

Approaches to managing health-care costs in Singapore

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There is a case for a more permanent and expanded role for a body such as the MediShield Life Review Committee in Singapore's revamped health-care sector.

Singapore has rapidly changing demographics and a very dynamic health-care sector with new technology and treatments.

It also faces the prospect of cost inflation being significantly higher than wage growth.

All these require a standing committee to continually review both the demand and supply aspects of health care in the future.

What would such a standing committee's terms of reference be?

They could:

- Conduct regular reviews of benefits and premium affordability in the light of changing health-care costs, new medical technologies and Singaporeans' expectations, and make recommendations for adjustments as necessary;

- Act as an independent body to assess the actuarial fairness of basic MediShield Life premiums as well as any private plans that are established;

- Collect medical bill records at all hospitals and consolidate into a centralised database, monitor bill sizes for consistency and review outlier suppliers and bills;

The committee should recommend further regulatory action (by the Ministry of Health or the Singapore Medical Council) in the event of any irregularities.

The committee could also make such data publicly available.

- Undertake evidence-based cost-benefit analyses on new medical technologies and assess their suitability for coverage under MediShield Life and for payment using Medisave.

The committee's recommendations would be published and serve as guidelines to assist both health-care professionals and patients in making decisions about appropriate medical care.

An example of what such a standing committee would look like can be found in Britain's National Institute for Health and Care Excellence (Nice).