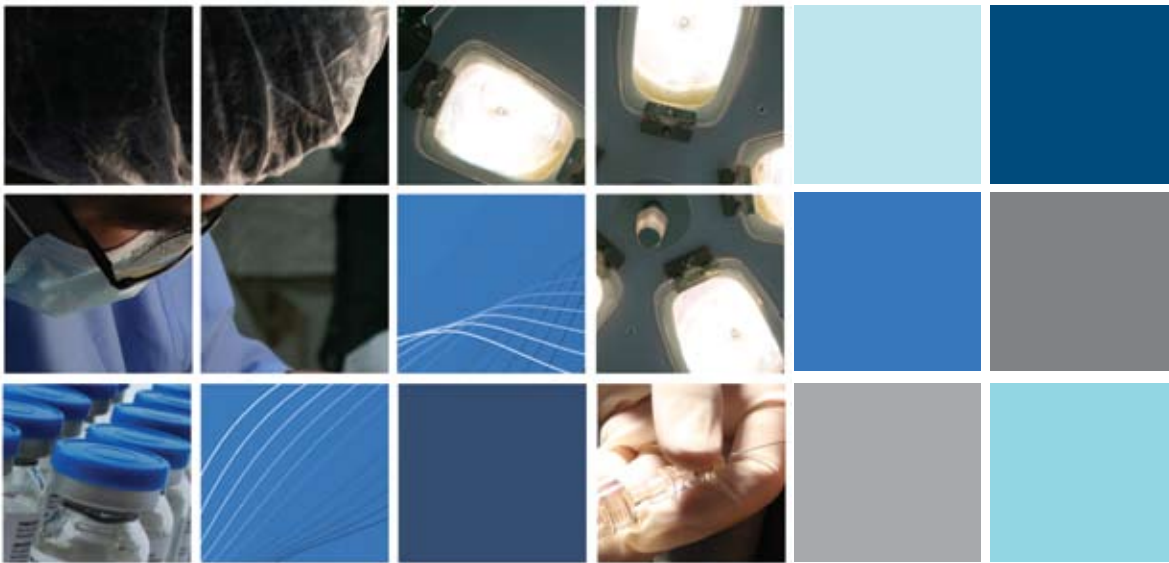


By Dr Jeremy Lim, Editorial Board Member



Getting It Right – The Challenge of Healthcare Planning

How difficult is healthcare planning? Reading about the Ministry of Health's (MOH) \$2 billion master plan for healthcare infrastructure in *The Straits Times* online, I was taken aback by the lukewarm attitude of one reader who remarked: "This master plan is nothing new... why make it sound so grand? The Health Minister already 'revealed' it way back in 2002, yes... FIVE years ago... back then he promised to 'develop two new regional general hospitals to provide broad-based general medical care to Singaporeans. Jurong General Hospital, which will replace the current Alexandra Hospital, will be completed by 2006, while Northern General Hospital will be completed by 2008."

To be fair to Minister Khaw, the reader was citing a parliamentary speech in March 2002 when Mr Lim Hng Kiang was still Minister for Health. The government also did announce in February 2004 that plans for Jurong General Hospital would be scrapped in favour of a hospital in the north. Viewing the infrastructure re-thinks in light of Prime Minister Lee Hsien Loong's revealing that the MOH projected Singapore will need to recruit 2,000 more doctors by 2015, an almost

30% increase from the current 6,931 (Health Facts Singapore 2007. Ministry of Health), the more important question appears to be why it seems so difficult to get infrastructure and manpower projections right.

Minister Khaw alluded in the same infrastructure speech to the difficulty in predicting immigration and the long lead time to build a hospital and train medical manpower, saying: "It is a real challenge for my Ministry to get our healthcare infrastructure and healthcare manpower projections right."

While we could debate whether immigration rates are difficult to predict given that the government determines the number of immigrants to accept each year, I would argue that the real reason for the under-provision of healthcare services in Singapore is the lack of timely re-consideration of the 1993 White Paper on Affordable Healthcare.

This seminal report, arising from a Ministerial Committee on policies chaired by then Deputy Prime Minister Lee Hsien Loong, explicitly articulated endorsement of the theory of 'supplier-induced demand', stating "healthcare services are to a significant extent supply-driven. Supply creates its own demand". The practical implementation



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of this belief was that the local medical school was to “admit no more than 150 medical students per year” and the number of medical specialists was capped at 40% of the total number of doctors. The White Paper also prescribed the central role of MOH in controlling the total number of hospital beds in Singapore and even dictating the number of Intensive Care Unit beds a hospital could have.

I do not believe this was the wrong approach in 1993. On the contrary, the policies espoused in the White Paper are probably the most significant reason for Singapore’s low spending on healthcare relative to other developed nations and this has freed up resources for other sectors to develop and benefit the country. The international landscape of spiraling costs in healthcare then was probably at the forefront of consideration and it was not unreasonable in 1993 to posit supplier-induced demand and to take strong measures to mitigate it.

The major drivers of healthcare demand as we understand them to be today, the aging population, the growing population (from immigration),

advanced and advancing medical technology and finally increasing expectations of the public, are not new issues that have suddenly emerged. We knew about all of them for years but the priority in 1993 was to control costs by constraining growth in healthcare as a sector. Even in 1999, then Minister for Health Lim Hng Kiang told the SMA Council that there was a clear policy framework for MOH to operate within and that the main principles articulated in the 1993 White Paper remained valid (*SMA News* September 1999).

We are facing a massive infrastructure and manpower shortage not by accident but by design. Minister Khaw has laid out an ambitious infrastructure plan for the next 10 years which will help to ameliorate the shortage considerably. More importantly, his promise of a “tentative” capital plan “requiring regular reviews and updates in the light of new information” holds out hope that we, as a healthcare system, will have enough flexibility in thought and deed to respond to the ever-changing milieu. Only then can we provide Singaporeans with the right dose of healthcare at a price society can afford and is willing to pay. ■