
DOSM: Health inflation hits 3% in 2025 on higher service costs

Bernama

PUTRAJAYA (July 7): Health inflation in Malaysia increased to 3% in 2025 from 1.4% the previous year, driven by rising healthcare service costs.

Chief Statistician Datuk Seri Dr Mohd Uzir Mahidin said the Preliminary Report of the Malaysia Health Price Index (IHK) 2025 released on Tuesday showed that the health services category recorded the highest increase at 4.4%, compared with 0.9% in 2024.

He said the increase was mainly driven by a 9% rise in insurance expenditure.

Meanwhile, inflation for medicines rose to 2.7% from 2.2% in 2024, while health equipment increased to 1.2% from 0.6%.

The Medicines category is the largest component of household health expenditure in Malaysia, accounting for 38.9% of the IHK weighting," he said in a statement.

Mohd Uzir said Malaysia's IHK covers health-related components from several consumer price index (CPI) groups, while other countries measure health inflation based on the health category in their respective CPI.



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He said health inflation rates in selected countries in 2025 ranged between negative 0.8% and 5.3%.

"Vietnam recorded a higher health inflation rate at 5.3% compared with Malaysia's 3%, while Thailand recorded the lowest rate at negative 0.8%," he said.

Mohd Uzir said the IHK served as an important reference for measuring changes in prices of health-related goods and services in relation to household spending.

"The statistics can help the government, stakeholders and the public identify trends in healthcare cost changes, supporting more effective planning, implementation and monitoring of health inflation.

"The IHK also complements the government's efforts to improve healthcare service delivery by providing more comprehensive and relevant statistics to meet current needs," he said.
