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THE Malaysian healthcare is a dual system. One system accessible to all is funded by the tax system while the other is private for-profit hospitals. There are also private not-for-profit hospitals, which share a charity and welfare mission; however, their growth has been limited primarily because of the proliferation of for-profit hospitals.

Private hospitals are growing rapidly. Although nursing and maternity homes are available, the bulk of growth has been in private hospitals which increased from 10 in 1980 to 128 in 2003. The rapid rise has been driven by two factors.

Firstly, in the 1980s, the government, as part of its privatisation effort, promoted private involvement in hospitals as well as the development of private hospitals.

Secondly, the rapid rise in national income has resulted in more people with higher income seeking private healthcare services.

In the 1980s, the government contributed 76 per cent of the total healthcare expenditure.

By 2000, the private healthcare sector share of healthcare expenditure was estimated to be 40 per cent.

According to the World Health Organisation (WHO), the private sector share of Malaysia's total healthcare expenditure was 46.2 per cent in 2002.

Despite the rapid growth in private healthcare, the majority of the population, that is 78 per cent, still depend on public hospitals and only 18 per cent utilise private hospitals.

Are we spending too much on healthcare? According to the 2006 WHO report, Malaysia spent less than four per cent of its gross domestic product (GDP) on healthcare, with 3.8 per cent and 3.7 per cent of GDP in 2003 and 2004, respectively.

WHO recommends that a country spends a minimum of five to six per cent of GDP on healthcare.

In fact in 1997, the total healthcare expenditure of the world was 7.9 per cent of GDP. Thus, for healthcare, we are not spending too much, but too little.

What are the consequences of the proliferation of private hospitals? One is the "brain drain".

The distribution of doctors in the private and public sectors is roughly equal.

But the rapid growth of private hospitals and clinics has resulted in a "brain drain" of doctors and other medical personnel from the public sector to the more profitable private sector.

In one report, it was estimated that two-thirds of surgeons and physicians now work in private hospitals, with the remaining one-third in government hospitals.

In another report, it was estimated that there were twice the number of oncologists in the private sector compared with the government sector. This has resulted in a critical shortage of expert doctors in the public sector.

Secondly, as private hospitals are established for profit, and there is a lack of regulation to protect consumer interests, they are often priced above the reach of the majority of patients.

The role of investor-led private healthcare provision is in direct contradiction to the role of the state in ensuring the welfare and security of citizens.

Recently, there has been some discussion on changing the current tax-based healthcare system to a social insurance system.

What the government should do, instead of looking at other forms of financing, is to increase the allocation for healthcare to improve the present system. Government hospitals, despite their long queues and waiting time, are the only avenue for the poor to seek treatment.

The government, in protecting the rights of citizens to healthcare, should not abandon its

responsibility to the private sector. </p><p align="justify">It was clear that when Sime Darby wanted to take over the National Heart Institute, it was driven by the profit motive.</p><p align="justify">It sought to reduce public criticism by declaring that it would allocate a certain amount of funds in the new hospital for charity. </p><p align="justify">Thus, healthcare was to be no more a right of citizens but a function of an investor's charity. Fortunately, resistance and protests by consumers and consumer movements halted the plan.</p><p align="justify">This will certainly not end here. Consumers in Malaysia should make a firm stand if there is any attempt by companies or investors to take away their rights. </p><p align="justify">Consumers should also not depend on policymakers and so-called regulators, who sometimes are unable to differentiate between basic and fundamental rights of consumers and investor interests. </p><p align="justify">Healthcare must always be a basic right of the consumer. Consumers should never compromise on this right. </p><p align="justify">Source:◆ http://www.nst.com.my/nst/articles/19health/Article/#ixzz1150YNGJk</p>