

Newsletter

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Ministry of Health Provides Additional Funding to Develop Traditional Chinese Medicine

On 2 August 2017, the Ministry of Health ("**MOH**") announced that it will provide additional funding of S\$5 million for the Traditional Chinese Medicine Research Grant ("**TCMRG**") to develop and support the Traditional Chinese Medicine ("**TCM**") sector. This additional S\$5 million funding bolsters the \$3 million which had earlier been put aside for the TCM sector in December 2012 for the same purpose.

In particular, the funding aims to support skills development for TCM professionals, as well as encourage collaborative research between researchers in public healthcare institution, TCM industry players and institutes of higher learning.

The additional funding also comes with new changes to the TCMRG. The funding is now extended to TCM course providers to conduct more local TCM conferences, seminars, workshops or other training programmes for TCM practitioners. The scope of the TCMRG has also been extended to include research on traditional Chinese exercise (e.g. *taiji* and *baduanjin*), therapies (e.g. *tuina*) and use of TCM medicinal herbs and products.

The additional funding reflects a recognition of the increased importance of TCM in Singapore. In its press release, MOH noted that TCM plays an important complementary role in the healthcare industry, particularly in preventive healthcare and primary care. This coheres with MOH's strategic thrust to prepare Singapore for an ageing population.

Applications for TCMRG will open in January 2018. More details can be found in the MOH's Press Release [here](#).

Public Sector Doctors Moving to a New Insurer, Possibly Increasing Private Healthcare Costs

The Ministry of Health Holdings ("**MOHH**") has arranged for all 9,000 public sector doctors to move to a new insurer, Aon, once their current cover expires. The insurance covers legal and compensation costs, if doctors are sued by patients.

At present, most doctors are insured by Medical Protection Society ("**MPS**"). Last year, MPS insured 11,000 doctors in Singapore, of which, more than 6,500 were from the public sector. As such, this new change will see the number of doctors that MPS covers drop by more than half.

This change may be precipitated by the reduction in tail cover by MPS. Tail cover is the coverage for future suits against incidents that occurred while the doctor was insured, even after he has left practice. It is important as doctors can be sued up to three years from the time the patient becomes aware of any negligence, and obstetricians can be sued up to 24 years after the birth of a child. In 2015, MPS reduced the annual premium for obstetricians from \$36,000



a year to just over \$22,000, and at the same time, stopped coverage once a doctor stops paying the annual premium.

Although MPS claims that premiums are not determined by the number of doctors insured, others from the industry say that the premiums are likely to increase because there are less people sharing the company's fixed administration costs. If this is true, private healthcare costs may also rise as a result.

More details can be found in the article [here](#).

Data Analytics Increasingly Used in Hospitals

Data analytics are increasingly used in hospitals, in a bid to improve patient outcomes. As Permanent Secretary for Health Chan Heng Kee noted earlier this month, data analytics can add immense value to the provision of healthcare.

Data analytics can be used in many ways for a variety of purposes. For instance, Singapore General Hospital ("**SGH**") has been collecting data on recovery for knee, spine, foot and ankle surgeries. The data enables SGH to better monitor future patients and speed up post-surgery recovery. SGH is also beginning to use data analytics to compare how its patients fare after complex surgery against the experiences of those at 700 other hospitals.

Other public hospitals are also using data analytics to identify patients who require frequent admissions, and proactively reach out to them to offer preventive or early interventions. This leads to lower readmission rates, and cost savings.

More details can be found in the article [here](#).

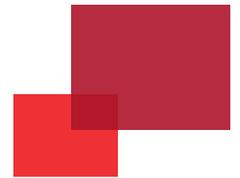
FDA Issues Digital Health Innovation Action Plan

On 27 July 2017, the US Food and Drug Administration ("**FDA**") issued its Digital Health Innovation Plan, which discusses how FDA plans to restructure its regulatory approach of digital health devices. In particular, it discusses issuing new guidance for implementing legislation, a pilot Digital Health Software Precertification Program, and increasing digital health expertise within FDA. The Plan focused heavily on measures to streamline the regulatory pathway of digital health medical devices, particularly for low-risk products. This accords with Singapore's risk-based classification imposed by the Health Sciences Authority (HSA) on product registration for telehealth devices.

More details can be found in the Digital Health Innovation Plan [here](#).

New Proposed US Legislation Focuses on Medical Device Cybersecurity

On 27 July 2017, Senator Richard Blumenthal introduced The Medical Device Cybersecurity Act of 2017 (Bill). The Bill aims to protect patient safety from



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medical device cyberattacks and improve medical device security, by creating a cyber report card for devices, mandating product testing prior to sale, bolstering remote access protections for medical devices, ensuring crucial fixes or updates for medical devices remain free, and providing guidance on secure disposal. The Bill has received immediate support by key stakeholders in the healthcare cybersecurity area, including the College of Healthcare Information Management Executives. The Bill underscores the commitment and importance that the US government will place on regulating the cybersecurity of medical devices.

More details can be found in our client alert [here](#).