

# CORRESPONDENCE WITH FIDReC on Proposed Terms of Reference Amendment

The Financial Industry Disputes Resolution Centre (FIDReC) held a public consultation on proposed amendments to its terms of reference from 8 January to 29 February 2024. SMA and the Academy of Medicine, Singapore wrote a joint letter to provide feedback on this matter. Both the joint letter and FIDReC's response are reproduced below.

## Joint letter to FIDReC

Via email

1 February 2024

Ms Koh Juat Jong  
Chairperson  
Board of Directors  
FIDReC



Dear Ms Koh,

### Proposed Amendments to the Terms of Reference of FIDReC

1. We refer to the consultation paper to seek public views on proposed amendments to the Terms of Reference (TOR) of FIDReC which was published on 8 January 2024 (<https://www.fidrec.com.sg/knowledgebase/article/KA-01284/en-us>).
2. In addition to the abovementioned proposed amendments which we are in-principle in support of, we would like to propose that the TOR amendments include changes that better empower FIDReC to directly handle health insurance disputes.
3. Today, the TOR already allows FIDReC to look into health insurance disputes. However, the current TOR and processes of FIDReC fall short when disputes of a clinical nature, or "hybrid" disputes with both financial and clinical aspects interwoven together, are involved.
4. Currently, FIDReC may refer these cases to the Clinical Claims Resolution Process (CCRP) established by the Multilateral Healthcare Insurance Committee (MHIC) for clinical disputes involving Integrated Shield Plans (IPs). About 70% of Singapore citizens and permanent residents have bought IPs. CCRP does not handle clinical disputes arising from other forms of health insurance such as corporate or employee health insurance products.
5. Some of the common clinical-related CCRP disputes which arise include:
  - (a) Unreasonable or not evidence-based exclusion clauses;
  - (b) Delays in or denial of pre-authorisation approvals; and
  - (c) Denial of claims.
6. As noted by FIDReC itself, participation in the CCRP is voluntary and "the financial institution can refuse to take part" (<https://bit.ly/3lnkqid>). Indeed, since CCRP was set up, there have been quite a number of instances where IP providers have refused to take part in CCRP.
7. FIDReC's decisions are binding to participating Financial Institutions (FIs). Therefore, to safeguard public interest, we feel that FIDReC should actively develop direct oversight capabilities in handling of health insurance disputes related to clinical issues and not leave matters to a voluntary participation platform such as CCRP.
8. By addressing these lacunae in health insurance regulation, Singapore's position as an international financial and healthcare hub will be enhanced and strengthened, especially when we include both IP and non-IP health insurance products into the equation.

9. Accordingly, we propose that:

- (a) FIDReC's TOR for "Eligible Complaints" should specifically include "health insurance disputes related to clinical issues" (Section 2, Rule 4 of current FIDReC rules).
- (b) FIDReC's TOR should be amended such that disputes arising from even before services are rendered, such as denial and delay in granting letters of guarantee and pre-authorisation, etc, should be included under FIDReC's jurisdiction.
- (c) The appointment of adjudicators should include those with the expertise to adjudicate disputes of a clinical nature, where necessary (Section 4.4, Rule 22).
- (d) Under Section 2, Rule 6 "Eligible Complainants" – to include an additional clause that states "state-registered healthcare professionals (doctors, dentists, physiotherapists, nurses, etc) who have provided a professional service to an insured and/or to parties who have a customer relationship with an FI".

10. We thank you for the opportunity to provide feedback on the proposed amendments to the Terms of Reference of FIDReC.

Yours sincerely,

**Dr Ng Chee Kwan**

*President*

*Singapore Medical Association*

**Clin A/Prof Alan Ng**

*Master*

*Academy of Medicine, Singapore*

Cc:

Chairman of MAS, Deputy Prime Minister, Mr Lawrence Wong

Minister for Health, Mr Ong Ye Kung

Managing Director, MAS, Mr Chia Der Jiun

Permanent Secretary for Health, Mr Chan Yeng Kit

## FIDReC's reply

Via email

6 February 2024

Dr Ng Chee Kwan

President

Singapore Medical Association

Clin A/Prof Alan Ng

Master

Academy of Medicine, Singapore

Dear Dr Ng and Clin A/Prof Ng,

**RE: Proposed Amendments to the Terms of Reference of FIDReC**

1. We refer to the feedback you had provided in your letter dated 1 February 2024 addressed to our chairperson, Mrs Koh Juat Jong.
2. We would like to thank you for having taken the time to provide your feedback and your in-principle support of the proposed amendments in the Public Consultation paper.
3. We had further noted the additional proposals to enhance our Terms of Reference particularly in areas that could better equip us to handle health insurance disputes involving clinical issues.
4. Once again, we thank you for your valuable feedback on this matter.

Yours faithfully,

**Eunice Chua**

*Chief Executive Officer*

*Financial Industry Disputes Resolution Centre Ltd* ◆

