

ADMINISTRATIVE MEDICINE

Part I Examination

Friday 4 June 2021

14:30 – 16:00 (1½ hours)

Paper IIB

Candidates must answer all parts of this questions

Style, clear grammatical English and legibility will be taken into consideration by the Examiners. Answers should be written in a form appropriate to the audience specified in the question.

Weighting of marks for each part of the question is shown in parenthesis.

DO NOT OPEN PAPER UNTIL THE INVIGILATOR INSTRUCTS YOU TO BEGIN

Read the following article

Zhu J.M. and Polsky D (2021), Private Equity and Physician Medical Practices – Navigating a Changing Ecosystem, NEJM 384; 11, pp 981-983.

The Hong Kong Government aims to promote a Dual Track healthcare system. Initiatives to foster private healthcare development includes the Voluntary Health Insurance Scheme, Public Private Partnership projects, allocation of land for more private hospitals, and enactment of the Private Healthcare Facilities Ordinance. Meanwhile, there is a trend of private investors buying up physician practices, with mergers and acquisitions, looking for profit opportunities. Drawing lessons from the above article and based on your knowledge of the local scene, answer the following questions:

- 1. What are the benefits and drawbacks of private equities buying up physician practices as mentioned in the article? (20 marks)
- 2. Do a stakeholders' analysis on how various parties may be affected by such trend of private investors buying up medical practices in Hong Kong. (40 marks)
- 3. What are the safeguards that the Government has or can put in place to minimize the negative impact of such trend on the healthcare goals? (40 marks)

END OF PAPER



