PRESS STATEMENT

An Overview of the Current Ministry of Health (MoH) Contract System for Healthcare Professionals

10 June 2023 - As of the 1st of December 2016\(^2\), the government began employing healthcare workers on the premises of the Ministry of Health (MoH). It is intended that the implementation of the contract system will alleviate the issue of excess medical, dentistry, and pharmacy graduates waiting for housemanship (or provisionally registration) training at the Ministry of Health\(^2\). Under the new system, contract workers still share the same job grading system as permanent workers, with the starting point of U41. In general, medical officers (UD41) are contracted for five years, whereas dental officers (UG41) and pharmacy officers (UF41) are contracted for three years. As a result of the government's initiative, it intends to ensure that healthcare workers are more committed to serving the training and service period within the stipulated period\(^1\). While the vision is laudable, there are still many issues to consider that have worsened over time. The number of medical officers, dental officers, and pharmacy officers who were promoted to permanent positions in the period 2016 to 2021 was only 1,118, 1,019, and 1,288 respectively, with a total of only 685 positions provided annually\(^3\). As a result, most contract healthcare workers are either subject to contract extensions without career progression\(^4\) or are at risk of losing their jobs when the contract expires. To address the issue, the government has started to put forth efforts to provide more permanent healthcare positions beginning in 2022. It has been reported that there were 4,053 permanent medical, dental, and pharmaceutical officer positions offered last year\(^4\) and it is promised to be 4,923 this year\(^5\). Following the press release, the details are provided regarding the **status quo** of contract healthcare officers who are employed by the Ministry of Health:
1. The Status Quo of MoH Contract Medical Officers

The contract system for the employment of medical officers under the Ministry of Health (MoH) started in December 2016. It was principally meant to address the backlog of housemen (HOs) and the long waiting period to be absorbed into the MoH, Malaysia. It also allowed graduates to choose their preferred hospitals. The contract system consists of a 2+1 year housemanship programme, with the first 2 years being mandatory for all medical graduates entering the medical system in Malaysia. The first 2 years of the programme will comprise six 4-month postings in medical, surgical, paediatrics, obstetrics and gynaecology (O&G), and emergency care, with anaesthetics and intensive care added in 2010 as the 6th posting. Up to one year is allowed for any extension in the aforementioned postings. After completing their housemanship, they become Medical Officers (MOs), who either obtain a contract renewal, are absorbed into permanent positions or have their contracts terminated.

For those who have completed their HOship within 2 years, their contract will be renewed after the third year (aka 1st year of MOship), with reduced emolument for 1 year (due to their ineligibility for “flexi allowance”) and no improved benefits despite the increase in responsibilities and workload as compared to their permanent counterparts who receive the full package of better welfare. This includes a higher basic salary, availability of study, hazard and unrecorded leaves and eligibility for Masters’ Programme for specialisation. In November 2019, the MoH informed contract MOs to seek work outside of MoH if their contracts were not renewed or if they were not offered a permanent position.

In December 2019, the Public Service Department (JPA) announced the removal of critical allowance for many healthcare professionals. This decision has since been retracted after receiving strong public backlash. This was followed by the first cohort of HOs being offered a 2-year contract as MOs with Grade UD41 (same as HOs). This lasted until November 2020 when the cabinet of the time approved the promotion of contract doctors. However, contract doctors were still worried about their career progression pathway as they are employed via a contract for service, which may not be renewed once it terminates. Throughout 2020 and 2021, the contracts of junior doctors have been extended several times, ranging from 6 months to 2 years. In July 2021, then-Prime Minister Tan Sri Muhyiddin Yassin announced an extension of the contract for 2 years upon completion of mandatory service for junior medical officers and up to 4 years for those who have been accepted for specialist studies in their first two years of service. Contract doctors are also made eligible for special medical duty leave, Tuberculosis (TB) leave and allowance to visit their place of origin.

In Budget 2022, over RM 100 million was allocated towards specialty training for over 3000 doctors and dentists. In January 2022, contract medical and dental officers were made eligible to apply for specialist training under the Hadiah Latihan Persekutuan (HLP)
scholarship and the Expertise Training Programme (PLK) at a Masters’ or parallel pathway level⁹. In August 2022, the Health Minister, Khairy Jamaluddin announced that a total of 216 contract officers (Medical and Dental) were awarded the PLK with an MoH Scholarship, about 16% out of 1,347 officers who received scholarship awards for medical specialisation, dental specialisation and parallel pathway programmes¹⁰.

Fast forward to 2023, Health Minister, Dr. Zaliha Mustafa announced that only 4,255 of 24,548 (17%) contract medical officers were absorbed into permanent service as of December 31, 2022, 6 years into the contract system, which highlights the constraint of the MoH to create more permanent positions for medical officers¹¹. In the revised Budget 2023, a total of RM 1.7 billion have been allocated to hire more contract doctors and provide permanent positions for 4,263 medical officers¹². Prime Minister, Datuk Seri Anwar Ibrahim also outlined the government’s plan to absorb 12,800 contract doctors into permanent positions within three years¹². Issues such as adequate availability of scholarships for specialisation, and transparency of the selection criteria for permanent positions have yet to be addressed thus far. This outlines the development and the status quo of the contract system for medical officers in Malaysia.

2. The Status Quo of MoH Contract Dental Officers

In 1971, the University of Malaya officially established the first dental school in the country with only 32 students admitted to the programme. With that, the first-ever batch of Malaysia-trained dentists joined the government service and they became the pioneers of dentistry in Malaysia¹³. As of 2023, there are a total of 13 fully registered dental institutions of higher education recognised by the Malaysian Dental Council (6 public institutions and 7 private institutions)¹⁴. According to the annual report published by the Malaysian Dental Council in 2017, there were a total of 1,258 graduates with 48% trained in foreign institutions. This was again an increase of 24.2%¹⁵ from the 1,013 who registered in 2016 in addition to an increase of 3.4% from 2015 to 2016¹⁶.

On 10 December 2021, the Ministry of Health (MoH) announced and released new dental regulation, Dental Act 2018 to replace Dental Act 1971 with a strong intention of curbing illegal dentistry and boosting the public’s confidence in the quality of dental services. The new Dental Act allows registered dentists to choose to perform compulsory services in public or private sectors. In addition, the new Dental Act states that all local and international dental graduates who wish to register with the MDC must pass the Professional Qualification Examination except for those who have approvals listed in the second schedule of the Dental Act 1971¹⁷. The Malaysian Dental Association responded positively to the Dental Act 2018. The introduction of the Professional Qualifying Examination (PQE) is especially welcomed, as
it is to ensure that the graduates from overseas institutions possess the minimum required standard to practise in Malaysia. By upgrading the requirements to practise legally in Malaysia, the requirement to sit for the Professional Qualifying Examination for graduates from abroad who wish to register with MDC before Jan 1, 2027, is still subject to the list of degrees that were not previously recognized under the Dental Act 1971, which could potentially ease the oversaturation in dentistry\(^\text{18}\).

On 6 January 2023, the Ministry of Health announced an increase of 17% in permanent positions from 2022 with a total of 4,914 vacant permanent positions for all health professionals. 335 vacant positions have been allocated to dental practitioners in 2023\(^\text{19}\). However, with the remarkable rise of dental graduates in recent years, these positions seem to be insufficient to accommodate the new dental officers.

3. The Status Quo of MoH Contract Pharmacy Officers

Prior to 1995, there was only one public institution (Universiti Sains Malaysia) offering the pharmacy programme, and graduates were guaranteed a position in the civil service. After training as Provisionally Registered Pharmacists (PRPs), officers were required to serve at least three years as Fully Registered Pharmacists (FRPs). In response to the initially high demand for pharmacy graduates, more and more pharmacy schools were established and degrees from overseas institutions were accepted, resulting in a significant increase in the number of pharmacy graduates and job saturation\(^\text{20}\). As of September 2021, there are a total of 101 higher educational institutions local and overseas that have been listed in the First Schedule of the Pharmacists Registration Act 1951, in which the pharmacy course has been recognised by the Pharmacy of Board\(^\text{21}\).

Effective July 2012, the Liberalisation of the PRP Training Policy has been established to overcome the shortage of opportunities\(^\text{22}\). When this policy is introduced, the pharmacy graduate is given broader choices to undergo provisional registration practices on premises other than government hospitals. The premises for PRP training have been listed under the Second Schedule of the Pharmacists Registration Act 1951 and this is not limited to the premises under the Ministry of Higher Education (MoHE) and Ministry of Defense (MoD), Manufacturing Pharmaceutical Industry, Non-Manufacturing Pharmaceutical Industry, Research & Development Centre, Private Hospitals and Community Pharmacy\(^\text{23}\). Besides, the PRP shall be under the supervision of the preceptor, who has at least 4 years of experience in such a listed premise\(^\text{22}\).

Through this policy, pharmacy students have been given chances in a broader field for early exposure compared to the past, meanwhile required to make a wise decision on the future
career path before graduation with consideration of mobility and flexibility of the positions and pathways\textsuperscript{20}. Starting from this milestone, it indicates that government hospitals are not the only place for pharmacy graduates for provisional-registration training. However, the issue of the oversaturation of pharmacy officers still exists as there are still a lot of graduates who opt for government hospitals for PRP practices.

To further address the oversaturated issue of pharmacy officers in the MoH field, the government starts to offer pharmacy graduates a three-year contract, which comprises two years of training and one year of service starting in the batch of 2016/17. Although the training period is two years, the compulsory PRP period will only last one year typically, unless an extension is required\textsuperscript{20}, and the outcome of the permanent post will be known following the completion of the FRP service period\textsuperscript{24}. They will not be promoted to grade UF44 if their contract is extended, and not be entitled to study leave or government housing loans, nor will they be eligible for a pension plan\textsuperscript{25}. Also, contract FRPs are not provided with adequate training whereas permanent FRPs are given priority. It is also unfair to treat contract employees differently from permanent employees considering the fact that contract FRPs must take on-call shifts whereas permanent FRPs with equivalent grades or working periods do not\textsuperscript{26}. As can be seen, there are a number of factors that contribute to the uncertainty surrounding career advancement among contract FRPs.
Aside from observing the efforts to improve the situation, the Malaysian Healthcare Student Alliance (MHSA) strongly recommends that the government, universities, and relevant healthcare student organisations further advocate for the welfare of healthcare officers within the Ministry of Health, through the following actions:

1. **Provide Transparency in the Selection Process to become Permanent**

Moving forward, we would like to call on the Ministry of Health Malaysia to make the selection process for permanent posts for healthcare professionals transparent. First of all, as the decision to appoint contract healthcare professionals into permanent service will be affected by the vacancies of permanent positions, the Ministry of Health should explain the rationale in deciding how many healthcare professionals to recruit permanently into the public health service. Based on a multi-agency workshop on human resource needs in the country hosted on 2 December 2021, the Ministry of Health Malaysia targets to have 1 doctor to 400 population and 1 doctor to 330 population by 2025 and 2030 respectively. As we are having a dichotomous healthcare system, the number of healthcare professionals to serve in the public sector should be further discussed to ensure a net discrepancy of distribution of human resources and workload between the public and private sectors. A number of permanent posts offered to healthcare professionals should meet the demand in the public sector to balance up the maldistribution of resources and burden of the healthcare system for the public sector to remain as the main service provider in the country. At the same time, a quota should be provided beforehand for the permanent position on the whole batch intake in all hospitals.

Next, the Ministry of Health should provide a clear criterion for selecting healthcare professionals to secure a permanent post. For example, contract batches can be provided with their overall marks or even ranking to them with revealing the scoreline for permanent positions to ensure a fair and clear appointment process so that candidates are satisfied with the outcome. Parameters for permanent posts may include but are not limited to work performance, demonstrable intent in pursuing specialisation, participation in academia, commitment to Continuing Professional Development (CPD), and participation in professional organisation and service in East Malaysia.

Besides, if the interview session will be carried out as a part of the selection process, candidates should be able to receive feedback on their performance and an explanation of the outcome. Structured interviews may be conducted to ensure each candidate is assessed on their merit and not on their ability to impress the interviewer. We believe that strict adherence to guidelines that promote transparency in the selection process is necessary.
2. Adjustment of the Benefits Provided to the Contract Healthcare Workers

Next, there is a need for an adjustment to the benefits provided to contract HCPs. Last year, on July 14, the government decided to extend the benefits of Fare for Visiting the Region of Origin, Special Duty Medical Duty Leave, and Tuberculosis, Leprosy, and Cancer Leave to contract medical officers, dental officers, and pharmacists. However, it was specified that this approval only applied to those who had received a contract extension after completing their compulsory services. The objective of extending this decision was to address the inequality in the provision of these facilities between contract appointees who are currently undergoing graduate training and/or compulsory service and those contract appointees who have already completed their mandatory service\(^\text{31}\). Examining and improving the benefits package for contract healthcare professionals can assist in attracting and retaining highly skilled professionals. Offering benefits comparable to those provided to those in permanent postings not only recognizes the value of contract healthcare professionals but also motivates them to continue providing high-quality healthcare services.

As mentioned with the issues of unequal treatment between contract and permanent healthcare workers, the Ministry of Health Malaysia is responsible for offering training programs such as medication therapy adherence clinic (MTAC) and individualised portfolios that not only benefit contract HCPs with their professional growth development but also with the quality of healthcare services they provide. They deserve to be allowed to attend courses as those are being offered to permanent staff. Also, these contract pharmacists can be given a recommendation letter based on their performance in public services, which will help to add value to their resumes as they apply for jobs in the private sector\(^\text{26}\).

Besides, early announcement of permanent listing enables contract HCPs more time and flexibility to consider other career choices. The terms and conditions to secure a permanent position should be declared well in advance. Therefore, contract HCPs can consider their options, plan their careers, and explore alternative job opportunities if they receive prompt notification about contract extensions or renewals. Moreover, a punctual announcement also promotes transparency and helps retain a favourable relationship between contract HCPs and the employing institution. It demonstrates respect for the HCPs’ time and that their contributions are valued.

3. Review of the Selection Criteria for Future Intake of Students for Healthcare-Related Programmes

In view of the multiple constraints faced by the PSD/JPA to significantly increase the number of permanent positions for all healthcare professions, the government and relevant stakeholders including healthcare professional’s associations, private healthcare providers as well as higher institutions providing such courses shall review and reformulate future intake
of students for courses such as medicine, dentistry, pharmacy, nursing and others. We would like to propose several suggestions including a review of the selection criteria for intake into such courses as well as a review of the actual demand for such professions.

First, reviewing the selection criteria for intake into courses in healthcare professions. As healthcare professionals are regarded as the first-line workers who are directly involved in taking care of the rakyat’s health, we should select the crème de la crème among all Malaysians to be enrolled on such courses, for both public and private higher institutions providing such courses. This may be done by reviewing and improving the selection criteria for healthcare professions, such as having a national standardised selection exam for all potential students to be enrolled on such courses or an annual or regular audit of intakes in all higher institutions providing such courses. This will ensure a more consistent standard/competency of students to be enrolled and trained as Malaysia’s future healthcare workers.

Next, a review of the actual demand for the workforce of such professions. MHSA is aware that the employment of healthcare workers under the MoH is managed by the PSD/JPA, hence is affected by the department’s policy. We urge the MoH to have a thorough review of the actual demand for healthcare professions among all levels of the healthcare system, especially in the public service. We also propose the MoH consider presenting this figure in the Health White Paper to allow public access to the actual demand for such professions to allow a more informed decision about pursuing such professions.
To carry forward, we would like to call upon the following parties to act,

1. **Malaysian Government Agencies**, including the Ministry of Health (MoH) and the Public Service Department (PSD/JPA) to conduct a thorough study on the proposed selection criteria for contract medical by the Malaysian Medical Association (MMA), as well as any proposals submitted by dental and pharmacy associations and further engage with relevant stakeholders covering all spectrum of the healthcare system including professional student associations such as MMI, MDSA and MyPSA. Secondly, we urge the MoH to accelerate the formation of high-level committees to deal with issues pertaining to contract officers in medicine, dentistry and pharmacy. We also hope that the committee will comprise representatives from the ministry as well as contract medical, dental and pharmacy officers to provide a comprehensive and detailed discourse regarding the various issues surrounding the contract systems for each of the professions. We also hope that the Ministry of Finance (MoF), the Ministry of Higher Education (MoHE) and the Malaysian Medical Council (MMC) would provide precious insights towards the various issues concerning the contract systems and contribute proactively to provide better welfare and optimised management of existing and future workforce for the healthcare system of Malaysia.

2. **Universities**, to offer medical, dental, and pharmacy courses play a role in implementing stringent entrance examinations as a selection criterion for student admission. These examinations can gauge the candidates’ academic performance, critical thinking abilities, and aptitude for the healthcare field. By establishing high entry standards, universities can ensure that only the most qualified candidates are admitted, thereby lowering the risk of oversaturation. Furthermore, the Ministry of Health Malaysia and professional associations ought to align student intake with healthcare workforce needs. Regular communication and coordination can help universities understand the current and future demand for healthcare professionals, allowing them to adjust their intake accordingly. Rather than reducing overall scholarships, a more effective strategy would be to implement targeted scholarships that focus on specific areas of need in the healthcare system. This can help address regional disparities and specialty imbalances while ensuring that deserving students still have access to financial support. By directing scholarships to underserved areas or critical healthcare disciplines, universities can encourage students to pursue careers where there is a higher demand and prevent over-saturation in other areas. Last but not least, conducting periodic evaluations of dental, medical, and pharmacy programs can help identify areas of improvement and ensure that student intake aligns with market demands. Continuous monitoring of program outcomes, graduate
employment rates, and workforce needs can guide universities in making necessary adjustments to control student intake effectively.

3. **Healthcare Student Organisations**, to assist with advocacy efforts by organising events for example workshops and training sessions for healthcare students to strengthen their skill development and professional knowledge in developing well-rounded individuals who are able to fulfil the selection criteria for permanent positions. In addition, student organisations may act as a network bridge between the students and government healthcare workers to provide insights for healthcare students on their career journey as healthcare professionals through experience sharing or mentorship programmes. This allows the students to have early exposure to the government contract system and be able to make their career planning.

In conclusion, the Malaysian Healthcare Students Alliance (MHSA) would like to call upon the Ministry Authorities, University Authorities, and relevant Healthcare Student Bodies to consider the suggestions for their welfare. In addition, with the background of the healthcare professionals and issues carried out above in detail, we believe the release of the press statement will serve as a means of advocating public awareness.

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References


