

# Pay and Pay

By Dr Daniel Fung, Deputy Editor

**Editorial Note:**

The views expressed in this article are the author's own, and are not representative of those of the Institute of Mental Health.

As I read the headline news about how Woodbridge Hospital charges were being raised by the largest quantum, I felt that the outrage would be great.

It probably didn't matter that subsidised patients would pay only \$13 for a consultation, and that it would cost considerably more to watch a movie with a partner. It didn't matter that 8% of \$12 is \$1 (for WH outpatient consult), while 5% of \$20 is \$1 (for KKWCH outpatient consult). To the public, the percentage increase for Woodbridge Hospital seems inordinately high.

The crux of much of such debate lies in the fact that public expectation of public services, whether they are bus fares or medical fees, is that the government should subsidise it as much as possible. "After all, we are paying taxes, aren't we?" But we often forget that in Singapore, we pay very little taxes generally. I am not an accountant and have not studied economics, but I hear from reliable sources that taxation in Singapore is low compared to most first world countries. Yet, the public perception is "pay and pay".

Matters were also not helped by the newspapers quoting a number of prominent Singaporeans saying that the timing is bad.

**PRICED OR PRICELESS**

I have been thinking about how medical services are costed.

I am reminded of a shop I read about, in which you can pick up items and then pay the price you feel they are worth. The same can be said of people going to church and giving tithes: Give what you can afford. The principle works if we are all civic-minded and prepared to value things according to their worth.

I can't help but imagine that in our society, such principles will be taken advantage of, because people are self-centred and try to squeeze out maximum value from minimum effort. I remember how a patient would come to our clinic, driving his large Mercedes Benz, and insisting on seeing a particular senior consultant, but was unwilling to pay private rates to ensure his choice of doctor. Armed with a referral note from the polyclinic, he would berate our staff incessantly until they give in, fearful of being complained against. So, I won't be surprised if our patients would pay us nothing if they didn't need to.

So how should we price healthcare services? Although health cannot be priced, healthcare can and should be. One way of looking at this is to determine how much our services are worth. My friends in private practice tell me that we should cost in our salaries, our overheads and "wahah..." we will have the magic figure that we should charge our patients. Unfortunately, in public service, costing is much more complicated and must take into account individual salaries of all staff, overheads including potential cost of public buildings, as well as subventions that the government gives. Such calculations are difficult to understand even with the help of financial experts explaining them. In the face of so-called transparencies, we must understand that something is transparent only when there is light.

**NOT FOR PROFIT OR NO PROFITS**

I always feel aggrieved when my favourite *char kway teow* stall decides on a price hike. My initial reactions are that there should be little reason for it. After all, how much can a few bean sprouts, black sauce, and half-cooked cockles along with flat rice noodles cost? If we sit down with the *char kway teow* seller, he will give us his reasons. Ingredients have all doubled in price. The rental of his store is being

reconsidered. As his suppliers have relocated, transportation costs have also gone up. He has thus rounded up his cost to \$3.00, when previously, one plate was \$2.50. Because his *char kway teow* is well done, I still go back for more. I wouldn't begrudge him for his wages because he does a good job.

If we consider healthcare like *char kway teow*, there are many reasons for a price hike. But this is assuming that we are profit-driven in our orientation.

What if we call ourselves a humanitarian service? If we work on a non-profit basis, we become voluntary professionals, working largely on altruistic tendencies and other non-tangible means. How many of us are like this? Not many, I presume, seeing the stories of shakers and movers in the press recently. So our public institutions toe the not-for-profit line, meaning that we work in a profit-driven system, but return the profits (if any) to the institution for self-improvement.

**WIN-WIN SOLUTION?**

So, what is the price of raising medical fees? Is it purely a political issue or one that our profession must grapple with? In an ideal world where doctors treat the sick, and in return, get the gratitude of the patients and their families in kind, as well as in respect, such issues may never arise. In modern society, where the question is one of providing a service, no different from say, buying *char kway teow* from a stall, the issue becomes everyone's concern. The current system tries to be equitable, providing an affordable, responsive and necessary healthcare service to all Singaporeans.

As doctors, we will have to look within ourselves and ask if our fees are affordable, reasonable and necessary for our patients, and this applies to both the public as well as private sectors. ■

**Note:**

No fees were received for writing this article; for the moment at least.