

PRESS STATEMENT FOR IMMEDIATE RELEASE • 20 OCT 2021

Ensure Comprehensive Healthcare Allocations in Budget 2022

The Malaysian Health Coalition urges the government to allocate an expansionary Budget 2022 for health. This is crucial to manage an endemic COVID-19, build healthier populations, prepare for the next pandemic while investing in health to generate jobs and stimulate economic growth.

Therefore, we urge the following:

1. Commit 4% of GDP to the public healthcare system

Malaysia has been underinvesting in health for years. Budget 2021 only allocated 2.2% of Malaysia's Gross Domestic Product (GDP) for the public healthcare system. In Budget 2022, the government must commit at least 4% of GDP to the public healthcare system. This will put Malaysia closer to other upper-middle-income countries that are spending an average of 3.8% of GDP on their public healthcare system alone. This increase must be accompanied by adequate procurement oversight to eliminate corruption and inefficiencies. The additional funds will allow us to transition from 'short-term campaigns' for COVID-19 into 'long-term routines' of vaccinations, surge healthcare and public health surveillance. Adequate funding will also help meet the gaps of non-COVID-19 care, including the backlog of over 57,000 procedures, increasing non-communicable diseases, mental health burdens and delayed preventive care. Budget 2022 must also spend aggressively to improve staffing and morale of all health personnel in the public service, for all health facilities of the Ministries of Health, Higher Education and Defense. Health allocations must gradually increase in the coming 3-5 years, instead of a short-term increase for 2022 only.

2. Allocate sufficiently for long-term health development

The health reforms announced in the Twelfth Malaysia Plan require an immense fiscal commitment. Therefore, all budgetary allocations in National Budgets for 2022 and onwards should have these long-term health reforms in mind. To achieve these long-term reforms, Development Expenditure (DEVEX) must be as generous as Operational Expenditure (OPEX). Appropriate DEVEX investments help generate jobs, increase employment and stabilise economic growth. The increasing trend of DEVEX:OPEX ratio for health in Budgets 2019-2021 is encouraging, and we hope for this trend to continue. Specifically, we recommend two areas for DEVEX spending. Firstly, we recommend strengthening the primary care and public health infrastructure in physical, human capital and electronic health records terms. Secondly, we recommend broadening health financing by extending the depth of Skim Peduli Kesihatan for the B40 group (PeKa B40) as they are more affected by the pandemic.

3. Address non-health determinants

Social factors like employment conditions, income and living conditions are imperative for health outcomes. Therefore, we urge the government to spend generously to increase health literacy, expand the social safety net for neglected populations and improve working and housing conditions. Specifically, we recommend two non-health areas for investment to improve health outcomes. Firstly, we recommend improving indoor ventilation in Malaysia by investing in new building codes, incentives for retrofitting buildings, and measures to improve indoor air quality such as tax credits for CO₂ monitors or mechanical ventilation. Secondly, we recommend strengthening the social welfare net through a basket of solutions, including providing direct or conditional cash transfers, harmonising the currently fragmented landscape of welfare programs, and eradicating poverty in multi-dimensional terms.

An expansionary budget for health is crucial to strengthen Malaysia's post-pandemic public healthcare system. As Malaysia recovers from a global healthcare crisis, we look forward to a strong and transparent Budget 2022 for health.

BERKHIDMAT UNTUK NEGARA.

Malaysian Health Coalition (Full Signature List on <u>myhealthcoalition.org</u>)
20 October 2021

Full signature list:

Organisations

- Academy of Medicine Malaysia
- Association of Malaysian Optometrist
- 3. College of Anaesthesiologists
- College of Ophthalmologists
- College of Physicians
- 6. College of Surgeons Academy of Medicine of Malaysia
- 7. Dermatology Society of Malaysia
- 8. IKRAM Health Malaysia
- 9. Islamic Medical Association of Malaysia
- 10. Lung Cancer Network of Malaysia
- Malaysian Association for Bronchology and Interventional Pulmonology
- 12. Malaysian Association of Clinical Biochemists
- 13. Malaysian Association of Environmental Health
- 14. Malaysian Association of Medical Assistants
- 15. Malaysian Nurses Association
- 16. Malaysian Paediatric Association
- 17. Malaysian Pharmacists Society
- 18. Malaysian Public Health Physician Association
- 19. Malaysian Society of Anaesthesiologists
- 20. Malaysian Society of Clinical Psychology
- 21. Malaysian Society of Intensive Care
- 22. Malaysian Society of Ophthalmology
- 23. Malaysian Thoracic Society
- 24. Medical Mythbusters Malaysia
- 25. Medical Practitioners Coalition Association of Malaysia
- 26. MedTweetMy
- 27. Perinatal Society of Malaysia
- 28. Pertubuhan Doktor-Doktor Islam Malaysia
- 29. Public Health Malaysia

Individuals

- 30. Assoc Prof Dr Uma Devi Palanisamy
- Dato' Dr Jahizah Hassan
- 32. Dato' Dr Amar Singh-HSS
- Dr Khor Swee Kheng
- 34. Prof Datuk Dr Lokman Hakim Sulaiman
- Prof Datuk Dr Zulkifli Ismail
- Prof Dr Raja Affendi Raja Ali
- 37. Prof Dr Roslina Abdul Manap
- 38. Prof Dr Sharifa Ezat Wan Puteh
- 39. Prof Dr Zaleha Abdullah Mahdy

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