

# NUH withdraws bankruptcy bid after finding out ex-patient was in nursing home

Man owed more than \$290,000 after he sued hospital for negligence and lost case

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The National University Hospital (NUH) withdrew bankruptcy proceedings against a former patient after finding out that he was a fully subsidised patient in a nursing home.

The man, Mr Philip Soh Keng Cheang, 61, had owed more than \$290,000, mostly in legal costs and hospital bills, after he sued NUH for negligence and lost the case.

But the hospital's change of mind occurred barely an hour before the bankruptcy hearing in February, and was not conveyed in time to its lawyers, which meant Mr Soh was declared bankrupt.

More than two months later, the High Court allowed NUH's request to rescind the bankruptcy order, then granted permission for it to withdraw the bankruptcy application.

On May 29, Assistant Registrar Elton Tan published written grounds for his decision.

He noted that the change of mind took place before the bankruptcy order was made, but it was not surfaced to him at the hearing on Feb 6 owing to "the unfortunate consequence of certain events" for which neither side was to blame.

He added that it would be an obvious injustice for the bankruptcy order to remain in place, as NUH has agreed not to pursue bankruptcy proceedings on compassionate grounds, given Mr Soh's physical condition and financial situation.

In 2014, Mr Soh sued NUH following surgery performed on the neck portion of his spine.

He experienced weakness and partial paralysis after the procedure.

Mr Soh alleged that NUH was negligent by failing to diagnose at an earlier stage his condition of peripheral neuropathy, which develops when nerves outside the brain and spinal cord are damaged.

In October 2021, the lawsuit was dismissed by a High Court judge, who said Mr Soh had not proved his case.

Mr Soh was ordered to pay outstanding hospital bills amounting to \$26,463.73 and legal costs totalling \$237,410.22.

In December 2024, NUH filed a bankruptcy application against Mr Soh after he failed to respond to a statutory demand for a sum of \$292,001.24, including interest and other costs.

The bankruptcy application was slated to be heard via videoconference at 2.30pm on Feb 6.

On Feb 3, Mr Soh sent a letter to the court, stating that he could not attend the hearing and that he would respect the court's decision.

Mr Soh said he has been a resident at the Woodlands Care Home since February 2018 with no source of income, and that all his nursing home expenses and medical expenses were fully subsidised.

Medical social workers from NUH sought to verify the information.

Just before 1pm on Feb 6, the team reported internally to confirm that Mr Soh was in a nursing home and relied on the Medical Fee Exemption Card scheme to pay for his medical expenses.

To qualify for the scheme, an individual must have savings of

\$6,000 or less and monthly per capita family income of \$800 or less, and be a resident of a publicly funded nursing home or sheltered and disability home.

At about 1.30pm, NUH chief executive Aymeric Lim gave instructions for the bankruptcy application to be withdrawn.

After receiving the instructions shortly before 2pm, NUH staff called the law firm but were told the lawyer in charge could not be reached.

Later that afternoon, NUH was told that the hearing had taken place and the bankruptcy order had been made.

**Assistant Registrar Elton Tan added that it would be an obvious injustice for the bankruptcy order to remain in place, as NUH has agreed not to pursue bankruptcy proceedings on compassionate grounds, given Mr Soh's physical condition and financial situation.**

The next day, NUH's lawyers told the court it wanted to withdraw the bankruptcy application.

NUH also engaged Senior Counsel Kelvin Poon from Rajah & Tann as its new lawyer.

Rajah & Tann filed a formal application to rescind the bankruptcy order, along with an affidavit setting out the details surrounding NUH's decision and submissions on the law.

In a letter to the court, Mr Soh expressed gratitude to NUH for its position.

Contacted by The Straits Times, a NUH spokesperson said that, as a public healthcare institution, the hospital has to ensure that resources are managed responsibly.

The spokesperson said that, over the years, NUH had tried to convince Mr Soh to tap MediShield to help reduce his out-of-pocket payment, but he refused to sign the medical claim authorisation form.

The bankruptcy filing was a last resort to recover the debt, given Mr Soh's lack of response to its efforts and demands, said the spokesperson.

"While the rationale for the initial (bankruptcy) action remains valid, we have carefully considered the circumstances and determined that this case warrants an alternative resolution," said the spokesperson.

The spokesperson said NUH will continue to reach out to Mr Soh to work towards an amicable resolution.

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