OPENING ADDRESS BY MR LEE YI SHYAN, MINISTER OF STATE FOR TRADE AND INDUSTRY, AT THE CHINA-SINGAPORE FORUM ON CONTEMPORARY HEALTHCARE MANAGEMENT, 10 SEPTEMBER 2006, 8.45 AM AT SHANGHAI INTERNATIONAL CONVENTION CENTRE, SHANGHAI

Introduction

Ladies and Gentlemen. Good morning to all of you. It gives me great pleasure to be here today and to welcome you to this Forum on Contemporary Healthcare Management, organized by International Enterprise Singapore together with SGP International Management Academy.

We just held the China-Singapore Healthcare Forum in Xiamen on 8 Sep whereby the two countries shared, on a macro-level, views and experience on the challenges faced in the healthcare sector and the development and management of our healthcare systems. Some of you may have attended that forum. Today's forum takes it one step further by allowing Singapore healthcare players to share with you their experience in the planning and design, maintenance and management of hospitals as well as the provision of supporting services to these hospitals against the backdrop of key trends in this sector. I hope that through this, we will foster an even closer working relationship and promote collaboration of companies from China and Singapore.

Existing Bilateral Ties

China and Singapore share very close ties, given our language and cultural linkages. In recent years, our bilateral relationship has grown from strength to strength and the proposed Free Trade Agreement (FTA) between our two countries will bring our ties to even greater heights.

Singapore is now China's 7th largest trading partner, while China is Singapore's 4th largest trading partner. In 2005, our bilateral trade reached a record US\$33.15 billion, an increase of 24.2% over 2004. China is also Singapore's top investment destination, with cumulative actual investments amounting to

US\$27.74 billion as of end 2005, representing 4.46% of China's total FDI. Singapore, on the other hand, was China's 6th largest foreign investor and largest investor from ASEAN in 2005.

In the healthcare sector, we have a warm relationship built on the basis of cooperation at various levels including Government-to-Government, Business-to-Business and people-to-people exchanges. Singapore's Ministry of Health and the China Association for International Exchange of Personnel (CAIEP)¹, for example, have cooperation and exchange arrangements since 1989, which have resulted in about 800 PRC nurses being trained. Between 2001 and 2005, we have awarded an annual average of 20 per cent of nursing scholarships to PRC nurses. One Singapore private medical group is currently training PRC doctors who upon completion of training would staff some of the group's offshore hospitals.

In the area of traditional Chinese medicine (TCM), Singapore has an existing Memorandum of Understanding with China's State Administration in TCM (SATCM), where Plans of Cooperation are developed to drive collaboration in TCM. The Singapore College of TCM and the Institute of Chinese Medical Studies have collaborated with PRC TCM universities to offer joint-undergraduate and postgraduate programmes in TCM. Together with the Beijing University of Chinese Medicine, the Nanyang Technological University (NTU) has also started a double-degree course in TCM.

We are also starting to see more collaboration amongst our companies in this sector. For example, Singapore's Keppel FMO, a facilities management service provider, together with SIMA, the co-organiser of this Forum, have entered into a joint venture with Linyi People's Hospital in Shandong Province and Souollon

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¹ This is a Government-to-Government arrangement whereby PRC nurses undergo training (including on-the-job training in Singapore hospitals) in Singapore for two to four years and upon completion of the programme, are expected to return to China.

Information Technology, to provide facilities management, healthcare management and consultancy and healthcare personnel training service to Linyi Hospital. Today, Health Management International (HMI) will also sign an MOU with Linyi Hospital to collaborate on nursing training and placement of nurses. Separately, Parkway Holdings will also be signing a general collaboration MOU later with the Chinese Medical Doctors Association.

Managing Singapore's Healthcare System

Against this backdrop, there is a lot of scope for collaboration between China and Singapore. In Xiamen, Minister Khaw Boon Wan shared Singapore's experience in addressing some of the challenges faced in managing our healthcare system. I would like to reiterate some of the points that he made at today's forum. I would share with you how Singapore has managed to provide quality healthcare services while keeping the cost low. I would also briefly outline some of the areas where China and Singapore can further collaborate and seek meaningful partnership.

Singapore's healthcare system today is not perfect but it has gained recognition as one of the best in the region, if not the world. The World Health Organisation (WHO) has rated our system as among the top 10 most cost-effective in the world. It also ranked Singapore 6th in terms of overall healthcare system performance in 2000. We were the top-ranked Asian country. In 2003, the Political and Economic Risk Consultancy (PERC) ranked Singapore's healthcare system as the third best in the world.

How have we managed to achieve this? <u>First</u>, we work on the basis that healthcare cost will continue to rise. The first key to managing healthcare cost is therefore to ensure that there is a constant and expanding flow of money going into the healthcare sector, to pay for new services. In Singapore, our healthcare system is supported by all the major stakeholders: Government, employers,

patients, family members, insurers and charities. This ensures that the financial burden is shared widely.

Second, we believe that the healthcare market can work better under competition. Market competition is the best way to allocate resources efficiently, with less wastage. But for markets to function, there must be timely appropriate information so that consumers and producers can make rational decisions on allocation of resources. In Singapore, we are trying to do this by pushing out timely and relevant information. We gather the data from our hospitals and publish them regularly. We have now done so for the 70 most common illnesses and the data are updated every month on the MOH website. We intend to do more, particularly in collecting clinical outcomes data. Patients need to be better informed, so that they can make informed choices. If we reward the productive providers, we will more likely help raise medical standards while keeping cost in check.

<u>Third</u>, we must empower the patients and get them to take greater responsibility for their own health. This is particularly so in the management of chronic diseases like diabetes and hypertension. Patients benefit by working with their doctors and changing their lifestyles, such as eating healthily, exercising regularly, avoiding obesity, taking regular medication as prescribed by their doctors, while regularly monitoring their own health and look out for signs for complications. In Singapore, we have started to push this chronic disease management programme nationwide.

<u>Fourth</u>, to manage healthcare cost, as a rule, we need to keep patients away from unnecessary care at expensive hospitals and specialists. We should right-site the treatment at wherever the medical expertise is available at the lowest possible cost.

<u>Fifth</u>, we should exploit globalization to help lower cost. While globalization is itself pushing up wages of health workers, we should leverage on it to average down our costs. One clear example is the greater use of teleradiology. In Singapore, we are now sending out our routine X-rays to India for reporting, relieving our radiologists of mundane work while at the same time reducing our cost of X-ray reporting. There must be more scope for such innovations in the healthcare sector.

Collaboration between China and Singapore in Healthcare

There are a few possible areas where there is scope for collaboration between China and Singapore.

<u>First</u>, training of health manpower, especially nurses. As I mentioned earlier, we have many years of cooperation on this front. Some of nurses trained under this cooperation programme have stayed back in Singapore while many have returned to China to work in your hospitals as higher-skilled nurses. We will be happy to do more.

<u>Second</u>, responding to your interest, our companies have invested in your hospitals and clinics. As your middle class expands, their demand for sophisticated hospital services will likely grow. If business conditions are conducive, I am sure our hospital investors will be keen to consider more such prospects. There is a large Singapore business delegation here today at this forum and I am sure they will be happy to explore opportunities for such partnership with China.

<u>Third</u>, our public hospitals are in some way not unlike yours, in that we have to serve very large number of outpatients and our inpatients tend to have many hospital visitors. Hence in hospital planning, we cannot simply copy what they do in the West. Fortunately, we rebuilt our hospitals one after another over the years. We were able to learn from each project and improve along the way. We

are just about to start construction of another major hospital. We are applying our past lessons on this new project. The design is almost complete. We are proud of it. It will be very energy efficient and the layout pays particular attention to the needs of patients and their visitors. I understand that you have plans to build and rebuild many hospitals in China. You may be interested in our experiences. In fact, our hospitals receive thousands of visitors from your hospitals every year. We welcome them and are happy to share both our successes and our mistakes with you.

<u>Fourth</u>, we should jointly explore innovative approaches to meet new demands from sophisticated patients. A recent newspaper article (ST, Aug 4) on Indian healthcare which I read, it noted that "patients from both India and Thailand opt to go to Singapore for treatment as we (Singapore) offer both Western medicine, at one-fifth the cost in Europe, and TCM". Singapore and Chinese companies can thus join hands and go regional. By combining east and west, we offer a service that distinguishes ourselves from the competition, while satisfying a need.

Conclusion

In conclusion, let me say that there is scope for further collaboration between Singapore and Chinese companies in healthcare. This Forum is a first step towards realizing this goal. I would like to urge all our participants today to take your time to meet with our companies and share and learn from one another. Thank you and I wish you have a fruitful time ahead.

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女士们, 先生们, 早上好!

非常荣幸能参加今天由新加坡国际企业发展局和新加坡国际管理学院联合举办的现代医院经营管理论坛。首先欢迎大家的光临!

我们 9 月 8 日刚在厦门举行了中新医疗管理合作论坛,双方在宏观上交换了各自在医疗保健系统的发展和管理方面的经验与见解,探讨了在这一领域所面临的挑战。在座的也许有参加过这个论坛的。今天的论坛将更进一步,让新加坡的医保机构与您分享他们在医院的设计、经营管理以及提供医院辅助服务方面的经验。我希望中新双方的医疗保健机构可以借此机会,发展更深一层的合作关系。

双边关系

中国和新加坡由于语言和文化的缘故而有着密切的关系。今年来,新中经贸关系日益密切,而建议中的自由贸易协定将把两国的关系提到一个新的战略性层面。

新加坡现在是中国的第 7 大贸易伙伴,而中国是新加坡的第 4 大贸易伙伴。 2005年,我们的双边贸易达到 331.5 亿美元的纪录,比 2004年增长了 24.2%。 中国也是新加坡最大的资金流向国, 截至 2005年底,新加坡在中国的实际累积投资达 277.4 亿美元, 占中国总外国直接投资的 4.46%。 2005年,新加坡是中国的第 6 大投资国,在东盟国家中居首位。

在医疗保健领域,两国无论在政府间还是在商界、民间的合作往来都十分密切。以新加坡卫生部和中国国际人才交流协会为例,双方从 1989 年起就展开合作交流,至今已有约 800 名中国护士得到培训。从 2001 年到

2005年,每年大约有 20%的护士奖学金都是授与来自中国的护士的。一 所新加坡私人医疗集团目前正在培训一批中国医生,他们将在培训结束后 到集团的一些海外分支医院工作。

在传统中医疗法方面,新加坡与中国国家中医药管理局签定一个谅解备忘录,旨在推动双方在这个领域的合作。新加坡中医学院和新加坡中医学研究院与中国的中医大学携手,提供中医本科及硕士学位的课程。新加坡南洋理工大学也与北京中医药大学联合推出了一个中医双学位课程。

我们同时看到越来越多的民间公司在医保领域展开合作。比如,提供设施管理服务的新加坡吉宝 FMO 私人有限公司 ,联同新加坡国际管理学院、山大鲁能信息科技有限公司和山东临沂(yi2)人民医院,成立了合资企业 - 新鲁医院管理有限公司,为临沂人民医院提供设施管理、医疗保健管理与咨询及医保人员培训服务。如今,这个集团又将有一个新伙伴加盟。 新加坡国际医疗控股公司(Health Management International)将与集团签署谅解备忘录,为临沂医院提供服务。另外,新加坡的百汇医疗集团也将与中华医师会签署谅解备忘录。

新加坡医疗保健制度管理

在此背景下,中新双方的合作将大有可为。在厦门,许文远部长谈到新加坡在应对以上挑战时所积累的一些经验。今天,我将谈谈许部长讲话中关于新加坡在提供优质服务并同时控制保健成本的体会及建议新中能在哪些方面进行合作。

新加坡医疗保健制度并非十全十美, 但也被公认为本区域, 甚至是全世界最优质的医疗保健制度之一。在国际卫生组织 2000 年的总体医疗保健评比中, 新加坡名列世界第六位, 在亚洲则名列第一。2003 年, 政治经

济风险咨询公司(PERC)把新加坡的医疗保健系统列为世界第三。我们的医疗保健业者因此具备强健的实力来为您提供医保方案。

新加坡是怎样做到的呢?首先,我们确保有充裕的资金投入到医疗保健体系的发展。由于医疗保健成本的不断上升,拥有充裕的资金将为我们的医疗保健体系购买新的医疗服务。政府、雇主、病人、家属、保险业者及慈善团体在分担新加坡医疗保健成本中都扮演重要的角色。

第二,医疗保健市场须引进竞争力。市场竞争是分配资源、避免浪费最有效的办法。然而,要使市场有效运作,消费者及厂家需要即时的市场消息,以作出如何有效分配资源的决定。新加坡不遗余力地提供即时的市场资料。在新加坡卫生部的网站上,公众能找到关于最常见 70 种疾病的最新资料。同时,我们也定期发行关于新加坡医院的资料。日后,我们打算收集更多临床结果。奖励有效的服务提供者能使新加坡在提高医疗保健水平的同时,控制医药成本。

第三,我们应加强病人对维持自身健康的意识。管理糖尿病及高血压等慢性疾病更是如此。病人能从与医生合作及改变生活习惯中获益。病人得自觉地维持健康的饮食习惯,经常运动,避免肥胖,定时吃药等等。在新加坡,我们已经开始推行全国慢性疾病管理计划来帮助病人加强这方面的意识。

第四, 避免病人不必要地支付昂贵的医疗开支。病人无须每当生病都到 昂贵的医院或专科医生求诊。我们应让病人仅可能寻求最低成本的医疗保 健服务。

第五,大力利用环球化的趋势降低成本。环球化虽然使医疗保健工作者的 工资上升,但我们也能利用环球化来降低成本。新加坡便与印度进行合 作,大力利用远程放射治疗来降低我们的医疗保健成本。利用新科技因此 是医疗保健业应注重的发展方向。

促进新中合作

现在,我想谈谈新中之间在哪些方面能进行合作。

首先,培训更多的医护工作人员,尤其是加强新中在培训护士方面的合作。我们在这方面合作已久。许多在这合作计划受训的护士有的选择留在新加坡服务,有的则选择回到中国。新加坡欢迎更多中国的护士加入这项计划。

第二,加强新加坡企业对华医院及诊所的投资。随着中国中产阶级地扩大,他们对优质医疗保健服务的需求将越来越大。我相信新加坡医疗保健 业者将抓住中国良好的投资机会。

第三,加强两国在医院设计方面的交流与合作。新加坡的公共医院和中国的一样,都有很多病人来求诊、亲属来探病。基于不同的文化背景,我们不能完全参照西方国家的医院设计。新加坡愿意与中国分享我们多年在医院设计中所累积的经验。

第四,新中能为满足寻找更优质医疗保健服务病人的需要进行合作。现在 印度和泰国的病人到新加坡求医的原因是因为新加坡能以西欧五分之一的 成本提供西医服务,也能提供中医服务。我相信新中之间在这方面会有很 多合作机会。

总的来说,新中医疗保健业者仍有很大的合作空间。今天的论坛是迈向这目标的第一步。我呼吁所有在座的业者利用今天的论坛相互学习、探讨更多的合作机会。谢谢!