

# The Malaysian Medical Association's Position Paper on MMA MPSN Schedule of Relative Values of Fees

# By MPSN Development Committee

### Introduction

This Medical Practitioner provides a service to his patient. Like all services, this will attract a fee payable by the patient to the doctor. This position paper is meant to suggest the principles to be used in determining the quantum of fees to be charged.

### The Professional fee

- The Malaysian Medical Association (MMA) first released a Schedule of Fees in 1987.
- 2. The Fourth Edition was published in 2002 and the changes from the Third Edition reflected a 10% increase in consultation and procedural fees as compared with the Third Schedule in 1997.
- 3. A major part of the Fourth Schedule was incorporated into the Thirteenth Schedule (Regulation 433) of the Private Healthcare Facilities and Services Regulations 2006. This law governs the professional fees of all medical practitioners in Malaysia.
- 4. This Fifth Schedule (2008) was the result of work developed by the Health Insurance Committee (HIC) of the MMA. Advice and suggestions by a large number of medical organisations and societies were taken into account. These were via discussions, consultations, written feedback and review of similar fees guidelines published by sister bodies from within and outside the country. Due to various factors, the Fifth Edition was not implemented.
- 5. The HIC then renamed as the Fee Schedule Committee was given the task to completely rewrite the MMA Fee Schedule in 2008 and produce a comprehensive schedule of Medical Procedures and Services Nomenclature (MPSN®) and to provide relative values for calculation of fees.
- 6. It is recommended that the MPSN® and the Schedule of Relative Values, which together will be referred to as the Schedule, be revised every five years to account for inflation, introduction of new procedures and the changing market profiles.

- 7. The relative value system adopted for this Schedule would make it easier for changes to be made even annually, if need be, based on the changes in the consumer price index (CPI) and the changes in medical liability insurance premiums.
- 8. This is the completely revamped comprehensive 6th Edition of the Medical Procedures and Services Nomenclature and the Schedule of Relative Values of Fees (2013). In compliance with the Anti-Competition Act, this current edition does not have fees but only relative values on which the practitioners can base their professional fees.
- 9. Adoption of a uniform coding system will enable a systematic method of billing for the services rendered and allow for proper data collection and comparison of pricing.

## **Objectives**

- 1. The MPSN aims to provide a comprehensive classification of medical procedures and services and provide a guideline of relative value units (RVU) for calculation of fees.
- 2. This Schedule is intended to be a guide for all stakeholders in healthcare in Malaysia. The Schedule of Relative value is provided as guidance for calculating the fees only.

### **PRINCIPLES**

- 1. The MPSN Schedule of Relative Value Units is for the medical practitioners (Medical doctors) only.
- 2. The total RVU of each procedure/service in this Schedule consists of the following components:
  - 2.1 Professional/ work component (Work RVU) which includes the following
    - 2.1.1 the medical complexity of the procedure/service;
    - 2.1.2 the level of expertise required;
    - 2.1.3 the time expanded in provision of the service;
  - 2.2 Cost of practice component (COP RVU)
    - The cost of practice includes all expenses incidental to managing a practice, e.g. staff salaries, social security contributions like EPF, SOCSO, medical benefits for staff; rentals; general clinic insurance; transportation, utilities; and others.
  - 2.3 Malpractice Liability Insurance components (MLI RVU)Payment of premiums and contributions to medical defense organisations.