

DRESS CODE : FORMAL

5.00 pm - Refreshments

Q & A Session

3.30 pm - Introduction of speaker
Lecture entitled "Regulating Healthcare: Critical Public Policy Issues Facing Malaysia"
by Professor Dr. Rajah Rasiah, First Holder of Khazanah Nasional Chair

3.10 pm - Welcoming speech by Ybng Professor Datuk Dr. Ghauth Jasson
Vice Chancellor, UM & Chairman Board of Trustees, Khazanah Nasional Chair

3.00 pm - Arrival of Ybng Professor Datuk Dr. Ghauth Jasson
Vice Chancellor, UM & Chairman Board of Trustees, Khazanah Nasional Chair

2.30 pm - Arrival of guests and registration

The Programme



Public Lecture

Regulating Healthcare: Critical Public Policy Issues Facing Malaysia

By

Professor Dr. Rajah Rasiah

Holder of Khazanah Nasional Chair

Date: **18 May 2011** Time: **2.30pm-5.00pm**

Venue: **Lecture Hall 3, Faculty of Economics and Administration, University of Malaya (Main Campus)**



**Regulating Healthcare:
Critical Public Policy Issues Facing Malaysia**

Professor Dr. Rajah Rasiah
Holder of Khazanah Nasional Chair

Abstract:

This public lecture starts with an assessment of the critical issues that ought to be addressed when evaluating healthcare in Malaysia. It starts by reviewing the dominant arguments on ownership in healthcare provision, viz., neoclassical, evolutionary and heterodox and the role of civil societies. Given the imperfections and asymmetries associated with the service, as well as, its properties as a social service that should reach everyone, the lecture adopts an evolutionary framework to understand its dynamics. It then analyses privatization trends in Malaysia, which has expanded dramatically when government funding still dominates healthcare financing in most developed countries. Falling resources and brain drain confronting public hospitals and an expansion in the number of private providers explains the increasing shift toward private healthcare in Malaysia. The lecture then uses three measures to examine the effectiveness of the use of healthcare machinery and equipment by ownership, and evaluates institutional support facing public and private hospitals in Malaysia. Hospitals rather than patients were used as they will have on record the details required to make an objective assessment.

The evidence shows that waiting times and frequency of use of X-Ray and fluoroscopy machines are higher in public than in private hospitals, while it is the reverse with patient charges per use of these machines. The exercise on institutional support showed that public hospitals feel constrained by government controls on their conduct whereas private hospitals rated government instruments better because of the relative autonomy enjoyed by them. Government controls on fees has capped charges from soaring in public hospitals whilst the absence of it has led to high pricing in private hospitals. Whereas waiting times are higher in public than in private hospitals the evidence shows that it is largely a consequence of higher frequency of use of the machinery in public than in private hospitals.

Given the evidence, the government should expand the provision of essential service machines and equipment in public hospitals to meet the higher demand they service. The government should also review its regulatory practices on public hospitals on the provision of resources and salaries and working conditions and promptness of decision making. The focus should be on raising effectiveness rather than limiting it to efficiency levels. Since government healthcare expenditure in GDP of Malaysia is significantly less than that of middle income countries such as Argentina, Brazil, Chile, Columbia and Thailand, the government should consider upgrading the quantity and quality of facilities provided to public hospitals rather than seeking the easy route of privatization to ensure that the provision of healthcare services to the disadvantaged and the poor is not compromised.

Keywords: Regulation, healthcare, social service, ownership, public policy, Malaysia



THE VICE CHANCELLOR
UNIVERSITY OF MALAYA
cordially invites

to

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By
Professor Dr. Rajah Rasiah
Holder of Khazanah Nasional Chair

Date: 18 May 2011 (Wednesday)
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For enquiries and registration, please call Tuty Haryati Kassim at 03 - 2617 3210/3198/3199;
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