

ANNEX A - INFORMATION REQUIRED

A. Background Information about SMA and the Medical Profession in Singapore

[The questions in this section are to allow CCS to better understand SMA's membership profile and various facets (e. g. nature of competition) of the medical profession in Singapore.]

1. Please indicate the number of registered medical practitioners who are members of the Singapore Medical Association ("SMA"). In your response, please also provide the proportion of medical practitioners who are:
 - i. employed by public medical establishments (i.e. the restructured medical establishments of Singapore Health Services and National Healthcare Group); and
 - ii. working in private medical establishments (private medical practitioners).

Where the information is available, please indicate the proportion of medical practitioners in (i) who also provide private medical services.

2. Please explain what strategies, other than lowering prices, are available to private medical practitioners who compete in the provision of medical services (e.g. introduction of new equipment, new treatments, new drugs etc).
3. Are there any specialties in the medical services sector where price competition is particularly important (e.g. due to difficulty in charging a premium for quality, reputation or other traits)? Please identify those specialties, furnishing an explanation for your answer.
4. Please explain if there is any particular medical service specialty in Singapore where patients have limited choices in their selection of specialists (whether public or private).
5. Please explain whether SMA considers medical services offered by public medical establishments to be competitive substitutes for private medical services. In doing so, please have regard to the following parameters of comparison:
 - i. range of medical treatment or specialty available;
 - ii. quality of services rendered;
 - iii. price competitiveness; and
 - iv. any other factors that SMA considers relevant.
6. In SMA's view, should private medical practitioners charge a premium over that charged by public medical establishments? If so, what are SMA's views as to (roughly) the appropriate range of such a premium?

B. SMA's Guidelines on Fees ("GOF")

[The questions in this section are to allow CCS to understand the backdrop to the introduction of the GOF; how the GOF is managed by SMA and the impact which the GOF has had on private medical practitioners.]

7. SMA has, at paragraph 3.1.2 of its application, alluded to the events leading to the inception of the GOF in 1987. Please elaborate by providing details of all communications between SMA (and/or the Association of Private Medical Practitioners, if available) and any government agency, pertaining to the GOF, prior and up to its inception in 1987. Supporting documents should also be furnished.
8. Please explain the role of SMA's GOF Committee and describe the process and criteria by which members are selected or elected to the GOF Committee.
9. Please describe the methodology and processes used by the GOF Committee in compiling the GOF, including:
 - i. how the treatments and services are selected (e.g. the selection criteria adopted) for inclusion in the GOF; and
 - ii. how the fee for each treatment / service is derived.
10. In deciding upon the recommended fees within the GOF, would the GOF Committee approach medical practitioners for their views as to the appropriate fee for each procedure within the GOF? If so:
 - i. Did the GOF Committee approach these practitioners individually, or did it form focus groups / task forces comprising selected medical practitioners familiar with the relevant procedure?

- ii. What was the selection criteria for deciding which medical practitioner should be approached (or form the focus group / task force, if applicable)?
 - iii. How does the SMA ensure that the views of the medical practitioners selected for determining the GOF are representative of the views of the rest of the medical practitioners?
 - iv. How did the GOF Committee ensure that the suggested fees were reasonable? E.g. would there be particular difficulty in ensuring that the suggested fees were reasonable in cases where it pertained to a service or procedure with which the GOF Committee's members were not familiar?
11. Please identify the GOF Committee members in charge of each of the four versions of the GOF, and state their specialty (if any).
 12. Please describe the procedures adopted by the GOF Committee pertaining to reviews of the GOF (e.g. what factors prompt a review of the GOF, and whether the GOF Committee has to obtain any form of approval from any parties prior to revision).
 13. Please explain the rationale for each of the reviews carried out on the GOF since its introduction in 1987. Please also provide CCS with all previous editions of the GOF, apart from the latest edition furnished together with SMA's application.
 14. Please clarify whether the same medical practitioners will generally be approached by the GOF Committee for their views on the appropriate fee for a particular procedure, for different editions of the GOF? (i.e. as opposed to approaching different medical practitioners for different editions).
 15. Please state whether the different editions of the GOF promulgated thus far cover the same range of medical services. If there was an increase or decrease in the range covered by the GOF between the different editions, please:
 - i. state the changes made between each edition of the GOF; and
 - ii. explain the changes for each edition.
 16. To the best of SMA's knowledge, please state the extent to which the GOF was adhered to by medical practitioners in Singapore, prior to the withdrawal of the GOF in April 2007. Where the information is available, your answer should distinguish between public and private medical practitioners. All supporting information, data and documents should be provided, where appropriate.
 17. Please state how the pricing behaviour of medical practitioners was affected by the withdrawal of the GOF in April 2007. Have patients faced increasing costs of medical services?

C. The Issue of Information Asymmetry

[The questions in this section are to allow CCS to find out more about the issue of information asymmetry between patients and providers of medical services, which SMA has raised in its application.]

18. In SMA's opinion, what are the potential types of improper practices by medical practitioners which may be facilitated by information asymmetry between patients and medical practitioners. Please illustrate with specific cases or examples.
19. Please state whether there are particular specialties within the medical services industry where information asymmetry is particularly severe. If so, please identify these segments.
20. Paragraph 3.3.2 of SMA's application states that:

...the GOF is a guideline, and if reinstated, medical practitioners may choose to price above or below the GOF...

 Please explain whether the GOF's efficacy in addressing any information asymmetry between patients and medical practitioners is in any way reduced by the fact that medical practitioners are free to depart from the GOF's prices.
21. Please state whether the following measures serve to address concerns of information asymmetry between patients and medical practitioners:
 - i. Publication by the Ministry of Health of hospital bill sizes;
 - ii. The requirement that all hospitals provide financial counselling to patients;
 - iii. The requirement that clinics display their common charges; and
 - iv. The requirement that patients be given a breakdown of their medical bills.

Does SMA consider these measures to be effective in addressing the issue of information asymmetry? Would the GOF be a more preferred tool to address the information asymmetry issue? Please explain.

22. Please state whether SMA has considered any alternative measures (other than the GOF) to address the issue of information asymmetry. If so, please state what these alternatives are, indicating whether any of these alternatives have been implemented. If SMA feels that the GOF is preferable to any of these alternatives, please explain why.
23. Paragraph 5.1.6 of SMA's application raises the issue of information asymmetry in terms of quality of care provided. Please explain how the GOF addressed this issue, given that the GOF only prescribed the fees for medical services, without addressing the issue of quality of treatment.
24. In SMA's view, do restrictions on advertising by medical practitioners affect the issue of information asymmetry between medical practitioners and patients (particularly on the issue of fee levels)? Please explain.

D. Level of Consumption of Medical Services

[The questions in this section are to allow CCS to better understand SMA's submissions in its application, pertaining to consumption of medical services being lower than "socially and economically optimal levels" in the absence of the GOF]

25. Paragraphs 5.1.18 to 5.1.23 of SMA's application suggest that consumption of medical services will be below socially and economically optimal levels without the GOF and that this will have an impact on the productivity of the economy. In SMA's view, please explain how one would tell whether consumption of medical services is below socially and economically optimal levels. Please also explain whether there has been any empirical evidence or studies to support this submission in the Singapore context. If so, please furnish them to CCS.
26. In SMA's view, how does the GOF alleviate or prevent the problem of consumption below socially and economically optimal levels?
27. Would the availability of medical services offered by the public medical establishments help to alleviate or prevent the problem of consumption below socially and economically optimal levels?

E. The Issue of 'Over-charging'

[The questions in this section are to allow CCS to ascertain the nature and extent of 'Over-charging' as a problem in the medical services sector, as well as the effectiveness of the GOF in addressing the issue]

28. Paragraph 5.1.33 of SMA's application mentions that doctors can price above the fee recommended by the GOF, for premium services. If that is the case, please explain when a medical practitioner should be considered as 'over-charging', as opposed to when the medical practitioner is legitimately charging a premium (e.g. to account for higher quality of care, experience or more expensive equipment). In SMA's view, when should the premium be treated as being so excessive as to cross into the bounds of 'over-charging'?
29. Does the fact that a medical practitioner may legitimately charge a premium over the fees recommended by the GOF reduce the GOF's ability to indicate when a patient is being 'over-charged'?
30. Please explain whether the GOF has the potential to affect non-price competition among medical practitioners? For example, would the GOF reduce the incentive for medical practitioners to charge a price premium for:
 - i. introducing newer and better medical services, or
 - ii. building up reputation, reliability, relationships, etc?
31. In SMA's experience, do patients actually refer to the recommended fees in the GOF before availing themselves of medical services? If so, do patients attempt to use the fees in the GOF to bargain with the provider of medical services for lower fees? If not, how would the GOF help to prevent the issue of 'over-charging'?
32. Please describe SMA's processes for handling of complaints relating to 'over-charging', prior to the withdrawal of the GOF in April 2007. Your answer should include:

- i. The means by which SMA determined if the fee charged was excessive; (For example, would SMA approach:
 - the GOF Committee; or
 - the medical practitioners whose views were sought in setting the fee recommended by the GOF for the relevant procedure;
 - for views as to the reasonableness of the fee that had been charged?)
 - ii. the measures taken by SMA in those cases where the allegations of 'over-charging' were made out; and
 - iii. the recourse available to SMA in the event that the offending medical practitioner did not comply with SMA's measures.
 - Specific cases or examples should be provided, where relevant.
33. Please state how SMA's processes, e.g. for following up on complaints of 'over-charging', have changed following the withdrawal of the GOF in April 2007. Please provide specific cases and examples, where relevant.
 34. Please provide data on the number of complaints of 'over-charging' received by SMA in the one-year period immediately preceding the withdrawal of the GOF, in the one-year period between April 2007 and April 2008, and in the period between April 2008 to date.
 35. Please state if there is any medical treatment or specialty in the medical services industry that is more vulnerable to problems of 'over-charging'.
 36. Does SMA consider the measures in paragraph 21 above to be effective in addressing the issue of 'over-charging' by medical practitioners? Would the GOF be a better tool to address the issue of 'over-charging'? Please explain.
 37. Please explain why the GOF, if meant to curb 'over-charging' by medical practitioners, has not included recommended mark-ups over cost to be charged for medication/drugs dispensed by medical practitioners to patients.

F. Other Issues

[The questions in this section are to allow CCS to better understand the other issues that have been raised by SMA in its application, as well as to seek SMA's views on issues that are relevant to CCS' consideration of the application.]

38. SMA has in its application categorised medical services into either "one-off consumption" or "recurring consumption". Please state whether there are any other ways of sub-dividing or defining medical services, e.g., non-emergency versus emergency medical services?
39. Please state how many of the procedures within the last edition of the GOF would typically fall under the "recurring consumption" category, and how many would typically fall under the "one-off consumption" category?
40. Are there any local conditions that make the medical services sector in Singapore different from that in other competition law jurisdictions, that would render an exclusion of the GOF from competition law appropriate?
41. Please identify any other competition law jurisdictions where fee guidelines in respect of medical services have been permitted. In each case, please describe the scope of the fee guidelines.
42. Would it be feasible to define a range of medical services, pertaining to cases where there is little or no opportunity for the patient to "shop around" for different medical practitioners and/or treatment options (e.g. emergency cases)? What are the difficulties involved in such a definition exercise?