

Balance affordable insurance premiums with quality private healthcare, govt told

By [Qistina Sallehuddin](#) - December 12, 2024 @ 7:30am



Malaysian Medical Association (MMA) president Datuk Dr Kalwinder Singh Khaira. -- Pic courtesy of MMA

KUALA LUMPUR: The premiums for medical insurance coverage must remain affordable to encourage financial preparedness among Malaysians from all income groups, said the Malaysian Medical Association (MMA).

Its president Datuk Dr Kalwinder Singh Khaira cautioned that increases in medical insurance premiums should not reach levels that would force long-term policyholders to forfeit their coverage.

His comments follow Prime Minister Datuk Seri Anwar Ibrahim's announcement that Bank Negara Malaysia (BNM), the Treasury Department, and the Health Ministry are reviewing the rise in medical insurance premiums.

"While we fully support this initiative, it is equally important for the government to address the root causes of escalating operational costs faced by private healthcare providers.

"Achieving a balance between affordable premiums and the sustainability of high-quality private healthcare is essential to maintain Malaysia's healthcare standards," he told the NST.

Yesterday, Prime Minister Anwar informed the Dewan Rakyat that the government would issue stricter guidelines for medical and health insurance, as well as takaful (MHIT).

He added that insurers and takaful operators (ITO) should consider the factors contributing to the price hikes, such as the lower insurance threshold in Malaysia and the rising costs of medicines and medical services.

In response, the Parliamentary Special Select Committee on Health made six key recommendations to tackle the increasing prices of insurance and takaful premiums.

Among these recommendations, committee chairman Suhaizan Kaiat suggested introducing co-payment options, implementing measures to control healthcare service prices, and fast-tracking the roll-out of diagnosis-related groups (DRG).

The committee also called for enhanced efforts to establish strategic partnerships through the "Rakan KKM" initiative, the creation of a National Health Fund, and a phased approach to raising healthcare service prices.

On the government's plan to implement the DRG system to standardise specialist fees, Dr Kalwinder said it was important to involve all relevant stakeholders, including healthcare providers, insurers, and patient advocacy groups, in the discussions.

He also urged the government to provide a clear implementation framework to ensure the system's fairness and effectiveness.