

# Medishield: Providing Better Protection to Singaporeans

## MEDISHIELD: PROVIDING BETTER PROTECTION TO SINGAPOREANS

As announced by Prime Minister Goh in his National Day Rally speech, the Ministry of Health would be enhancing the MediShield Scheme so that Singaporeans are better able to meet their medical expenses from major or prolonged illnesses. The enhancements would be implemented with effect from 1 Dec 2001.

The enhancements to MediShield are part of the Government's on-going efforts to keep healthcare costs affordable for all Singaporeans. With the enhancements to MediShield, more Singaporeans, especially the elderly group, would be protected under MediShield. Their out-of-pockets expenses would be reduced.

## INTRODUCTION

MediShield Basic - an affordable catastrophic illness insurance scheme was first introduced in 1990. Designed to complement the Medisave Scheme, MediShield helps Singaporeans meet medical expenses from major and prolonged illnesses which their Medisave balances may not be sufficient to cover. In 1994, the MediShield Plus Schemes (i.e. MediShield Plans A and B) were introduced to cater to Singaporeans who would like to have more coverage.

Since the inception of the MediShield Scheme, the Ministry of Health has made regular enhancements to the features of the scheme. Over the years, we have raised the maximum coverage age from 65 to 75<sup>1</sup>, increased the relevant claimable limits to keep pace with increases in medical charges and expanded the coverage to include certain expensive outpatient treatments.

## ENHANCEMENTS TO MEDISHIELD SCHEME

The Ministry of Health would be enhancing the following:

**Extension of Maximum Coverage Age**  
With the increase in life expectancy,

the maximum coverage age would be raised from 75 to 80 for all 3 MediShield Plans. With the extension of maximum coverage age to 80, we would have to introduce 2 new premium bands. The first premium band would be for elderly aged between 76 and 78, while the second premium band would be for elderly aged between 79 and 80. For MediShield Basic, the premiums applicable to these 2 premium bands would be \$320 and \$390. For MediShield Plans B and A, the premiums applicable would be \$960 and \$1,170, and \$1,600 and \$1,950 respectively.

### Extension of Maximum Entry Age

The last entry age would be raised from 70 to 75. Singaporeans who are not covered under MediShield and who wish to join MediShield can do so before they turn 75. Notwithstanding the raising of the last entry age, the Ministry of Health would like to encourage Singaporeans to enrol in the MediShield Scheme early, and not wait till when they are old. This is because the chances of having some form of pre-existing medical conditions are higher in old age. As the MediShield Scheme is designed based on actuarial principles, Singaporeans with pre-existing medical conditions might not be able to sign up for any MediShield Plans.

### Increase in Daily Claimable Limits

The daily claimable limits for "Room & Board" and "Intensive Care Unit (ICU)" would be raised by 25% as follows:

#### a. Room & Board

For MediShield Basic, the daily claimable limit would be raised from \$120 to \$150. Similarly, the daily claimable limit would be increased from \$300 to \$375 for MediShield Plan B and from \$500 to \$625 for MediShield Plan A.

#### b. Intensive Care Unit

For MediShield Basic, the daily claimable limit would be raised from \$240 to \$300. Similarly, the daily

claimable limit would be increased to \$625 and \$1,000 for MediShield Plans B and A respectively.

### Increase in Table of Surgical Operations Claimable Limits

The claimable limits for the Table of Surgical Operations would also be increased by more than 25%. For MediShield Basic, the current limits, which range between \$100 and \$600, would be increased by an average of 30%, to between \$120 and \$900. Similarly, the corresponding limits would be raised by an average of 28% and 26% for MediShield Plans B and A respectively.

### Increase in Outpatient Claimable Limits

The claimable limits for outpatient treatments that are currently covered under the MediShield Scheme would be increased as follows:

#### a. Radiotherapy

The current MediShield Basic claimable limits of between \$40 and \$80 per treatment day (depending on the type of treatment) would double to \$80 and \$160. The limits would be increased to between \$120 and \$240 for MediShield Plan B and between \$140 and \$280 for MediShield Plan A.

#### b. Chemotherapy

The current MediShield Basic limits would increase from \$75 to \$150 per 7-day treatment cycle and \$300 to \$700 per 21/28-day treatment cycle. The corresponding revised limits for MediShield Plans B and A would be \$200 and \$300 respectively per 7-day treatment cycle, and \$800 and \$1,000 respectively per 21/28-day treatment cycle.

#### c. Renal Dialysis

The current MediShield Basic claimable limit would be raised from \$700 per month to \$1,000 per month. The corresponding revised limits for MediShield Plans B and A would be \$2,000 and \$2,500 respectively.

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#### Increase in Policy Year Limit

The maximum claim amount per policy year would be raised by 50% for MediShield Basic and Plan B and 40% for MediShield Plan A. As a result, the revised policy year limits would be \$30,000, \$75,000 and \$100,000 for MediShield Basic, MediShield Plans B and A respectively.

#### Increase in Lifetime Limit

The maximum claim amount per lifetime would also be raised by 50% for all MediShield Plans. The revised lifetime

limits would be \$120,000, \$225,000, and \$300,000 for MediShield Basic, MediShield Plans B and A respectively.

Please see table below for a summary of the current and revised MediShield features.

#### IMPACT ON MEDISHIELD

##### PREMIUMS

There would be no increase in MediShield premiums for all 3 plans. The only change to the premium structure is the addition of 2 new premium bands between 76 and 80.

##### CONCLUSION

The coverage and benefits of MediShield

have been enhanced in this review to provide better protection for Singaporeans. It is part of the on-going exercise to ensure the adequacy of medical insurance coverage and to leverage medical insurance in the overall healthcare financing framework for Singaporeans. ■

MINISTRY OF HEALTH

21 SEP 2001

##### Note:

1. When MediShield was first introduced in 1990, the maximum coverage age was 65. This was subsequently raised to 70 in 1992, and 75 in 1996.

#### SUMMARY OF CURRENT AND REVISED MEDISHIELD FEATURES

Benefit	MediShield Basic	Revised MediShield Basic	MediShield Plan B	Revised MediShield Plan B	MediShield Plan A	Revised MediShield Plan A
Room & Board (R&B)	\$120	\$150	\$300	\$375	\$500	\$625
Intensive Care Unit (ICU)	\$240	\$300	\$500	\$625	\$800	\$1,000
<b>Surgical</b>						
Table 1	\$100	\$120	\$300	\$360	\$400	\$480
Table 2	\$200	\$240	\$600	\$720	\$800	\$960
Table 3	\$400	\$480	\$1,000	\$1,200	\$1,300	\$1,560
Table 4	\$500	\$600	\$1,500	\$1,800	\$2,000	\$2,400
Table 5	\$500	\$700	\$2,000	\$2,800	\$3,000	\$4,000
Table 6	\$600	\$800	\$3,000	\$4,000	\$4,000	\$5,600
Table 7	\$600	\$900	\$4,500	\$6,400	\$5,500	\$7,200
Implants (per year)	\$1,500	No change	\$2,500	No change	\$3,500	No change
Gamma Knife per procedure	\$4,800	No change	\$9,600	No change	\$12,600	No change
Stereotactic Radiotherapy Treatment for cancer	\$1,000 per treatment	No change	\$2,000 per treatment	No change	\$2,500 per treatment	No change
<b>Radiotherapy</b>						
External	\$40	\$80	\$80	\$120	\$100	\$140
Superficial	\$40	\$80	\$80	\$120	\$100	\$140
Brachytherapy with external	\$80	\$160	\$160	\$240	\$200	\$280
Brachytherapy without external	\$80	\$160	\$160	\$240	\$200	\$280
Chemotherapy	\$75 per 7 days \$300 per 21/28 days	\$150	\$150	\$200	\$200	\$300
Renal dialysis	\$700	\$1,000	\$1,600	\$2,000	\$2,000	\$2,500
Erythropoietin per month	\$200	No change	\$400	No change	\$500	No change
Cyclosporin	\$200	No change	\$400	No change	\$500	No change
Policy year limit	\$20,000	\$30,000	\$50,000	\$75,000	\$70,000	\$100,000
Lifetime limit	\$80,000	\$120,000	\$150,000	\$225,000	\$200,000	\$300,000
Last entry age	70	75	70	75	70	75
Maximum coverage age	75	80	75	80	75	80
<b>New Premium for age</b>						
76 - 78	Nil	\$320	Nil	\$960	Nil	\$1,600
79 - 80	Nil	\$390	Nil	\$1,170	Nil	\$1,950