

President's Speech

*Dr Chong delivered this speech at the
SMA Annual Dinner on 14 May 2011.*

By Dr Chong Yeh Woei, 52nd SMA President



Dr Chong (centre) welcomes Dr and Mrs Tan Cheng Bock (far left and far right) to the SMA Annual Dinner

Healthcare is often seen as paramount, and it is really a resource by which societies can advance themselves with an improvement in quality of life. Healthcare works hand in hand with sanitation, nutrition, education, housing and rule of law to advance a nation's development. In a sense, healthcare is not only fundamental, but also intertwined with the sociopolitics of a nation.

We need good healthcare in order to build a nation's economic and social capital. Economic capital means harnessing each person's potential to maximise his productivity to deliver prosperity. Social capital here is to build cohesion and trust in a society, and this is often measured by

the number of people who trust others, and who volunteer themselves in committees and social work. In local parlance, we call it the spirit of *gotong royong*.

Healthcare too has an added ethical dimension. To complicate matters, the recipient of healthcare is the patient, and he is in a vulnerable position because there is information asymmetry, and because medicine in many ways is an imperfect science. The knowledge base in medicine is huge and ever growing, and there are always changing ways of practice. This is coupled with uncertain outcomes, the need for the professional to exercise judgment and somewhat limited time.

So it stands that we have a vulnerable patient and an imperfect science. And this is where society has put the doctor on a pedestal because he is guarding the holy grail of human life. In return for the titles and accolades, the doctor is expected to put his vested interest below that of his patient. In the legal sense, he has a fiduciary duty to the patient. This is the social contract that society has with its doctors. Now if this social contract is upheld and performed well, we generate a lot of goodwill, which is important because it is the currency that we are all looking at.

After talking about social politics, vulnerability of patients, medicine as an imperfect science and social contracts, where is the place of private enterprise? The best-run private enterprises in healthcare operate on a triad of engines. The first engine is the professionalism and ethics of its doctors that generates goodwill, which drives the second engine of prosperity. Prosperity allows the enterprise to thrive and succeed, and that in turn drives the third engine of sustainability and development. The power that drives these three engines in a virtuous cycle is really the goodwill generated with the patients. Hence I have said that the currency we are dealing with in healthcare is goodwill. To ensure the success of this virtuous cycle, we have to be mindful of the impact of pricing items such as drugs, clinical services or imaging. Pricing can be exploitative, reasonable or in the case of public hospitals, subsidised. The same goes with the recommendation or marketing of services, drugs and devices. If we pass the test of reasonableness with a favourable rate of return, we can only enhance the currency of goodwill.

In private enterprise there is always the omnipresence of the shareholders. If we look at healthcare in this manner, there is really no conflict with the shareholder's interest, because all shareholders would desire this virtuous cycle to power their investments.



Dr Charles Toh receiving the SMA Honorary Membership from Dr Chong

The only caveat I would emphasise is that those in the healthcare enterprise should be in it for the long term, and not just for quarterly reporting. I would also warn you that the cycles can quickly turn vicious should the professionalism and ethics of doctors become eroded, pricing becomes exploitative, and marketing and recommendations become unethical.

Why are we talking about private enterprise here tonight? The reason is because we are honouring three iconic physicians tonight; our two Honorary Members and our Guest of Honour. These men have spent a significant portion of the professional lives in the private sector and yet have been successful in navigating the difficulties and intricacies of private practice. They have always upheld the fiduciary duty to their patients, honoured the social contract with society, pass the test of reasonableness in their practices with regards to pricing, recommendations and referrals.

They have thus generated a tremendous amount of goodwill with their patients, and this has spilled over into the communities where they work and reside. In their social and collegial circles, they have also gained traction with fellow doctors young and old who have enjoyed their wisdom, sincerity and kindness.

I must declare my vested interest here – Dr Tan Kok Soo was my GP when I was a child, and Dr Charles Toh came back as a visiting consultant and taught me as a medical student in the wards at the Singapore General Hospital. I have been sufficiently impressed and learned a thing or two from these two gentlemen. I bid you to give them a warm reception when we honour these two icons, and like you, I look forward to the later part of the evening when we shower them with the acknowledgment, accolades and the attention that they truly deserve.

Thank you. **SMA**



Dr Tan Kok Soo receiving the SMA Honorary Membership from Dr Chong