



Persatuan Pengguna Pulau Pinang  
Consumers Association of Penang

檳城消費人協會 பினாங்கு பயனீட்டாளர் சங்கம்

10 Jalan Masjid Negeri, 11600 Pulau Pinang, Malaysia  
Tel: 604-8299511 Fax: 604-8298109 email: consumerofpenang@gmail.com  
Websites: www.consumer.org.my



Sahabat Alam Malaysia  
Friends of the Earth Malaysia

For Environmental Justice

10, Jalan Padang Tembak, 11400 Air Itam, Penang, Malaysia  
Tel: 604-8276930 Email: foemalaysia@gmail.com  
<https://www.foe-malaysia.org>

Press Statement

16 March 2025

## CAP & TWN welcome mandatory medicines price display implementation

The Consumers' Association of Penang (CAP) and Third World Network (TWN) applaud the government's determination and political will to implement the long-awaited Medicine Price Transparency Mechanism on 1st May 2025. It is a small step towards making medicine prices transparent as part of the consumers' right to know and choose, and it is an uphill battle for the government to deal with the vocal vested interests in the private healthcare sector.

The current policy is the result of many steps of retreat and dilution from the original policy to have a Medicines Price Mechanism which dates back to 2018 to control the high mark-ups on medicines, and require the wholesalers to declare prices, as currently medicine pricing is totally unregulated and non-transparent. The government's policy proposals follow the recommendations of the Market Review on the Pharmaceutical Sector under the Malaysian Competition Commission (2017).

The Pharmaceutical Services Programme of the Ministry of Health has been actively monitoring medicine prices in the market, and has now published three (3) Medicine Prices Monitoring Survey reports (2017, 2020, 2022), which clearly indicate that medicine price mark-ups in the private market are a serious problem contributing to rising medical costs. In 2022, the median mark-up for originator and generic medicines sold in the private hospital inpatient setting was about 2.2 and 3.7 times the procurement price! (and this was only the median, not the extreme high end), while for private clinics, their medicines were also sold at significantly higher prices, almost 2 times the corresponding mark-ups in community pharmacies (where they already practised displaying drug prices for over-the-counter products).

In the era of rising medical costs, the extent of the mark-up, especially when patients or consumers are in the dark or unaware of the price differences, they end up paying much more when shown the final bill. The Malaysia National Health Accounts 2023 showed that about 30% of health expenditure from private sources is actually spent on pharmaceutical products, which is very significant.

While the Medicine Price Transparency Mechanism that will be implemented on 1st May is not price control as such and the private sector is still free to set their own pricing, it will nevertheless empower consumers and patients to have price information and allow them to make price comparisons. Price transparency is one key element to enable healthy and fair market competition.

Given that the entities that mark-up the most, private hospitals, have already signalled their support and willingness to comply with the new price display policy, we deeply regret that certain general practitioners (GPs) backed by organisations such as the Malaysian Medical Association (MMA) and Federation of Private Medical Practitioners' Associations, Malaysia (FPMPAM) still come out to strongly oppose the mechanism aimed for public interest and good practice of market competition to address

rising medical costs that are burdening large parts of the population. This objection is also made in the knowledge that the Health Minister and his senior officers have openly promised and are working to amend the consultation fee range under Schedule 7 of the Private Healthcare Facilities and Services Act. Even then, GP associations are demanding that fees start from RM50 to RM150 showing that they are out of touch with the large population they want to serve.

CAP and TWN would like to remind the GPs, especially those who made a scene at the 27 February 2025 Townhall session on the medicines price display issue with the Health Minister and the top officers from the Ministry of Domestic Trade and Cost of Living, that they do also have many family members and friends who are affected by non-transparent and high prices of medicines. It was shocking to see the rude and arrogant behaviour of a group of GPs at the Townhall, including heckling a Domestic Trade Ministry officer who was explaining the mechanism. Several GPs shouted down the officer from the floor, proclaiming “they are not vegetable/ fruit/ food sellers” therefore implying that they should not be subject to the same consumer protection rules. A GP even unashamedly grabbed the microphone away from the CAP representative insisting that he is a GP and has the right to cut the queue to jump straight in with his protest.

MMA also should not have collaborated with the multinational pharmaceutical sector in 2023 to support a so-called “cost-benefit assessment” study on the original Medicines Price Mechanism with the clear intention to push back on the policy that would eventually benefit the majority of Rakyat because right now people still have to suffer for paying high and unreasonable medicine price mark-ups. Such continuous behaviour to thwart the government’s efforts to protect consumers and ensure affordable healthcare is highly regrettable.

CAP and TWN therefore strongly support and urge the government to implement the Medicines Price Transparency Mechanism without further delay. The rights of consumers and patients to affordable care is part of the larger effort to keep the living cost low, and this is obviously for the best public interest.

We urge the private sector to serve the community and put people’s health first. Ultimately, we are ALL consumers.

**Mohideen Abdul Kader**  
**President**  
**Consumers’ Association of Penang**

**Chee Yoke Ling**  
**Executive Director**  
**Third World Network**