

LEGCO PANEL ON WELFARE SERVICES

Second Progress Report on the Trust Fund for Severe Acute Respiratory Syndrome

Purpose

Further to the last progress report made to the Panel at its meeting on 8 December 2003 (ref : CB(2)527/03-04(02)), this paper informs Members of the up-to-date position of the administration of the Trust Fund for Severe Acute Respiratory Syndrome (SARS).

Background

2. To address an unprecedented distressful situation brought about by the unique SARS outbreak from March to June 2003, the Administration has proposed to set up a Trust Fund for SARS to provide, on compassionate grounds, special ex-gratia assistance to individuals/families affected by the SARS outbreak in 2003. On 7 November 2003, the Finance Committee endorsed the proposal to create a one-off commitment of \$150 million for establishing the Trust Fund as well as the eligibility criteria ((ref : FCR(2003-04)44) to provide :

- (a) special ex-gratia relief payments to families with deceased SARS patients;
- (b) assistance, including special ex-gratia financial assistance, for recovered SARS patients suffering from longer term effects, attributable to SARS (including the effects of medication received for SARS, if any), which may result in some degree of bodily dysfunction, subject to medical proof and financial need (hereinafter called recovered SARS patients); and
- (c) assistance, including special ex-gratia financial assistance, for patients who were clinically diagnosed as having SARS on admission, treated with steroids as medication for SARS, but turned out subsequently not to have SARS, suffering from longer term effects, attributable to the effects of steroids received (if any), which may result in some degree of physical dysfunction, subject to medical proof and financial need, in case

this happens (hereinafter called “suspected” SARS patients treated with steroids).

The purview of the proposed Trust Fund would be confined to families of deceased SARS patients and those recovered SARS patients who contracted SARS during the outbreak in Hong Kong from March to June 2003, and those “suspected” SARS patients with presumptive clinical diagnosis of SARS and subsequently found not to have SARS, treated with steroids as medication for SARS, during the outbreak in Hong Kong in the same period¹.

3. Special Ex-gratia payments for deceased cases would range from \$100,000 to \$500,000 for each eligible family or family member. On the other hand, special ex-gratia financial assistance to eligible recovered SARS patients or ‘suspected’ SARS patients treated with steroids, up to \$500,000 for each patient, would cover two aspects, namely monthly financial assistance and medical expenditure.

Latest Position

Processing of Applications

4. Applications are first processed by the Social Welfare Department (SWD) and the Hospital Authority (HA) before they are submitted to the Committee for Trust Fund on SARS for making recommendations to the Trustee, Director of Social Welfare, for final decision.

5. Applications from families with deceased SARS patients are assessed on the basis of the relationship of the applicants with the deceased. Moreover, as set out in Enclosure 2 to the FCai (extracted at Annex A), applicants have to meet certain criteria before they are eligible for the Trust Fund, e.g. applicants for the category of ‘surviving dependent parents’ would generally need to meet the requirements of having lived with the deceased and relied on the deceased for financial support, and the Committee would make reference to financial dependency of the applicants on the deceased as well as any special consideration for applications under the fourth category of ‘other families not eligible for any of the above’. Despite such eligibility criteria, the Trust Fund remains an ex-gratia scheme because payments are made to the successful applicants on compassionate grounds.

6. As regards recovered SARS patients and ‘suspected’ SARS patients

¹ All the patients in question should be Hong Kong residents.

treated with steroids, their medical and financial needs need to be assessed according to the eligibility criteria set out in Enclosure 3 to the FCai (extracted at Annex B). To expedite processing of applications, we have adopted the following streamlined process :

(a) *Medical assessment by the HA*

The HA first carries out medical assessment on the applicants to ascertain whether they are suffering from the relevant dysfunction as set out in the FCai. Patients suffering from more serious dysfunction will have their assessments completed early. Simple information will also be sought from the applicants.

(b) *Financial Assessment by SWD*

After applicants have been certified by the HA to be suffering from the relevant dysfunction, no financial assessment is needed for applicants who apply for medical expenditure only. Financial assessment by SWD will be required, only if they are applying for monthly financial assistance. So far, of all the applications from recovered patient, about 49% are made only in respect of medical expenditure.

The need for continued assistance will be reviewed every six months.

7. The Committee has met nine times since its establishment on 8 November 2003 to consider the applications received. Straight-forward applications are dealt with by circulation to speed up the process. The Committee examines each application having regard to the parameters set out in the Finance Committee Agenda Item (FCai). The FCai also sets out areas where discretion is given to the Committee to consider applications, and the Committee has developed detailed eligibility criteria in respect of such areas.

8. The time taken to process the cases varies, depending on the complexity of the applications, and whether information provided by the applicants is adequate, etc. From experience, the shortest time required was 2 weeks from application to approval. On average, it takes about 8 to 10 weeks, again depending on the circumstances of individual cases concerned.

9. Payments for successful cases for recovered SARS patients and 'suspected' SARS patients treated with steroids would generally begin to count from the date of application, rather than date of approval. This arrangement would minimize the impact of the processing time on the

amounts of assistance provided to the successful applicants.

10. The Committee on Trust Fund for SARS has applied flexibility in developing the details, on the basis of the broad eligibility criteria set out in the FCai, the actual situation of the families affected by SARS and the resources available. We have allowed more choices and streamlined certain procedures. The Committee has also endeavoured to keep the assessment procedures to the minimum. For example :

- (a) in applying the asset test for the purpose of assessing the monthly financial assistance, only the assets of the recovered patient himself/herself would be taken into account, the assets of the applicant's family members, whether living with the applicant or otherwise, would not be included in the assessment;
- (b) as a measure to provide comprehensive medical support to patients, successful applicants are allowed to claim a range of medical-related expenses under the Trust Fund, including **direct expenses** such as expenditure for medical services, Chinese medicine , rehabilitation aids and services, and private supportive services for rehabilitation purposes as well as **indirect expenses** such as dietary supplements, transport to and from clinics/hospitals as well as other justifiable expenses on a case-by-case basis. The Committee on Trust Fund for SARS has also set out simple guidelines to enable SWD to process the applications expeditiously; and
- (c) to provide more choices to patients, while successful applicants mainly use HA's services, they are allowed to opt for private medical services for treatment or rehabilitation. The reimbursed fee for each consultation/session will be capped at the levels levied by the HA for similar services.

Statistics for Applications

11. Up to 10 March 2004, we have received a total of 793 applications, involving 303 deceased cases, 487 from recovered SARS patients and 3 from "suspected" SARS patient treated with steroids. A total of 489 applications have been processed. A total of 423 applications have been approved, involving a total amount of \$77.64 million so far. The details are :

- (a) 225 deceased cases have been approved, with a total amount of \$73.5 million. This has been or is being disbursed; and

- (b) 198 recovered cases have been approved, with a total amount of \$4.14 million. Of the \$4.14 million, the total amount of monthly financial assistance approved for the initial six months for these cases is \$3.22 million and the total claims for ex-gratia grants for medical expenditure up to this stage is \$ 0.92 million (which has not included any other claims for medical and rehabilitation expenditure that the successful applicants may submit during this six-month period).

12. A breakdown of the applications received and approved is at Annex C.

Way Forward

13. We would continue to work closely together with the Committee on Trust Fund for SARS to process applications as soon as possible.

Health, Welfare and Food Bureau
March 2004

Trust Fund for SARS

Proposed Eligibility Criteria for Applications from Families with Deceased SARS Patients

1. Surviving dependent child(ren)

- (a) Child(ren) who were aged below 18 at the time of death of the deceased SARS patient; or
- (b) Child(ren) who were aged at or over 18 and below 21 but in full time studies at the time of death of the deceased SARS patient.

2. Surviving Spouses

Surviving husband or wife of the deceased SARS patient, lawfully married before his/her death.

3. Surviving Dependent Parents

Parents who were living with the deceased and had been relying solely on the deceased SARS patient for financial support. Other justified cases will be considered by the Committee on a discretionary basis.

4. Other families not eligible for any of the above

On a family basis (a family member can be a child, a parent, a sibling or a relative). Reference would be made by the Committee for the proposed Trust Fund to financial dependency and any other special considerations.

Trust Fund for SARS

**Proposed Eligibility Criteria for Applications,
Parameters for Assessment of Applications,
and Determining the Level of Assistance: for
Recovered SARS Patients and “Suspected” Patients treated with Steroids**

Eligibility Criteria

We will consider applications on a case-by-case basis on individual merit, adopting the following principles -

- (a) There must be some degree of relevant dysfunction as applicable to the recovered SARS patient or the “suspected” SARS patient treated with steroids, on the basis of the attending doctor’s assessment. The medical assessment will first be carried out six months after discharge from hospital when, according to HA, their medical conditions should have stabilized. Confirmation by a medical officer designated by HA is required.
- (b) There must be a loss or reduction in income or increase in expenditure (for example temporary childcare expenses) of the recovered SARS patients or the “suspected” SARS patients treated with steroids, on the basis of the medical social worker’s advice.
- (c) In relation to eligibility for monthly financial assistance, the total value of the assets owned by the recovered SARS patient or the “suspected” SARS patient treated with steroids, excluding any owner-occupier property (i.e. live-in flat) and vehicle(s), should not exceed the prescribed asset limits which have been drawn up by reference to the limits set out for waiving of medical charges (as set out in Appendix I).
- (d) In relation to eligibility for medical expenditure covered, no financial eligibility test would be imposed.

Level of Assistance

2. The total cumulative financial assistance will be capped at \$500,000 for each patient and the exact level will be determined by the Committee for the proposed Trust Fund on a case-by-case basis, subject to medical assessment every six months to monitor their progress and review their need for assistance. We will take into account the factors below in determining the level of assistance which will comprise two aspects, namely, monthly financial assistance and medical expenditure covered.

(a) Monthly Financial Assistance

3. Monthly financial assistance will be determined having regard to the loss or reduction in the income of the recovered SARS patient or the “suspected” SARS patient treated with steroids, arising from SARS, by reference to the prevailing Median Monthly Domestic Household Income (MMDHI) for a family with a similar number of members who are solely dependent on the patient in question, and taking account of any justifiable special needs determined by the Committee for the proposed Trust Fund on a case-by-case basis. The details are set out in Appendix II.

(b) Medical Expenditure Covered

4. Medical expenditure relating to the relevant dysfunction as applicable to the recovered SARS patient or the “suspected” SARS patient treated with steroids will be covered. This includes in-patient and out-patient services in public hospitals/clinics, drugs, essential medical/rehabilitation equipment and treatment, including diagnostic procedures, not normally available in public hospitals/clinics or are chargeable by HA (to be certified and prescribed to be essential by public hospitals/clinics), as well as any other special exceptional medical expenditure to be approved by the Committee for the proposed Trust Fund on a discretionary basis. The amount will be net of claims for the same purpose, if any, covered by other sources, for example by employers (say in the case of civil servants) or medical insurance.

Effective Date and Half-Yearly Review

5. Subject to the approval by the Finance Committee of the Legislative Council, the Scheme will take effect on 8 November 2003. We intend to conduct medical assessment on successful applicants every six months to monitor their progress. Financial assistance will only continue if

the medical need remains and the asset value remains below the prescribed limits.

Appendix I of Annex B

Prescribed Asset limits for Application of Monthly Financial Assistance

No. of family members	Asset limit* (for families with one patient in question)	Asset limit** (for families with two patients in question)
1	\$150,000	-
2	\$180,000	\$300,000
3	\$210,000	\$330,000
4	\$240,000	\$360,000
5 or above	\$270,000	\$390,000

* The asset limits are equivalent to those for assessment of applications for medical waivers by patients with 1 elderly member and will be adjusted according to any changes of the latter.

** The asset limits are equivalent to those for assessment of applications for medical waivers by patients with 2 elderly members and will be adjusted according to any changes of the latter.

Appendix II of Annex B

Prevailing Median Monthly Domestic Household Income

No. of Family Members	Prevailing Median Monthly Domestic Household Income*
1	\$5,600
2	\$12,000
3	\$15,000
4	\$18,000
5	\$23,000
6	\$25,000
7	\$29,200
8	\$36,800

* MMDHI is subject to regular updating by the Census and Statistics Department. The prevailing MMDHI (newly released in the second quarter of 2003) is set out in the table.

Note

On paragraph 3 of Enclosure 3, the monthly financial assistance will be determined having regard to the loss or reduction in the income arising from SARS, by reference to the prevailing MMDHI for a family with a similar number of members [we expect that no more than a few exceptional cases would reach the cap (i.e. 200% of the prevailing MMDHI for a family with a similar number of members)], and taking account of any justifiable special needs. The actual amount will be determined on a case-by-case basis.

**Breakdown of the Applications Received and Approved
under the Trust Fund for SARS**
(as at 10 March 2004)

Category	Amount (\$)	Number of Application s Received	Number of Application s Approved	Amount approved (\$)
<i>Deceased SARS patients – special ex-gratia relief payment</i>				
Surviving dependent children	\$500,000 for each child aged below 18 at the time of the parent's death	44	43 (involving 73 children)	36.5 million
	\$300,000 for each child aged between 18 and below 21 in full time studies at the time of the parent's death	8	6 (involving 6 children)	1.8 million
Surviving spouses	\$200,000 regardless of age	161	160	32 million
Surviving dependent parents	\$300,000 for each dependent parent	48	8	2.4 million
Other families not eligible for any of the above but meeting certain criteria	\$100,000 for each family	42	8	0.8 million
	<i>Sub-Total</i>	<i>303</i>	<i>225</i>	<i>73.5 million</i>
<i>Eligible recovered or "suspected" SARS patients treated with steroids - special ex-gratia financial assistance</i>				

Category	Amount (\$)	Number of Applications Received	Number of Applications Approved	Amount approved (\$)
For eligible recovered SARS patients	On a need basis, with cumulative financial assistance receivable by a patient capped at \$500,000 per patient	487	196	4.14 million
For eligible “suspected” SARS patients treated with steroids	On a need basis, with cumulative financial assistance receivable by a patient capped at \$500,000 per patient	3	2	
	<i>Sub-Total</i>	490	198	4.14 million
	Total	793	423	77.6 million