

# 'High claims payout may be due to medical inflation'

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**PETALING JAYA:** Medical inflation could have contributed to the high medical claims payout in 2025, says Dr Saravanan Thambirajah.

The Consultative Council on Private Healthcare Costs member said medical inflation is a key driver, given the rise in the cost of hospital stays, specialist consultations and diagnostic tests, adding that the increase in rates is significantly higher than general inflation.

"The rising insurance payouts, particularly medical claims, which now form the largest portion, indicate a sustained increase in healthcare costs and utilisation. This is not just a normal trend; it reflects systemic pres-

sures within the healthcare system, including rising hospital charges, more frequent treatments and possibly more complex or chronic conditions among the population," said Saravanan, who is also the chief executive officer of the Federation of Malaysian Consumers Associations.

He said the trend signals deeper structural issues.

"The sharp rise in claims, especially in the private healthcare sector, points to weak cost controls and limited transparency in pricing. It raises serious concerns about the effectiveness of regulatory oversight on private healthcare charges and utilisation," he said.

He said there is an urgent need for the government to strengthen regulation, improve price transparency and ensure accountabili-

ty among private healthcare providers.

"Without intervention, the current trajectory is unsustainable and will continue to erode consumers' ability to access affordable healthcare," he said.

Sunway University economics professor Dr Yeah Kim Leng said medical inflation, estimated at 11-12% annually, is a key factor.

"Other probable causes, such as rising insurance penetration where more people are covered, increasing health issues related to critical illness and non-communicable diseases, as well as an ageing population, could have also contributed to the record high claims.

"Post-Covid-related health problems could also be a factor for the surge in payout claims," he said.

The sharp increase, he said, could be due to a high claims ratio that causes insurance companies to make losses, thereby rendering the risk-pooling insurance programmes unsustainable.

"Higher insurance premiums render such schemes unaffordable, especially to the low, middle and upper middle income households.

"In turn, the healthcare burden is shifted to government hospitals and clinics, thereby necessitating higher budget allocation for the health sector," he said.

Guided by the Parliament-approved Health White Paper, critical reforms are being pursued by the Health Ministry to address the challenges ranging from financing, manpower training to resource allocation while optimising the provision of pub-

lic and private healthcare services," he added.

Life Insurance Association of Malaysia's 2025 annual report revealed that medical claims increased by 5.3% from RM8.9bil in 2024 to RM9.4bil in 2025.

The payout accounted for the largest share of the claims in 2025 at 53.9%.

The report revealed that the amount of claims payout for death, disability, medical, bonuses and others increased by 3.4% from RM16.8bil in 2024 to RM17.4bil in 2025.

Disability benefits, which accounted for 0.9% of the total payout, recorded the largest increase of 77.4% from RM89mil in 2024 to RM157.9mil in 2025.

The total payout for last year, up by 3.4% from RM16.8bil in 2024.

# Penang cracks down on syringe toy

By LO TERN CHERN  
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**GEORGE TOWN:** A jelly-like toy sold with a syringe resembling a real medical device has been banned by the Penang government over safety concerns.

Those caught selling the toy risk having their goods seized, business licences revoked and a compound of RM250 under local council bylaws.

The toy is said to be stress-relieving through squeezing. It features acne-like bubbles that can be "popped" by injecting water with the syringe.

Penang health committee chairman Daniel Gooi said the toy poses multiple risks, particularly because of its resemblance to medical equipment and even car-

ries a "discard after use" label.

He said the design includes a pointed tip similar to a needle, which could cause injury, especially to children.

"These toys come with a syringe meant to mimic a medical device, which is concerning as it can easily be mistaken for a real syringe.

"The pointed end is dangerous and may cause cuts or puncture wounds if mishandled," he said.

Online tutorials show users injecting air or liquid into the jelly-like material using a syringe. The surface will then swell and form bubble-like protrusions that can be squeezed to burst, mimicking pimple popping.

It comes in various forms, including chickens, as well as designs resembling faces, noses and other figures.

Gooi said the jelly component may be mistaken for candy by young children, increasing the risk of choking or accidental ingestion.

He said the toys are believed to be directly imported and may not have undergone proper safety tests or certification.

"This raises concerns about product safety standards, as there is no assurance the materials used are safe or comply with regulations," he said.

Penang local government committee chairman H'ng Mooi Lye had earlier said the Penang Island City Council and Seberang Perai City Council would conduct daily spot checks at business premises and night markets to ensure compliance.

He said the ban was necessary



**Pointy end:** The toy comes with acne-like bubbles that can be popped with a syringe, which has sparked alarm among parents. — CHAN BOON KAI/The Star

following concerns raised by parents, adding that checks at a night market showed the toy was openly sold for RM5 per unit and widely available online.

He added that under the Medical Device Act 2012 (Act 737), such items must be registered

with the Medical Device Authority, while manufacturers and importers are required to meet stringent compliance standards.

H'ng said a report had been lodged with the Domestic Trade and Cost of Living Ministry to curb online sales.

# Healthcare stocks profit momentum to pick up

Stronger inpatient volume, tighter cost controls to help

## CORPORATE

**PETALING JAYA:** The private healthcare sector is expected to regain earnings momentum in the second quarter of 2026 (2Q26) after a softer start to the financial year, as hospitals benefit from stronger inpatient volume and tighter cost discipline.

CIMB Securities Research said the near-term weakness should be viewed as temporary, expecting quarter-on-quarter earnings recovery in 2Q26, supported by operational efficiency gains, disciplined expansion strategies, and organic growth in inpatient admissions, despite sequentially weaker first-quarter results because of seasonal disruptions linked to the Hari Raya Aidilfitri festive period.

The research house said outpatient traffic in 1Q26 was likely softer year-on-year as Hari Raya fell earlier this year, around 10 days ahead of the corresponding festive period in 2025, reducing patient footfall within the quarter.

“As outpatient treatments are typically non-urgent and discretionary, they are more likely to be deferred during festive periods,” CIMB noted.

However, it added that top-line growth should remain positive, driven by a higher-intensity case mix as hospitals continue to treat more complex and higher-acuity procedures.

Despite near-term earnings softness, CIMB maintained its “overweight” call on the healthcare sector, underpinned by long-term structural demand from Malaysia’s

“The healthcare outlook remains supported by resilient domestic demand and pricing flexibility in specialised care.”

An analyst

ageing population, rising prevalence of non-communicable diseases and growing health awareness.

The brokerage said valuation multiples for private hospital operators had risen sharply, with blended enterprise value-to-earnings before interest, taxes, depreciation, and amortisation or EV/Ebitda for major players now above the sub-sector’s three-year historical average.

It, however, expected valuations to hold at current levels because sector fundamentals remain intact.

“We view any near-term share price weakness as a buying opportunity,” the report said.

The research house pointed out that IHH Healthcare Bhd planned to add 2,800 beds, with both groups continuing to favour brownfield expansion rather than more capital-intensive greenfield developments.

CIMB said this strategy should help shield

operators from higher construction costs amid geopolitical uncertainty, including risks linked to the ongoing US-Iran conflict.

Its channel checks also found no acute supply shortages affecting hospitals or medical equipment distributors so far, apart from elevated logistics costs.

“Private hospitals report a similar situation with no operational disruptions at this stage, supported by diversified vendor supply chains and proactive inventory management,” CIMB said.

Another emerging catalyst is the rollout of the medical and health insurance and takaful (MHIT) base plan, with selected private hospitals expected to join a pilot programme in Greater Klang Valley from July 2026 under a diagnostic-related group reimbursement model.

“This pilot programme will serve as an important testing ground to assess the effectiveness of the proposed diagnostic-related group or DRG-based reimbursement model, while identifying potential operational and implementation challenges ahead of a nationwide rollout in 2027,” CIMB said.

It added that while participation in the MHIT scheme is not mandatory, several private hospitals have indicated their commitment to joining the programme.

An analyst told *StarBiz* that the healthcare outlook remains supported by resilient domestic demand, pricing flexibility in specialised care, and policy developments that may ease insurance-related payor pressure after Bank Negara Malaysia’s temporary cap on medical premium hikes expires at end-2026.

# Local manufacturing: Malaysia's best medicine buffer

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**THE** prolonged geopolitical tensions in the Middle East have raised national concerns about the resilience of our essential supply chains.

During periods of global volatility, ensuring the uninterrupted supply of essential medicines to the *rakyat* becomes a matter of paramount national interest.

The public can be assured that the current supply of pharmaceutical products from local manufacturers remains stable and that the industry is proactively strengthening resilience against any major or unforeseen disruptions.

When examining the mechanics of our healthcare supply chain, it is useful to understand the role of local

pharmaceutical manufacturers as a continuous and reliable supplier.

For example, maintaining two months of finished goods and three months of raw materials is a standard operating baseline for local manufacturers. Rather than a finite limit, this baseline is a rolling buffer designed to keep our healthcare system running smoothly under normal conditions.

However, resilience is not about maintaining the status quo during a crisis. Because the Middle East conflict has extended beyond a month and carries the potential for further escalation, the Malaysian pharmaceutical manufacturing sector is proactively shifting gears.

Members of the Malaysian Organisation of Pharmaceutical Industries, which represents the local pharmaceutical manufacturing industry, are acutely aware of the evolving situation and are actively stepping up to enact their respective business continuity plans.

Manufacturers are exploring and executing forward-purchasing agreements to increase stock levels of raw materials and crucial packaging materials well beyond their standard operating averages, ensuring our domestic supply remains insulated from global shipping delays or sudden shortages.

This stance aligns seamlessly with the government's foresight. During a recent National Economic Action Council meeting, the prime minister highlighted the government's commitment to securing a strategic

national stockpile of medicines.

In direct response to this mandate, local manufacturers are gearing up their manufacturing capacities and increasing the production of finished products to support the government's strategic stockpiling efforts.

However, extensive forward buying and maintaining higher inventory levels impose significant costs. To sustain this resilience, supportive government measures are essential to help the industry manage the financial pressures associated with this critical stockpiling effort.

This level of coordinated response highlights a much larger, overarching truth. Just as the Covid-19 pandemic taught us a harsh lesson about the fragility of global supply chains, the current geopolitical turbulence proves that continuous focus and prioritisation must be given to long-

term structural frameworks.

Initiatives such as the Health Ministry's MyMedSecure must be prioritised to ensure a robust, data-driven approach to managing our national drug stockpiles.

When global supply chains are threatened, a nation cannot rely solely on imports of finished goods.

By continuing to strengthen a robust local pharmaceutical ecosystem – supporting data-driven frameworks such as MyMedSecure and building strategic stockpiles through close government-industry collaboration – Malaysia can minimise disruptions to its healthcare system, regardless of external crises.

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# From survival to living well

**C**ANCER is no longer defined solely by survival. As therapies advance and outcomes improve, the conversation is shifting towards a more meaningful question: "Can people living with cancer live well?"

Chronic myeloid leukaemia (CML) is a slow-progressing blood cancer that affects the bone marrow and accounts for approximately 15 per cent of all leukaemia cases. Unlike many cancers, it often develops quietly, with few symptoms in its early stages.

Many patients feel perfectly well at the beginning, explains consultant haematologist and transplant physician Dr Andy Tang Sing Ong.

Because early symptoms are vague or absent, it is often discovered incidentally through routine blood tests that show abnormal white blood cell counts.

However, with appropriate intervention and disease monitoring, most people with CML can have a similar lifespan to non-CML patients.

Dr Tang says this is why CML is often perceived as a chronic condition — one that patients can integrate into their daily routines, make long-term

plans around and, in some cases, work towards being free from treatment.

The backbone of CML treatment is tyrosine kinase inhibitors, targeted therapies that block the abnormal protein driving the disease.

A recent advancement within this class of medication has completely transformed CML outcomes, with up to 80 per cent of patients achieving medical milestones that make treatment-free remission (TFR) a possibility, says Dr Tang.

However, access goes beyond medication alone. Outcomes for people living with CML depend greatly on access to regular blood tests, including specialised tests that detect changes in the cancer gene, as well as care from experienced specialists and a reliable treatment plan.

"Without these in place, even the most effective therapies may not deliver their full benefit," says Dr Tang.

In CML, consistency in treatment can lead to a deep molecular response (DMR), a state where the disease is extremely well controlled, with very low or undetectable levels of leukaemia cells in the blood.

Achieving and maintaining DMR is



With appropriate intervention and disease monitoring, most people with CML can have a normal lifespan. PICTURE CREDIT: JCOMP — FREEPIK



what makes TFR possible. For eligible patients, TFR allows treatment to be safely paused under close clinical supervision while maintaining deep molecular remission and keeping the disease under control.

To be eligible for TFR, patients need to reach specific treatment goals, stay in deep remission for at least two years and continue regular check-ups to catch any return of the disease early.

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Supported by the Malaysian Communications and Multimedia Commission

# PENGILANG gesa tindakan tangani label hologram palsu

**Kuala Lumpur:** Persatuan Pengilang dan Industri Perkhidmatan Bumiputera Malaysia (PENGILANG) menggesa pihak berkuasa mempertingkatkan pemantauan serta mengambil tindakan tegas terhadap pihak yang terbabit dalam aktiviti pemalsuan label hologram. Presidennya, Datuk Seri Dr Azman Yusoff, berkata penguatkuasaan yang konsisten amat penting bagi memastikan produk tidak sah tidak terus berleluasa di pasaran.

Katanya, PENGILANG turut memohon kerajaan memberi keutamaan kepada produk tempatan buatan Malaysia yang sah, berkualiti dan mematuhi piawaian, khususnya dalam dasar perolehan serta promosi pasaran.

"Sokongan ini penting bagi melindungi industri tempatan daripada persaingan tidak adil akibat lambakan produk tiruan.



"Ini bukan isu terencil, sebaliknya ancaman serius pada peringkat global dan tempatan. Pertubuhan Kesihatan Sedunia (WHO) menganggarkan nilai pasaran ubat palsu mencecah ratusan bilion ringgit.

"Di Malaysia, pihak berkuasa pernah merampas lebih 88,000 unit produk kesihatan tidak berdaftar bernilai kira-kira RM24 juta," katanya menerusi kenyataan, semalam.

Beliau berkata, situasi itu menunjukkan aktiviti pemalsuan produk kesihatan semakin

membimbangkan dan memerlukan tindakan segera.

Kelmarin, *BH* melaporkan kegagalan sistem pengesahan label hologram keselamatan, khususnya bagi produk kesihatan sejak beberapa bulan kebelakangan ini, menimbulkan kebimbangan terhadap risiko kemasukan ubat-ubatan dan makanan tambahan tidak tulen ke pasaran.

Pengurus Besar Techno Se-

cure Print Sdn Bhd, Fairuz Yahya, dilaporkan berkata kelemahan pada label hologram digunakan menyebabkan pengguna serta pihak berkuasa tidak dapat mengesahkan ketulenan produk walaupun mempunyai tanda keselamatan.

Beliau berkata, dalam tempoh kira-kira empat hingga lima bulan selepas pembekalan label oleh sebuah syarikat tempatan yang dilantik kerajaan, label

berkenaan didapati tidak boleh diimbas menggunakan peranti biasa.

Mengulas lanjut, Azman berkata, pihaknya turut menerima aduan daripada ahli yang gusar terhadap peningkatan kes pemalsuan produk di pasaran, termasuk penggunaan label hologram palsu yang mengelirukan pengguna.

"Perkara ini bukan saja mengancam kesihatan awam, malah memberi kesan langsung kepada pengusaha tempatan yang mematuhi peraturan serta piawaian ditetapkan.

"PENGILANG kekal komited untuk bekerjasama rapat dengan kerajaan dan agensi berkaitan bagi memastikan ekosistem industri yang selamat, telus dan berdaya tahan demi kesejahteraan rakyat serta pertumbuhan ekonomi negara," katanya.

“Ini bukan isu terencil, sebaliknya ancaman serius pada peringkat global dan tempatan. WHO menganggarkan nilai pasaran ubat palsu mencecah ratusan bilion ringgit”



**Azman Yusoff,**  
Presiden PENGILANG

## 106 kekosongan doktor di Perak, nisbah masih bawah paras nasional

**IPOH** - Sebanyak 106 kekosongan jawatan pegawai perubatan direkodkan di hospital-hospital Kementerian Kesihatan Malaysia (KKM) di Perak setakat Februari tahun ini.

Exco Kesihatan, Sumber Manusia, Integrasi Nasional dan Hal Ehwal Masyarakat India Perak, Datuk A Sivanesan berkata, jumlah perjawatan tersebut diperlukan susulan keperluan yang semakin meningkat berikutan pertambahan populasi dan kompleksiti penyakit.

Menurut beliau, walaupun negeri ini menerima penambahan waran perjawatan serta lantikan kontrak setiap tahun, namun jumlah tersebut masih belum mencukupi untuk memenuhi keperluan optimum.

"Isu ini bukan hanya di Perak, tetapi dihadapi di semua negeri. Agihan penempatan pegawai perubatan ditentukan oleh KKM berdasarkan kelulusan sumber manusia daripada Jabatan Perkhidmatan Awam.

"Jabatan Kesihatan Negeri Perak akan terus berunding dengan KKM bagi memastikan penambahan pegawai perubatan dapat dipertingkatkan, khususnya di hospital berpakar," katanya menjawab soalan **Zafarulazhan Zan (PN-Kampong Gajah)** dalam Sidang Dewan Undangan Negeri Perak pada Rabu.

Dalam perkembangan sama, Sivanesan berkata, nisbah doktor kepada penduduk di Perak kini berada pada kadar 1:466 bagi setiap 1,000 populasi.

Katanya, nisbah tersebut masih rendah berbanding purata nasional iaitu 1:403, sekali gus menunjukkan keperluan mendesak untuk menambah tenaga kerja kesihatan di negeri ini.

"Kedudukan Malaysia secara keseluruhan masih lebih baik berbanding beberapa negara jiran seperti Indonesia, Filipina dan Myanmar," katanya.

Dalam pada itu, beliau berkata, aspek kesihatan mental petugas kesihatan turut diberi perhatian serius oleh kerajaan negeri melalui pelbagai inisiatif sokongan psikososial.

Menurut beliau, antara program dilaksanakan termasuk saringan kesihatan mental secara berkala menerusi Program KOSPEN WOW bagi mengesan tahap tekanan, keresahan dan kemurungan dalam kalangan petugas.