

Speaker



Syed Aljunid, MD, PhD
International Centre for Casemix
National University of Malaysia
Kuala Lumpur, Malaysia

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FACULTY OF PUBLIC HEALTH, KUWAIT UNIVERSITY



**Universal Health Coverage – the Affordable
Dream in ASEAN: Experiences
and Lessons Learned From Malaysia**

Professor Dr Syed Mohamed Aljunid
MD (UKM) MPH (Singapore) PhD (London); DLSHTM (London); FAMM, FPHMM
Professor of Health Policy and Management
Faculty of Public Health
Kuwait University

&

Professor of Health Economics & Public Health Medicine
National University of Malaysia

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Outline

- ◆ What is Universal Health Coverage?
- ◆ Malaysian Health System
- ◆ Malaysian Health Expenditure
- ◆ Cost of Common Conditions in Malaysia
- ◆ Has Malaysia achieved UHC?
- ◆ UHC and National Health Financing
- ◆ Conclusion



Universal Health Coverage

- ◆ “a situation where the whole population of a country has access to good quality services according to needs and preferences, regardless of income level, social status, or residency”



■ *Anne Mills (2007)*

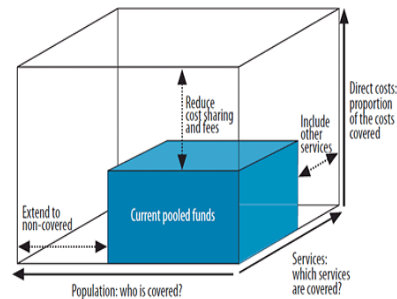


◆ **Universal Health Coverage (UHC) means everyone can access the quality health services they need without financial hardship**

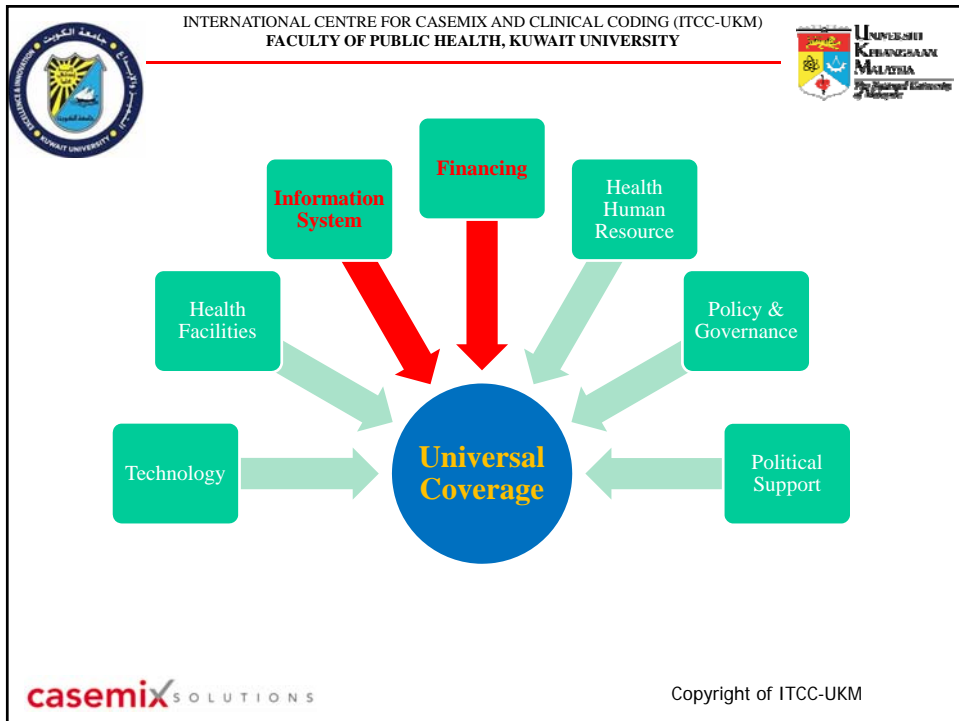
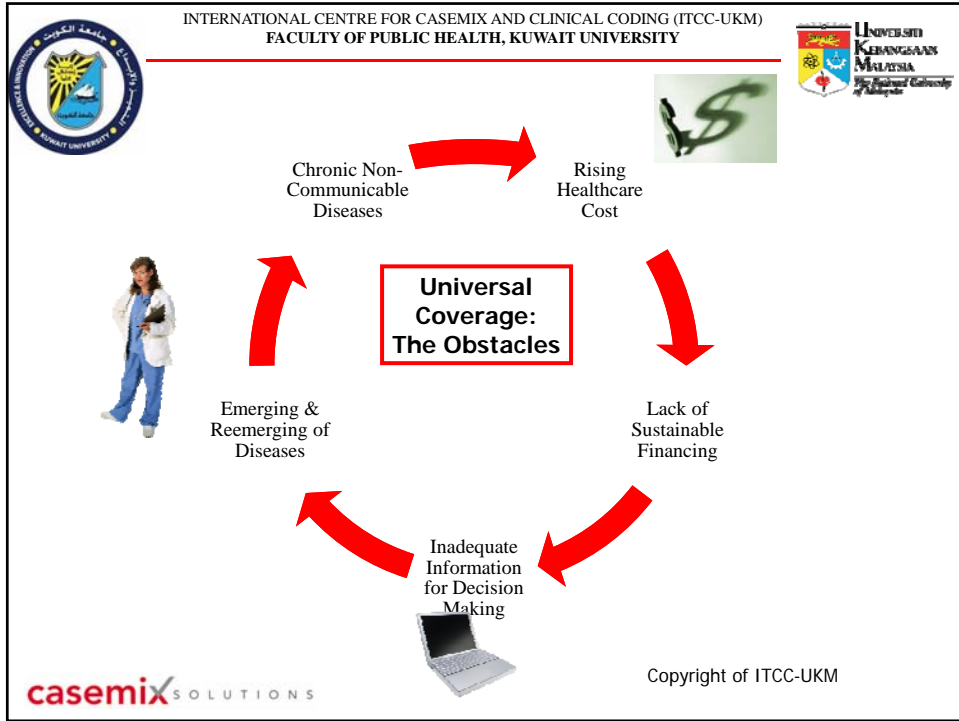


Universal Health Coverage : Three Dimensions

- ◆ **Service coverage:** the range of services that are covered;
- ◆ **Population coverage:** the proportion of the population covered.
- ◆ **Financial Coverage:** The proportion of the total costs covered through insurance or other risk pooling mechanisms



Three dimensions to consider when moving towards universal coverage



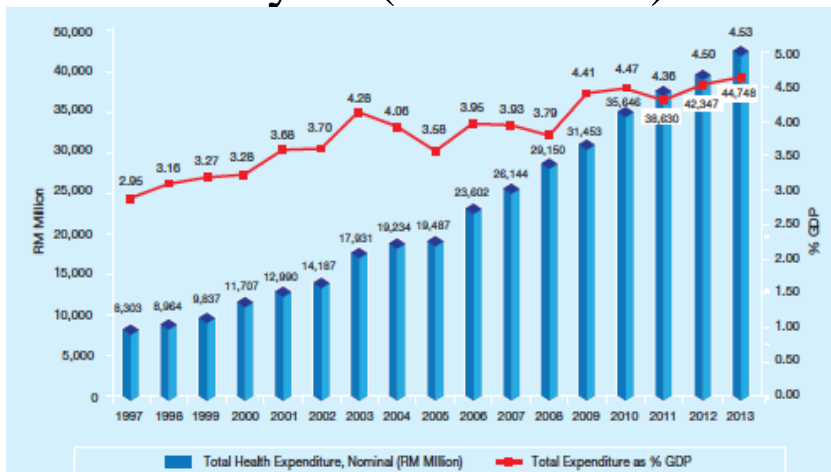


Malaysian Health System

Public	Private-for-Profit	Private Not-For Profit
<ul style="list-style-type: none"> Ministry of Health Ministry of Education Ministry of Defense Local Authorities 	<ul style="list-style-type: none"> Private Hospitals Private Clinics Pharmacies Laboratories Hospice Nursing Homes 	<ul style="list-style-type: none"> Cancer Care NGOs Care for HIV/AIDS

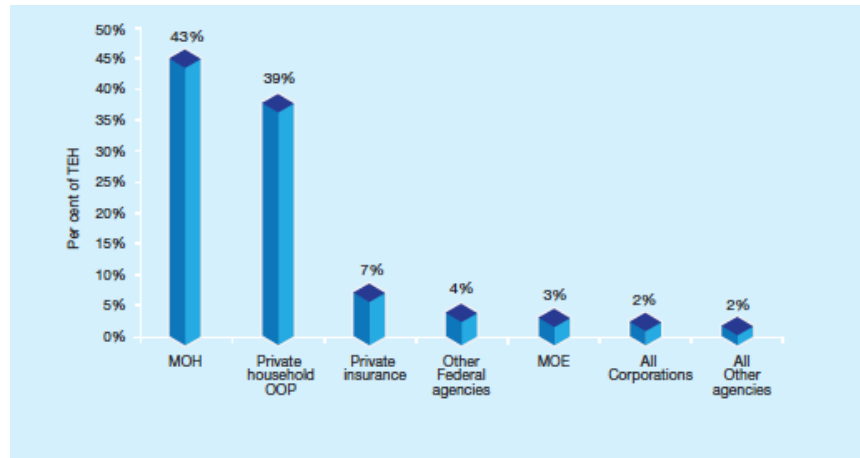


Total Health Expenditure Malaysia (1997-2013)





THE by Source of Financing Malaysia (2013)

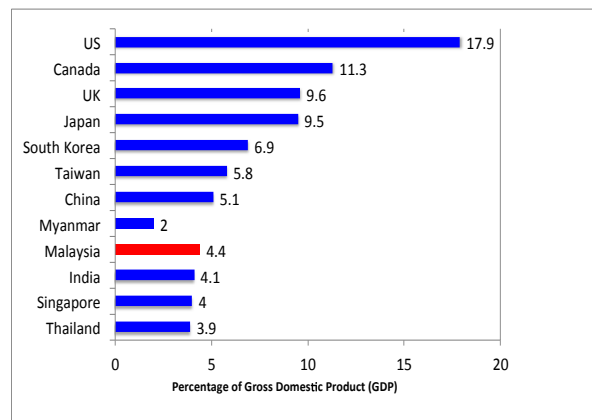


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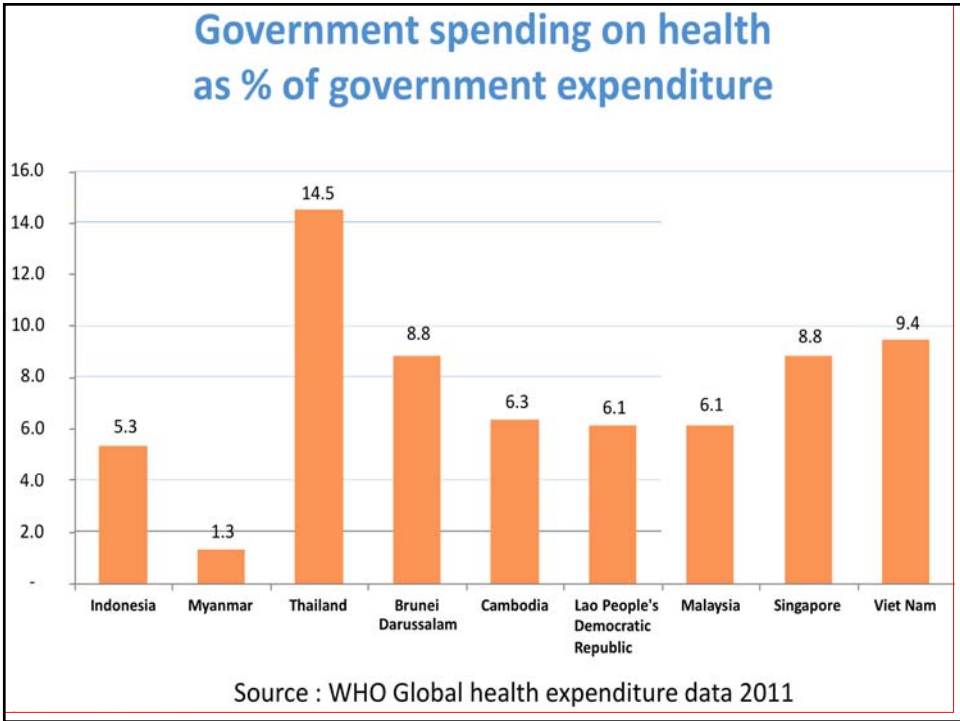
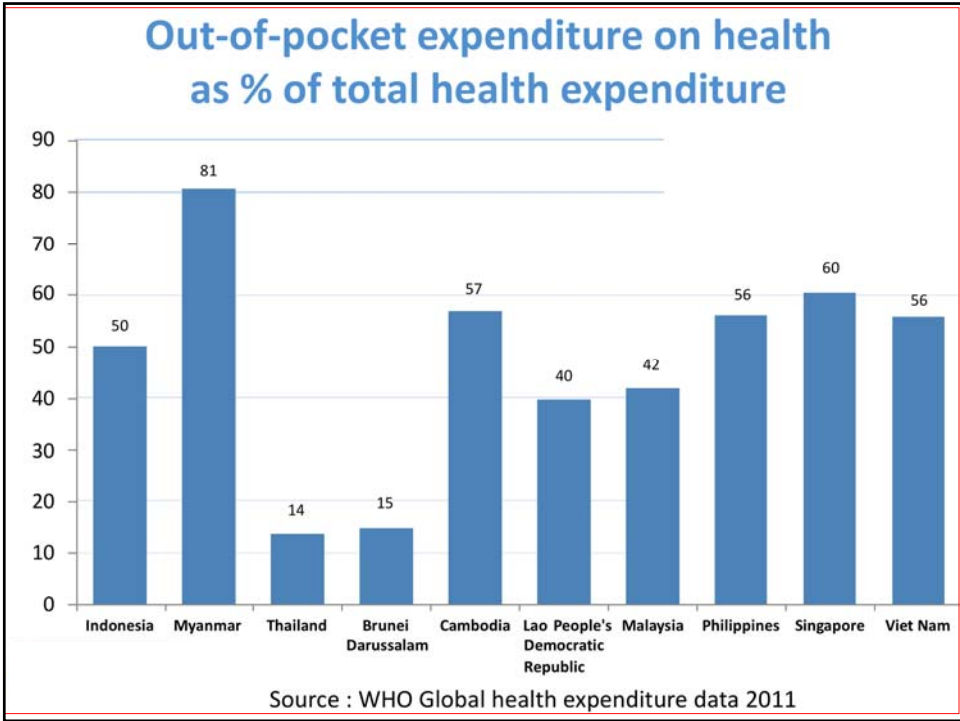
Health Expenditure as % of GDP (2012)

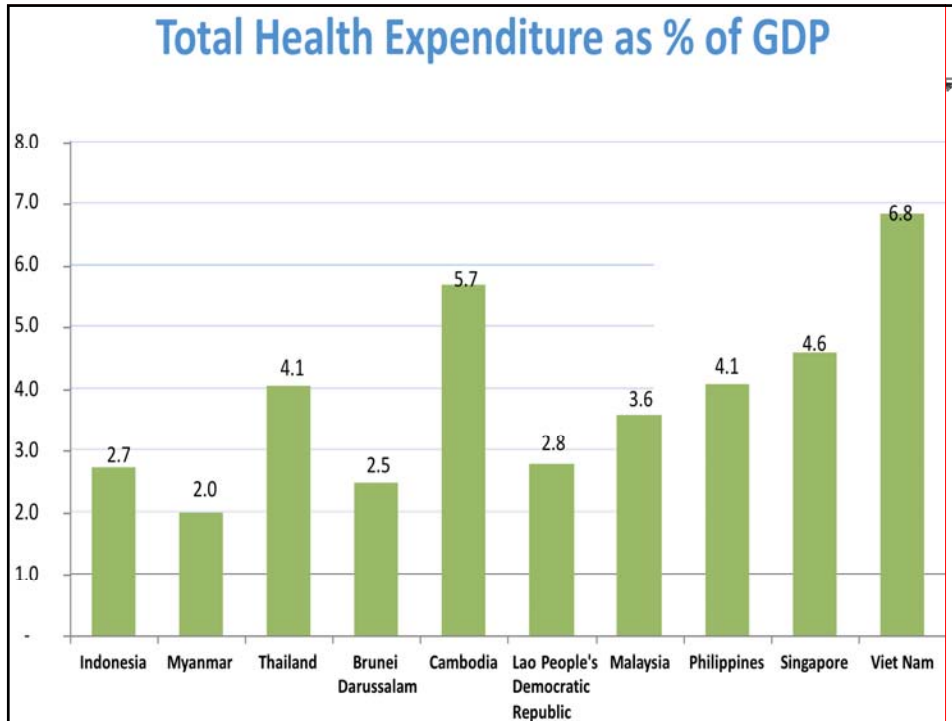



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Source: www.data.worldbank.org/indicator/SH.XPD.PUB.countries


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Economic Impact of CNCDs: 2020

	CNCD Billion (US\$)	GDP Billion (US\$)	% of GDP
China	558	4,300	12.9
India	237	1,600	14.8
Malaysia	27.7	221.7	12.5



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Cost of Myocardial Infarction (MY-DRG: I-4-10-X) (PPUKM 2013)

Type of Cases	LOS (Days)	RM	% of Percapita GDP
Uncomplicated	4.3	1,757	5.5%
Minor CCs	5.4	2,215	6.6%
Major CCs	7.1	2,925	9.1%



Cost of Coronary Bypass Operation (MY-DRG: I-1-07-X) (PPUKM 2013)

Type of Cases	LOS (Days)	RM	% of Percapita GDP
Uncomplicated	11.0	9,305	29.1%
Minor CCs	12.0	10,151	31.7%
Major CCs	13.2	11,127	34.8%



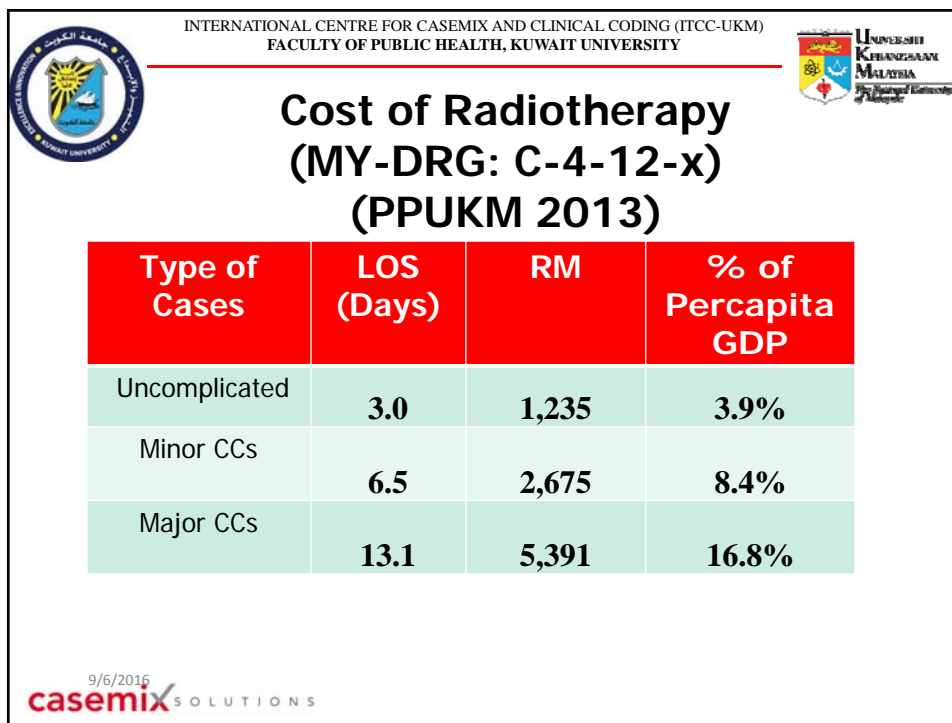
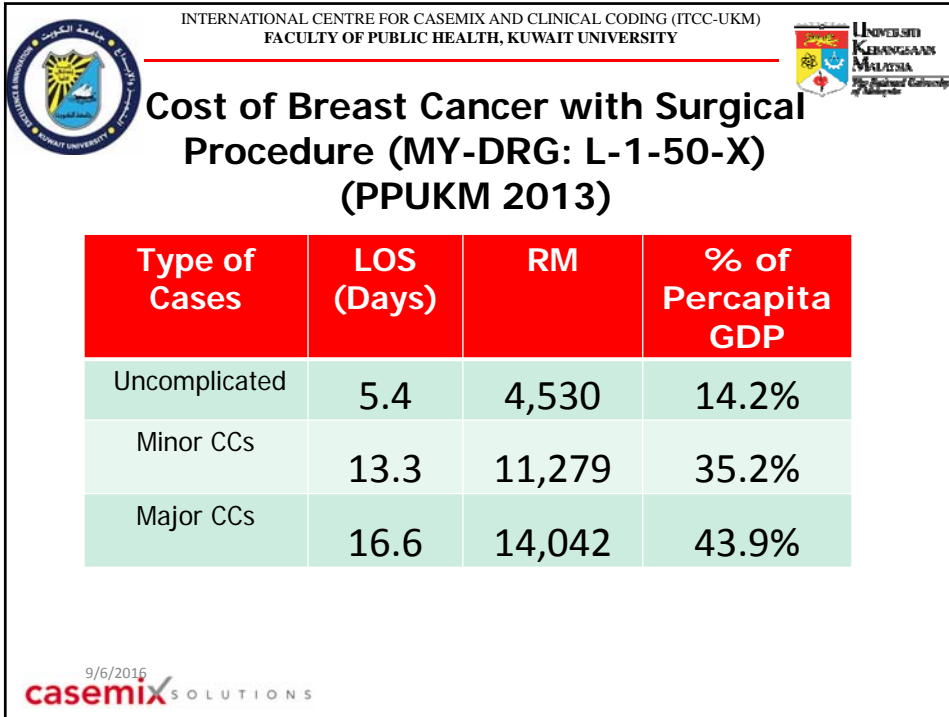
Cost of Lymphoma and Chronic Leukemia (MY-DRG: C-4-11-X) (PPUKM 2013)

Type of Cases	LOS (Days)	RM	% of Percapita GDP
Uncomplicated	6.0	2,469	7.9%
Minor CCs	6.4	2,614	8.4%
Major CCs	8.7	3,593	11.6%



Cost of Lung Cancer (MY-DRG: J-4-14-X) (PPUKM 2013)

Type of Cases	LOS (Days)	RM	% of Percapita GDP
Uncomplicated	6.2	2,569	8.0%
Minor CCs	10.4	4,280	13.4%
Major CCs	12.3	5,062	15.8%



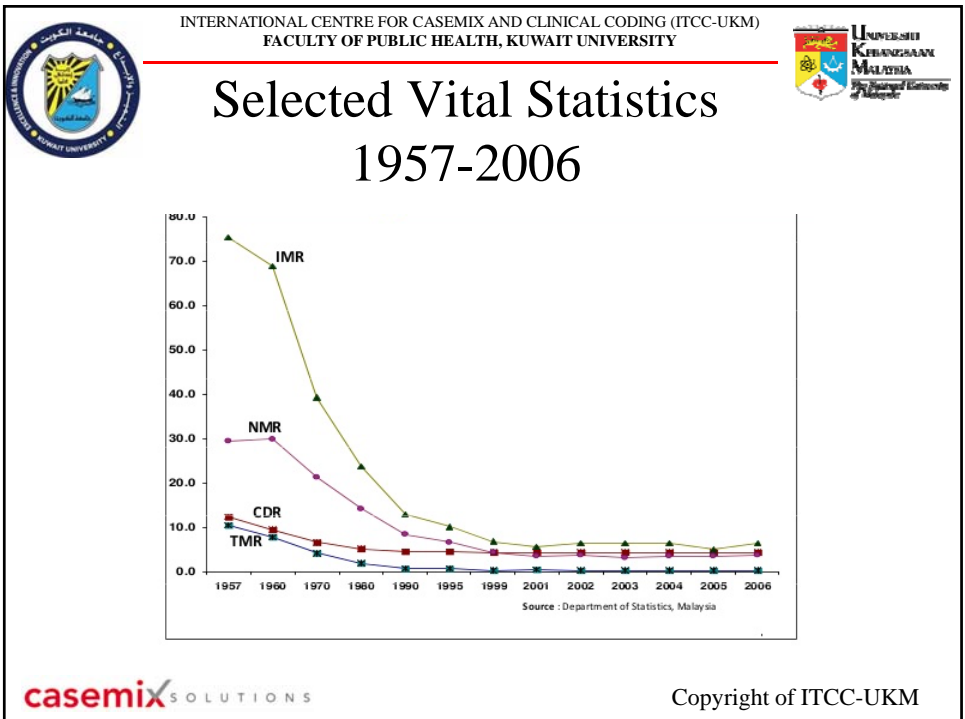
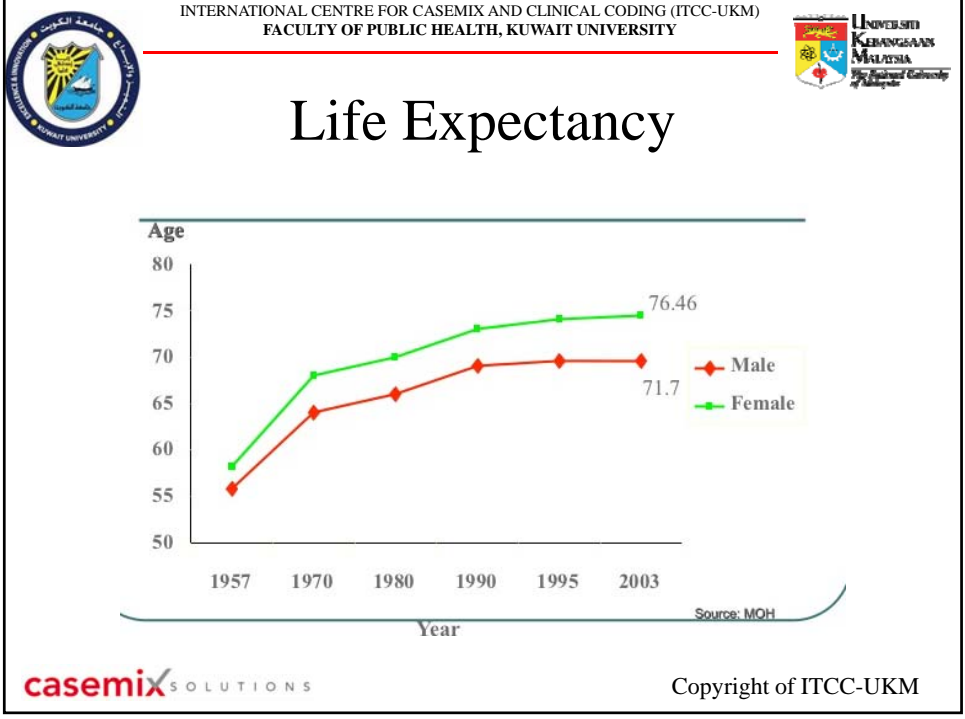


What have we done right in Malaysia?



- ◆ Priority on Primary Health Care
 - Health Services
 - Health Infrastructure
- ◆ Block funding by government
 - Tax-based funding since Independent
- ◆ Government plays major role
 - Ministry of Health as the main agency given almost all responsibilities
- ◆ Development of Local Specialists Training
 - Support to local universities



Our Health System Achievements....




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Health Indicators: 2000-2013

Indicators	2000	2005	2008	2010	2013
Life Expectancy At Birth (Years)					
Male	70.0	70.6	71.6	71.9	72.6
Female	75.1	76.4	76.4	77.0	77.2
Crude Birth Rate (per 1,000 pop)	24.5	21.0	18.4	17.5	17.2
Crude Death Rate (Per 1,000 pop)	4.4	4.5	4.7	4.8	4.7
Infant Mortality Rate (per 1,000 lv. births)	6.6	5.8	6.2	6.8	6.6
Toddler Mortality Rate (per 1,000 toddlers pop)	0.6	0.5	0.4	0.4	0.4
Maternal Mortality Rate (per 100,000 live births)	30	30	27.3	27.0	25.6
Perinatal Mortality Rate (per 1,000 total births)	7.5	6.8	7.3	7.8	7.4
Neonatal Mortality Rate (per 1,000 live births)	3.8	3.8	3.9	4.4	4.0

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Has Malaysia Achieved Universal Coverage?

- ◆ Population Coverage
 - All population can access public facilities
- ◆ Service Coverage
 - Essential services (Primary Care Level)
 - Preventive services (Available)
 - Curative services (Available)
- ◆ Financial Protection
 - Catastrophic Health Expenditure (Limited)
 - Impoverish Health Expenditure (Limited)

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What Should Be Done to Enhance Malaysian Health System?

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graph TD
    Financing[Financing] --> MHS((MHS))
    RD[Research and Development] --> MHS
    HI[Health Infrastructure] --> MHS
    HHR[Health Human Resource] --> MHS
    Governance[Governance] --> MHS
    RPP[Role of Private Providers] --> MHS
  
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What should we do now? Strategies To Enhance MHS

- ◆ Decentralisation: Set-up Regional Health Authorities
- ◆ Transform MoH with Focused Roles
- ◆ Set-up Independent Health Technology Agency (HTA)
- ◆ Effective Human Resource Planning and Management
- ◆ Establish Health Financing System based on SHI

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Decentralisation of Health Services

- ◆ What is Decentralisation:
 - “the transfer of authority and responsibility for public functions from the central government to intermediate and local governments or quasi-independent government organizations and/or the private sector” “ World Bank”
 - is a complex multifaceted concept.



Benefits of Decentralisation

- ◆ A more rational and unified health service that caters to local preferences
- ◆ Improved implementation of health programs
- ◆ Decrease in duplication of services as the target populations are more specifically defined
- ◆ Reduction of inequalities between rural and urban areas
- ◆ Cost containment from moving to streamlined targeted programs
- ◆ Greater community financing and involvement of local communities
- ◆ Greater integration of activities of different public and private agencies
- ◆ Improved intersectoral coordination, particularly in local government and rural development activities.



Decentralisation of Health Services in Malaysia

- ◆ Transfer of ownership of hospitals and clinic to Regional Health Authorities (RHA)
- ◆ Combine State Health and Medical Services Departments as fully-functioning RHA Greater autonomy given to hospitals to provide services
- ◆ RHA given full responsibility to plan, deliver and monitor health services



Decentralisation of Health Services in Malaysia

- ◆ Limited number of hospitals owned and maintain by MOH directly
 - National Referral Centre
 - Specialised Hospitals
 - National Cancer Hospitals
 - Mental Institutions
 - Respiratory Centre
 - Hospital for Infectious Disease



Transform Role of MOH

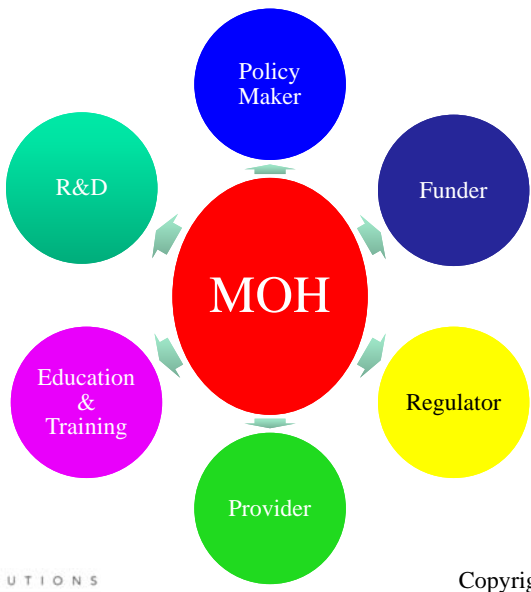
- ◆ Development of Health Policy
- ◆ Health Planning and Development
- ◆ Regulation and Enforcement
 - Licensing and accreditation of hospitals and clinics
 - Monitor private providers
- ◆ Minor role as Service providers
- ◆ Health Promotion and Preventive Services



Transform Role of MOH

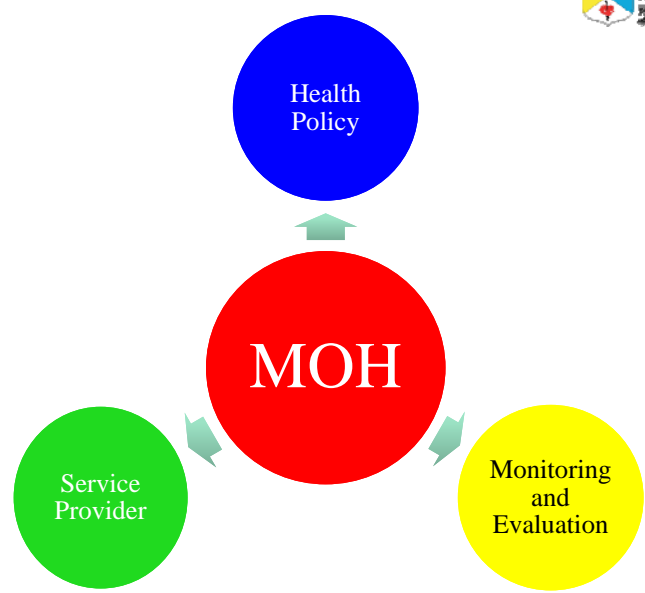
- ◆ Enhance role of MOH in Monitoring and Evaluation
 - Benchmarking of Hospitals
 - Set and Monitor KPI
- ◆ Health Management Information System
 - Systematic collection of Health Information
 - More detail and high quality data to support strategic decision making
 - High quality data analysis

Multiple Roles of MOH



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Transformed Roles of MOH



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Health Infrastructure

- ◆ Poor planning in development of health infrastructure
- ◆ Building of hospitals based on political and commercial need rather than health needs
 - Affect in distribution of hospital services
- ◆ Poorly planned health facilities
 - 1 Malaysia Clinic

Hospital Beds in Malaysia (2009)

State	Total Nos of Beds	Beds/10,000 Pop
MALAYSIA	35,745	17.06
Perlis	404	17.05
Kedah	2,634	13.56
Pulau Pinang	3,913	24.77
Perak	4,387	18.07
Selangor	7,332	14.57
WP Kuala Lumpur	6,875	40.37
Negeri Sembilan	1,964	19.63
Melaka	1,665	21.86
Johor	4,542	13.89
Pahang	2,036	13.42
Terengganu	1,382	13.34
Kelantan	2,541	15.50
Sabah	4,050	12.36
Sarawak	3,861	15.63

MALAYSIA

Delays, poor upgrade in hospitals due to MOF choice of novice firms, audit finds

Published: November 23, 2015 12:19 PM GMT+8

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KUALA LUMPUR, Nov 23 — The Ministry of Finance had hired two inexperienced contractors to upgrade hospitals in Batu Pahat and Kota Baru, causing delays and shoddy work, said the Auditor-General's (A-G) Report 2014 released today.

In the third series of report, the A-G named companies Sejagat Bakti Sdn Bhd as responsible for the problems with Sultanah Nora Ismail Hospital in Batu Pahat, and Menang Intan Sdn Bhd for Raja Perempuan Zainab II Hospital in Kota Baru.

"[There was] A delay of 90 days in completing the project and [it] was only handed over to Ministry of Health 12 month after the issuance of Certificate of Practical Completion (CPC).



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Health Human Resource

- ◆ Rural-urban Maldistribution of doctors
- ◆ Public-private skewness of specialists
- ◆ Planning for Human Resource in Health
- ◆ Allied health and Support staff
- ◆ Role of MOH in Specialist Training
- ◆ Pay-For-Performance

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Health Technology Assessment Agency

- ◆ Establish a dedicated independent agency on HTA
- ◆ Replace HTA Unit/Division in MOH
- ◆ Conduct HTA activities covering new and existing technologies in public and private health sector
- ◆ Source staff from universities with proper skills in HTA
- ◆ HTA Report should be taken on board by implementing agency



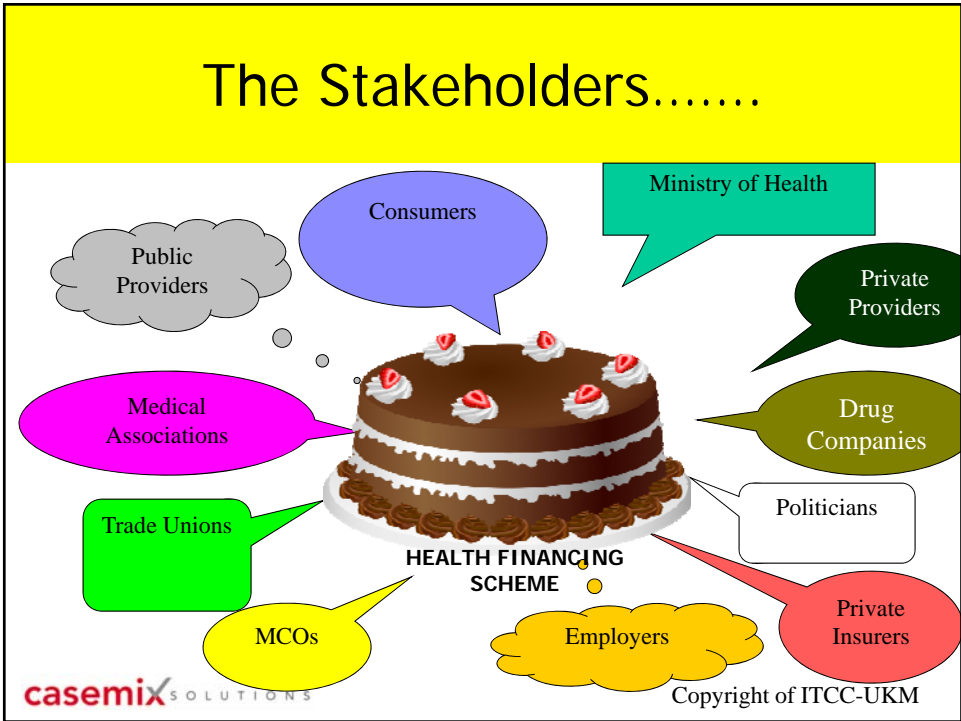
National Health Financing System

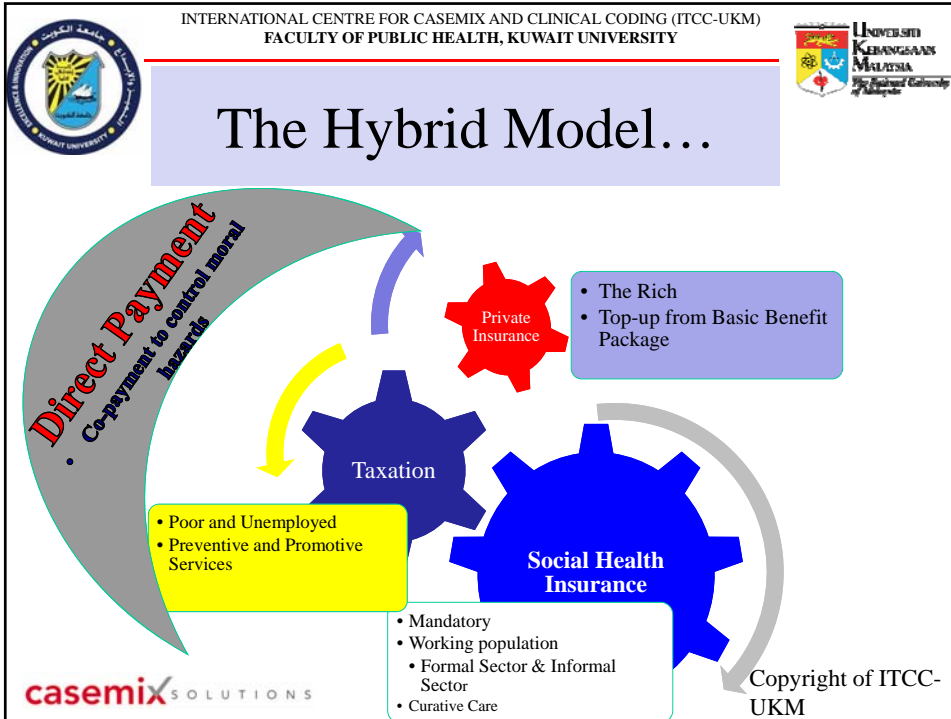
- ◆ Tax-based system is inadequate and not working now
- ◆ No expertise in development of health financing system
 - Failed 5 times to develop and implement National Health Financing Scheme
- ◆ Too much wastages in health spending
 - Wastages of drugs with poor approval mechanisms
- ◆ No efficiency monitoring mechanism



Why do we need NHFS?

- ◆ Low level spending on health care in most less developed countries
- ◆ Fragmentation in source of funding
- ◆ Lack of continuity of and streamlining of healthcare services
- ◆ Poor coordination of care provided by public and private providers
- ◆ Need to separate payers and providers to promote efficiency





Nation [Home > News > Nation](#)

Friday, 22 July 2016 | MYT 2:54 PM

Health Ministry plans for non-profit health financial scheme

BY LOH FOON FONG

More than half of the population go for private health services and over 30% of their health expenditure are out-of-pocket payments.

"If your pocket is deep enough you will be all right but if not, you will end up in financial catastrophe," he said.

Dr Subramaniam said a company would be set up under the Health Ministry to manage the non-profit scheme.

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Voluntary Health Insurance

◆ Strengths

- More acceptable to population than private-for-profit health insurance
- Easier to set-up than Social Health Insurance
- More freedom of choice to enrollees
- Government in control since the entity is under MOH
- Benefit package might be the same as present
- Fund may be injected by government




Voluntary Health Insurance

◆ Weakness and Issues


- Prone to adverse selection (the sick and high risk will be more attractive to join)
- Limited risk pooling and risk sharing
- Premium may be too high without government subsidy
- Provider payment method must be carefully design to promote efficiency
- Providers have to enticed to join the scheme

UHC in ASEAN countries

Country	GNI per capita, US\$ 2010 ¹	UHC Situation
Singapore	40,920	National Program 3Ms (MediSave, MediShield and MediFunds)
Brunei	31,180	National welfare
Malaysia	7,900	UHC using public providers
Thailand	4,210	Since 2002
Indonesia	2,580	by 2019
Philippines	2,050	By 2016
Vietnam	1,100	By 2014 (by law), 80% pop coverage by 2020 (in practice)
Lao PDR	1,010	by 2020
Cambodia	760	no specific target
Myanmar	NA	No specific target



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Conclusion

- ◆ Malaysia has developed an extensive network of health services to its population mainly funded tax-based system
- ◆ Malaysia has achieved UHC on at least two out of 3 dimensions: population coverage and service coverage
- ◆ High OOP expenditure, raised health care cost and increasing prevalence of NCDs are major threats to sustainability of current health system
- ◆ Decentralization and establishment of national health financing mechanism are among potential solutions to fully achieved a sustainable and resilient health system in Malaysia
- ◆ Recent proposal by MOH to establish VHI may solve some of the issues of health financing in Malaysia

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syed.aljunid@hsc.edu.kw

saljunid@gmail.com

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