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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, and
- To pursue medical excellence.

#### FY2007 EXPENDITURE ESTIMATES

##### Expenditure Estimates by Object Class

Code	Object Class	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007	Change over FY2006	
	<b>TOTAL EXPENDITURE</b>	<b>\$1,765,208,480</b>	<b>\$2,010,147,570</b>	<b>\$1,931,578,560</b>	<b>\$2,280,452,610</b>	<b>\$348,874,050</b>	<b>18.1%</b>
	Main Estimates						
	<b>OPERATING EXPENDITURE</b>	<b>\$1,680,372,573</b>	<b>\$1,809,997,570</b>	<b>\$1,842,532,160</b>	<b>\$2,058,203,710</b>	<b>\$215,671,550</b>	<b>11.7%</b>
	<i>RUNNING COSTS</i>	<b>\$182,457,149</b>	<b>\$268,681,160</b>	<b>\$261,502,930</b>	<b>\$440,539,040</b>	<b>\$179,036,110</b>	<b>68.5%</b>
1000	Expenditure on Manpower	\$34,091,386	\$35,420,900	\$37,774,500	\$37,774,500	\$0	0.0%
1200	Political Appointments	1,182,360	1,065,600	1,458,000	1,458,000	0	0.0
1500	Permanent Staff	32,902,183	34,341,000	36,292,400	36,292,400	0	0.0
1600	Temporary, Daily-Rated & Other Manpower	6,843	14,300	24,100	24,100	0	0.0
2000	Other Operating Expenditure	\$38,847,177	\$121,666,260	\$111,380,730	\$288,592,840	\$177,212,110	159.1%
2100	Supplies & Services	32,505,139	93,251,820	95,281,650	278,429,030	183,147,380	192.2
2300	Manpower Development	2,958,430	3,838,190	5,902,560	5,936,530	33,970	0.6
2400	Public Relations & Exercises	2,344,705	2,517,450	9,602,580	3,633,590	-5,968,990	-62.2
2700	Equipment	1,026,334	733,280	576,030	576,090	60	0.0
2800	Financial Claims & Legal Expenses	12,570	21,325,520	17,910	17,600	-310	-1.7
3000	Operating Grant	\$109,518,586	\$111,594,000	\$112,347,700	\$114,171,700	\$1,824,000	1.6%
3100	Operating Grant to Statutory Boards	109,518,586	111,594,000	112,347,700	114,171,700	1,824,000	1.6
	<i>TRANSFERS</i>	<b>\$1,497,915,423</b>	<b>\$1,541,316,410</b>	<b>\$1,581,029,230</b>	<b>\$1,617,664,670</b>	<b>\$36,635,440</b>	<b>2.3%</b>
3500	Social Transfers	32,283,417	7,535,130	33,472,640	37,072,240	3,599,600	10.8
3600	Subventions	1,465,632,006	1,533,781,280	1,547,556,590	1,580,592,430	33,035,840	2.1

**Expenditure Estimates by Object Class - continued**

Code	Object Class	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007	Change over FY2006	
Development Estimates							
<b>DEVELOPMENT EXPENDITURE</b>		<b>\$84,835,907</b>	<b>\$200,150,000</b>	<b>\$89,046,400</b>	<b>\$222,248,900</b>	<b>\$133,202,500</b>	<b>149.6%</b>
5100	Direct Development	33,139,046	108,320,100	51,210,900	167,480,200	116,269,300	227.0
5200	Capital Grant	48,513,812	78,904,400	35,023,700	42,755,000	7,731,300	22.1
5300	Capital Injections	3,183,049	12,925,500	2,811,800	12,013,700	9,201,900	327.3
<b>OTHER DEVELOPMENT FUND OUTLAYS</b>		<b>\$0</b>	<b>\$221,800</b>	<b>\$0</b>	<b>\$7,053,000</b>	<b>\$7,053,000</b>	<b>n.a.</b>
5600	Loans	0	221,800	0	7,053,000	7,053,000	n.a.
9100	Loan Repayments	2,512,690	910,000	2,512,700	2,512,700	0	0.0
	Net Lending	-2,512,690	-688,200	-2,512,700	4,540,300	7,053,000	n.a.

**Establishment List**

Category/Personnel	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007
<b>POLITICAL APPOINTMENTS</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
Minister	1	1	1	1
Minister of State	1	1	1	1
Parliamentary Secretary	1	1	1	1
<b>PERMANENT STAFF</b>	<b>363</b>	<b>391</b>	<b>397</b>	<b>405</b>
Accounting Profession	2	3	5	5
Administrative	9	11	11	11
Corporate Support	81	70	69	67
Dental (Officers)	1	1	1	1
Driving	1	1	1	1
Economist Service	2	2	2	2
Environmental Health	12	13	13	13
Healthcare Support	5	5	5	5
Information Service (2002)	2	2	2	2
Laboratory (Health)	2	2	2	2
Management Executive (Health)	154	176	180	190
Management Support	11	13	13	13
Medical Scheme 2002	52	62	63	64
Nursing	7	7	7	7
Operations Support	7	7	7	7
Pharmaceutical	1	1	1	1
Shorthand Writers	14	15	15	14
<b>OTHERS</b>	<b>731</b>	<b>796</b>	<b>811</b>	<b>811</b>
Health Promotion Board	731	796	811	811
<b>TOTAL</b>	<b>1,097</b>	<b>1,190</b>	<b>1,211</b>	<b>1,219</b>

## **FY2006 BUDGET**

The Ministry of Health (MOH)'s revised FY2006 total expenditure is \$1.93 billion, an increase of \$166.37 million or 9.4% from the actual FY2005 expenditure of \$1.77 billion. Of the total expenditure, \$1.84 billion or 95.4% is for operating expenditure and \$89.05 million or 4.6% is for development expenditure.

The revised FY2006 operating expenditure of \$1.84 billion is \$162.16 million higher than the actual FY2005 sum of \$1.68 billion. The additional funds are used to support new initiatives of the Health Sciences Authority and the Health Promotion Board, provide additional funding for Alexandra Hospital and non-public sector providers in the intermediate and long-term care sector (such as Voluntary Welfare Organisations) to meet volume increases and support the activities of the NUS-Duke Graduate Medical School.

The revised FY2006 development expenditure of \$89.05 million is \$4.21 million or 4.7% higher than the actual sum of \$84.84 million in FY2005. The increase is due to the preparatory works for the Alexandra Hospital@Yishun, minor works to enhance the operational capabilities of the Accident and Emergency departments and the implementation of new IT projects for the two clusters.

## **FY2007 BUDGET**

The total expenditure of MOH for FY2007 is projected to be \$2.28 billion, which is \$348.87 million or 18.1% higher than the revised FY2006 total expenditure. Of this, \$2.06 billion or 90.3% is for operating expenditure and \$222.25 million or 9.7% is for development expenditure.

### *Operating expenditure*

The provision of \$2.06 billion for operating expenditure represents an increase of \$215.67 million or 11.7% over the revised FY2006 operating expenditure. The increase is mainly due to higher provisions for the Services Programme. Of the \$2.06 billion, \$440.54 million is for running costs and \$1.62 billion is for transfers.

The major share of the operating budget, \$1.50 billion (73.0%) will go towards the Services Programme. This is followed by the Ministry of Health Headquarters Programme, with \$469.43 million (22.8%) and the Health Promotion Programme with \$86.08 million (4.2%).

### *Services Programme*

The Services Programme will be increased by \$28.0 million or 1.9% over the revised FY2006 sum of \$1.47 billion due to cost increases 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. A sum of \$67.82 million will be provided to the restructured hospitals to support medical research.

### *Health Promotion Programme*

A sum of \$86.08 million is allocated to the Health Promotion Programme, an increase of \$324,000 or 0.4% over the revised FY2006 sum of \$85.75 million. The Health Promotion Board (HPB) carries out health promotion and education programmes for the general public. In addition, HPB provides preventive health care services through the School Health Services programme. It will also continue to conduct health education and promotion through mass media education, such as the National Healthy Lifestyle Campaign as well as targeted campaigns aimed at specific groups, including the youth and adolescents.

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*Ministry of Health Headquarters*

A sum of \$469.43 million is allocated to the Ministry of Health Headquarters Programme, an increase of \$187.35 million or 66.4% over the revised FY2006 expenditure. The increased amount will fund new initiatives by the Health Sciences Authority, enhance healthcare manpower training and career development to ensure a high standard of healthcare and support greater involvement in clinical and translational research to support knowledge-driven medicine.

*Development Expenditure*

The provision of \$222.25 million for development expenditure represents an increase of 149.6% over the revised FY2006 budget. Of this sum, \$63.16 million is earmarked for the implementation of projects such as Teleradiology, Chronic Disease Management Programme and the Computerized Physician Order Entry System. Of the \$222.25 million, \$167.48 million (75.4%) is for direct development expenditure, \$42.76 million (19.2%) is for capital grants and \$12.01 million (5.4%) is for voted equity.

Direct development expenditure covers expenditure on MOH HQ's, the two clusters' and statutory boards' on-going projects. The increase of \$116.27 million or 227.0% over the revised FY2006 sum of \$51.21 million is due to new infrastructural investments (e.g. the proposed Alexandra Hospital@Yishun, redevelopment of Pathology Building, Communicable Disease Centre and National Heart Centre) as well as on-going small-scale refurbishment projects for the two clusters.

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**Total Expenditure by Programme**

Code	Programme	Running Costs	Transfers	Operating Expenditure	Development Expenditure	Total Expenditure
OA	Ministry of Health Headquarters	354,161,840	115,272,340	469,434,180	167,417,900	636,852,080
OD	Services	299,600	1,502,392,330	1,502,691,930	40,192,700	1,542,884,630
OE	Health Promotion	86,077,600	0	86,077,600	14,638,300	100,715,900
<b>Total</b>		<b>\$440,539,040</b>	<b>\$1,617,664,670</b>	<b>\$2,058,203,710</b>	<b>\$222,248,900</b>	<b>\$2,280,452,610</b>

**Development Expenditure by Project**

Project Title	Total Project Cost	Actual Expenditure up to end of FY2004	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007
<b>DEVELOPMENT EXPENDITURE</b>	...	...	<b>\$84,835,907</b>	<b>\$200,150,000</b>	<b>\$89,046,400</b>	<b>\$222,248,900</b>
Direct Development	...	...	33,139,046	108,320,100	51,210,900	167,480,200
<b>Ministry of Health Headquarters Programme</b>						
3-Year IT Masterplan for MOH HQ (FY2002-FY2004)	9,600,000	7,457,161	313,565	235,900	272,500	15,000
3 Year IT Masterplan for MOH HQ (FY2005-FY2007)	9,733,000	0	4,812,857	3,115,500	1,980,700	1,781,000
Minor Improvements and Development Projects	...	...	17,165,159	16,218,100	12,274,400	8,303,700
New Projects	...	...	0	78,982,000	23,121,100	145,424,300
IT Systems for Severe Acute Respiratory Syndrome (SARS)	5,670,000	2,883,701	466,165	264,400	249,400	27,900
<b>Services Programme</b>						
Replacement of Facilities Displaced by the Redevelopment of Singapore General Hospital Pathology Building	6,546,500	0	0	0	1,500,000	4,590,000
<b>Health Promotion Programme</b>						
Development of Sengkang Polyclinic	6,844,000	5,380,426	733,573	150,000	30,000	80,000
Development of Jurong West Polyclinic	23,300,000	5,165,300	8,407,635	2,760,000	7,400,000	1,000,000
Community Wellness Centre and Queenstown Polyclinic	10,931,000	0	145,454	5,860,000	3,679,600	6,258,300

**Development Expenditure by Project - continued**

Project Title	Total Project Cost	Actual Expenditure up to end of FY2004	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007
Completed Projects	...	...	1,094,638	734,200	703,200	0
Capital Grants	...	...	48,513,812	78,904,400	35,023,700	42,755,000
<b>Ministry of Health Headquarters Programme</b>						
eTown Project	755,500	0	200,471	0	308,200	60,000
New Projects	...	...	0	30,057,700	72,000	10,246,000
<b>Services Programme</b>						
Computerised Physician Order Entry (CPOE) and Inpatient Medication Records (IMR) Applications for Clusters	41,905,000	0	13,026,267	21,673,700	5,090,000	5,500,000
National Healthcare Group - Teleradiology	11,426,000	0	0	0	6,000,000	5,426,000
National Healthcare Group - Digitalising the Medication Management Process	3,872,000	0	0	0	1,690,000	2,182,000
Isolation Intensive Care Unit and High Dependency Facilities in National University Hospital	10,780,000	219,799	7,377,026	3,000,000	686,900	2,397,800
Development of Facilities for Voluntary Welfare Organisations	...	...	4,479,686	8,000,000	3,300,000	12,000,000
Cyclical Maintenance of Voluntary Welfare Organisations	...	...	1,007,400	500,000	800,000	1,000,000
3-Year IT Master Plan for Health Sciences Authority (FY2002-FY2004)	20,760,100	13,935,101	4,518,840	1,361,700	202,800	1,300,000
Minor Development Projects for Health Sciences Authority	...	...	1,045,989	11,800	162,200	117,100
<b>Health Promotion Programme</b>						
3-Year IT Master Plan for Health Promotion Board (FY2002-FY2004)	24,729,000	6,073,395	3,258,839	2,981,700	2,457,400	1,947,800
National Disease Registries System for Health Promotion Board	7,383,000	736,082	435,793	2,766,500	2,487,500	578,300
Completed Projects	...	...	13,163,502	8,551,300	11,766,700	0
Capital Injections	...	...	3,183,049	12,925,500	2,811,800	12,013,700
<b>Ministry of Health Headquarters Programme</b>						
New Projects	...	...	0	12,925,500	0	1,560,000

**Development Expenditure by Project - continued**

Project Title	Total Project Cost	Actual Expenditure up to end of FY2004	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007
<b>Services Programme</b>						
Minor Development Projects for Health Sciences Authority	...	...	2,990,809	0	1,402,700	384,600
4-Year IT Masterplan for Health Sciences Authority (FY2005-FY2008)	12,256,000	0	192,240	0	1,192,700	5,295,200
<b>Health Promotion Programme</b>						
Health Promotion Board 4-Year IT Masterplan (FY2005-FY2008)	12,476,000	0	0	0	216,400	4,773,900

**Other Development Fund Outlays**

Project Title	Total Project Cost	Actual Expenditure up to end of FY2004	Actual FY2005	Estimated FY2006	Revised FY2006	Estimated FY2007
Other Development Fund Outlays	...	...	0	\$221,800	\$0	\$7,053,000
Loans	...	...	0	221,800	0	7,053,000
<b>Ministry of Health Headquarters Programme</b>						
New Projects	...	...	0	221,800	0	7,053,000

## KEY PERFORMANCE INDICATORS

### Desired Outcomes

- Singaporeans who enjoy good health
- Low incidence of illness, disability and death resulting from major communicable and chronic disease
- Low infant and maternal mortality
- Good healthcare services for the elderly
- Cost effective and affordable healthcare
- High quality of healthcare professionals and institutions

### Key Performance Indicators

Desired Outcome	Performance Indicator	Actual FY2004	Actual FY2005	Revised FY2006	Projected FY2007
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	57	57	57	46
	Premature mortality rate from stroke per 100,000 residents aged 35-64	23	23	23	15
Healthy Singaporeans (i)	% of Singaporeans aged 18-69 who smoke (National Smoking Control Programme)	12.6 (National Health Survey 2004)	12.6 (National Health Survey 2004)	12.6 (National Health Survey 2004)	<10.0
	Prevalence of regular exercise among Singaporeans (aged 18-69) (%)	24.9 (National Health Survey 2004)	24.9 (National Health Survey 2004)	24.9 (National Health Survey 2004)	40.0
	Prevalence of obesity (Body Mass Index $\geq 30$ kg/m <sup>2</sup> ) among Singaporeans (aged 18-69) (%)	6.9 (National Health Survey 2004)	6.9 (National Health Survey 2004)	6.9 (National Health Survey 2004)	<6.0
	Prevalence of diabetes in Singaporeans (aged 18-69) (%)	8.2 (National Health Survey 2004)	8.2 (National Health Survey 2004)	8.2 (National Health Survey 2004)	<10.0
	Prevalence of high total cholesterol ( $\geq 6.2$ mmol/L) among Singaporeans (aged 18-69) (%)	18.7 (National Health Survey 2004)	18.7 (National Health Survey 2004)	18.7 (National Health Survey 2004)	<20.0
Adequate Provision of Basic Healthcare Services	Bed Occupancy Rate (%)	81.8	82.1	82.5	85.0
	Inpatient Discharges	311,081	315,149	319,870	324,670

(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 FY2007 figures refer to the projected figure in 2010, when the next NHS will be conducted.

**Key Performance Indicators - continued**

Desired Outcome	Performance Indicator	Actual FY2004	Actual FY2005	Revised FY2006	Projected FY2007
	No. of Day Surgeries	181,888	184,364	197,170	208,600
	Specialist Outpatient Clinics Attendances	3,333,550	3,452,562	3,625,190	3,806,450
	Accident & Emergency (A&E) Attendances	618,490	658,311	700,440	745,270
	Polyclinics Attendances	3,791,670	3,910,958	4,032,190	4,157,190
Cost-effective and Affordable Healthcare	% of Class B2/C bills fully covered by Medisave withdrawal limits	92.0	85.0	91.0	91.0
	Average proportion paid by MediShield for Class B2/C bills exceeding \$10,000 (%)	n.a. (i)	57.0 (ii)	60.0	75.0
	Change in average bill size for subsidised patients (Class B2+/B2/C) (%)	-0.7 (iii)	2.0	Not exceeding health consumer price index (CPI)	Not exceeding health CPI
	% of Singaporeans covered by MediShield/Medisave-approved insurance schemes	76.0	76.0 (ii)	80.0	80.0

(i) Data will only be available after the introduction of MediShield reform in July 2005.

(ii) Data covers a one-year period from July 2005 - June 2006 as MediShield reform was implemented in July 2005.

(iii) Figure will not be comparable to previous year's budget book due to a different computation methodology being used.