

e-Coupons for Consultation

Editorial note:

In early April, the SMA Council had sent letters to 12 members on the scheme and a general letter to all SMA Members, after various concerns and queries were raised by members.

The SMC's Ethical Code and Ethical Guidelines states that "Doctors can validly provide information about the services they provide to both colleagues and members of the public. However, such provision of information shall not become blatant advertising in the commercial sense of the word as this could mislead patients, undermine trust and be demeaning to the profession." The means of providing information must also conform to the Private Hospitals and Medical Clinics (PHMC) (Publicity) Regulations 2004.

In a circular issued by the Ministry of Health (MOH) to explain the rationale behind the regulations, it was stated that "words such as 'discounts' and implements such as 'coupons' are clearly disallowed for the promotion for healthcare services".

The SMA Council was concerned that the doctors who participated in the scheme might be infringing the SMC Ethical Code and/or PHMC Publicity Regulations, and had sought comments from the relevant authorities. In the meantime, it strongly urged Members "to suspend all association with the scheme until they are satisfied that in so doing they are not infringing any regulations."

The letter to members attracted some responses from the public in the local press. The SMA Council responded to the issues raised and its letters were published in the Straits Times, Business Times and The New Paper on 7 April, 21 April and 22 April 2005 respectively. A letter from Dr Hia Kwee Yang, a doctor in private practice and SMA Member, was also published in ST on 7 April. In this issue of the SMA News, we reproduce the full text of the original letters, which were published as abridged versions in the press.

Price-Fixing is a Misconception

The Forum Editor
The Straits Times

Dear Sir

We refer to the letter, 'Why stop doctors from charging polyclinic rate?' (ST, April 5).

The Singapore Medical Association (SMA) confirms that it had indeed written to the doctors on the scheme, who are its members, after various concerns and queries were raised by our members regarding the scheme.

The intention was not to prevent doctors from charging patients polyclinic rates, or to fix the consultation prices to the SMA's guidelines on consultation fees. We wrote to inform our members that the SMA had sought advice from the regulatory bodies, that is, the Health Ministry and the Singapore Medical Council, on whether the scheme, as it is currently structured, complies with the practice regulations applicable to doctors. We had wanted to prevent unintended infringement of the Singapore Medical Council Ethical Code and/or the Private Hospitals and Medical Clinics Publicity Regulations by our members.

Regarding the writer's concern about price fixing, the SMA's fee guidelines reflect our opinion of fair charges under usual circumstances. However, they are only a set of guidelines, based on the SMA's position that consultation fees should be compatible with sustained provision of good continued medical care. In practice, actual charges are decided by individual doctors, taking into account various considerations like the complexity of the medical condition, the doctor's professional expertise, and the cost of practice specific to the clinic.

There has also been a time-honoured tradition of doctors reducing or waiving charges for needy patients. We believe that none of this has changed, with or without coupons purchased off the Internet.

Yours faithfully
DR YUE WAI MUN
Honorary Secretary
45th SMA Council



Quality Care Comes at a Price

The Forum Editor
The Straits Times

Dear Sir

I refer to the letter by Mr Leong Sze Hian on “Why stop doctors from charging polyclinic rate?” in your Forum Page dated 5 April 2005.

I agree that doctors should not be prevented from charging \$8 or less for a consultation, notwithstanding the Singapore Medical Association's (SMA) recommended rate of \$18 to \$55 (depending on the complexity of the case). Much as I wish that I can charge \$1 or \$2 for a consultation while maintaining a good professional service, circumstances dictate otherwise. Let me explain.

I am a GP working in a rented HDB shop, like many other GPs. My fixed overheads per month (rental, staff salary, CPF, insurance, PUB bills, and so on) are about \$10,000. I work a five and a half day week, and this translates to about \$400 a day in fixed expenses, or \$50 an hour in an 8-hour day. At \$8 a consultation, I need to see 6.25 patients an hour (or a patient every 9.6 minutes, non-stop) to earn that \$50 just to pay for my fixed overheads for that day. I may make a little money from the drugs I dispense, but I should not be depending on this, as the service rightly belongs to the pharmacist.

If I see 8 patients an hour, this will translate to 7.5 minutes per patient and \$64 an hour. Minus my \$50 an hour for fixed expenses, this gives me \$14 an hour, a figure a private tutor for your primary school child would not even consider.

Remember the \$1 chicken rice price war of late? You end up with smaller portions and less ingredients, and definitely a product of much poorer quality. Allowing the standard of care of GPs to fall because of “market forces” forcing down consultation fees to unsustainably low rates is not an option, and it behooves the profession to intervene. Good primary medical care is the most cost-effective way to deliver healthcare. A fall in standards leads to complications of diseases, which results in hospital admissions and unnecessary referrals to specialists, not to mention the unnecessary suffering of patients and loss of time for work. This will increase costs tremendously and overwhelm the already overstretched government hospital specialists. It makes sense, therefore, to keep GP standards high, and this comes at a price. The SMA Guideline on Fees, though overdue for revision, is fair and equitable. There is no such thing as good and cheap.

But look here: government polyclinics are good and cheap, right? Good, yes. Cheap, no. Will the Ministry of Health kindly enlighten Mr Leong how much it forks out to subsidise each patient seen at the polyclinics, and how much it costs the taxpayers a month in polyclinic subsidies? Hence, the talk about means testing for polyclinic patients.

If the government, with all the taxes it collects, cannot deliver good and cheap health services, how can Mr Leong expect the little GPs to do so? Well, we can, if the likes of Mr Leong are prepared to subsidise our patients. Then I can charge \$1 per consultation, and I promise, no reduced portions and ingredients like the \$1 chicken rice, but good and solid care. I can develop my practice into the mother of all polyclinics, duplicate it in every neighbourhood to bring this service to everyone at his doorstep, and cause the government polyclinics to close. The government will only be too happy to re-deploy polyclinic staff to hospitals to ease the chronic staff shortage there. Such a win-win situation, eh, Mr Leong.

Otherwise, we, like the government, can only deliver good, cost-effective, and affordable – but not cheap – healthcare.

Yours faithfully
DR HIA KWEE YANG

Drug & Testing Mark-ups Justified

The Editor
Business Times

Dear Sir

I refer to Mr Leong Sze Hian's letter to Business Times (BT) on 13 April 2005 on "Give breakdown in medical bills."

Mr Leong quoted the article "12 Wishes of a GP for the New Year" in the February 2005 issue of the Singapore Medical Association's (SMA) newsletter to support his arguments. However, he had omitted some salient points. The SMA wishes to point out that the obviously satiric article was written by a columnist, and opinions expressed do not represent the official position of the Association unless so specified. This is clearly stated on the cover page of every issue of the *SMA News*. Our newsletter provides an avenue for medical professionals to express their opinions and alternative stands on any issue. It is unfortunate that Mr Leong has obviously neglected these facts in his letter to the *BT*.

The SMA would like to reiterate that the main issue in the \$8 consultation fee is not how much a doctor charges for consultation. The SMA is also not against all publicity of healthcare services. Rather, it is the mode of advertising that the website *clinicsingapore.com* was trying to engineer among healthcare providers, which in our opinion, could be unethical and infringe on the new Publicity Regulations of the Private Hospitals and Medical Clinics Act (PHMCA) released last year. In a circular issued by the Ministry of Health (MOH) to explain the rationale behind the regulations, it was stated that "words such as 'discounts' and implements such as 'coupons' are clearly disallowed for the promotion for healthcare services". MOH was also quoted in the *Zaobao* report dated 11 April 2005 that they are consulting the Attorney General's Chamber on this issue. As such, it would be prudent to wait for the regulatory body to revert.

The SMA believes that professional services to the public must be offered in the spirit of professionalism, and in the healthcare sector, professionalism demands some degree of decorum.

Mr Leong further claims that doctors may make excessive profits by marking up the cost of medicines and investigations, and receiving a typical referral fee. The Singapore Medical Council's (SMC) Ethical Code strictly prohibits fee-sharing and obtaining commissions from referrals, and the SMC has previously disciplined doctors for doing so. This is a serious allegation and SMA would like to invite Mr Leong to inform us if he has any concrete examples of this happening. SMA will investigate and take the necessary action. Alternatively, Mr Leong can inform SMC directly.

The drug mark-up percentages that Mr Leong mentioned do not tell the whole story. Cost of drugs does not include dispensing costs, which are substantial. These include costs for re-packaging, storage and wastage, as well as the dispensing time and service. Medication mark-ups are generally recommended at about 20 to 25% of costs for patented original drugs. This applies to clinics and pharmacies alike. The extreme percentages quoted by Mr Leong may only apply to the very cheap and much older generics. This principle is similar to that for tests. Significant resources such as knowledge, time, disposable items, and so on, are consumed on-site in the clinic for tests performed at laboratories elsewhere. These include organisation of tests, making of appointments, simple procedures (for example, blood sampling and PAP smear), and so on. A mark-up is thus justified for the administration and service rendered.

GP clinics provide an accessible "one-stop" station for the patient. There is no need, for instance, to make separate trips to the clinic to see the doctor, the pharmacy to obtain medications, and the laboratory to give blood or urine for analysis. The patient also benefits from the convenience afforded by the GP service.

The SMA appreciates and supports Mr Leong's call for transparency in medical bills. The SMA also believes that clinics will readily oblige to provide a breakdown of fees when requested by their patients. However, the move by the website *clinicsingapore.com* to get doctors to promote their services by charging \$8 consultation fees does nothing to promote the transparency that Mr Leong advocated in his letter. In fact, it may have the opposite effect.

Yours sincerely

DR RAYMOND CHUA SWEE BOON
Honorary Secretary
46th SMA Council

Editorial note:

In response to another letter by the same writer to TNP on 19 April 2005, which raised similar issues, SMA submitted the above letter, with the exclusion of the second, sixth and last paragraphs. SMA's reply was published in TNP on 22 April 2005.

