



MEDIA STATEMENT

FOR IMMEDIATE RELEASE

FPMPAM Statement on the Proposed Deregulation of Doctors' Professional Fees

Kuala Lumpur

10.12.2019

“For better patient care, cut out the middle-men”

The call for deregulation of doctors' professional fees is not a new request.

What we are surprised with is the abruptness of this change of policy and whether the public will be prepared to face the disruption it will create in the present unfavorable economic situation in the country.

When the PHFSA and its Fee Schedule were enacted in 2006, we had major reservation about its purported role in controlling cost of medical care. Experience now has clearly shown that a fixed fee schedule is the wrong instrument for cost control. The same applies to proposed ceiling pricing of medications. Before 2006, medical fees remained reasonable stable despite the absence of a fee schedule.

We must always remember that since 2006, the cost of providing medical care have gone up mainly due to the increasing cost of living, cost of new technologies and treatment options and also from the cost of regulatory compliance. To set up a new clinic today will cost the GP at least 5 times what it would cost before 2006. Rentals, administrative cost, cost of utilities, staff salaries have increased significantly year on year and so have the cost of supply of all medications and clinic supplies. Over the years, many of the doctors have absorbed this increase in their professional fees.

The promise by the Ministry of Health that appropriate amendments to the Regulations and the Fee's schedule would be revised every 2 years have remained unfulfilled to date.

The fact that the doctors' fees are already way out of date with existing cost of running a clinic have not been addressed by the existing fees schedule. It is thus good sense to do away with the schedule.

With deregulation, a short-term market correction in the fees is to be expected. There exist already a certain level of fees that the doctors and patients are used to and comfortable with for the past 10 years. Exorbitant variation is unlikely as the patients will naturally shun away from these doctors. We are confident that deregulation will be for the better in the long run. Patients will compare prices and a GP will not charge more than his colleague down the road

As far as the business of clinic is concerned, it must be clear to all that the professional fees are meant for the salary of the doctor. As for guidelines, there is already a updated MMA schedule of fees which can be used as reference



Income from the dispensing of medicines are meant for the running cost of the clinic and will vary from clinic to clinic dependent on location, rental, staff salaries etc. This must be left to market forces and any proposal to regulate and interfere with this will end in failure of our GP system which has been able to provide patient care cheaper than that of the public sector.

However, many other issues that have push up the cost of care remain unresolved like the exploitation of GPs by the middle-men in medical care.

With regards to the concerns raised by FOMCA, it must be pointed out that many other operational issues will need to be addressed.

Over the years we have continuously highlighted that the issue of unfair fees and one-sided contracts with MCOs as an issue which have not been resolved by existing laws and regulations. In addition, doctors have complained about the many quasi-regulations that have been unilaterally imposed by MCOs which interferes with their medical management of patients. Is there a hidden agenda for GLCs who are operating MCOs?

As per PHFSA, the medical management of the patient should be entirely in the hands of the doctor and this must be clearly stated in all contracts with MCOs and their likes.

In the urban areas where the middle-men have now cornered a significant proportion of the patient flow, the middlemen and not the doctor will be the determinant of the doctors' fees. In the end, to protect the quality of patient care, the doctors will have no choice but to respond collectively to this trend. To ensure better care at affordable cost, our call is to cut out the middle-men in the delivery of medical care.

We are of the view that any contract with doctor must respect a minimal mutually agreed professional fee and clear transparent payment procedures that are in keeping with the tenability of good medical practice. This will prevent undercutting and compromised care.

The issue of medical fees and cost of over- regulation of the practice of medicine have been extensively studied and published in the RECOMMENDATION REPORT of the Malaysian Productivity Corporation 2016 and all relevant parties should look carefully at the recommendations made in this report.

Dr. Steven KW Chow

President

FPMPAM

NRIC 511208085547

Tel:019 3376703

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About The Federation of Private Medical Practitioners' Association Malaysia

(FPMPAM)

The FPMPAM is the national body representing doctors in private practice in Malaysia. FPMPAM is committed to improve the quality of private health care through continuing medical education, continuing professional development of its members, ethics advocacy and public outreach programs. Founded in 1989, it consists of seven state-level associations and has over 5,000 members. For more information on the FPMPAM, please visit <http://fpmpam.org> or <https://www.facebook.com/fpmpam>.

For more information, please contact:

Ms Molly Kong

Email: secretariat@fpmpam.org

Phone: 603 8996 0700, 603 8996 1700, 603 8996 2700

Fax: 603 8996 4700