

## Newsletter

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### Singapore Healthcare Regulations up for Review

The Singapore Ministry of Health has just announced that the regulations on healthcare services is due for a refreshment to keep up with medical and technological advancements. Focus group sessions with industry stakeholders, including clinics, clinical labs, nursing homes, and public consultations are slated for the coming months.

The Private Hospitals and Medical Clinics Act ("**PHMCA**") was last updated in 1999, and since then, new areas in healthcare have emerged. These include telemedicine and others which are featured in our [HealthTech Report](#).

More information on the National Telemedicine Guidelines can be found in the April 2015 edition of our newsletter [here](#). The Singapore Medical Council's position on telemedicine is also reported in the previous edition of our Healthcare newsletter [here](#).

### SMC Ethical Code and Ethical Guidelines Instructive in Regulating Financial Arrangements with Third Party Administrators

Managed-care firms, also known as third party administrators ("**TPAs**") handle healthcare insurance claims for insurers and doctors. TPAs offer insurers and companies a panel of doctors and specialists to choose from, and doctors register with these panels to increase their reach in the market for a fee. These administrative fees are calculated as a percentage - typically 8 to 25 percent - of the total fees charged by the doctor, which is akin to a sales commission.

TPAs have been a feature of the healthcare landscape for many years by providing patients convenient access to healthcare services whilst keeping company costs in check. Despite the advantages of TPAs, they have been scrutinised recently for restrictions on referral to specialists, imposing unfair contract terms and lack of transparency with the medical bills.

Such service fee arrangements have been on the radar of the Singapore Medical Association ("**SMA**") and the Singapore Medical Council ("**SMC**"). In light of the current landscape, the SMA's president, Dr. Wong Tien Hua, has suggested that the authorities consider implementing new laws or amending current laws to regulate the TPAs. The SMC has also recently stated in its new edition of the Ethical Code and Ethical Guidelines ("**ECEG**"), which will come into force on 1 January 2017, that fees charged by TPAs "*must not be based primarily on the services the doctor provides, or the fees the doctor collects, and must not be so high as to constitute fee splitting or fee sharing*" (see section H3(7) of the ECEG).

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The Minister for Health has also said in a [written response to a Parliamentary Question](#) that the Ministry has been working with medical professional bodies and associations to raise the doctors' awareness of appropriate arrangements between doctors and TPAs, but has not indicated whether TPAs would be regulated in the near future. The ECEG is therefore instructive for handling service fee arrangements in the interim.

Although the ECEG does not have force of law, Singapore-registered doctors will have to comply with it or face disciplinary sanctions from the SMC. More information on the SMC's new ECEG can be found in the previous edition of our Healthcare newsletter [here](#).

## New Regulatory Regime for Therapeutic Products to Take Effect on 1 November 2016

As reported in the July 2016 edition of our Healthcare newsletter ([here](#)), the new regulatory regime for therapeutic products ("TP") will come into force on 1 November 2016.

Product owners who currently hold product licences should note that if they intend to import and wholesale their own registered TP, they will have to apply for an Importer's Licence ("IL") and/or Wholesalers' Licence ("WL") under the new regulatory regime. The new legislation also includes changes to the licensing regime for clinical trials, poisons and medical advertising.

The HSA has also published a useful FAQ on licensing controls for TP, which can be found [here](#).

## S\$3 Million Set Aside for Traditional Chinese Medicine Research Grants in Singapore

On 23 October 2016, the Minister for Health, Mr. Gan Kim Yong, announced at the opening ceremony of the International Conference for the Modernisation of Chinese Medicine, that the Ministry has ringfenced S\$3 million in research grants to support evidence-based research for traditional Chinese medicine ("TCM").

The purpose of the grants is to foster collaborative research projects to investigate the safety and efficacy of TCM treatments to raise the overall standards of TCM practice in Singapore. Apart from the need to collaborate and share good clinical practices between doctors and TCM practitioners, the Minister also encouraged TCM institutions to explore evidence-based research on conditions which are prevalent in Singapore, such as chronic diseases, post stroke rehabilitation, diabetes control, asthma control, hypertension prevention/maintenance, obesity and substance abuse cessation, to name a few. Eligible projects may receive up to S\$750,000 for a maximum duration of 3 years.

More details of the scheme, including the eligibility criteria, can be found on the Ministry's website [here](#).

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