

# Malaysia: Form independent committee to review mySalam health insurance, and shut it down if needed, PSM tells PM

Thursday 8 August 2019, by [ANNUAR Azril](#), [AUGUSTIN Robin](#) (Date first published: 3 August 2019).

**The government should review the mySalam insurance scheme and call it off if necessary as it is not benefitting its supposed target group, the poorest 40% of Malaysians.**

Parti Sosialis Malaysia (PSM) chairman Dr Jeyakumar Devaraj claimed that the greatest beneficiary under the scheme is not the B40 (poorest 40%) group but instead insurance giant Great Eastern Life Malaysia.

“Well Tun, the performance of mySalam over the past six months shows that the largest beneficiary is Great Eastern itself which received a payment of RM 400 million for insurance cover for the B40 population for 2019, but will likely only pay out RM 3 million or so to the Malaysian public for 2019.

“We would like to urge you to set up an independent committee to look into the mySalam scheme and if necessary call it off, and channel the RM 2 billion to the Ministry of Health to help patients with their co-payments required of them in Government Hospitals,” he said in a statement.

“Getting the opinions of the MMA, the MoH and citizen groups working on health-related issues would be a good idea too,” he added.

The former Sungai Siput MP said that Finance Ministry data showed that as of July 22 this year, only RM1 million had been paid out under the mySalam Scheme — comprising 108 approved claims for critical illnesses (RM 864,000) and 941 approved claims for hospitalization (RM50 per day for a maximum of 14 days).

At the same time, Great Eastern had received a whopping RM400 million to cover the B40 population a year and based on current data, the company will only issue RM3 million in payment — making a killing over the poor.

Dr Jeyakumar cited a personal experience regarding one of his patients as a case study whereby the man was denied insurance coverage from the mySalam scheme simply because he did not obtain diagnosis from a government hospital.

“Three weeks ago, a 48-year-old lorry driver with stage four cancer of the colon came to see me as he was in financial distress. He had been the sole breadwinner and family finances were deeply in the red ever since his diagnosis about two months ago.

“As he was a BRIM recipient in 2018, I downloaded the application forms for mySalam and filled them for him, as I had made the clinical diagnosis of Ca Colon with obstruction before referring him to Ipoh General Hospital.

“Applying to the GH to fill up the forms would have taken another six to eight weeks,” said Dr Jeyakumar.

He added that PSM had written to Finance Minister Lim Guan Eng in November 2018 and in January 2019 to conduct proper actuarial studies and consider other alternatives such as using Great Eastern’s payment of RM2 billion to defray the co-payments required of patients going to government hospitals.

## **What happens to unutilised premiums in MySalam Trust Fund, asks ex-MP**

PETALING JAYA: PSM’s Dr Michael Jeyakumar has continued his criticism of the MySalam insurance scheme for the B40 group, this time questioning the government’s assurance that unutilised premiums will be channelled back into the MySalam Trust Fund.

The former MP for Sungai Siput said the statement issued by the finance ministry on Monday did little to dispel the notion that the scheme will not meet its target of helping those in the low-income group.

The ministry had made the statement to emphasise the non-profit nature of the scheme, saying there is no incentive for the administrator, Great Eastern Takaful Bhd, to hold back on qualified claims.

Under MySalam, which was launched in January, Great Eastern contributes RM2 billion to the scheme while Putrajaya pays RM400 million a year in premiums.

However, Jeyakumar estimated over the weekend that Great Eastern would only pay out RM3 million in benefits. He based his conclusion on figures from the first six months of MySalam’s operations, which showed that only some RM1 million had been paid out as of July 22.

He said the underlying issue is MySalam’s requirements for claims, which make it difficult for many to qualify for assistance.

“It also raises the question of what will happen to the money in the trust fund because if the rate of claims approved continues like this, the money in the trust fund will continue to be under-utilised,” he told FMT.

“So unless you lower the requirements or increase the benefits, it’s hard to see how this scheme really benefits the people.”

Jeyakumar urged the government to re-look the entire scheme and consider how the RM2 billion from Great Eastern could be used more effectively.

“This time, the finance ministry should engage with the relevant stakeholders including the health ministry, medical professionals, health experts and NGOs,” he added.

He also asked if Great Eastern was charging the government anything for administering the scheme, calling on the finance ministry to explain if any interest is being generated from the money in the MySalam Trust Fund.

The MySalam scheme offers eligible candidates health protection for 36 critical illnesses including cancer, heart attack and Alzheimer’s disease.

Recipients will receive assistance of RM8,000 and a daily payment of RM50 for a maximum amount

of RM700 a year as replacement income.

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