Musings on My Private Health Insurance

Text by Dr Ng Chee Kwan

The time of the year has come when I renew my private health insurance. I am presently covered under MediShield Life and an Integrated Shield Plan (IP) with a rider, and I cannot help but notice the rapid rise in my IP premiums within the past two or three years.

My current MediShield Life premium is about $900, which is paid through MediSave. Under MediShield Life, if I opt for treatment in a subsidised ward, my deductible for the year would be about $2,000 to $2,500, and I would have to pay a co-insurance ranging from 3% to 10% on the balance. The claim limits are intended to cover nine in ten subsidised bills. The plan has very limited coverage for private unsubsidised bills, with a 16% pro-ration factor for private hospital ward charges and a 10% pro-ration factor for private hospital surgical charges.

Conversely, my IP covers me for private hospital charges. This plan covers me for treatment in private hospitals, subject to a deductible of $3,500 and a co-insurance of 10%. My IP premium this year will be over $1,200 after MediSave deduction, while my premium for the rider that allows waiver of co-pay and deductibles has risen to almost $4,000, even after a no-claim discount.

Thus, the question is, is it worth paying more than $5,000 this year for both my IP and rider? And in the long run, knowing that the premiums will only increase as I age, would the future expense be justifiable?

Coincidentally, the *Straits Times* recently published an article in which Deputy Prime Minister Gan Kim Yong and Minister for Health Ong Ye Kung were interviewed about healthcare financing.[1] In the interview, Minister Ong provided an example of an elderly patient who was admitted to the private ward of a restructured hospital and incurred a hospital bill of more than $300,000. In this example, the majority of the bill was covered by Medishield Life and the patient's IP, while the IP rider paid only about $30,000 of the total bill. In contrast, the patient's rider premium was estimated to be $10,000.

If I were to incur a similar hospital bill, my IP rider would also pay out slightly more than $30,000. Is paying $4,000 for the rider premium worth it?

In general, patients can get more timely treatment in the private sector. On that basis, while I am still able to afford it, I will keep my IP to cover me for private healthcare. However, I am still mindful of the co-insurance payments required for large hospital bills. It is probably a matter of time before I switch to a more cost-effective rider which imposes a higher deductible but still protects me from high co-payments.

As a private specialist who sees a large proportion of patients covered by IPs, I continue to advocate for IP insurers to open up their panels and provide fair remuneration to doctors. As an IP policyholder, I also hope that healthcare financing will be managed well so that Singaporeans can continue to have adequate coverage without incurring prohibitive costs. These two aspects do not necessarily have to be in conflict, as long as all stakeholders play their part.

Reference

1. *Khalik S. Healthcare financing in Singapore: 10 questions for DPM Gan and Health Minister Ong. The Straits Times [Internet]. 10 April 2025. Available at: https://bit.ly/3RPb5Ei.*

Dr Ng is a urologist in private practice and current President of the SMA. He has two teenage sons whom he hopes will grow much taller than him. He has probably collected too many watches for his own good.