

## FRAUD CLAIMS

# Socso needs to review business model to secure its operations

THE Social Security Organisation's principles includes solidarity fund, replacement fund and equality.

Under the latest amendment effective Sept 1 this year, the wage ceiling for contribution will be raised to RM5,000 per month and employees below 60 still contribute 0.75 per cent of their wage along with the employer's share amounting to 1.75 per cent, while those above 60 contribute 1.25 per cent.

Recently, it was reported that Socso was facing fraudulent claims amounting to RM43 million from 683 cases.

This could prevent it from making savings, as chief executive officer Datuk Seri Dr Mohammed Azman Aziz Mohammed said that

even though Socso had a reasonable amount of assets, it might not be adequate to sustain it in the long run.

What if these fraudulent claims keep happening and the claims cannot be traced, even with an anti-fraud system at Socso?

Socso needs to reinvent its business model to secure its operations.

So its investment as well as product and service packages need to be revisited.

In the long run, the best option is to increase the contribution from employers and employees.

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