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Malaysia seeks potential growth in medical device sector'

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Singapore: Total healthcare expenditure in Malaysia could exceed $20 billion by 2025 and is expected to grow at a compound annual growth rate (CAGR) of 11 percent from 2015 to 2020, according to research analyst, Frost and Sullivan.

The analysis firm highlights that while government spending will focus on development of public healthcare infrastructure and chronic and infectious diseases control and treatment, private healthcare spending will drive much of this growth. Private healthcare (out of pocket, private health insurance) will grow from 46 percent of total healthcare expenditure to close to 50 percent by 2020.

"Malaysia provides affordable, high quality healthcare. Enhancement of our capabilities in medical devices manufacturing with stronger emphasis on use of Made in Malaysia medical products could help to control this unavoidable increase in healthcare costs. With our growing middle aged and elderly population, as well as increased awareness on the importance of healthcare management, we see a trend also in earlier diagnosis, leading to the ability to manage diseases better," says Ms Rhenu Bhuller, senior vice President, healthcare, Frost & Sullivan Asia Pacific.

The medical device market in ASEAN is heavily reliant on imports, especially for high end and sophisticated medical equipment. In the major economies of ASEAN, the value of medical device sales to healthcare facilities was worth USD4 billion in 2013, and is projected to more than double by 2019.

With medical devices manufacturing being emphasized as one of the key areas of focus in Malaysia, the country is moving up the value chain in the production of medical devices. High-value devices being manufactured in Malaysia include orthopaedic products, dialysers, surgical instruments, medical electrodes, diagnostic radiographic equipment, and ophthalmic lenses.