

# SUPPLEMENTARY FINANCIAL COVERAGE

## Inequalities across income groups

Iqbal Ab Rahim\*, Suhana Jawahir, Tan Ee Hong, Sarah Nurain Mohd Noh, Tan Yeung R'ong  
 Centre for Health Equity Research, Institute for Health Systems Research

\*fathullah@moh.gov.my

NMRR-18-3085-44207

### INTRODUCTION

Government of Malaysia provides highly subsidised tax-funded public healthcare to its citizen. This is supplemented by other healthcare coverage such as private health insurance, civil servants' health benefits, employees' health benefits, and SOCSO, as well as the government specific health fund for the lower income groups. This study aimed to describe the supplementary financial coverage among the population in Malaysia.

Having supplementary financial health coverage includes being covered to pay for healthcare services by:

- government guarantee letter,
- government specific health fund,
- employee health benefit\*,
- SOCSO; and
- personal health insurance.

It does not include existing government subsidised-financing for health services in the public sector.

\*Note: Employee health benefit includes panel clinic or hospital and employer-sponsored health insurance.

### METHODOLOGY

We conducted secondary data analysis on all respondents from the National Health and Morbidity Survey 2019. This cross-sectional household survey used a complex study design with a two-stage stratified cluster sampling. A total of 16,688 respondents living in non-institutional living quarters in Malaysia were interviewed face-to-face, using a structured questionnaire. Descriptive analysis was performed.

NHMS 2019  
HEALTHCARE DEMAND

### RESULTS

A total of 49.9% of the population in Malaysia had supplementary financial health coverage, highest among Top 20% (78.6%), followed by Middle 40% (67.6%), and Bottom 40% (40.8%) of the population according to income group.

Main types of coverage were private health insurance (20.5%), civil servants' health benefits (18.2%) and employees' health benefits (18.0%).

40.2% of the Top 20% had multiple coverage, compared with 13.0% of the Bottom 40%.

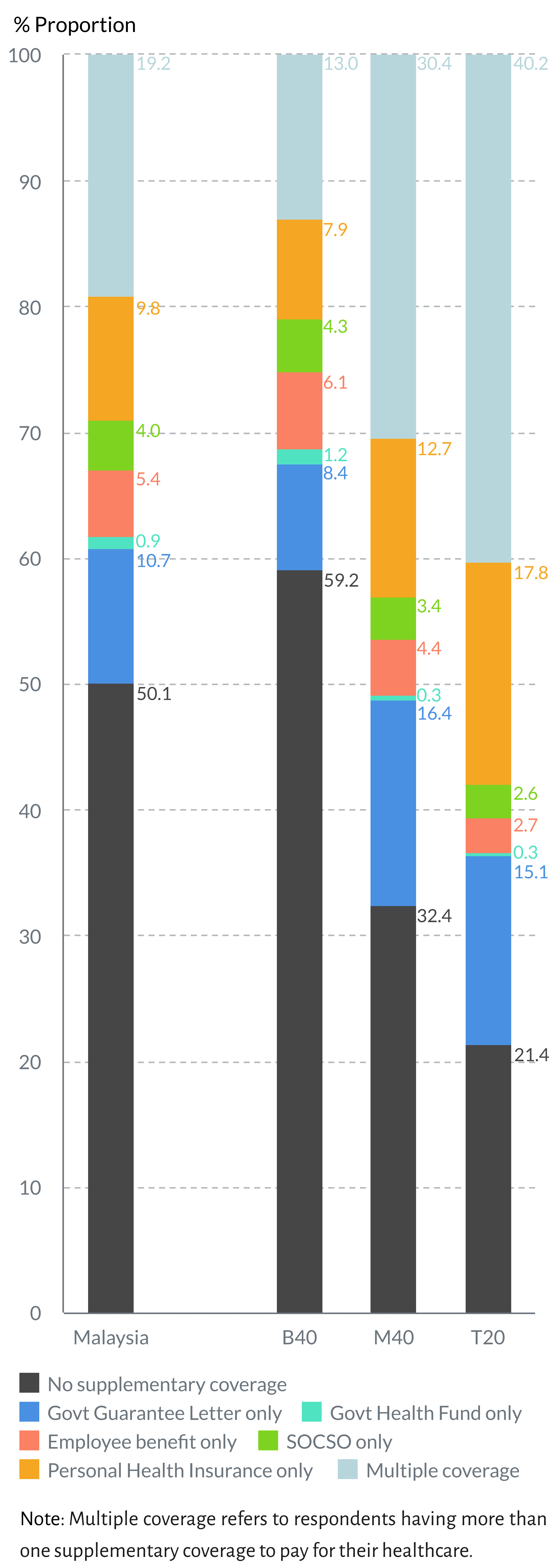
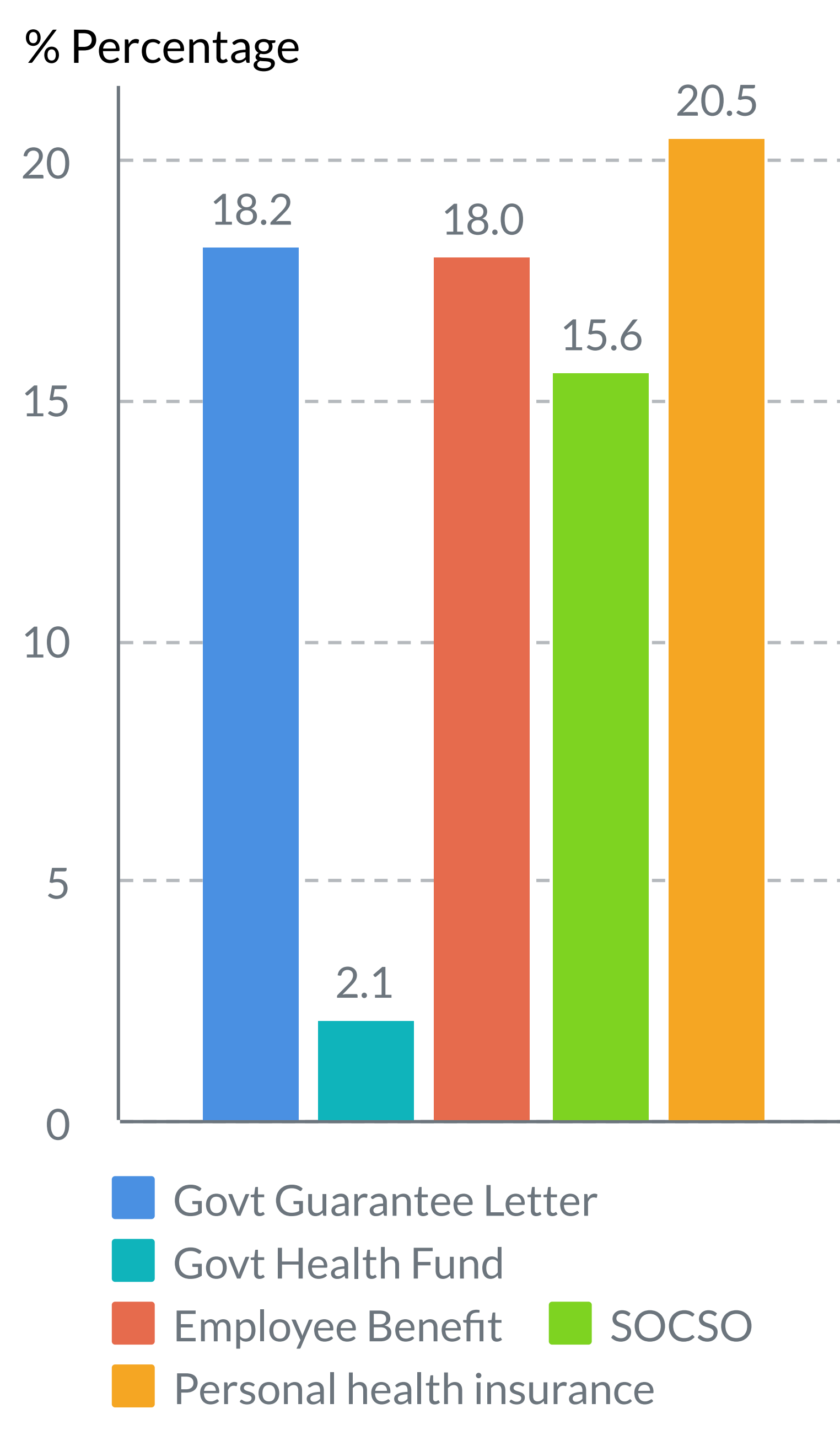


Figure 1: Percentage of population with supplementary financial coverage, Malaysia, by type

Figure 2: Proportion of population with supplementary financial coverage, Malaysia, by income group

### DISCUSSION/CONCLUSION

Half of the population had no supplementary financial coverage other than the subsidised healthcare coverage provided by the government. The public-private partnership for financial mechanism need to be strengthened to enable population access to both public and private sectors. This is necessary to lessen the burden on public sector, where majority of the population had high reliance on, which was exacerbated by long-standing issues of over-crowding and long waiting time.

### References

1. K Xu, DB Evans, G Carrin, AM Aguilar-Rivera. Technical Briefs for Policy-Maker No. 2/2005: Designing Health Financing Systems to Reduce Catastrophic Health Expenditure. Geneva CHE: World Health Organization, 2005.
2. Brief 4: Risk-Pooling Mechanisms. Immunization Financing Toolkit. The World Bank and GAVI Alliance December 2010.
3. Ghazali RJ, Abd Manaf NH, Abdullah AH, Bakar AA, Salikin F, Umaphathy M, Ali R, Bidin N, Ismail WI. Hospital waiting time: the forgotten premise of healthcare service delivery?. International journal of health care quality assurance. 2011.