ 百分位數)
住宿 Room:	\$ _____ x _____ 日 day(s) \$ _____ ~ \$ _____
手術室及相關物料費用 Operating Theatre and Associated Materials Charges (備註1 Remark 1):	\$ _____ \$ _____ ~ \$ _____
診斷程序 Diagnostic Procedures:	\$ _____ \$ _____ ~ \$ _____
其他醫院收費 Other Hospital Charges (備註2 Remark 2):	\$ _____ \$ _____ ~ \$ _____
總計 Total	\$ _____ \$ _____

Regulatory Regime on Price Transparency for Private Healthcare Sector in Hong Kong (cont'd)

Private Healthcare Facilities Ordinance (Cap. 633) (PHFO) (gazetted in 2018)

4 types of private healthcare facilities (PHFs) are regulated under PHFO subject to the following requirements (amongst others):

(As of Feb 2025)

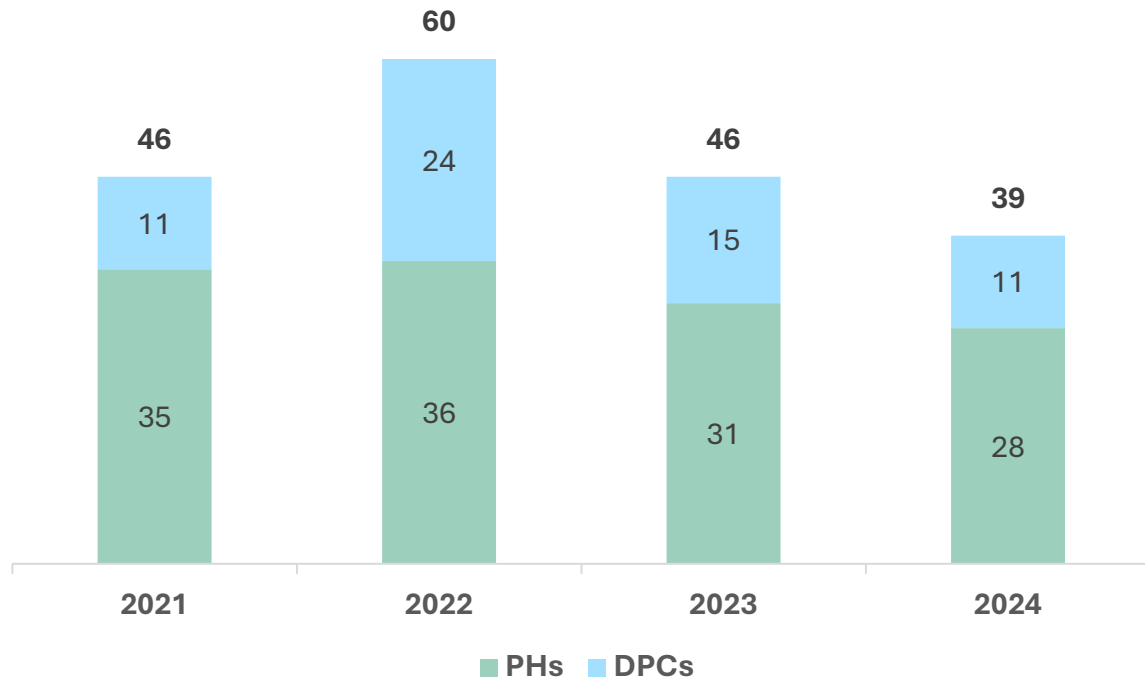
	PH	Day Procedure Centre (DPC)	Clinic (except small practice clinic)	Health Services Establishment
Licence	✓	✓	✓ (To be announced)	✓ (To be announced)
Code of practice (CoP)	✓	✓	✓ (To be announced)	×
Price information	✓	✓	✓	✓
Budget estimate	✓	×	×	×
HBS	✓	×	×	×

Complaints Received by the Council

From 2021 to 2024, the Council received **191** complaint cases related to private healthcare services provided at:

- Private Hospitals (PHs) (68.1%)
- Day Procedure Centres (DPCs)* (31.9%)

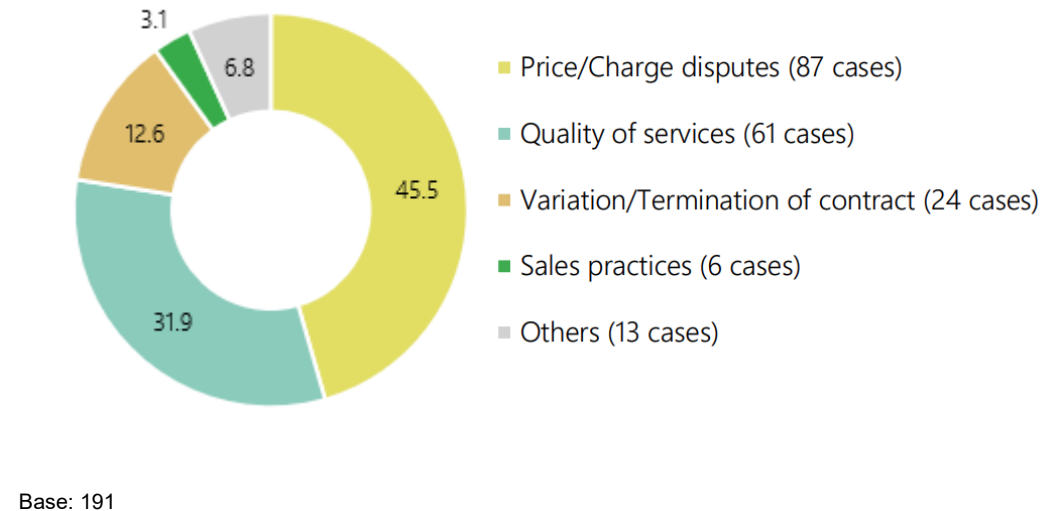
Overview of the private healthcare-related complaints



* First batch of DPC licences took effect on 1 January 2021. The DPCs here refer to the facilities holding a DPC licence as of Oct 2024.

Price/charge disputes (45.5%) were the top reason for complaints.

Breakdown of private healthcare services related complaints by categories (%)



Objectives of the Study



Examine the price transparency measures adopted by PHs and DPCs



Gauge consumers' experience and areas of satisfaction or dissatisfaction about price transparency at PHs or DPCs



Identify areas of concern, potential risks or policy gaps which may be to the detriment of consumer interests



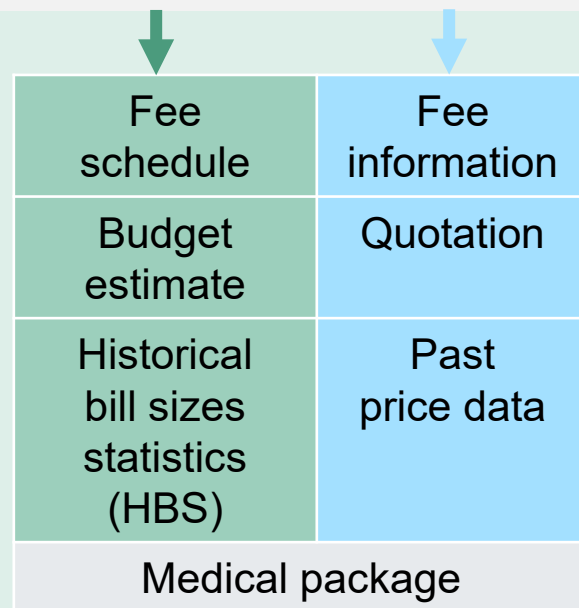
Review current regulatory regime and propose recommendations for enhancing consumer protection

Scope

13 PHs

128 DPCs

The 30 common and non-emergency treatments/procedures recommended by the Department of Health (DH) for the provision of budget estimates and publicising historical bill sizes statistics
(30 Treatments/Procedures)



30 Treatments/Procedures

Breast lump excision	Hernia repair
Bronchoscopy with or without biopsy	Herniotomy
Caesarean section *	Hysterectomy
Carpal tunnel release	Knee arthroscopy
Cholecystectomy	Laminectomy
Circumcision	LASIK
Colectomy	Micro-laryngoscopy
Colonoscopy with or without polypectomy	Open reduction and internal fixation of various fractures
Colposcopy	Ovarian cystectomy
Cystoscopy with or without biopsy	Phacoemulsification and intraocular lens implantation
Dilation and curettage	Spine fusion
Direct laryngoscopy with or without vocal cord polyp biopsy	Thyroidectomy
Gastroscopy and colonoscopy with or without polypectomy *	Tonsillectomy
Gastroscopy with or without polypectomy	Trigger finger release
Haemorrhoidectomy *	Vaginal delivery

* Selected treatments/procedures for desktop research and phone enquiries

Methodology

Pre- and Post- Study Stakeholder Engagement

Government and Public Bodies

- Health Bureau
- Hospital Authority
- Office for Regulation of Private Healthcare Facilities
- Voluntary Health Insurance Scheme Office

Patient Organisations and Insurers

- Hong Kong Alliance of Patients' Organizations Limited
- Society for Community Organization
- The Hong Kong Federation of Insurers

Healthcare Facilities and Medical Professionals

- Association of Private Medical Specialists of Hong Kong
- Hong Kong Academy of Medicine
- The Hong Kong Medical Association
- The Hong Kong Private Hospitals Association
- Two medical professionals
- Academics/experts



Consumer Survey and Interviews

- **Consumer survey:** 500 (Oct 2023 – Mar 2024)
- **In-depth user interviews:** 30 (Mar – Apr 2024)

Trader survey, desktop research and phone enquires

- **Trader survey:** 6 PHs & 7 DPCs (May – Sep 2024); targeted all PHs and DPCs providing services for the 30 treatments/procedures
- **Desktop research and phone enquiries:** 13 PHs & 20 DPCs (Oct 2023 – Sep 2024); targeted all applicable PHs and 20% of applicable DPCs that provide services for (1) Gastroscopy and colonoscopy; (2) Caesarean section; (3) Haemorrhoidectomy[#]

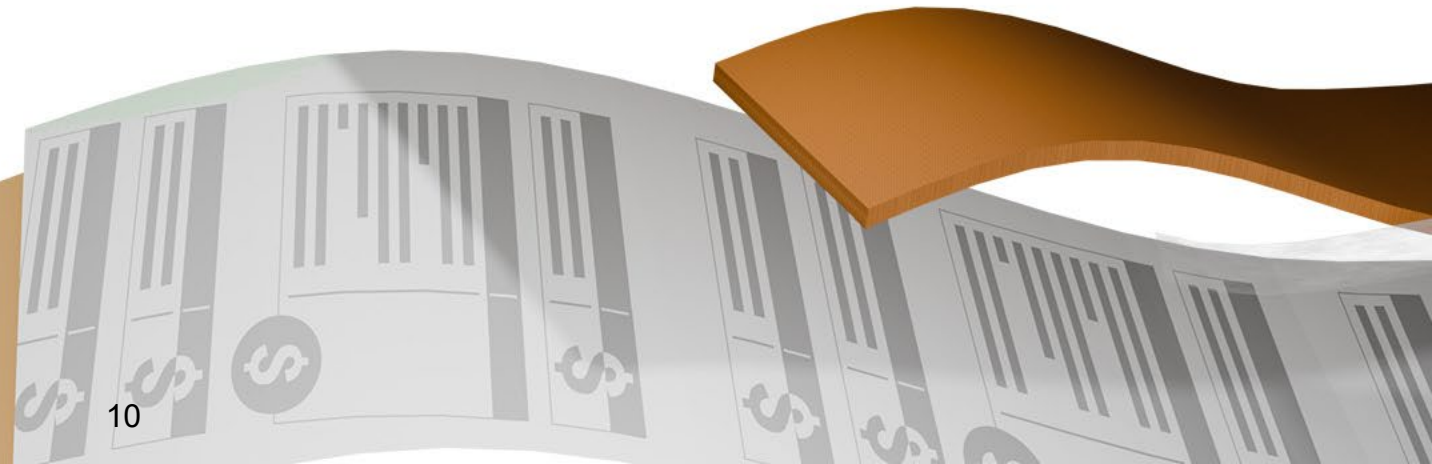
Analysis of complaint cases and regulatory regimes

- The Council's complaint cases
- Regulatory regimes/measures in Hong Kong and other markets (i.e. Australia (Victoria), Mainland China, Singapore, and the United States (Florida))

[#] Selection rationale includes (i) approximate discharge volume of the relevant treatments/procedures in all applicable PHs; (ii) number and nature of price-related complaints on the relevant treatments/procedures received by the Council; and (iii) whether it was common for consumers to experience significant price discrepancy for the relevant treatments/procedures with reference to the consumer survey.

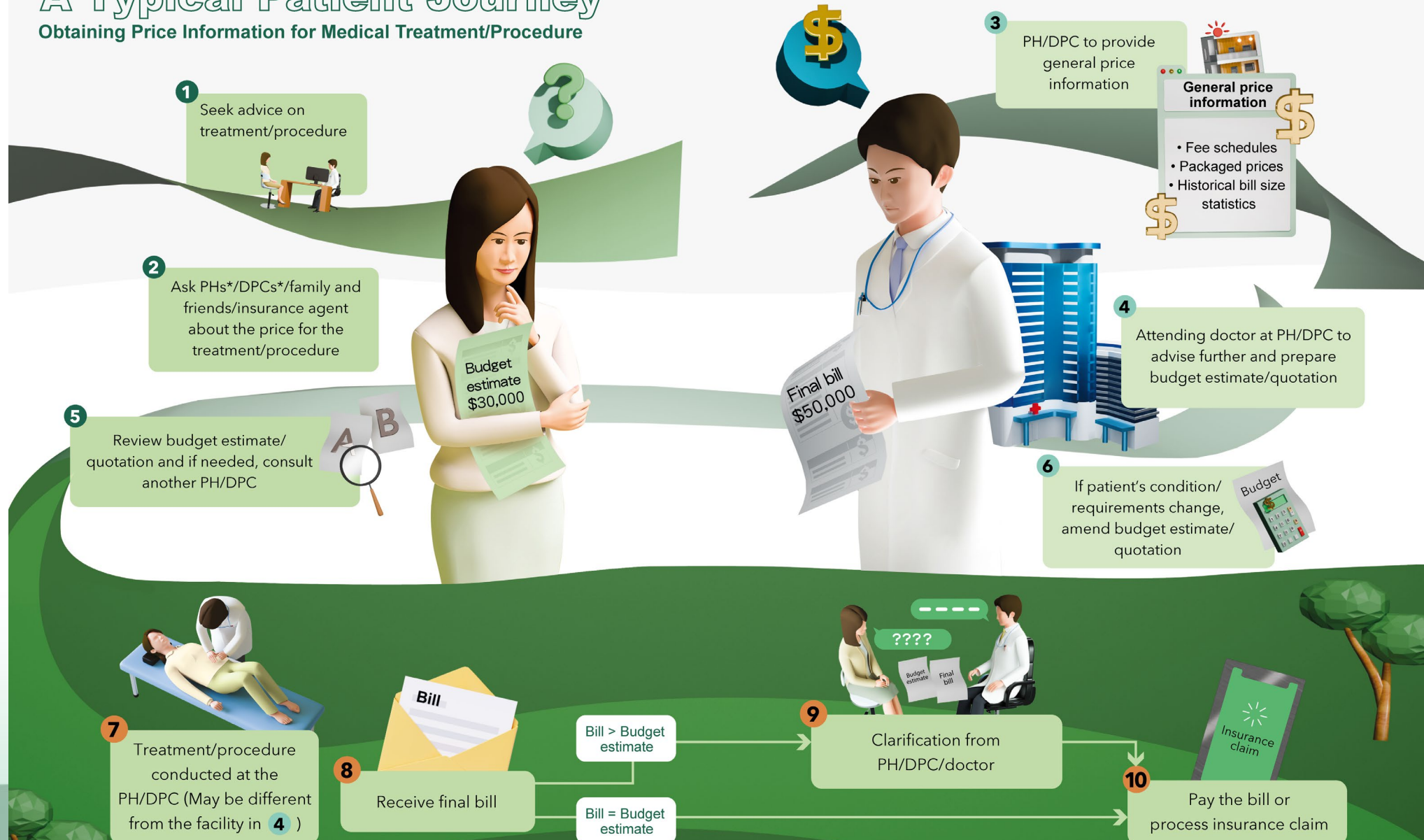
Part 2

THE PATIENT JOURNEY



A Typical Patient Journey

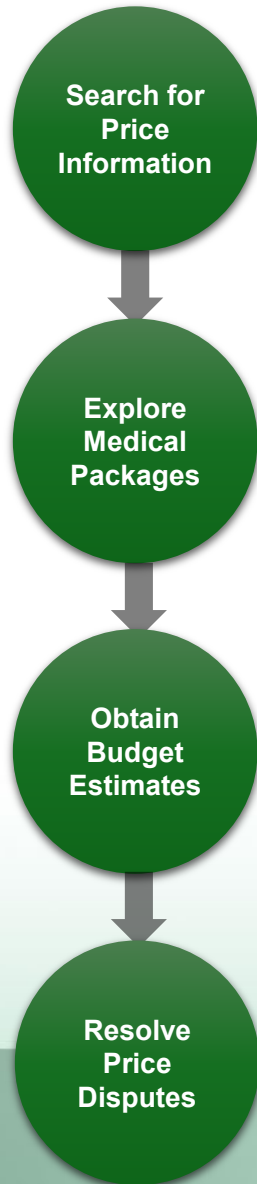
Obtaining Price Information for Medical Treatment/Procedure



* PH: private hospital; DPC: day procedure centre

Remark: This chart aims to give readers a general concept of the journey in obtaining price information before a patient undergoes a treatment/procedure at a private healthcare facility. It does not represent the journey of every patient, especially those referred by public healthcare facilities or screening programmes, or using cashless hospitalisation services of insurance companies.

Summary of Findings



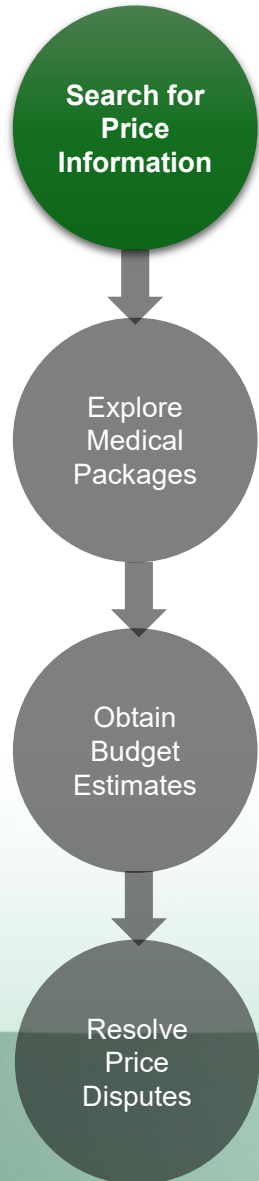
- Consumers seldom compare prices
- Treatment prices differed significantly in PHs warrant comparison
- Relevant price information was hard to understand/insufficient/absent
- Unclear accountability for providing or explaining price information
- Consumer had low awareness of historical bill sizes statistics
- HBS being not up-to-date nor user-friendly
- Significant price variation among patients
- Unclear charging mechanism for doctor's fees and PH/DPC charges

- Medical packages are useful but availability is limited
- Insufficient transparency regarding additional charges on medical packages
- Challenges in making like-for-like comparisons of medical packages

- Limited provision of detailed and written budget estimates in some PHFs
- Lack of identification for other specialists and anaesthetists in budget estimates

- Limited explanation on price discrepancies between budget estimates and final bills
- Consumers seldom lodged complaints for various considerations

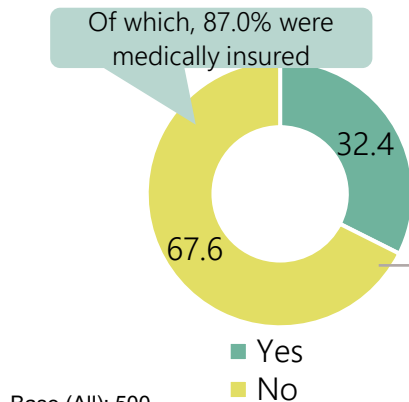
Consumers Seldom Compare Prices



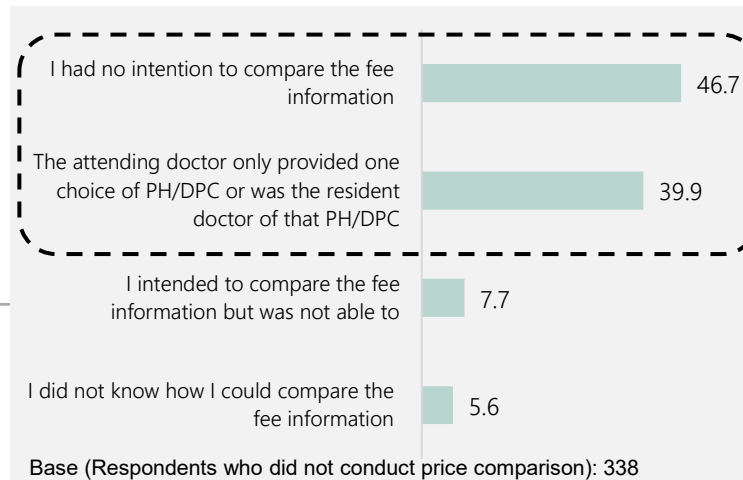
Consumer survey and interviews

- **67.6% of the respondents did not conduct price comparisons before choosing where to receive treatments/procedures.**
 - Medically insured individuals made up 87%.
 - Reasons: 46.7% had no intention to compare the fee information; 39.9% indicating that the attending doctor only provided one choice of PH/DPC or was the resident doctor of that PH/DPC.

Whether respondents conducted price comparison before deciding where to receive the treatment/procedure (%)



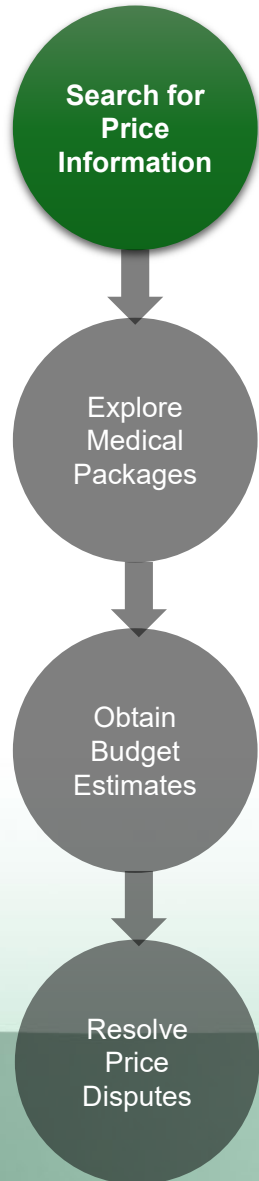
Base (All): 500



The insurance already covers the cost, so I do not bother to ask. If I need to pay for it myself, I would ask for details.



Treatment Prices Differed Significantly Warrant Comparison



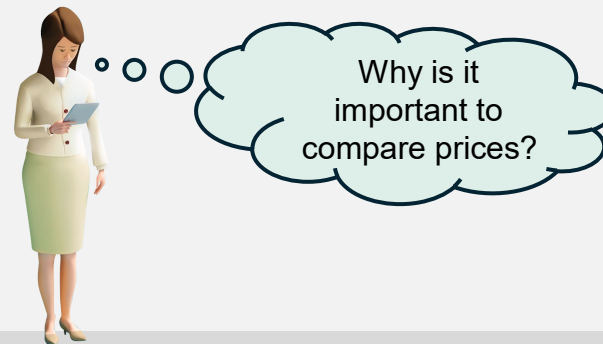
Desktop research

- There were **significant price differences across PHs for the same treatment/procedure.**
 - Mainly due to variations in patient's medical condition, and the choice of treatment method and medical equipment selected by the doctor.

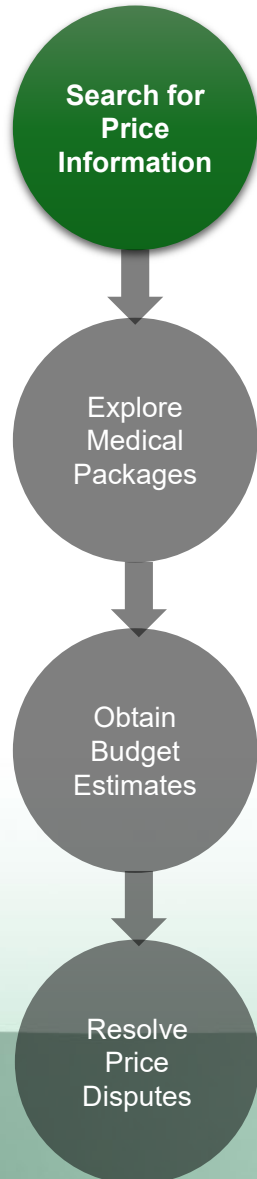
Total medical charges for the 50th percentile of in-patient cases across applicable PHs

Treatment/procedure	Lowest charge (HKD)	Highest charge (HKD)	% difference
Gastroscopy and colonoscopy (n=13)	25,989	56,918	119.0%
Caesarean section (n=10)	72,951	110,351	51.3%
Haemorrhoidectomy (n=13)	33,881	85,387	152.0%

The data is from patients accommodating in standard wards and undergoing the single selected treatment/procedure.



Relevant Price Information Was Hard to Understand/Insufficient/Absent



Consumer survey and interviews

Desktop research

- Consumers' main sources of information: **Websites of PHs/DPCs** (52.6%), but online price information may not be available at all DPCs.
- Online price information could be **difficult for lay consumers to comprehend**, especially when categorised by types of individual service items that required additional professional advice.
- In some cases, **price information may not be available** even when consumers enquire with staff of PHs and DPCs.

Example: A PH displaying its fee schedule by service items

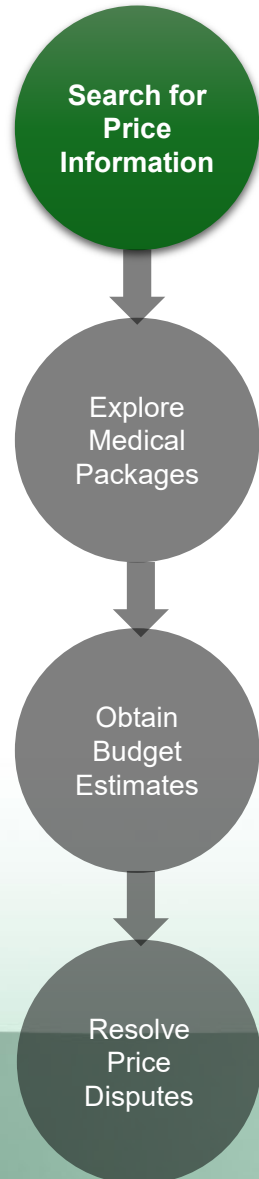
Fee Schedule of the Common Chargeable Items

1. Charges on ward accommodation
 - **Room Rate & Deposit**
2. Operating theatre charges
 - **Operation Theatre**
3. Charges for common nursing procedures
 - **Nursing Service & Test/Procedures for Transfusion of Blood Products**
4. Charges for out-patient clinic
 - **24-hour Outpatient and Emergency Department**
5. Charges for investigative and treatment procedures

As the operation will be conducted at a hospital, the hospital charges and doctor's fees will be determined by the doctor, DPC cannot provide the actual price. You may visit the website of the hospital concerned for the price.



Unclear Accountability for Providing or Explaining Price Information



Consumer survey and interviews

Trader survey

Desktop research

Consumer complaints

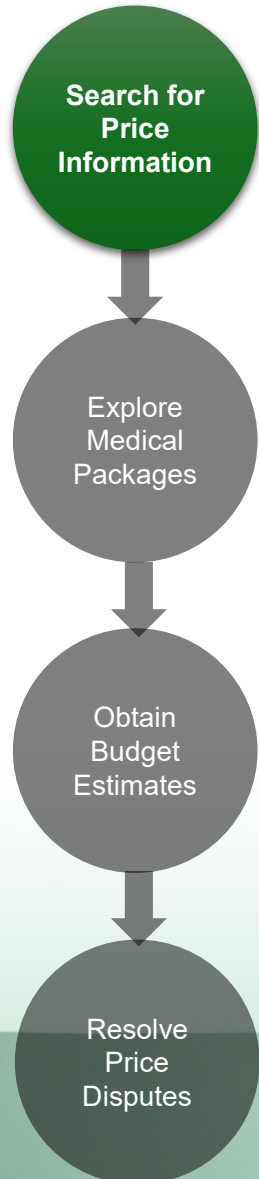
- In general, there was **no clear pattern** observed on whether **PHs/DPCs or individual doctors should be responsible for providing and explaining price information** to consumers.
- This ambiguity in responsibility could lead to price disputes, particularly when multiple PHFs and service providers were involved.



The doctor provided a budget estimate of around HKD160,000 – 170,000. The final bill turned out to be around HKD230,000.

The PH advised me to seek explanation from the doctor who determined the charges, while the doctor advised that the charge was determined by the medical group the doctor belonged to. I could not seek refund on the price discrepancy eventually.

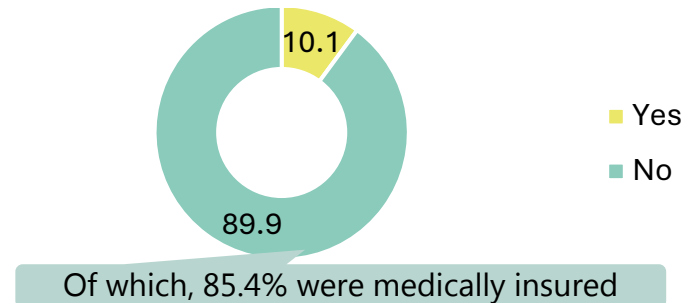
Low Awareness of Historical Bill Sizes Statistics (HBS)



Consumer survey and interviews

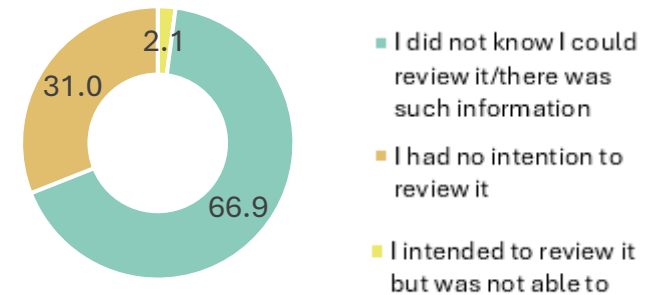
- **Only 10.1% consumer respondents had reviewed HBS** for the treatment. Among those who had not reviewed HBS, 85.4% were medically insured.
- For those who did not review HBS, **66.9% were unaware of its existence.**

Whether respondents reviewed the HBS for the treatment/procedure (%)



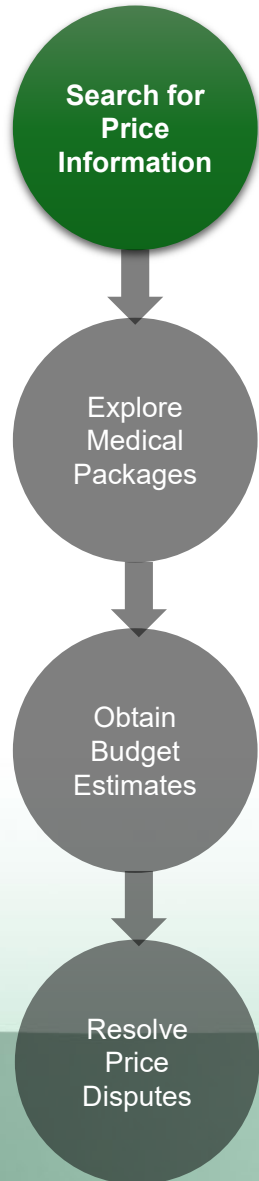
Base (All PH respondents): 366

Major reason for not reviewing the HBS (%)



Base (PH respondents who did not review the HBS): 329

HBS being Not Up-to-date nor User-friendly



Consumer survey and interviews

Desktop research

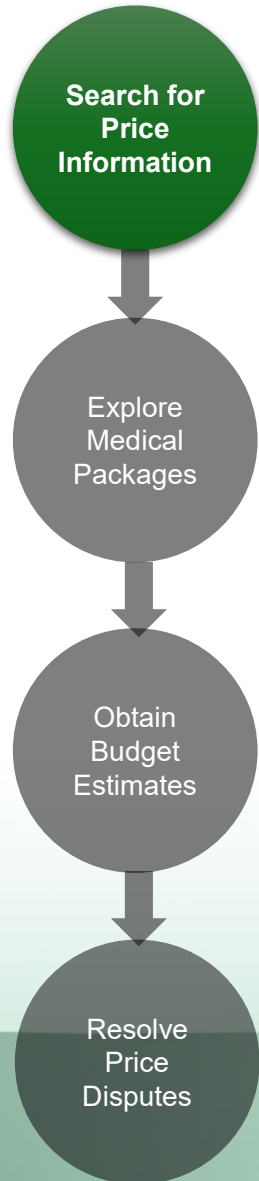
- From the Council’s **review of HBS in July 2024**, **4 out of 13 PHs had not updated** their HBS data on the websites **since 2022**, while the remaining 9 PHs provided 2023 figures.
- Some consumers **struggled to comprehend** it (e.g. meaning of “percentile”) and suggested presenting the HBS in layman terms.

Percentile

Example: Extract of sample HBS from a PH

Treatment / Procedures	Annual number of discharges (in range)	Average length of stay (no. of day)	Percentile	Doctor's fees (HK\$)	Hospital charges (HK\$)	Total charges (HK\$)
Bronchoscopy with or without biopsy	30 - 100	2.0	50th percentile	16,600	37,173	53,773
			90th percentile	46,100	47,880	93,980
	<30	Day Surgery	50th percentile	13,800	15,561	29,361
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Caesarean section	>200	4.0	50th percentile	59,500	27,074	86,574
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Carpal tunnel release	<30	1.0	50th percentile	22,400	12,718	35,118
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			90th percentile	8,823	31,726	40,549
	>200	Day Surgery	50th percentile	12,050	8,338	20,388
			90th percentile	8,500	19,584	28,084

Significant Price Variation among Patients



Desktop research

- Prices from HBS for identical treatment/procedure can **vary significantly**, even within the same facility.
- Without guidance from medical professionals, patients may struggle to determine whether they will incur costs on the higher or lower end of the charging spectrum.

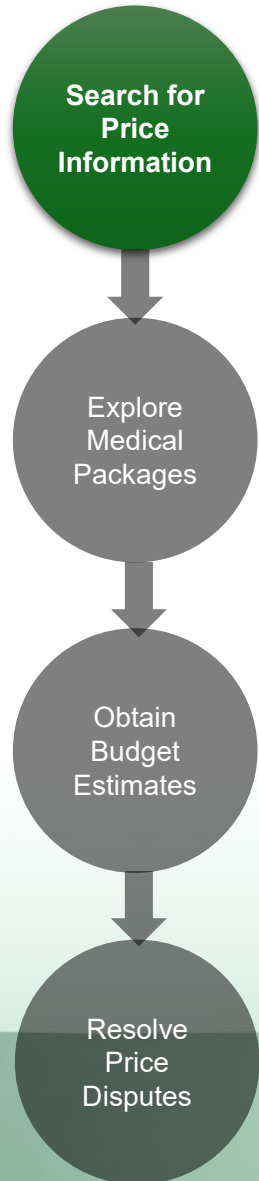
% Differences in total charges for the 50th and 90th percentiles in the same PH

	Total charges (HKD) for conducting								
	Gastroscopy and colonoscopy			Caesarean section			Haemorrhoidectomy		
	50 th Percentile	90 th Percentile	% difference	50 th Percentile	90 th Percentile	% difference	50 th Percentile	90 th Percentile	% difference
PH A	50,216	82,418	64.1%	99,873	123,730	23.9%	48,048*	71,519*	48.8%*
PH B	30,257	37,750	24.8%	N/A	N/A	N/A	51,000	64,927	27.3%
PH C	32,175	39,113	21.6%	N/A	N/A	N/A	38,607	55,741	44.4%
PH D	43,934	65,218	48.4%	90,423	117,453	29.9%	47,949	69,194	44.3%
PH E	56,918	86,456	51.9%	97,970*	110,131*	12.4%*	85,387*	106,393*	24.6%*
PH F	53,252	68,394	28.4%	72,951	82,886	13.6%	61,232	74,509	21.7%
PH G	46,281	71,272	54.0%	84,259	114,339	35.7%	44,479	69,487	56.2%

The data is from patients accommodating in standard wards and undergoing the single selected treatment/procedure.

** The PH had less than 30 discharges for in-patient cases for the selected treatment/procedures in 2023.*

Unclear Charging Mechanism for Doctor's Fees and PH/DPC Charges



Desktop research

Consumer complaints

- **Doctor's fees** are typically not included on PH's/DPC's fee schedules or price lists, and the basis of how the doctors determine the fee is **not disclosed** to consumers.

The staff of a PHF informed me that if I pay without insurance, the PHF can offer a 30% discount for treatment fees.

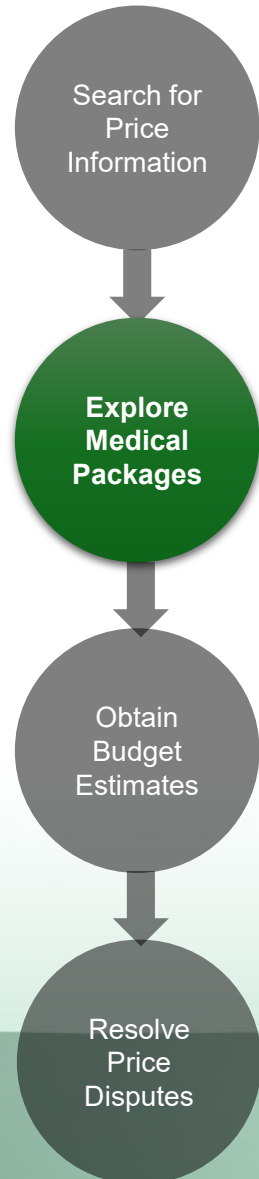
The nurse told me that the same surgery will cost HKD6,000 more if I plan to claim medical insurance.

- Doctor's fees and hospital charges are often **correlated with the room type** chosen by the patient even for the same medical treatment/procedure.

Example: Varying operating theatre room charges for patients of different ward accommodation

Basic operating theatre room charge*	General Ward	Semi-private Ward	Private Ward
First 30 minutes	\$2,900	\$4,220	\$5,250
• Each additional 15 minutes	\$710	\$1,040	\$1,295
First 60 minutes	\$4,565	\$6,650	\$8,280
• Each additional 15 minutes	\$810	\$1,175	\$1,455
Recovery Room			
• First 15 minutes	\$ -	\$ -	\$ -
• Each additional 15 minutes	\$430	\$635	\$910

Medical Packages Are Useful But Availability is Limited



Consumer survey and interviews

Trader survey

Desktop research

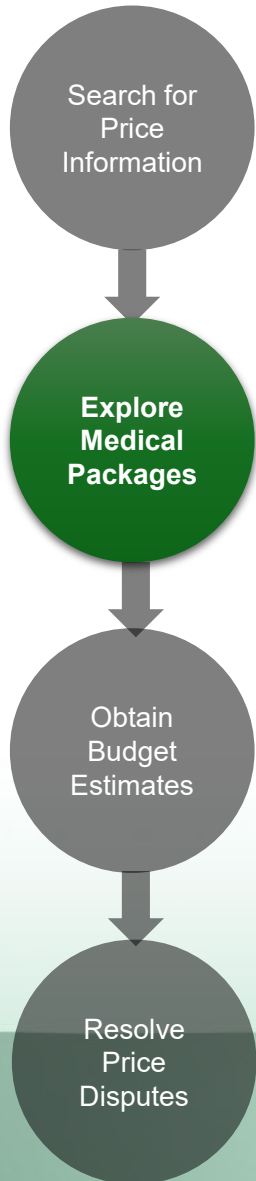
- Statistical analysis revealed that consumers referring to packaged charging information (compared to those who did not refer to the information) tend to perceive higher usability* of price information.
- All 13 PHs provided at least 20 out of the 30 treatments/procedures:
 - 7 PHs only provided packaged charges for 6 treatments/procedures or less;
 - 1 PH provided packages for 26 treatments/procedures;
 - 1 only provided packages for 2 treatments/procedures.



Packaged charging is useful, as I know more certainly whether I could afford the cost. I can also compare the price with those of other facilities.

* The usability scores were evaluated from the average score of 14 relevant statements in the consumer survey.

Insufficient Transparency regarding Additional Charges on Medical Packages



Desktop research

Consumer complaints

- In some cases, **no details could be found** on the materials regarding pricing **for different treatment methods**.
- Prices of **excluded items** (e.g. medication, consultation fees and doctor's fees) were **often undisclosed**, but some of which could be substantial (e.g. medication fee for gastroscopy and colonoscopy of a six-day treatment amounted to over HKD19,000).

Example: Information on a haemorrhoidectomy package lacked clarity

外科	痔瘡切除術	2日1夜	\$29,500	\$32,800
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✓ 費用包括：

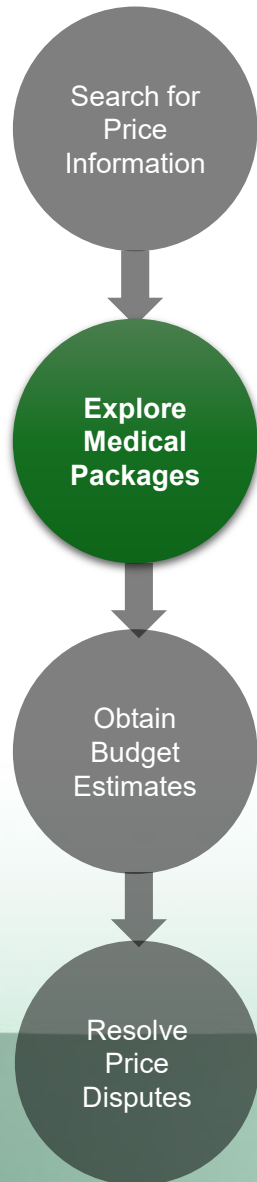
- ✓ 標準住房費用
- ✓ 醫生費、麻醉科醫生費和巡房費
- ✓ 手術室基本收費
- ✓ 基本護理程序費
- ✓ 基本手術用之麻醉藥物
- ✓ 儀器設備費

費用不包括以下項目：

- ✗ 手術室超時費用 (超出預定手術時間)
- ✗ 化驗、造影及相關的診斷費用
- ✗ 額外護理程序費用
- ✗ 額外及出院藥物費用
- ✗ 膳食、消耗品及雜項收費
- ✗ 同等床位的調遷
- ✗ 腹腔鏡疝氣修補用的人工網膜
- ✗ 因長期病患及其併發症引起的治療費用
- ✗ 與該手術無關之額外手術、專科診治及治療藥物

Type of the operation (e.g. conventional haemorrhoidectomy or stapled haemorrhoidectomy) not stated, despite prices for respective types may vary

Challenges in Making Like-for-like Comparisons of Medical Packages



Consumer survey and interviews

Trader survey

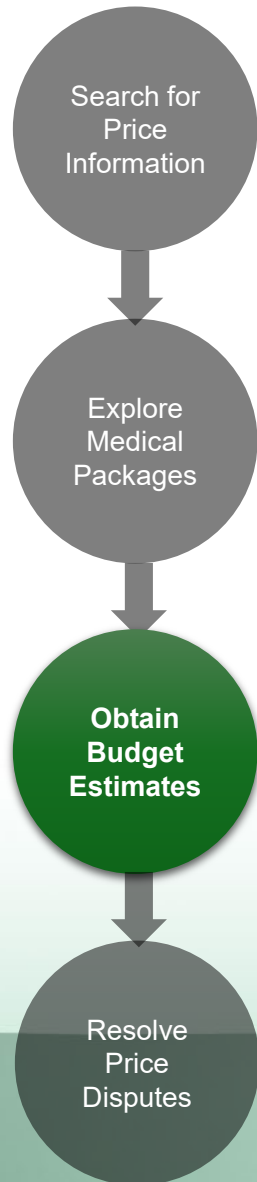
Desktop research

- A fair comparison is challenging — **variations in included and excluded items among packages of different healthcare facilities.**

Major items included in the PH's standard packages for caesarean section

	Accommodation		Doctors' fees	Nursing care	Operation theatre charges	Medication	Meals
	Length of stay	Type of accommodation					
PH A	5D4N	6-bed room	×	✓	✓	×	Not mentioned
PH B	5D4N	2-bed room	×	✓	✓	✓	×
PH D	5D4N	2-bed room	×	✓	✓	×	✓
PH F	5D4N	3-bed room	×	✓	✓	✓	×
PH G	5D4N	6-bed room	×	✓	✓	Not mentioned	×
PH H	5D4N	3 to 6-bed room	×	✓	✓	✓	✓
PH I	5D4N	4-bed room	✓	✓	Not mentioned	Not mentioned	✓
PH K	5D4N	4-bed room	×	✓	✓	×	✓
PH L	4D3N	3 to 6-bed room	×	✓	✓	✓	×
PH M	5D4N	4 to 6-bed room	×	✓	✓	✓	×

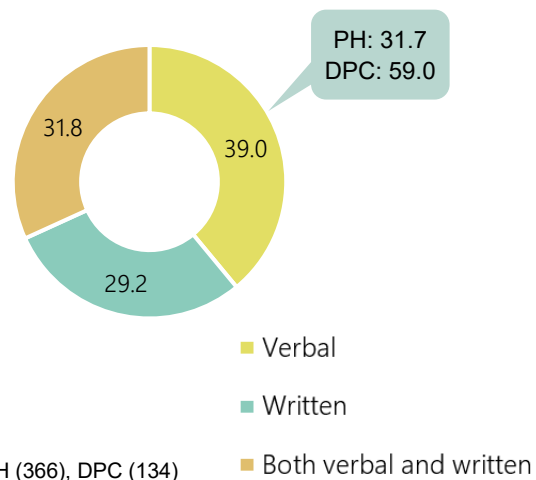
Limited Provision of Detailed and Written Budget Estimates



Consumer survey and interviews

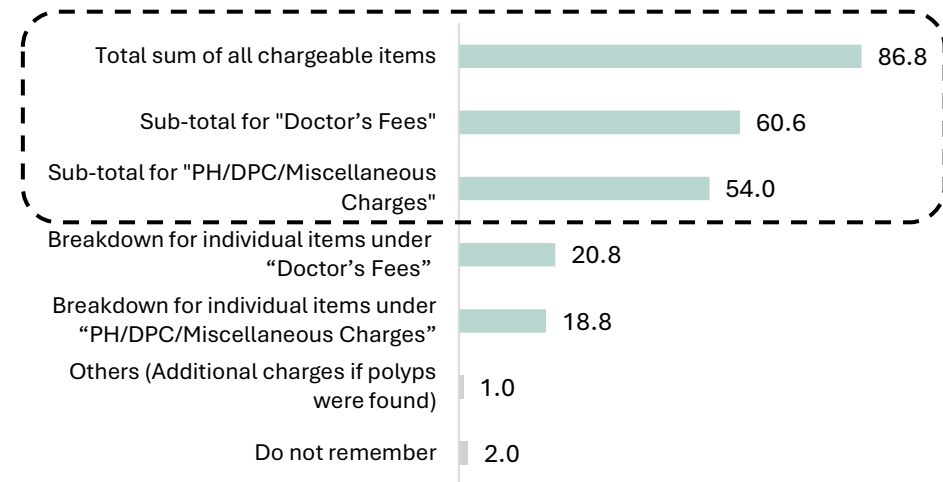
- 39.0 % only received **verbal** budget estimate; provision of **verbal budget estimates was more prevalent in DPCs** (59.0%) than in PHs (31.7%).
- Information included in budget estimates: 86.8% included a total sum of all chargeable items, but significantly **fewer PHs/DPCs provided further breakdowns**.
- Some even mentioned that they only received lump sum estimates **in a range format** without exact figures.

Format of the last-provided budget estimates (%)



Base (All): 500; PH (366), DPC (134)

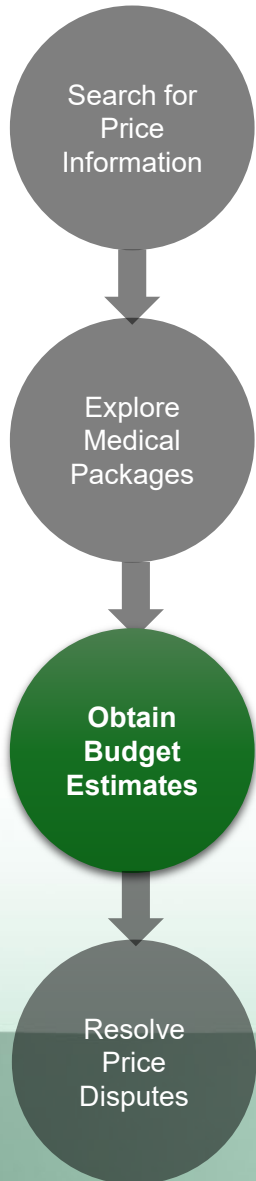
Items included in the last-provided budget



Base (All): 500, multiple choices allowed

Lack of Identification for Other Specialists and Anaesthetists in Budget Estimates

Desktop research



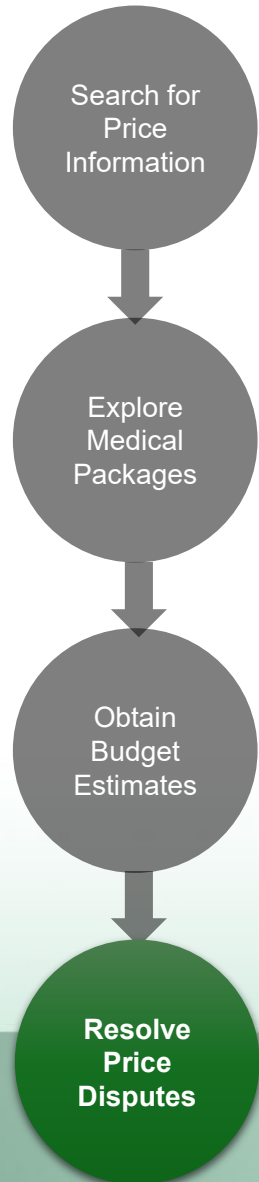
- While all PHs included a space for presenting the identity of the attending doctor in the budget estimate form, **only 1 PH** out of the 13 PHs being reviewed **provided a space to fill in the identity of the other specialists** in the form.
- It is patient's right to know the identities of all specialists and anaesthetists providing consultation or care to them beforehand, as errors made by these professionals can have serious or fatal consequences.

Example: A PH included a space to fill in the identity of the other specialists in the form

表格 A: 預算醫生費用 (由醫生填寫)
Form A: Estimated Doctor's Fees (To be completed by doctor)

每日醫生巡房費 Daily Doctor's Ward Round Fee	\$ _____	x _____	日 day(s)
醫生手術費 Surgeon Fee	\$ _____		
麻醉科醫生費 Anaesthesiologist's Fee	\$ _____		
其他專科醫生診療費用 (請註明) Other Specialist's Consultation Fee (Pls Specify):	Dr. _____	\$ _____	Dr. _____ \$
其他項目及收費 Other Items and Charges:	\$ _____		小計 Subtotal \$ _____

Limited Explanation on Price Discrepancies

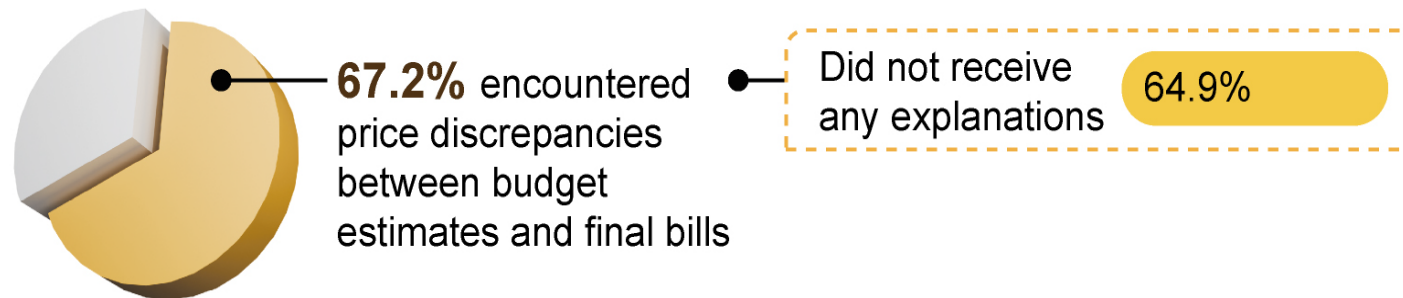


Consumer survey and interviews

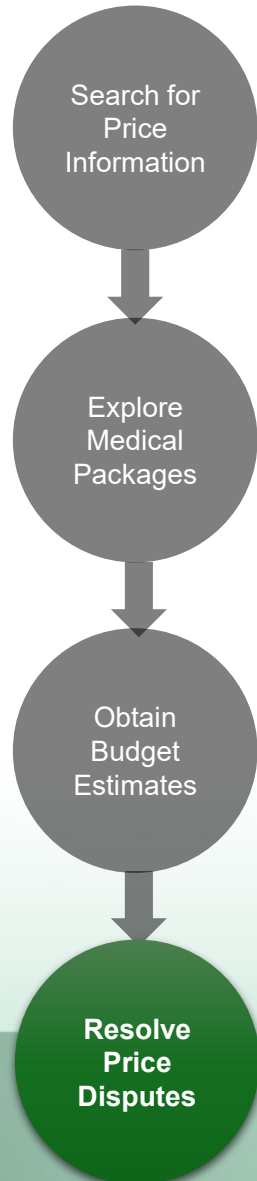
Trader survey

- **67.2% consumer respondents encountered price discrepancies** between budget estimates and final bills, 64.9% did not receive any explanations.
- Consumers opined that it would be **helpful if doctors or nurses could explain** any price discrepancies, or mention potential additional costs **in advance** for better financial planning.
- **From trader survey, PHs advised that main reasons for the price discrepancy were:**
 - patients' **medical conditions were different from initial assessment**
 - patients' **recovery progress was slower than expected**

Price discrepancies between budget estimates and final bills



Consumers Seldom Lodged Complaints for Various Considerations



Consumer survey and interviews

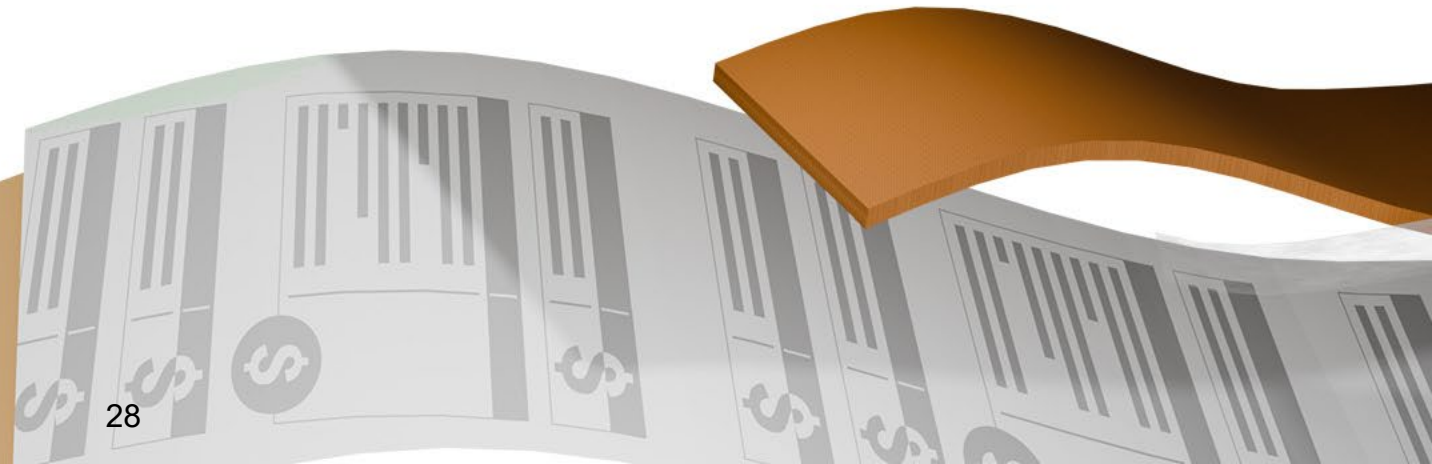
- Among the 218 consumer respondents who encountered price discrepancies without an explanation, **merely one filed a complaint.**
- **Most chose to stay silent** due to:
 - **unfamiliar with the complaint channels**
 - filing complaints would be **time-consuming**
 - maintaining a **good doctor-patient relationship**



Complaining will not help, as there will not be any follow-up actions. The doctor or the clinic could always find a reason to justify the price discrepancy between the final bill and the budget estimate. Moreover, as the budget estimate was provided verbally without any written proof, even if a complaint is filed, it will not be considered.

Part 3

VIEWS OF STAKEHOLDERS



Views of Stakeholders — Healthcare Facilities and Medical Professionals

Some healthcare facilities faced various **difficulties in providing price information, budget estimate and HBS:**

- Govern visiting doctors on internal compliance could be difficult;
- Variations on medical cost can arise due to unpredictable events;
- Challenges in including the identities of anaesthetists in budget estimates as anaesthetists can be assigned at the last moment before the treatment/procedure;
- HBS are useful only for highly standardised procedures.

Some medical practitioners expressed hesitation to publicise detailed price information online, due to the concerns over consumers, **without doctors' advice, misinterpreting the price information and wrongly estimating the price for the treatment/procedure.**

It was also observed that some private healthcare service providers might perceive that **insured patients could afford higher costs and hence charged them higher fees** as compared to those paying out-of-pocket, which may adversely lead to inflated charges for consultations and treatments/procedures and lead to higher overall insurance premium in the future.

Some healthcare facilities and medical practitioners opined that it was **difficult to design a standardised package for each treatment/procedure** given the **varying complexity of individual cases**. As medical packages were mostly designed based on a risk-pooling approach, small-scaled DPCs might have greater difficulties to design their own medical packages, given the **lack of past data** on particular treatments/procedures as such data is necessary for **risk-calculation**.

Some academics/experts opined that it is advantageous for **PHFs to design standard packages encapsulating all resources required for the treatments/procedures**, which can reduce wastages or inefficiencies, such as unnecessary extra days of stay in PHs/investigations/medications, and medical supplies arising from the treatment. **Medical package is therefore meaningful even for low-risk procedures and patients.**

Views of Stakeholders — Government, Public Bodies, Patient Organisations and Insurers

The Government will **explore legislating for private healthcare price transparency** to enhance the quality and efficiency of healthcare services in the city.

While acknowledging that packaged charges can enhance price certainty, some Government-related bodies reflected that, for some low-risk patients, the total costs of treatments/procedures could be lower if they opt for itemised treatments/procedures instead of packages. Having said that **they will continue to encourage the trade to design medical packages according to the level of complexity of each treatment/procedure.**

Patient groups shared that patients were **charged differently for similar treatments/procedures**, yet the **rationale was not transparent.**

- There were cases that patients staying in higher-class ward accommodation were charged more for operating theatre room or treatment-associated materials, although they were using the same facilities as those staying in general ward.

Insurer representatives pointed out that some insured consumers might request, or be possibly persuaded by healthcare providers to request, for **unnecessary services to fully utilise their coverage** or meet deductibles.

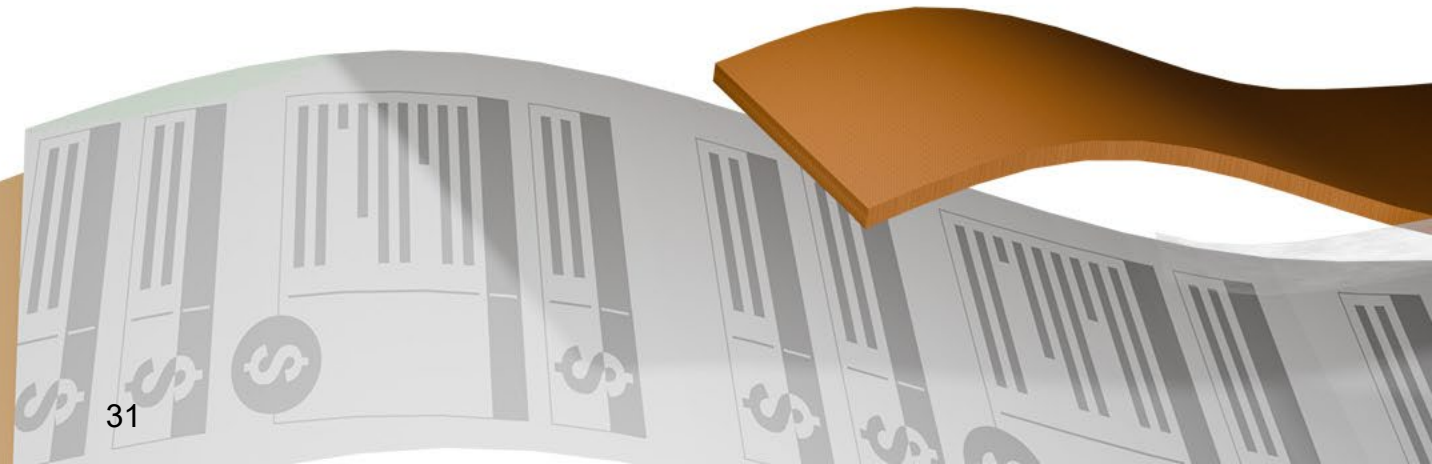
Some healthcare providers were found to apply **higher rates for patients with insurance coverage**, with the fee set according to the benefit levels of the insurance policies of the patients.

These practices would undermine the integrity of private healthcare services and **might drive up the overall insurance premiums.**



Part 4

REFERENCE ON PRICE TRANSPARENCY MEASURES IN OTHER MARKETS



Price Transparency Measures in Selected Markets

Among the reviewed markets, it was found that **Australia (Victoria), Mainland China, Singapore, and the United States (Florida)** have established regulatory frameworks and initiatives that promote price disclosure. Some initiatives are:

Provision of price information in a consumer-friendly format

- Healthcare facilities are required to provide patients with price information, albeit in varying degrees of details.
- Some markets have specific requirements, either mandated by regulations or voluntarily adopted, on the format of price information. For instance, the obligation in Victoria to **provide price information before admission**, and the obligation in Florida to provide an **online machine-readable file** that lists all standard charges for services offered.

Provision of written and detailed budget estimates

- Healthcare facilities are mandated to provide budget estimates to patients.
- While the written budget estimates are preferred at Victoria, and requirements on the format of provision are not specified in Singapore, Florida **explicitly requires the written budget estimate to be issued to patients within specified timeframes.**

Use of clear and understandable terms in search tools on historical bills and inclusion of historical price data of ambulatory surgical centres

- **Online search tools** are available to facilitate consumers to find the typical fees and costs associated with common private healthcare procedures.
- Some search tools **visualise the historical bill statistics with graphics and in simple language**, allowing consumers to easily understand related costs associated with healthcare services.

Price Transparency Measures in Selected Markets (cont'd)

Search tools in two markets are illustrated as follows:

Example 1: Australia (Victoria) – “Medical Cost Finder”

- The online search tool was launched by the Department of Health and Aged Care.
- The website presents **statistics of typical fees and costs associated with common private healthcare procedures with infographics and in simple language.**
- Additionally, it provides a comparison of typical specialist fees, and the amounts patients typically pay **across different states and territories.** Information about the patient’s journey is also available on the website, helping patients to understand the services involved before, during, and after their procedures.

Percent of patients who paid in 2022-23

78% of patients had no out-of-pocket costs

22% of patients had out-of-pocket costs



Low, typical, and high out-of-pocket costs

Of the 22% of people who had an out-of-pocket cost in 2022-23, the typical cost was calculated as follows:



	NSW	Vic	Qld	WA	SA	Tas	ACT
% with no out-of-pocket costs	77%	73%	74%	92%	85%	89%	46%
Typical specialists' fees	\$990	\$930	\$1,000	\$870	\$900	\$910	\$1,100
Patients typically paid	\$200	\$140	\$130	\$100	\$50	\$10	\$240

Price Transparency Measures in Selected Markets (cont'd)

Example 2: Singapore – Search Tool on MOH’s Website

- The online search tool was launched by the Ministry of Health, Singapore (MOH).
- It enables the general public to **input a specific Table of Surgical Procedures codes, diagnosis-related groups, or keywords associated with the procedure or body part to access past hospital bills amount.**
- Consumers can access information on past hospital bills breakdown by hospital, care setting and ward type if such data is available.

Cost financing

Compare costs for medical treatments in public and private hospitals. For precise search results, ask your doctor for your procedure code (TOSP) before using the search feature.

Filters

3607 articles

Category

- Abdomen (57)
- Adrenal gland (2)
- Airway (2)
- Ankle (20)
- Anus (31)
- Aorta (16)
- Appendix (2)

B61A - Spinal Cord Conditions W or W/O OR Procedures W Catastrophic or Severe CC

Spinal Cord Conditions W or W/O OR Procedures W Catastrophic or Severe CC

Spine

B61B - Spinal Cord Conditions W or W/O OR Procedures W/O Catastrophic or Severe CC

Spinal Cord Conditions W or W/O OR Procedures W/O Catastrophic or Severe CC

Spine

Hospital Bill (Overall)

Based on transacted bills from 1 January 2022 to 31 December 2022. The amount shown covers all cost components inclusive of GST.

Day Surgery

Day Surgery: Refers to operations done in the hospital, with a stay of less than 24 hours.

Setting	Ward Type	Typical Bill	Typical Bill Range	Typical Bill Items		
				Operation Fee	Implant Fee ¹	Other Fee ²
Public Hospitals	Day Surgery (Subsidised)	\$916	\$801 - \$1,073	\$596	Not Available	\$254
	Day Surgery (Unsubsidised)	\$2,413	\$2,240 - \$2,767	\$1,820	Not Available	\$595
Private Hospitals	Day Surgery	\$4,053	\$3,560 - \$4,582	\$3,271	Not Available	\$718

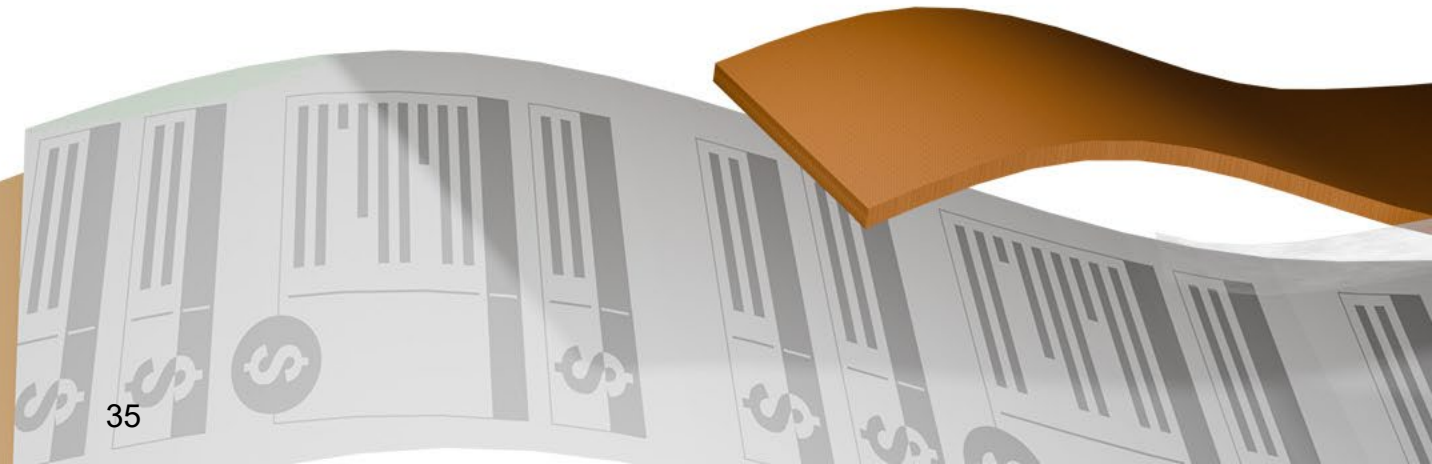
¹ Fee for the medical device(s)/ implants placed inside the body. Applicable only if your procedure requires an implant.

² Includes ward charges, doctor's daily attendance and consultation fee, consumables, medication, tests, accident & emergency charges etc., where applicable.

Note: Figures shown are based on the median fee, i.e., what 50% of patients are charged below. They provide an estimate and may not add up.

Part 5

RECOMMENDATIONS



Rationale of Recommendations: Improvements are Needed

- The execution of price transparency measures across PHs/DPCs varies greatly, even more than 6 years after the PHFO was gazetted. Survey also revealed **lack of consumer awareness** of the 3 price transparency measures.

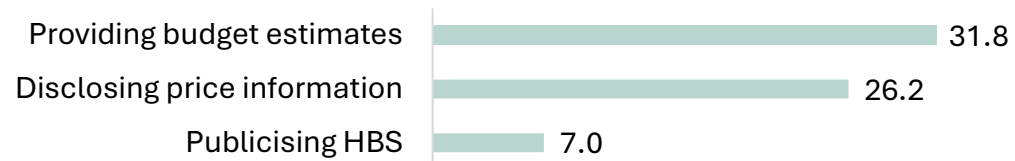
- Consumers also expressed **improvement needed** in the adequacy of promotion of the price transparency measures.

Usefulness of the 3 price transparency measures (score out of 5)



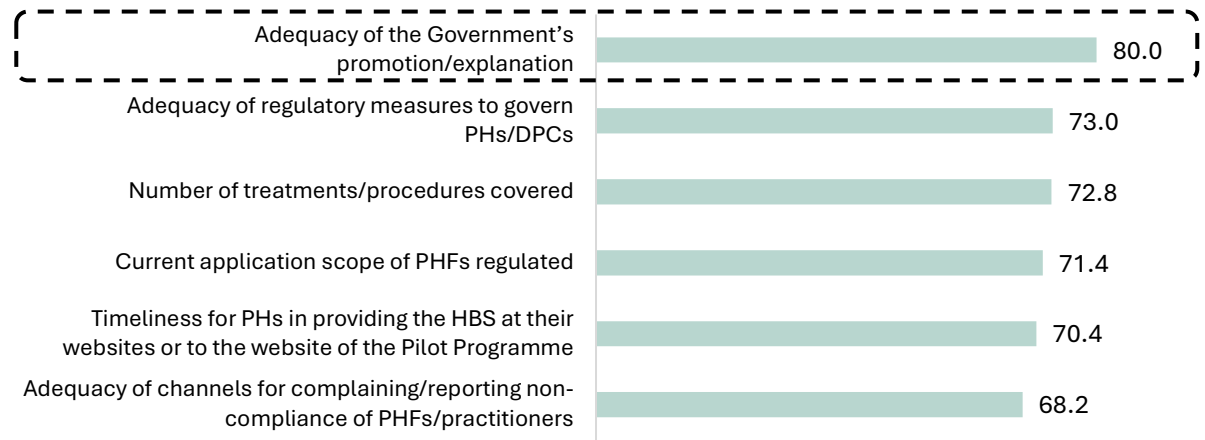
Base: Publicising HBS (37); disclosing price information (215); providing budget estimates (500)

Awareness of the three price transparency measures (%)



Base (All): 500

Areas of improvement related to the price transparency measures (%)



Base (All): 500, multiple choices allowed

5 Recommendations

More Transparency in Healthcare Pricing, More Value for Consumers

Recommendation 1 – Improve Consumers' Accessibility to Price Information with a Search Tool

- DPCs* to provide online price information
- Government to develop presentation guidelines on price lists and HBS* to increase consistency
- Government to develop a centralised historical price indexes database with proper search functions:
 - Timeliness
 - Detailedness
 - Readability

Recommendation 2 – Promote the Use of Packaged Charges

- Government to provide guidelines for designing and marketing medical packages
- PHs*/DPCs to introduce more packages for different levels of medical conditions
- Government to work with the trade (including the medical and insurance sectors) and develop a common coding mechanism for the treatments/procedures to facilitate comparison among healthcare facilities, as well as doctor-patient communication

Recommendation 3 – Require the Provision of a Clear and Written Budget Estimate

- PHs/DPCs to provide written and detailed budget estimates to patient prior to undergoing treatments/procedures
- Government to provide clear guidelines on :
 - Disclosure of identities of anaesthetists and valid period for the estimate
 - Timeframe in issuing revised estimate



Recommendation 4 – Enhance the Current Regulatory Framework on Price Provision, and Complaint Handling Mechanism on Price Matters

- PHs/DPCs to develop guidelines on:
 - Accountability of provision and explanation of information to patients
 - Enhancing service quality of consumer-facing staff
- Government to gather feedback from users of PHs/DPCs on the reasons and challenges for lodging complaints regarding price issues for continuous improvement
- PHs/DPCs to enhance accessibility of complaint channels and mechanisms regarding price issues
- When Government considers regulatory actions, to include non-compliances with price transparency measures to ensure industry governance



Recommendation 5 – Strengthen Consumer Education through Multi-channels and Collaborative Efforts

- Government to promote price transparency measures
- Government to educate consumers their right to information
- Consumers to follow the five questions to enquire with healthcare providers before treatments/procedures (including necessity of the treatment, risks/side effects, alternatives, consequence of not conducting the treatment, and costs)

Recommendation 1 – Improve Consumers’ Accessibility to Price Information with a Search Tool

Facilitating price searching at PHs and DPCs

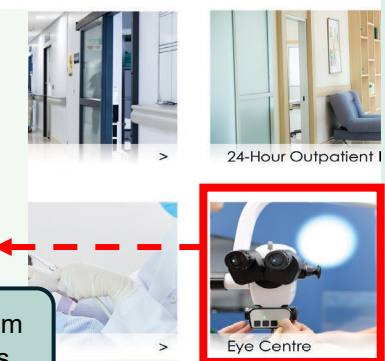
The Government to develop **guidelines for PHs and DPCs regarding the presentation format of price lists**, including but not be limited to:

- Adopt a more user-friendly display format, such as by **organising the price list by specialty** (e.g. charges related to undergoing a colonoscopy) rather than solely by charge categories (e.g. ward accommodation and operating theatre charges);
- Include **additional typical charge items** in their price lists, such as operating theatre materials and medications.

Example: A PH displaying its fee schedule by specialty

Item	Service	Single eye (HK\$)	Both eyes (HK\$)
1	Pre-LASIK Examination	\$800	\$800
2	IntraLASIK Operation	\$10,500	\$21,000

Service Charges



Price information presented as a lump sum for both eyes would be clearer to patients.

Recommendation 1 – Improve Consumers’ Accessibility to Price Information with a Search Tool (cont’d)

Enhancing the usability of HBS with a search tool

The Government to consider **providing guidelines for PHs on the provision of HBS**, covering:

- **Timeliness:** Establish a timeframe for updating the HBS;
- **Detailedness:** Enhance disclosure at the HBS to include exact discharge figures (instead of by “range”) and more detailed breakdowns (e.g. itemising doctor’s fees into surgeon’s fees, anaesthetist fees);
- **Readability:** Use of layman terms (e.g. “typical” and “high” instead of by “percentile”) at HBS to facilitate understanding by end users.

Example: Recommendations on the presentation of HBS

Treatment / Procedures	Annual number of discharges (in range)	Average length of stay (no. of day)	Percentile	Doctor's fees (HK\$)	Hospital
Bronchoscopy with or without biopsy	30 - 100	2.0	50th percentile	16,600	
			90th percentile	46,100	
			50th percentile	13,800	
Caesarean section	>200	4.0	50th percentile	13,900	29,317
			90th percentile	59,500	27,074
			50th percentile	63,100	42,363
Carpal tunnel release	<30	1.0	50th percentile	22,400	12,718
			90th percentile	26,400	14,391
			50th percentile	N/A	N/A
Cholecystectomy (Laparoscopic)	>200	1.0	50th percentile	N/A	N/A
			90th percentile	N/A	N/A
			50th percentile	47,000	39,155
Cholecystectomy (Open)	<30	3.0	50th percentile	68,000	41,171
			90th percentile	51,087	39,604
			50th percentile	51,087	39,604
Circumcision	101 - 200	1.0	50th percentile	13,200	17,017
			90th percentile	29,500	15,293
			50th percentile	18,000	7,877
Colectomy (Laparoscopic)	30 - 100	Day Surgery	50th percentile	19,100	15,344
			90th percentile	87,746	111,466
			50th percentile	127,500	113,204
Colectomy (Open)	<30	8.0	50th percentile	107,200	78,442
			90th percentile	133,500	125,221
			50th percentile	13,000	13,965
Colonoscopy with or without polypectomy	>200	1.0	50th percentile	8,823	31,726
			90th percentile	12,050	8,338
			50th percentile	8,500	19,584

Remarks:

- (1) The above figures are derived from data of in-patients in accommodation in standard wards. All information should be used for reference only.
- (2) The exact charges would be subject to change in accordance with patient’s condition, case complexity and individual doctor’s charge incurred.
- (3) Doctor’s fee includes anaesthetist’s fee, surgeon’s operation and ward round fee, etc.
- (4) Hospital charges include admission service, accommodation, operation theatre room charges, use of equipment and associated materials, nursing procedures, investigation and examination fees, medication and injection fees, treatment and associated materials, meal and beverage, sundries, etc.
- (5) The number of services of certain procedures were minimal that it may not reveal the clear picture of charging fees.

Provide exact discharge figures

Use layman terms

Itemise doctor’s fees into surgeon’s fees, anaesthetist fees, etc.

Recommendation 1 – Improve Consumers’ Accessibility to Price Information with a Search Tool (cont’d)

Enhancing the usability of HBS with a search tool (cont’d)

- HBS be **extended to cover more treatments/procedures** beyond the existing 30 treatments/procedures.
- **DPCs** should start to compile HBS of the treatments/procedures provided.
- The Government can utilise big data on historical prices to compile a **centralised historical price indexes database**:

Phase 1

- Establish a centralised database of historical fees and charges at **all PHs for the 30 treatments/procedures** (i.e. consolidation of DH’s existing database).
- The fees and charges of each treatment/procedure can be further categorised into various treatment methods and conditions.



Phase 2

- Expand the database to cover historical fees and charges at **all DPCs for the same 30 treatments/procedures** and **more treatments/procedures beyond the existing 30 treatments/procedures in PHs**.

Recommendation 2 – Promote the Use of Packaged Charges

PHs and DPCs to:

- Proactively **design and introduce medical packages** for suitable treatments/procedures;
- Develop a matrix list of packaged charges **categorised by the complexity of the treatment/procedure and the patient’s medical condition level.**

The Government to:

- Provide **guidelines** (e.g. Key items to be included and disclosed in the marketing materials) for the **design and marketing of medical packages**;
- Take stock of the current practices in the market and design a **common coding mechanism** with the trade, including the medical and insurance sectors. Starting with a number of selected pilot treatments/procedures and review its accuracy and effectiveness at the first stage.

Example: Packaged charges by different levels of medical conditions

Operation/ Procedure 手術/ 醫療程序	Medical Package 定價收費 (HK\$)(港幣)			
	Day Procedure 日間治療	Inpatient 住院治療		
		Medical Condition 病人病情級別		
		Level 1 級別 1	Level 2 級別 2	Level 3 級別 3
Colorectal and Anal 結腸直腸及肛門				
Closure of Loop Ileostomy 迴腸造口關閉術	-	\$163,000	\$204,000	\$326,000
Anal Fistulectomy 瘻管切除術	\$44,450	\$51,200	\$64,000	-
Haemorrhoidectomy (Simple) 非複雜性痔瘡切除術	\$34,500	\$37,410	\$46,800	-
Haemorrhoidectomy (Complex) 複雜性痔瘡切除術	\$47,640	\$52,920	\$66,200	-

Recommendation 3 – Require the Provision of a Clear and Written Budget Estimate

Enhancing the Private Healthcare Facilities Ordinance (Cap. 633)

The Government to require PHs and DPCs, prior to undergoing treatment/procedure, to provide patients with **written budget estimates that include a clear breakdown of key items**. This requirement could be implemented for all 30 treatments/procedures at PHs and DPCs, as well as for other non-30 treatments and procedures at PHs.

HKPHA provides a sample budget estimate form, which includes elements such as information of patient, details of stay, name of attending doctor, estimated doctor's fees and estimated hospital charges. The Council reckons that **the Government should strengthen the scope of the information to be specified in the budget estimate form** when formulating the prescribed items for budget estimate by including the following additional information:

- Disclosure of the identity of anaesthetists and other specialists (other than the attending doctor);
- Provision of valid period;
- Timeframe in issuing revised budget estimates to patients.

Budget Estimate Form

Information of patient: _____

Details of stay: _____

Name of attending doctor: _____

NEW Name of anaesthetists and other specialists: _____

Estimated doctor's fees: _____

Estimated hospital charges: _____

NEW Valid period: _____

Recommendation 4 – Enhance the Current Regulatory Framework on Price Provision, and Complaint Handling Mechanism on Price Matters

Setting out accountability for information provision and explanation

PHs and DPCs should **publish at different channels**, where appropriate, their **policies and arrangements on provision and explanation of price information** to consumers. Such policies should cover:

- Designation of personnel for providing and explaining price information to patients;
- Proactive explanation of the budget estimate to patients by designated personnel, as well as provision of advice on the potential additional charges and the relevant circumstances in advance; and
- Accountability of the PHs/DPCs/doctors in different scenarios, particularly in cases where visiting doctors refer patients from DPCs to PHs.

Meanwhile, PHs and DPCs of certain scale are encouraged to **assign an officer responsible for governance** to monitor compliance with their policies.

Recommendation 4 – Enhance the Current Regulatory Framework on Price Provision, and Complaint Handling Mechanism on Price Matters (cont'd)

Enhancing the service quality of consumer-facing staff

PHs and DPCs to **develop, regularly review and execute internal guidelines** on:

- Conduct **communication training** to frontline staff periodically to provide useful, clear and accurate information to consumers;
- Provide **price and treatment/procedure information (e.g. medical packages) via multi-media and channels** (e.g. videos, chatbots) to reduce the workload of the staff; and
- Assign **specific staff members to alert patients to potential price discrepancies** before treatments/procedures; and **explain any discrepancies** between budget estimates and final bills.

Recommendation 4 – Enhance the Current Regulatory Framework on Price Provision, and Complaint Handling Mechanism on Price Matters (cont'd)

Improving complaint handling mechanism related to price disputes

The Government proactively engages with users of PHs and DPCs by systematic sampling and reaching out to those users periodically to **gather comprehensive feedback, and the feedback should be communicated regularly to PHs and DPCs.**

For PHs and DPCs, they are encouraged to **develop, regularly review and implement comprehensive internal guidelines** for handling price disputes, among others, the followings:

- Procedures to **handle different types of price disputes;**
- **Standards for response times and resolution processes;** and
- **Designation of personnel for complaint handling.**

Enhancing the regulatory framework

The Government to consider adopting a comprehensive approach when considering regulatory actions that includes a **thorough assessment of non-compliance with the price transparency measures.**

Recommendation 5 – Strengthen Consumer Education through Multi-channels and Collaborative Efforts

Raising consumer awareness of the price transparency measures

- Promotional materials placed in high-visibility areas at PHs and DPCs (e.g. cashiers and waiting areas);
- A diverse array of media channels, such as TV advertisements and free newspapers;
- Search engine marketing strategies.

Enhancing the accessibility of complaint channels and mechanisms

- Clearly outlining the types of documents required to report complaints;
- Detailing the complaint processing procedures;
- Educating consumers about their right to information.

Five questions to be asked by consumers to their doctors or healthcare service providers before treatments/procedures

- Do I really need to conduct the treatment/procedure?
- What are the risks or side effects of the treatment/procedure?
- Are there any simpler or safer alternatives for the treatment/procedure?
- What happens if I don't conduct the treatment/procedure?
- What are the costs of the treatment/procedure?



Source: *Choosing Wisely Australia. 5 questions to ask your doctor or other healthcare provider before you get any test, treatment, or procedure.*

Way forward

- The Council is pleased to see the Government's commitment and ongoing efforts to review and enhance the healthcare system, as well as to strengthen primary healthcare services, so as to safeguard public health and well-being.
- The private healthcare sector in Hong Kong stands at a critical juncture for enhancing price transparency. Encouragingly, the stakeholders have expressed a general openness to making improvements, and agreed that communications between consumers and doctors/healthcare facilities could be strengthened to prevent price disputes.
- By enhancing awareness and knowledge, consumers will be better equipped to make informed decisions regarding their health and navigate the private healthcare system more effectively.
- Creating a robust ecosystem for price transparency in private healthcare necessitates a collaborative effort among the Government, private healthcare providers, and consumers. The recommendations of the Study will pave the way for a more transparent and accountable private healthcare sector in Hong Kong, which would in turn reduce information asymmetry and bolster consumer confidence in the private healthcare system.



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