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MINISTRY OF HEALTH

OVERVIEW

Mission Statement

- To promote good health and reduce illness.
- To ensure that Singaporeans have access to good and affordable health-care that is appropriate to needs.
- To pursue medical excellence.

FY2006 EXPENDITURE ESTIMATES

Expenditure Estimates by Object Class

Code	Object Class	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006	Change over FY2005	
	TOTAL EXPENDITURE	\$1,717,536,987	\$1,791,497,460	\$1,803,325,090	\$2,010,147,570	\$206,822,480	11.5%
	Main Estimates						
	OPERATING EXPENDITURE	\$1,604,008,906	\$1,689,007,260	\$1,703,279,890	\$1,809,997,570	\$106,717,680	6.3%
	<i>RUNNING COSTS</i>	<i>\$205,515,601</i>	<i>\$240,124,380</i>	<i>\$220,678,130</i>	<i>\$268,681,160</i>	<i>\$48,003,030</i>	<i>21.8%</i>
1000	Expenditure on Manpower	\$33,773,070	\$35,273,000	\$35,420,900	\$35,420,900	\$0	0.0%
1200	Political Appointments	1,340,492	1,140,300	1,065,600	1,065,600	0	0.0
1500	Permanent Staff	32,424,949	34,129,000	34,341,000	34,341,000	0	0.0
1600	Temporary, Daily-Rated & Other Manpower	7,630	3,700	14,300	14,300	0	0.0
2000	Other Operating Expenditure	\$54,413,323	\$110,017,180	\$77,313,730	\$121,666,260	\$44,352,530	57.4%
2100	Supplies & Services	24,529,576	85,946,300	49,008,530	93,251,820	44,243,290	90.3
2300	Manpower Development	3,402,780	4,746,820	3,838,190	3,838,190	0	0.0
2400	Public Relations & Exercises	1,862,664	1,982,730	2,517,450	2,517,450	0	0.0
2700	Equipment	599,287	273,700	733,290	733,280	-10	0.0
2800	Financial Claims & Legal Expenses	24,019,016	17,067,630	21,216,270	21,325,520	109,250	0.5
3000	Operating Grant	\$117,329,208	\$94,834,200	\$107,943,500	\$111,594,000	\$3,650,500	3.4%
3100	Operating Grant to Statutory Boards	117,329,208	94,834,200	107,943,500	111,594,000	3,650,500	3.4

Expenditure Estimates by Object Class - continued

Code	Object Class	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006	Change over FY2005	
	<i>TRANSFERS</i>	\$1,398,493,304	\$1,448,882,880	\$1,482,601,760	\$1,541,316,410	\$58,714,650	4.0%
3500	Social Transfers	8,015,409	4,019,730	7,535,130	7,535,130	0	0.0
3600	Subventions	1,390,477,895	1,444,863,150	1,475,066,630	1,533,781,280	58,714,650	4.0
	OTHER CONSOLIDATED FUND OUTLAYS	\$5,000,000	\$0	\$0	\$0	\$0	0.0%
4500	Transfer from Consolidated Revenue Account	5,000,000	0	0	0	0	0.0
	Development Estimates						
	DEVELOPMENT EXPENDITURE	\$113,528,081	\$102,490,200	\$100,045,200	\$200,150,000	\$100,104,800	100.1%
5100	Direct Development	30,488,921	60,579,300	44,991,500	108,320,100	63,328,600	140.8
5200	Capital Grant	34,914,890	38,994,300	51,177,200	78,904,400	27,727,200	54.2
5300	Capital Injections	48,124,270	2,916,600	3,876,500	12,925,500	9,049,000	233.4
	OTHER DEVELOPMENT FUND OUTLAYS	\$35,313,449	\$0	\$0	\$221,800	\$221,800	n.a.
5600	Loans	35,313,449	0	0	221,800	221,800	n.a.
9100	Loan Repayments	0	0	910,000	910,000	0	0.0
	Net Lending	35,313,449	0	-910,000	-688,200	221,800	-24.4

Establishment List

Category/Personnel	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006	
POLITICAL APPOINTMENTS	3	3	3	(3)	3
Minister	1	1	1	(1)	1
Minister of State	1	1	1	(1)	1
Parliamentary Secretary	1	1	1	(1)	1
PERMANENT STAFF	377	406	407	(363)	391
Accounting Profession	3	3	3	(2)	3
Administrative	9	11	11	(9)	11
Corporate Support	87	87	84	(81)	70
Dental (Officers)	1	1	1	(1)	1
Driving	1	1	1	(1)	1
Economist Service	3	2	2	(2)	2
Environmental Health	14	15	13	(12)	13
Healthcare Support	6	7	5	(5)	5
Information Service (2002)	2	2	2	(2)	2
Laboratory (Health)	2	2	2	(2)	2
Management Executive (Health)	156	174	177	(154)	176
Management Support	13	14	14	(11)	13
Medical Scheme 2002	50	57	62	(52)	62
Nursing	7	7	7	(7)	7
Operations Support	7	7	7	(7)	7
Pharmaceutical	1	1	1	(1)	1
Shorthand Writers	15	15	15	(14)	15
OTHERS	745	820	750	(731)	796
Health Promotion Board	745	820	750	(731)	796
TOTAL	1,125	1,229	1,160	(1,097)	1,190

Figures in brackets shown in the "Revised FY2005" column of the Establishment List denote actual staff strength.

FY2005 BUDGET

The Ministry of Health (MOH)'s revised FY2005 total expenditure was \$1.80 billion, an increase of \$85.79 million or 5.0% from the actual FY2004 expenditure of \$1.72 billion. Of the total expenditure, \$1.70 billion or 94.5% was for operating expenditure and \$100.45 million or 5.5% was for development expenditure.

Operating Expenditure

The revised FY2005 operating expenditure of \$1.70 billion was \$99.27 million or 6.2% higher than the actual sum of \$1.60 billion in FY2004. This was mainly due to the provision of transitional grants to Alexandra Hospital and the Institute of Mental Health. Additional expenses were also incurred due to new measures put in place for the upgrading of MOH's Operational Readiness capabilities.

Development Expenditure

The revised FY2005 development expenditure of \$100.45 million was \$13.48 million or 11.9% lower than the actual sum of \$113.53 million in FY2004. The decrease was due to delayed redevelopment of the Pathology Building, as well as lower cashflow required for the conversion of ICU wards in NUH and the implementation of new IT projects for the two clusters.

FY2006 BUDGET

The total expenditure of MOH for FY2006 is projected to be \$2.01 billion, which is \$206.82 million or 11.5% higher than the revised FY2005 total expenditure. Of this, \$1.81 billion or 90.0% is for operating expenditure and \$200.15 million or 10.0% is for development expenditure.

Operating expenditure

The provision of \$1.81 billion for operating expenditure represents an increase of \$106.72 million or 6.3% over the revised FY2005 operating expenditure. The increase is mainly due to higher provisions for the Services Programme. Of the \$1.81 billion, \$268.68 million or 14.8% is for running costs and \$1.54 billion or 85.2% is for transfers.

The major share of the operating budget, \$1.47 billion or 81.3% will go towards the Services Programme. This is followed by the Ministry of Health Headquarters Programme with \$253.78 million (14.0%), and the Health Promotion Programme with \$85.24 million (4.7%).

Services Programme

The Services Programme will enjoy an increase of \$65.01 million or 4.6% over the revised FY2005 sum of \$1.41 billion due to cost inflation and medical advancement. Of this amount, \$1.40 billion will be given as operating subvention to the restructured hospitals and institutions, polyclinics and Voluntary Welfare Organisations (VWOs) to enable them to provide subsidised medical care, while \$68.39 million will be provided to the restructured hospitals to support medical research.

Health Promotion Programme

A sum of \$85.24 million is allocated to the Health Promotion Programme, an increase of \$20,600 or 0.02% over the revised FY2005 sum of \$85.22 million. The Health Promotion Board carries out Health Promotion Programmes, which include preventive health care services by the National Health Education Department, School Health Services and School Dental Services. It will continue to conduct health education and promotion through mass media education, campaigns and information booklets and health talks. The School Health Services will provide

health screening, immunisation and health education for students. The budget for the Health Promotion Programme is based on the planned implementation of new health promotion programmes and support for on-going programmes.

Ministry of Health Headquarters

A sum of \$253.78 million is allocated to the Ministry of Health Headquarters Programme, an increase of \$41.68 million or 19.7% over the revised FY2005 expenditure.

Development Expenditure

The total development expenditure for MOH in FY2006 is projected to be \$200.15 million, an increase of \$63.33 million or 140.8% over the revised FY2005 sum of \$44.99 million. This increase is due to new projects (e.g. the proposed Northern General Hospital, redevelopment of Pathology Building, Communicable Disease Centre and Queenstown Polyclinic) as well as on-going minor renovation projects for the two clusters. Direct development expenditure covers expenditure on the on-going projects of MOH HQ, the clusters and the statutory board.

Of the \$200.15 million, \$108.32 million (54.1%) is for direct development expenditure, \$78.90 million (39.4%) is for capital grants and \$12.93 million (6.5%) is for voted equity.

Total Expenditure by Programme

Code	Programme	Running Costs	Transfers	Operating Expenditure	Development Expenditure	Total Expenditure
OA	Ministry of Health Headquarters	182,929,700	70,852,960	253,782,660	142,195,300	395,977,960
OD	Services	512,360	1,470,463,450	1,470,975,810	43,339,600	1,514,315,410
OE	Health Promotion	85,239,100	0	85,239,100	14,615,100	99,854,200
Total		\$268,681,160	\$1,541,316,410	\$1,809,997,570	\$200,150,000	\$2,010,147,570

Development Expenditure by Project

Project Title	Total Project Cost	Actual Expenditure up to end of FY2003	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006
DEVELOPMENT EXPENDITURE	...	...	\$113,528,081	\$102,490,200	\$100,045,200	\$200,150,000
Direct Development	...	...	30,488,921	60,579,300	44,991,500	108,320,100
Ministry of Health Headquarters Programme						
3-Year IT Master Plan for MOH HQ (FY2002-FY2004)	9,600,000	6,354,847	1,102,314	778,200	716,000	235,900
eTown Project	570,400	0	0	412,600	374,200	196,200
3-Year IT Master Plan for MOH HQ (FY2005-FY2007)	9,733,000	0	0	0	4,566,200	3,115,500
Minor Improvements and Development Projects	...	...	17,895,745	19,294,100	25,576,000	16,218,100
Leasehold Improvements, Repairs and Redecoration of Restructured Hospitals	55,000,000	49,379,457	674,385	510,000	293,000	200,000
New Projects	...	...	0	32,135,800	1,260,700	78,982,000
IT Systems for SARS	5,670,000	1,234,469	1,649,232	856,900	622,400	264,400
Services Programme						
Setting up of IT Systems for the Health Sciences Authority	7,568,900	7,046,744	205,293	279,400	38,400	241,100
Health Promotion Programme						
Development of Sengkang Polyclinic	6,844,000	2,720,878	2,659,548	1,000,000	683,200	150,000

Development Expenditure by Project - continued

Project Title	Total Project Cost	Actual Expenditure up to end of FY2003	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006
Development of Jurong West Polyclinic	20,160,000	0	5,165,300	4,500,000	9,944,600	2,760,000
Community Wellness Centre and Queenstown Polyclinic	9,964,000	0	0	0	254,000	5,860,000
Extension of Dental Programme for Secondary School	16,600,000	6,355,197	875,674	812,300	592,700	96,900
Completed Projects	...	...	261,430	0	70,100	0
Capital Grants	...	...	34,914,890	38,994,300	51,177,200	78,904,400
Ministry of Health Headquarters Programme						
New Projects	...	...	0	0	1,250,000	30,057,700
Services Programme						
Mass Casualty Medical Response Plan	12,500,000	0	0	0	3,952,300	8,051,300
Computerised Physician Order Entry (CPOE) and Inpatient Medication Records (IMR) Applications for Clusters	41,905,000	0	0	0	12,693,000	21,673,700
Isolation Intensive Care Unit and High Dependency Facilities in National University Hospital	10,780,000	0	219,799	9,336,000	6,900,000	3,000,000
Isolation Ward Conversion in Kangar Kerbau Hospital	6,040,000	0	9,724	5,529,200	5,532,500	300,000
Implementation of Various SARS-related Infrastructure Projects in Singapore General Hospital	7,600,000	5,957,783	435,409	100,000	663,500	200,000
Development of Facilities for Voluntary Welfare Organisations	...	...	17,334,955	9,000,000	7,000,000	8,000,000
Cyclical Maintenance of Voluntary Welfare Organisations	...	...	434,904	500,000	1,000,000	500,000
3-Year IT Master Plan for Health Science Authority (FY2002-FY2004)	19,815,000	10,103,799	3,831,302	5,229,400	4,518,100	1,361,700
Minor Development Projects for Health Sciences Authority	...	...	6,987,744	11,000	1,080,600	11,800
Health Promotion Programme						
3-Year IT Master Plan for Health Promotion Board (FY2002-FY2004)	23,695,000	3,009,521	3,063,874	5,717,700	3,379,600	2,981,700
National Disease Registries System for Health Promotion Board	7,383,000	0	736,082	3,071,000	440,800	2,766,500
Completed Projects	...	...	1,861,097	500,000	2,766,800	0

Development Expenditure by Project - continued

Project Title	Total Project Cost	Actual Expenditure up to end of FY2003	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006
Capital Injections	48,124,270	2,916,600	3,876,500	12,925,500
Ministry of Health Headquarters Programme						
New Projects	0	2,916,600	1,010,600	12,925,500
Completed Projects	48,124,270	0	2,865,900	0

Other Development Fund Outlays

Project Title	Total Project Cost	Actual Expenditure up to end of FY2003	Actual FY2004	Estimated FY2005	Revised FY2005	Estimated FY2006
Other Development Fund Outlays	\$35,313,449	\$0	\$0	\$221,800
Loans	35,313,449	0	0	221,800
Ministry of Health Headquarters Programme						
New Projects	0	0	0	221,800
Completed Projects	35,313,449	0	0	0

KEY PERFORMANCE INDICATORS

Desired Outcomes

- Good management of major chronic diseases
- Healthy Singaporeans
- Adequate provision of basic healthcare services
- Cost-effective and affordable healthcare

Key Performance Indicators

Desired Outcomes	Performance Indicator	Actual FY2003	Actual FY2004	Revised FY2005	Projected FY2006
Good Management of Major Chronic Diseases (i)	Premature mortality rate from cancer per 100,000 residents aged 35-64	119	119	119	110
	Premature mortality rate from ischaemic heart disease per 100,000 residents aged 35-64	59	57	57	46
	Premature mortality rate from stroke per 100,000 residents aged 35-64	21	23	23	15
Healthy Singaporeans (i)	% of Singaporeans aged 18-69 who smoke (National Smoking Control Programme)	14.0 (FY2001)	12.6 (National Health Survey 2004)	<15.0	<10.0
	Prevalence of regular exercise among Singaporeans (aged 18-69) (%)	17.0 (National Health Survey 1998)	24.9 (National Health Survey 2004)	25.0	40.0
	Prevalence of obesity (Body Mass Index ≥ 30 kg/m ²) among Singaporeans (aged 18-69) (%)	6.0 (National Health Survey 1998)	6.9 (National Health Survey 2004)	<6.0	<6.0
	Prevalence of diabetes in Singaporeans (aged 18-69) (%)	9.0 (National Health Survey 1998)	8.2 (National Health Survey 2004)	<10.0	<10.0
	Prevalence of high total cholesterol (≥ 6.2 mmol/L) among Singaporeans (aged 18-69) (%)	25.0 (National Health Survey 1998)	18.7 (National Health Survey 2004)	<24.0	<20.0
Adequate Provision of Basic Healthcare Services	Bed Occupancy Rate (%)	77.3	81.8	82.5	85.0
	Inpatient Discharges	270,691	311,081	323,524	336,465
	No. of Day Surgeries	141,279	181,888	189,165	196,730
	Specialist Outpatient Clinics Attendances	2,806,338	3,333,550	3,466,892	3,605,568
	Accident & Emergency (A&E) Attendances	555,492	618,490	643,230	668,960

(i) This indicator is long term in nature. Data will be updated every 6 years, when the National Health Survey (NHS) is conducted. The Estimated FY2006 figure refers to the projected figure in 2010, when the next NHS is conducted.

Key Performance Indicators - continued

Desired Outcomes	Performance Indicator	Actual FY2003	Actual FY2004	Revised FY2005	Projected FY2006
	Polyclinics Attendances	3,337,277	3,791,670	3,943,340	4,101,070
Cost-effective and Affordable Healthcare	% of Class B2/C bills fully covered by Medisave withdrawal limits	92.0	92.0	92.0	95.0
	Average proportion paid by MediShield for Class B2/C bills exceeding \$10,000 (%)	40.0	NA (i)	70.0	70.0
	Change in average bill size for subsidised patients (Class B2+/B2/C) (%)	2.9	-4.0	Not exceeding health consumer price index (CPI)	Not exceeding health CPI
	% of Singaporeans covered by MediShield/Medisave-approved insurance schemes	75.0	76.0	78.0	80.0

(i) Data for FY2004 is not available due to the implementation of MediShield reform.