

TPA's Local Anaesthesia- First Policy Breaches Medical Ethics: MMA

By CodeBlue | 2 October 2025

MMA denounces a TPA's directive to panel hospitals on the choice of anaesthesia (LA over GA) and the classification of certain procedures as daycare/inpatient as interference in clinical autonomy and a breach of medical ethics. MMA demands action from MOH.



Malaysian Medical Association president Dr R. Arasu speaks at a doctors' rally in Putrajaya on May 6, 2025, to protest the Domestic Trade and Cost of Living Ministry's (KPDN) jurisdiction over mandatory drug price display under the Price Control and Anti-Profiteering Act 2011 (Act 723). Photo by Sam Tham for CodeBlue.

KUALA LUMPUR, Oct 2 — The Malaysian Medical Association (MMA) has condemned a directive by a third-party administrator (TPA) to panel hospitals to

prioritise local anaesthesia (LA) over general anaesthesia (GA).

MMA, the country's largest doctors' group, also took issue with the TPA's

classification of certain procedures as daycare or inpatient.

“Such directives amount to interference in clinical autonomy and are a clear breach of medical ethics,” said MMA president Dr R. Arasu in a statement today.

“Decisions on anaesthesia and admission status must always be made by the treating doctor, based on the patient’s needs and safety, not financial or administrative considerations.

“The MMC [Malaysian Medical Council] Code of Professional Conduct and the Guideline on Ethical Implications of Doctors in Conflict Situations are clear: a doctor’s clinical judgment must never be subordinated to corporate policy.

“Under the Private Healthcare Facilities and Services Act (PHFSA) and the Ministry of Health’s (MOH) Managed Care Guidelines, third-party administrators (TPAs) and managed care organisations (MCOs) are expressly prohibited from interfering in treatment decisions.”

CodeBlue reported earlier today a directive by MediExpress (Malaysia) Sdn Bhd in a memo yesterday to panel hospitals to prioritise LA as the first-line anaesthesia modality over GA for procedures and surgeries, requiring providers to provide a “detailed” justification of the need for general anaesthesia.

The TPA also reminded panel hospitals that certain procedures could be performed as daycare procedures without requiring overnight admission,

saying “appropriate justification” must be provided for guarantee letter (GL) approval.

The medical fraternity has reacted towards MediExpress’ LA-first policy with outrage, including condemnations from former Health director-general Dr Noor Hisham Abdullah, a senior consultant breast and endocrine surgeon who chairs UCSI Healthcare Group, and doctors’ association DRSFORALL.

“It is especially concerning that this circular was signed by a doctor. Doctors who endorse such directives must be reminded that they risk breaching their professional duties and placing themselves in conflict situations,” said MMA.

“No doctor should lend their name or authority to policies that compromise patient safety or clinical independence.”

MediExpress (Malaysia) Sdn Bhd’s October 1 memo was issued by its medical director, Dr Cheah Yt Jun, who doesn’t appear to be registered on the National Specialist Register (NSR), based on a cursory search of her name.

She is, however, a registered medical doctor on the MeRITS medical register, with her APC listing MediExpress as her place of practice.

“The MMA once again urges the Ministry of Health to act decisively. While doctors are tightly regulated, TPAs and MCOs continue to operate without proper oversight. MOH cannot remain silent while commercial interests intrude into clinical care,” said Dr Arasu.