

PM: Nation's healthcare system needs urgent reform

NEW STRAITS TIMES

18 JUN 2025

pg. 4 (BT)

KUALA LUMPUR: Prime Minister Datuk Seri Anwar Ibrahim has called for urgent and fundamental reforms in the healthcare system, warning that rising medical costs are making quality healthcare increasingly inaccessible.

Speaking at the Sasana Symposium 2025 conference here yesterday, Anwar said the government would establish a joint ministerial committee comprising the Finance Ministry, Health Ministry and Bank Negara Malaysia to address the issue.

"This is not just an economic concern, it is a matter of national well-being. We are not talking about minor tweaks or adjustments. We need a fundamental shift towards a value-based private healthcare system that prioritises transparency, outcomes and fairness," he said.

Anwar, who is also finance minister, said while Malaysia prided itself on attracting major investments and technological advancements, the country must also ensure human capital development through accessible and affordable healthcare.

The new joint committee will examine ways to improve procurement, reduce wastage and promote wider use of cost-effective generics, especially in public healthcare.

Anwar said he had asked the Health Ministry to move away from relying on overpriced sources.

"I told them (Health Ministry), use generic medicine, not necessarily imported or premium-priced brands. But the system is slow to change," he said.

He also mooted the idea of introducing a universal, value-based

medical insurance product to expand access for all segments of society.

Anwar said digital healthcare solutions, clearer pricing frameworks and stronger regulatory oversight would be central to this transformation.

He emphasised that public-private cooperation was key, especially in an era of rising medical inflation.

"The cost of private healthcare is soaring beyond reach for many. We need to act before this gap becomes unmanageable," he said.

Anwar's remarks signalled the administration's intention to confront what he termed a "serious problem" with the same urgency as other national reforms under the Madani economic framework.

Meanwhile, Bank Negara Malaysia governor Datuk Seri Abdul Rasheed

Ghaffour, during his welcoming address at the Sasana Symposium 2025 here yesterday, said the central bank was implementing a set of key initiatives, dubbed RESET, to address the increasing cost of medical care.

The initiative focuses on overhauling medical and health insurance and takaful, improving price transparency, upgrading digital health infrastructure, broadening access to affordable treatment options, and reforming healthcare provider payment systems.

He said the initiative was supported by the Health Ministry, Finance Ministry and other key stakeholders.

"The success of RESET hinges on the involvement of all stakeholders in building a more accessible and resilient healthcare system for Malaysians."