

MediShield Life

2024 Review Council Report



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1 PREFACE

Message from Chairman, MediShield Life Council, to the Minister for Health

9 October 2024

Dear Minister,

On behalf of the MediShield Life Council, I am pleased to submit our recommendations resulting from the MediShield Life 2024 review.

I would like to thank the Government for its strong support throughout this review process. MediShield Life provides Singaporeans with universal and lifelong protection against large medical bills, and plays an important role in ensuring healthcare remains accessible and affordable. Since the introduction of the scheme in 2015, the Council has recommended enhancements and adjustments over the years, with the last review conducted in 2020. With your support, we have conducted another comprehensive review, to ensure that the scheme remains relevant to Singaporeans in light of the evolving healthcare landscape as well as rising costs and claims.

In this review, our recommendations emphasise the need to strike a balance between providing better protection to Singaporeans, and keeping premiums affordable for all. The subsequent chapters of this report will elaborate on our recommendations.

The Council is confident that our recommendations will better protect Singaporeans against large healthcare bills and provide greater peace of mind for all, for life. At the same time, we are mindful that some Singaporeans may face challenges with their premiums given the recommendations, and propose several measures to help cushion the premium increases. To further

support Singaporeans, the Council recommends that the Government consider providing additional assistance.

On behalf of my fellow Council members, I would like to extend our heartfelt thanks to the Singaporeans and stakeholders who have contributed to this review. Your valuable feedback and diverse perspectives have enriched our discussions and informed our recommendations. This review would not have been possible without your participation.

Yours sincerely,

Fang Ai Lian

Chairman, MediShield Life Council

Members of the MediShield Life Council

Mr Hee Theng Fong
Deputy Chairman

Mrs Hauw Soo Hoon

Mr Sazali bin Zainal

Dr Chia Sing Joo

Ms Kohe Hasan

Mr Shekaran Krishnan

Prof Chee Yam Cheng

Mr Lee Ming San

Dr Tan Yew Oo

Prof Walter Tan

Response from the Minister for Health to Chairman, MediShield Life Council

10 October 2024

Dear *Ali Han,*

I thank you and your committee members for conducting this important review of the MediShield Life scheme. This is typically a three-yearly review, but delayed by a year due to COVID-19. I appreciate the careful consideration and thorough analysis that went into the Council's recommendations.

An ageing population, rapid advances in medical technology, and rising healthcare utilisation are putting pressure on our healthcare system. Healthcare costs are therefore rising all over the world, including in Singapore. What we are most concerned about are the unanticipated major health episodes that result in large hospital bills. When these large bills get larger, Singaporeans will have to fork out more in out-of-pocket cash expenses, which they may not be prepared for.

The Council's recommendations come at a critical juncture to provide relief and stronger support for Singaporeans.

The Council also recognises the advent of new medical breakthroughs, such as precision medicine. The inclusion of selected cost-effective Cell, Tissue and Gene Therapy Products (CTGTPs) under MediShield Life coverage is an important and careful first step for us to embrace the future of medical science and ensure equity in healthcare.

The Government therefore accepts the Council's recommendations, in full.

With enhanced coverage, premiums will inevitably rise. The Government is committed to helping Singaporeans, especially vulnerable groups, cope with the premium increases and continue to be able to pay for their premiums fully through MediSave.

We will thus provide a comprehensive package of support. In addition to the Council's recommended release of capital from the MediShield Life Fund to cap and phase in the increase in premiums, the Government will provide enhanced premium subsidies and special MediSave top-ups. For the next review cycle of three years, the additional funding for premium support comes up to \$4.1 billion, significantly more than the aggregate premium increases of \$1.8 billion. The Government is therefore taking this opportunity to build up the MediSave balances of Singaporeans.

In the longer term, the best insurance is to have good health. The Government will continue to partner Singaporeans via national initiatives such as Healthier SG and Age Well SG.

I look forward to our continued collaboration to ensure healthcare remains affordable and accessible to Singaporeans.

Yours *Sincerely,*
Ong Ye Kung

Ong Ye Kung
Minister for Health



2 EXECUTIVE SUMMARY

This report presents the recommendations of the MediShield Life Council following a comprehensive review of the MediShield Life scheme. Please see Annex A for the composition and terms of reference of the Council.

Recommended Changes to MediShield Life Benefits

In developing our recommendations, the Council considered three key factors:

- **First**, the MediShield Life scheme was designed to fully cover nine in ten subsidised bills in public healthcare institutions, with the deductible and co-insurance covered by patients' MediSave. However, rising medical bills have eroded the coverage of existing claim limits, which now fully cover just under eight in ten subsidised bills. This means that more patients with large bills have to pay for parts of these in cash. There is thus a need to increase the claim limits to better protect Singaporeans against large bills.



- **Second**, the centre of gravity for healthcare delivery is shifting from hospitals to the outpatient, community and home settings. MediShield Life currently provides limited coverage of treatments beyond the hospital setting. We need to improve patient access to safe and affordable outpatient and home-based medical care.
- **Third**, advances in medical technologies have made new potentially life-saving therapies possible, but many of these are prohibitively expensive. In time, use of such therapies will likely become more mainstream. As the conditions are rare and the therapies are high-cost, they are most suitably financed through insurance. MediShield Life should start covering such treatments in a sustainable manner, provided they are clinically- and cost-effective.

With these considerations in mind, the Council recommends the following:

A Increase claim limits and refresh scheme parameters

- Increase existing inpatient and day surgery claim limits to fully cover nine in ten subsidised bills, with the deductible and co-insurance covered by patients' MediSave. For example:
 - ▶ For normal wards, increase daily claim limits for first two days of stay from \$1,000 to \$1,630.
 - ▶ For Intensive Care Unit (ICU) wards, more than double the daily claim limits, from \$2,200 to \$5,140.
 - ▶ For surgical procedures, increase claim limits by up to 50%, from up to \$2,600 to up to \$3,900.
- Raise the policy year claim limit from \$150,000 to \$200,000 to provide greater assurance for patients with exceptionally large bills.
- Increase the inpatient deductible by up to \$1,500, to focus MediShield Life coverage on larger bills and moderate the extent to which premiums need to increase.
- Revise pro-ration factors for private unsubsidised bills, to prevent cross-subsidisation of unsubsidised bills by subsidised bills, which would be unfair.



B Enhance outpatient coverage significantly

- Refresh existing outpatient claim limits to fully cover nine in ten subsidised bills, with the deductible and co-insurance covered by patients' MediSave.
 - ▶ For example, for kidney dialysis, increase claim limits about 60% from \$1,100 per month to \$1,750 per month.
- Expand coverage to new outpatient treatments and home-based medical care to improve access to such care.
 - ▶ For example, repetitive Transcranial Magnetic Stimulation (rTMS) to treat depression.
- Introduce a new outpatient deductible of \$500 per year to focus outpatient coverage on larger bills and moderate premium impact.
- Lower the outpatient co-insurance from a flat 10% to a tiered structure ranging from 3% to 10%, to align with how co-insurance applies to inpatient episodes, and make larger outpatient bills more affordable.



C Expand coverage to new high-cost treatments that are clinically- and cost-effective

- Expand coverage to selected clinically- and cost-effective Cell, Tissue and Gene Therapy Products (CTGTPs) to improve access to such new and potentially life-saving therapies.
- Expand coverage to selected clinically- and cost-effective high-cost drugs to improve affordability for patients with blood conditions and conditions with childhood onset.



Premium Adjustments and Support for MediShield Life Premiums

With higher claims and expansion of coverage, premiums will need to increase. The Council has worked with the scheme's appointed actuary to determine the premium adjustments needed to ensure that the scheme remains sustainable.

The Council is conscious of the impact of premium increases on Singaporeans, especially vulnerable groups that may have insufficient MediSave balances. We can cushion the increases in the following ways:

- **First**, total premium increases can be capped at 35%, and phased in evenly over three years. With this, premiums will increase by an average of 22% by the end of the third year.

To support this, the Council recommends a one-off release of around \$600 million in capital from the MediShield Life Fund. Due to the Monetary Authority of Singapore's adoption of the Risk-Based Capital Framework 2 after the last review, there is a change in the MediShield Life Fund's risk model which will enable some excess capital to be released. The MediShield Life Fund will remain in a healthy position after the release of capital.



- **Second**, the Government can consider additional measures to offset the increases in premiums. This can include enhancing existing premium subsidies, to provide more assistance to the lower- and middle-income groups. The Government can also provide MediSave top-ups, as it has done on many occasions as part of the Pioneer Generation, Merdeka Generation and Majulah Packages. Such top-ups would be helpful especially for Singaporeans with low MediSave balances, such as homemakers and informal workers.
- **Finally**, the Government can consider providing premium discounts to policyholders who lead healthy lifestyles by exercising regularly or going for recommended health screenings. The concept of providing incentives for healthy lifestyles was first raised by the MediShield Life Review Committee in 2014, ahead of the rollout of the MediShield Life scheme. In 2020, the Council suggested that the Government continue with its initiatives to incentivise healthy living, such as the Health Promotion Board's (HPB) rewards and vouchers for healthy lifestyles. With the launch of Healthier SG in 2023, it would be a good opportunity for MediShield Life to incorporate this feature.



BACKGROUND: MEDISHIELD LIFE TODAY



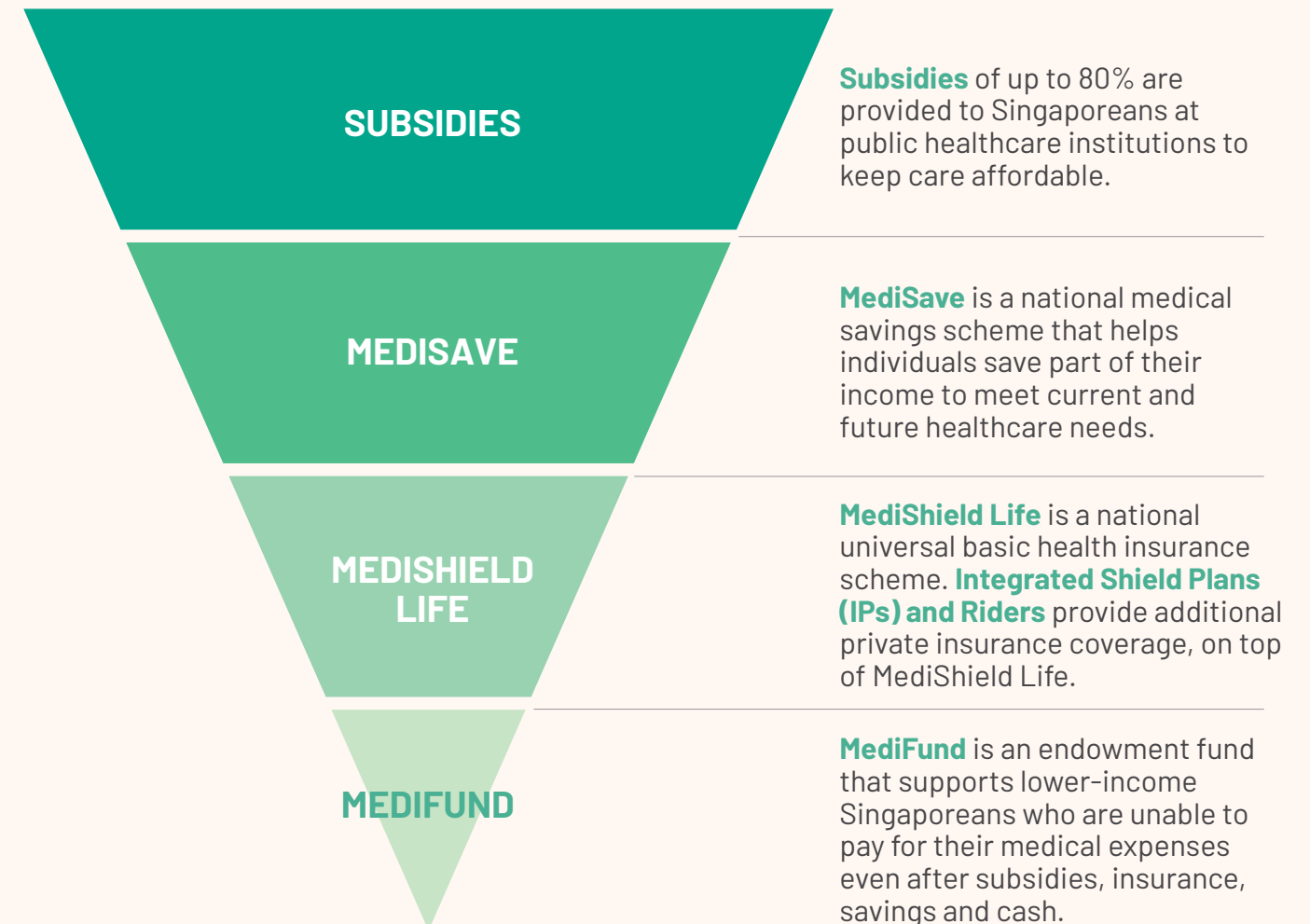
Singapore's Healthcare Financing Framework

Launched in 2015, MediShield Life is a national health insurance scheme that offers universal and lifelong basic protection against large healthcare bills for all Singaporeans, regardless of age or pre-existing condition.

MediShield Life is an integral part of Singapore's healthcare financing framework - "S+3Ms" (Subsidies, MediSave, MediShield Life and MediFund). Taken together, "S+3Ms" ensures that no Singaporean is denied appropriate healthcare because of an inability to pay for healthcare.

Those who would like to enjoy greater benefits beyond the basic coverage provided by MediShield Life may also purchase optional Integrated Shield Plans provided by private insurers. While MediShield Life premiums are fully payable by MediSave, the additional private insurance component of the Integrated Shield Plan is subject to the Additional Withdrawal Limits and may not be fully payable through MediSave.

Figure 3.1: Singapore's "S+3Ms" healthcare financing framework



Key Principles of MediShield Life

Coverage for all, for life

All Singapore Citizens and Permanent Residents are covered by MediShield Life throughout their lives, regardless of age and health condition. This is different from private insurance plans that may not cover individuals with pre-existing conditions or impose exclusions at the point of purchase.



Protection against large medical bills, sized for public healthcare

MediShield Life protects Singaporeans against large medical bills, including hospitalisation and selected costly outpatient treatments such as dialysis and chemotherapy. As a basic health insurance scheme, its claim limits are sized to cover subsidised care in public hospitals. For bills that exceed these claim limits, MediShield Life and MediSave can still be claimed up to the claim limits, which will help to lower one's out-of-pocket expenditure.



Collective responsibility through risk-pooling

How much healthcare an individual needs, now or in the future, can vary greatly, and is not something that one can predict. Instead of having every individual save for the possibility of a large medical bill, which only some may incur, it is more efficient to pool this risk across the population. MediShield Life works by collecting smaller, annual premiums from individuals, and paying out when an individual experiences a major health episode.



Affordable premiums, with additional support for targeted groups

As premiums can be fully paid using MediSave, most Singaporeans do not pay cash out-of-pocket for their MediShield Life coverage. The Government currently provides significant premium subsidies of up to 50% for Singaporeans from lower- to middle-income households, as well as additional support for Pioneer Generation¹ and Merdeka Generation² seniors. Between 2020 and 2023, the Government provided \$2.8 billion in premium subsidies and other forms of support, including the COVID-19 subsidy.



No one will lose MediShield Life coverage because of an inability to pay premiums.

Key Design Features of MediShield Life

Benefit features

The key design features of MediShield Life are the claim limits, the deductible, the co-insurance and the pro-ration factors.



Claim limits refer to the maximum claimable amount that a patient can receive from MediShield Life for an eligible claim. Claim limits strike a balance between ensuring adequate coverage and keeping premiums affordable. They are set to fully cover nine in ten subsidised bills, with the deductible and co-insurance covered by patients' MediSave. For larger bills, patients can still receive payouts up to the claim limits. There are different claim limits for hospitalisation stays, and different types of surgical procedures and treatments.

The payouts from MediShield Life are also limited to \$150,000 per policy year. The vast majority of patients do not exceed the policy year claim limit.



Deductible is the amount that a patient must pay in each policy year before MediShield Life will start to pay out. Deductibles help to sieve out smaller, more affordable bills that can be paid through MediSave, so that MediShield Life can focus on covering larger bills. This helps to keep premiums more affordable. Currently, inpatient and day surgery bills are subject to a deductible, which is differentiated by age and ward class.

¹ Pioneer Generation seniors refer to Singapore Citizens who were born on or before 31 December 1949 and became a Singapore Citizen on or before 31 December 1986.

² Merdeka Generation seniors refer to Singapore Citizens who (a) were born from 1 January 1950 to 31 December 1959 and became a Singapore Citizen on or before 31 December 1996; or (b) were born on or before 31 December 1949, became a Singapore Citizen on or before 31 December 1996, and do not receive the Pioneer Generation Package.



Co-insurance is the patient's share of the claimable amount, on top of the deductible. For inpatient care, this ranges from 3% to 10% based on the claimable amount. For outpatient care, the existing co-payment is 10%. A small amount of co-insurance helps to incentivise responsible and appropriate consumption of healthcare services, while managing the cost burden on the patient. The co-insurance can also be paid through MediSave.



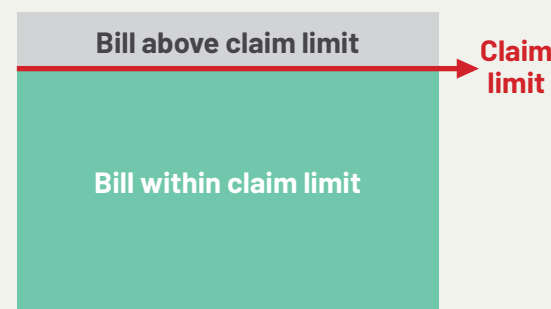
Pro-ration factor. Private hospital bills and Ward A/B1 bills in public hospitals are typically larger than the Ward B2/C bills that MediShield Life is designed to cover. Hence, they are pro-rated or normalised to the equivalent level of Ward B2/C bills before MediShield Life payouts are computed. This ensures that policyholders receive comparable MediShield Life payouts, regardless of whether they opt for subsidised or private care.

Figure 3.3A: How MediShield Life claims are calculated

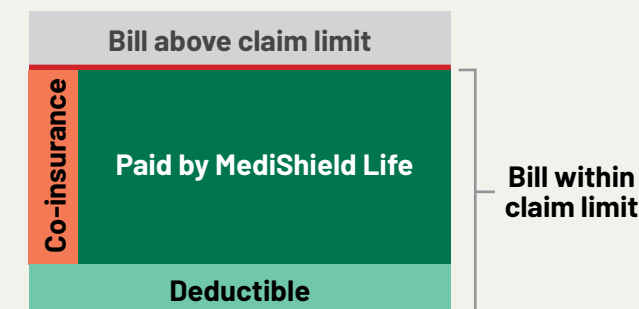
1a This represents a Ward B2/C bill, which is what MediShield Life is sized to cover.



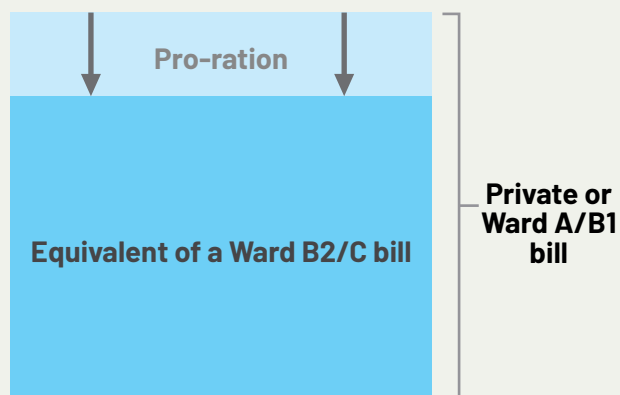
1b Patients can receive MediShield Life payouts up to the claim limits.



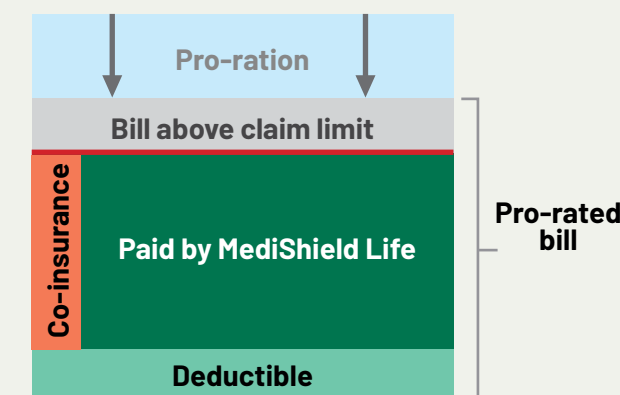
1c Patients pay the deductible, the co-insurance and the amount above the claim limits. These can be paid using MediSave.



2a For a private or Ward A/B1 bill
The respective pro-ration factors are first applied to reduce the bill size to the equivalent of a Ward B2/C bill.



2b For a private or Ward A/B1 bill
Similarly, the deductible, the co-insurance and the amount above the claim limits can be covered by patients' MediSave.



Steps 1b and 1c then apply to determine the amount paid out by MediShield Life.

Premium features

• Age-based pricing

Premiums are risk-pooled by age group. This means that each age group's current and expected payouts are broadly supported by the premiums they pay. This helps us keep the scheme sustainable as our population ages.

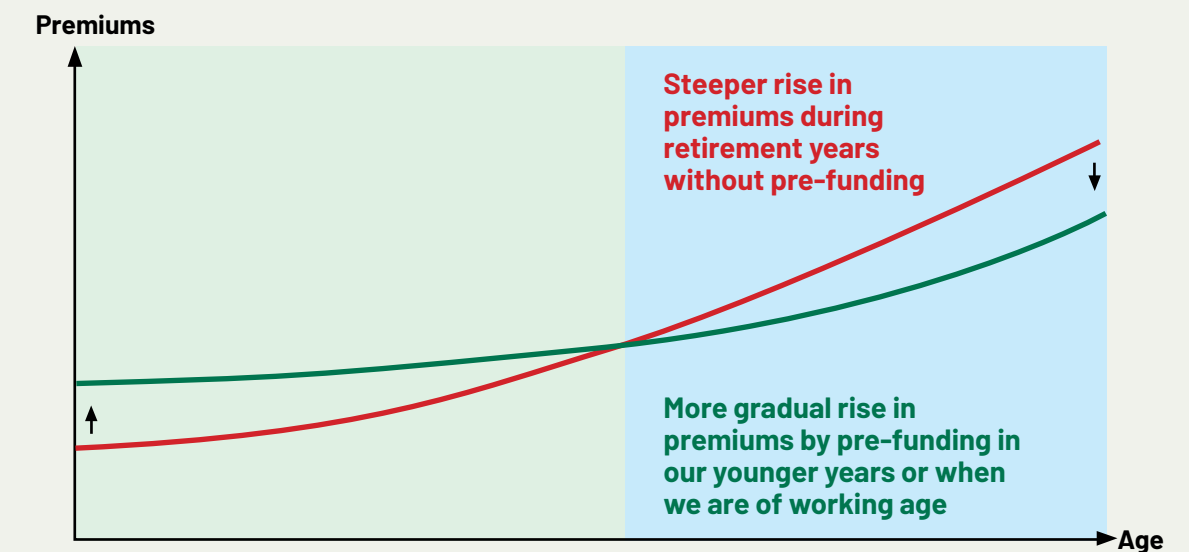
Premiums are priced by external appointed experts based on the health risks and expected healthcare utilisation of each age group. The premiums at each age band are set to cover the expected cost of claims and administration for that age band, with some buffer for when claims are higher or more frequent than expected. The premiums also include an element of pre-funding (see below).

An additional 30% premium loading is applied to the first 10 years of premiums paid by Singapore Citizens and Permanent Residents who newly join the scheme and who have pre-existing conditions. This loading reflects their higher expected claim cost. No additional loading is applied to policyholders if they develop conditions during their lifetime, after they are covered under MediShield Life.

• Pre-funding to distribute premiums more evenly over a member's lifetime

Premiums increase with age because people are more likely to make claims when they are older. Therefore, additional premiums are collected when an age cohort is younger, and set aside in the MediShield Life Fund. The contributions from each age cohort will then be returned as rebates, to offset premiums when they are older. This makes premiums more affordable for policyholders in their old age.

Figure 3.3B: Distributing premiums more evenly over a member's lifetime



With pre-funding, older policyholders pay less premiums in their retirement years, and old-age premiums are more affordable.

Younger years

Retirement

Note: Figure is for illustrative purposes only and does not take into account other factors such as medical inflation.

More elaboration on the components of premiums and what they cover can be found in **Annex B**.



MediShield Life Fund

MediShield Life is a not-for-profit health insurance scheme. All premiums collected in the MediShield Life Fund are used solely for the benefit of policyholders and to cover the administrative cost of the scheme. The Government does not profit from it.

To honour expected claims and expenses from all policyholders, the MediShield Life Fund must set aside sufficient financial resources as liabilities. The MediShield Life Fund's liabilities are calculated by external actuarial experts in accordance with requirements set by the Monetary Authority of Singapore and are in line with industry standards.

For prudence, additional resources are also held as a buffer to manage risks arising from adverse scenarios.

Between 2020 and 2023, around \$4.9 billion in claims were paid out, with the remainder set aside as liabilities to meet future commitments. These commitments include old-age premium rebates and recurrent claims for long-term/multi-year treatments.

The average Operating Loss Ratio of the MediShield Life Fund between 2020 to 2023 was 100%. This means that on average, the total premiums collected have matched the total monies required for the MediShield Life Fund to meet both current and future claim commitments.

Figure 3.4: MediShield Life Fund Operating Loss Ratio

Year	Premiums collected A	Total monies required for MediShield Life Fund operations		Operating Loss Ratio ³ (B + C) / A
		Claims paid B	Change in required liabilities C	
2020	\$1,971 million	\$1,046 million	\$974 million	102%
2021	\$2,343 million	\$1,197 million	\$1,447 million	113%
2022	\$2,422 million	\$1,259 million	\$892 million	89%
2023	\$2,471 million	\$1,384 million	\$954 million	95%
2020 to 2023	\$9,207 million	\$4,886 million	\$4,267 million	100%

³ Does not include expenses and investment returns.

See **Annex C** for further elaboration on MediShield Life Fund liabilities and capital held.





4 RECOMMENDATIONS



Context of the MediShield Life 2024 Review

Changes to MediShield Life benefits since 2015

Since the inception of MediShield Life in 2015, the Council has made enhancements to the scheme to provide better coverage while ensuring that the scheme remains affordable and sustainable. Selected changes are in **Figure 4.1**.

Figure 4.1: Some past enhancements to MediShield Life benefits

MediShield Life 2020 Review

- Higher claim limits for daily ward and treatment charges for the first two days of acute hospital stay.**
 Patients tend to incur higher charges during the first two days of their stay due to tests and investigations. This enhancement was to provide better coverage for short stays and encourage patients not to lengthen their stay unnecessarily.
- Removal of the standard exclusion for treatments arising from attempted suicide or intentional self-injury.**
 Previously, MediShield Life excluded such treatments from coverage. However, the exclusion was removed to acknowledge that proper treatment is the appropriate approach towards self-harm.



2022

Introduction of the Cancer Drug List. The Cancer Drug List (CDL) was introduced in September 2022 to focus MediShield Life coverage on clinically- and cost-effective cancer drugs. Today, there are 376 treatments on the CDL – over 50 more than when it was first introduced. The Government was better able to negotiate with drug manufacturers to lower their prices. Since the introduction of the CDL, cancer drug prices have come down by an average of 30%, and up to 60% for some drugs.

Impetus for the 2024 Review

The Council has embarked on another comprehensive review, to ensure that MediShield Life continues to be relevant as a national health insurance scheme. The Council considered three key factors:

First, the MediShield Life scheme was designed to fully cover nine in ten subsidised bills in public healthcare institutions, with the deductible and co-insurance covered by patients' MediSave. However, rising medical bills have caused more subsidised bills to exceed existing claim limits, which now fully cover just under eight in ten subsidised bills. This means that more patients with large bills have to pay for parts of these in cash. There is thus a need to increase claim limits to better protect Singaporeans against large bills.



Second, the centre of gravity for healthcare delivery is shifting from hospitals to the outpatient, community and home settings. However, MediShield Life currently provides limited coverage of treatments beyond the inpatient setting. There is a need to improve patient access to safe and affordable outpatient and home-based medical care.



Third, advances in medical technologies have made new, potentially life-saving therapies possible, but many of these are prohibitively expensive. In time, use of such therapies will likely become more mainstream. As the conditions are rare and the therapies are high-cost, they are most suitably financed through insurance. MediShield Life should start covering such treatments in a sustainable manner, provided they are clinically- and cost-effective.



Changes to Scheme Benefits

With these in mind, the Council proposes the following changes to the MediShield Life benefit parameters. A summary of the Council's recommendations for MediShield Life benefit parameters is shown in **Figure 4.2A** below, with details in **Annex D**.

Figure 4.2A: Summary of key recommendations for the benefit parameters

Scheme parameters	Current	Recommended	
Claim limits			
Inpatient / Day Surgery	Normal Ward	\$800 per day	\$830 per day
	ICU Ward	\$2,200 per day	\$5,140 per day
	Additional claim limit for first two days, applicable to Normal and ICU Wards	\$200 per day	\$800 per day
	Psychiatric	\$160 per day, up to 60 days per policy year	\$230 per day, up to 60 days per policy year
	Community Hospital (Rehabilitative and Sub-acute)	\$350 - \$430 per day	\$370 - \$570 per day
	Surgical Procedures (depending on complexity)	\$240 - \$2,600 per procedure	\$240 - \$3,900 per procedure
Outpatient	Kidney Dialysis (haemodialysis and peritoneal dialysis)	\$1,100 per month	\$1,750 per month
	Erythropoietin	\$200 per month	\$220 per month
	Immunosuppressants for Organ Transplant	\$550 per month	\$710 per month
	Long-Term Parenteral Nutrition	\$1,700 per month	\$2,200 per month
	Radiotherapy for Cancer	\$300 - \$1,800 per treatment session	\$400 - \$620 per treatment session
	Radiosurgery & Proton Beam Therapy - Category 4	\$10,000 per treatment course	\$15,700 per treatment course



Figure 4.2A: Summary of key recommendations for the benefit parameters

Scheme parameters		Current	Recommended
Claim limits			
[New] Outpatient (cont'd)	Home Ventilation and Respiratory Support Service (HVRSS)	NA	\$840 per month
	Paediatric Home Care (PHC)		\$420 per month
	Negative Pressure Wound Therapy (NPWT)		\$120 per day
	Repetitive Transcranial Magnetic Stimulation (rTMS)		\$120 per treatment session
	Pasteurised Donated Human Milk (PDHM)		\$85 per day
	Hyperbaric Oxygen Therapy (HBOT)		\$780 per treatment session
	Outpatient Parenteral Antibiotic Therapy (OPAT)		\$90 per day
[New] High-Cost Treatments	CTGTPs	NA	Refer to MOH's website for treatment-specific limits
	Other high-cost drug treatments		\$800 to \$7,400 per month
Deductible (per policy year)			
Inpatient	Private / Ward A	\$2,000 – \$3,000	\$3,500 – \$4,500
	Ward B1 / B2	\$2,000 – \$3,000	\$2,500 – \$3,500
	Ward C	\$1,500 – \$2,000	\$2,500 – \$3,500
Outpatient	All outpatient treatments covered by MediShield Life	NA	\$500
Co-insurance			
Outpatient	First \$5,000 of claimable amount (inclusive of deductible)	10%	10%
	Next \$5,000 of claimable amount		5%
	Claimable amount above \$10,000		3%

1 Increase claim limits and refresh scheme parameters

● Increase existing inpatient and day surgery claim limits

Claim limits will be raised significantly to better protect patients against rising medical costs. Some key changes are:

- ▶ For normal wards, increase daily claim limits for first two days of stay from \$1,000 to \$1,630.
- ▶ For ICU wards, more than double the daily claim limits, from \$2,200 to \$5,140.
- ▶ For surgical procedures, increase claim limits by up to 50%, from up to \$2,600 to up to \$3,900.

With higher claim limits, nine in ten subsidised inpatient and day surgery bills will be fully covered, after some patient co-payment through MediSave. This will give better assurance to patients who face major healthcare episodes with large bills.

● Raise the policy year claim limit from \$150,000 to \$200,000

Very few patients (about 50 per year) currently exceed the policy year claim limit. These cases are largely due to prolonged hospital stays. The Council recommends increasing the policy year claim limit from \$150,000 to \$200,000 to provide greater assurance for such patients with exceptionally large bills.

● Increase inpatient deductible

The current inpatient deductible has not been adjusted since MediShield Life was introduced in 2015. With rising medical bills, the deductible has become less effective in sieving out smaller, more affordable bills which can be paid for by MediSave. This drives up premiums as MediShield Life is paying out for many more small bills.

The Council recommends increasing the inpatient deductible by up to \$1,500 (see Figure 4.2B). This would allow the MediShield Life scheme to focus its coverage on larger medical bills, and moderate the extent of premium growth. In our deliberations, we were concerned that a large increase in deductible will have an impact on affordability. As such, we recommend phasing in the

higher deductible for Ward C gradually over the next three years to mitigate financial impact on patients. For all other ward classes (i.e., Ward B1/B2, Ward A and private wards), the higher deductible can be implemented in a single step.

Figure 4.2B: Recommended changes to inpatient deductible

Ward class	Current		Recommended			
			2025 - 2026		2027	
	≤ 80 y/o	> 80 y/o	≤ 80 y/o	> 80 y/o	≤ 80 y/o	> 80 y/o
Private	\$2,000	\$3,000	\$3,500	\$4,500	\$3,500 (no change)	\$4,500 (no change)
Ward A	\$2,000	\$3,000	\$2,500	\$3,500	\$2,500 (no change)	\$3,500 (no change)
Ward B1/B2	\$2,000	\$3,000	\$2,500	\$3,500	\$2,500 (no change)	\$3,500 (no change)
Ward C	\$1,500	\$2,000	\$2,000	\$2,750	\$2,500	\$3,500


We also recommend that the Government raise the MediSave withdrawal limits so patients can tap on their MediSave to offset the deductible increases.

● **Revise pro-ration factors**

As MediShield Life is sized to cover subsidised bills, unsubsidised and private bills are pro-rated or normalised so that they are comparable to a subsidised bill in order to determine MediShield Life payouts. This ensures MediShield Life payouts for private and subsidised bills are comparable for similar medical episodes. However, the current pro-ration factors have not kept pace with the growth of private and unsubsidised bills. Hence, the Council recommends revising the pro-ration factors to prevent cross-subsidisation of private bills by subsidised bills.

Overall, the changes to claim limits and scheme parameters provide greater financial assurance for subsidised patients facing substantial medical bills (see Figure 4.2C).

Figure 4.2C: Higher payout for subsidised patient seeking inpatient care

	Patient: 81-year-old subsidised patient Medical Condition: Coronary Heart Disease	Treatment: Coronary Artery Bypass Graft, 2 days of ICU stay and 5 days of Ward B2 stay														
	<table border="1"> <thead> <tr> <th>Breakdown</th> <th>Current</th> <th>Recommended</th> </tr> </thead> <tbody> <tr> <td>Bill after Government subsidy</td> <td colspan="2">\$15,800</td> </tr> <tr> <td>MediShield Life payout (after deductible and co-insurance)</td> <td>\$7,900</td> <td>\$8,900 (increase of \$1,000 in payout)</td> </tr> <tr> <td>MediSave withdrawal</td> <td>\$7,300</td> <td>\$6,900 (less \$400)</td> </tr> <tr> <td>Total from cash</td> <td>\$600</td> <td>\$0 (less \$600)</td> </tr> </tbody> </table>		Breakdown	Current	Recommended	Bill after Government subsidy	\$15,800		MediShield Life payout (after deductible and co-insurance)	\$7,900	\$8,900 (increase of \$1,000 in payout)	MediSave withdrawal	\$7,300	\$6,900 (less \$400)	Total from cash	\$600
Breakdown	Current	Recommended														
Bill after Government subsidy	\$15,800															
MediShield Life payout (after deductible and co-insurance)	\$7,900	\$8,900 (increase of \$1,000 in payout)														
MediSave withdrawal	\$7,300	\$6,900 (less \$400)														
Total from cash	\$600	\$0 (less \$600)														

2 Enhance outpatient coverage significantly

● **Refresh existing outpatient claim limits**

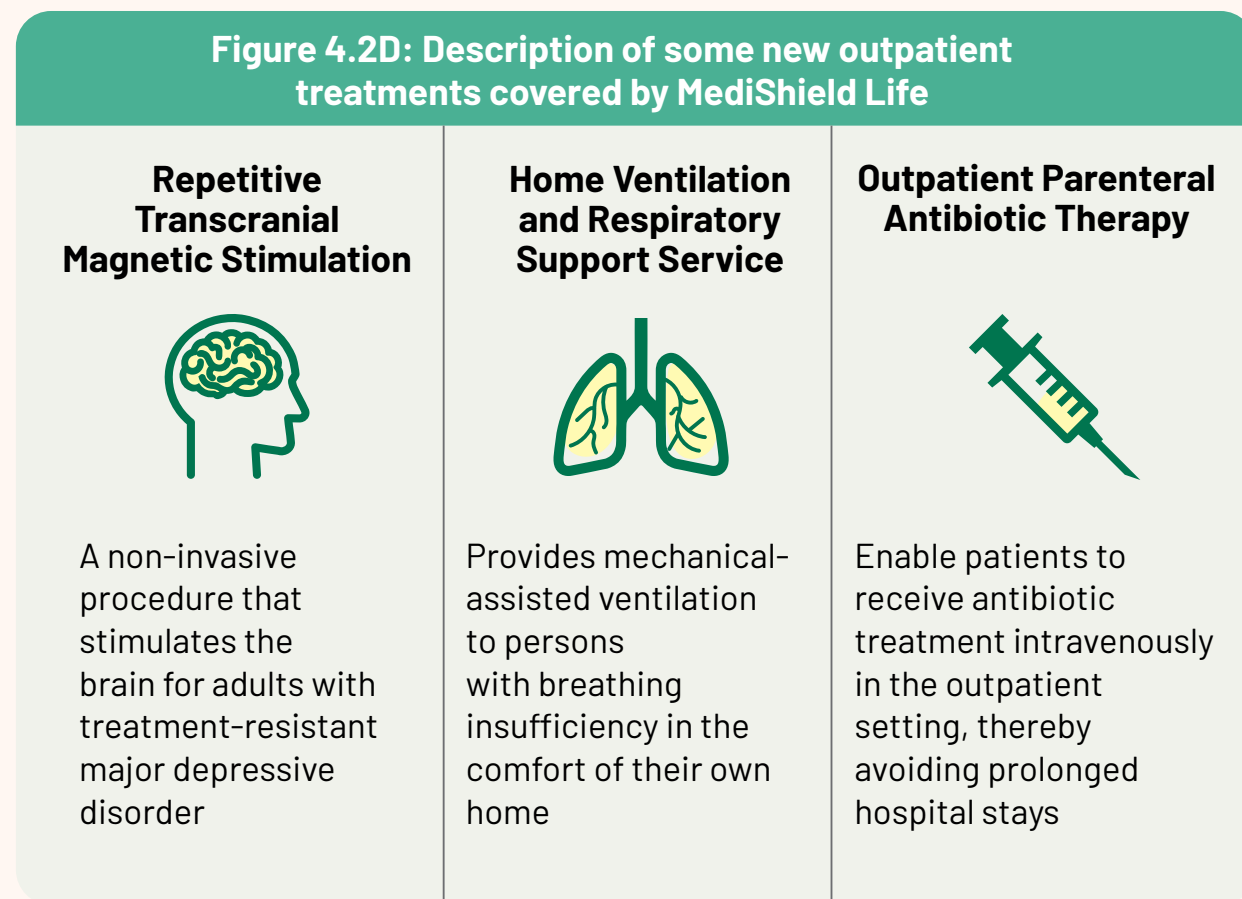
MediShield Life currently covers a range of selected costly outpatient treatments such as kidney dialysis, radiotherapy for cancer and immunosuppressants for organ transplant. Claim limits for these treatments will be updated to ensure that they continue to fully cover nine in ten subsidised bills, with some patient co-payment through MediSave.

To illustrate, claim limits for kidney dialysis, which makes up almost half of all outpatient claims, will be increased by about 60% from \$1,100 per month to \$1,750 per month. This will improve affordability for many dialysis patients.

● **Expand coverage to include new outpatient treatments and home-based medical care**

With advances in technology and service delivery, patients can now safely receive more types of care in the outpatient setting or in the comfort of their

homes. The Council recommends expanding MediShield Life to cover more outpatient and home-based medical care (see Figure 4.2D).

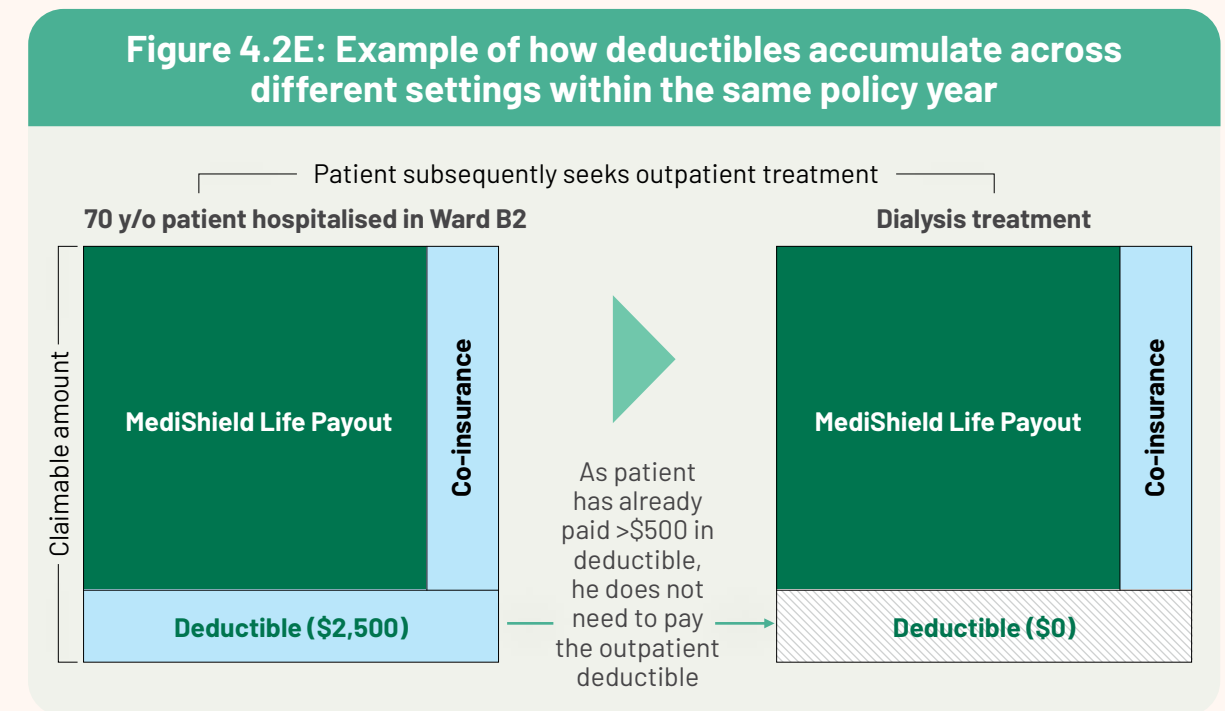


For example, some patients receive rTMS for treatment-resistant major depressive disorder when admitted into a hospital. MediShield Life’s coverage of rTMS in the outpatient setting will ease their transition of care, as these patients will continue to be covered by MediShield Life after being discharged.

● **Introduce a new outpatient deductible of \$500 per year**

With significant enhancements to outpatient coverage, there is a need to keep coverage focused on larger outpatient bills and ensure premiums remain sustainable.

The Council recommends introducing a new outpatient deductible, set at \$500 per year for a start. The deductible paid for inpatient treatments would also count towards the outpatient deductible and vice versa. For example, if a patient has paid \$500 towards his deductible in the inpatient setting, he would have fulfilled the outpatient deductible for the policy year (see Figure 4.2E).



The Council also suggests that the Government consider allowing the outpatient deductible to be fully paid through MediSave, so as to minimise the cash out-of-pocket burden for patients.

● **Lower outpatient co-insurance from a flat 10% to a tiered structure ranging from 3% to 10%**

Currently, patients in the outpatient setting pay a flat 10% co-insurance on their bills regardless of bill size. In contrast, patients within the inpatient and day surgery settings pay a tiered co-insurance rate on the claimable amount, starting at 10% and decreasing to 3% as the bill size increases. This tiered structure reduces the co-payment amount required as the bill size increases.

To improve affordability for larger outpatient bills, the Council recommends changing the outpatient co-insurance from the current flat 10% to the tiered structure ranging from 3% to 10% (see Figure 4.2F). This will also ensure parity between settings, as there are treatments that may span across inpatient and outpatient settings.

Figure 4.2F: Co-insurance structure for outpatient setting

Claimable Amount	Current	Recommended
First \$5,000 (inclusive of deductible)	10%	10%
Next \$5,000		5%
Above \$10,000		3%

With the expansion of outpatient coverage and scheme parameter changes, subsidised patients with large outpatient bills will enjoy better protection (see **Figures 4.2G and 4.2H**)

Figure 4.2G: Expansion of MediShield Life coverage to new outpatient treatment

Patient: 42-year-old subsidised patient
Medical Condition: Treatment-resistant major depressive disorder

Treatment: rTMS, treatment of 24 sessions



Breakdown	Current	Recommended
Bill after Government subsidy	\$2,400	
MediShield Life payout (after deductible and co-insurance)	\$0	\$1,710 (newly covered)
MediSave withdrawal	\$0	\$690 (newly covered) ⁴
Total from cash	\$2,400	\$0 (less \$2,400)

Figure 4.2H: Higher payout for subsidised patient seeking dialysis treatment

Patient: 60-year-old subsidised patient
Medical Condition: Kidney failure

Treatment: Haemodialysis 3 times per week



Breakdown	Current	Recommended
Annual bill after Government subsidy	\$21,000	
MediShield Life payout (after deductible and co-insurance)	\$13,200	\$19,500 (increase of \$6,300 in payout)
MediSave withdrawal	\$5,400	\$1,500 (less \$3,900)
Total from cash	\$2,400	\$0 (less \$2,400)

⁴ Assumes the MediSave withdrawal limits are sized to offset patient co-payment.

3 Expand coverage to new high-cost treatments that are clinically- and cost-effective

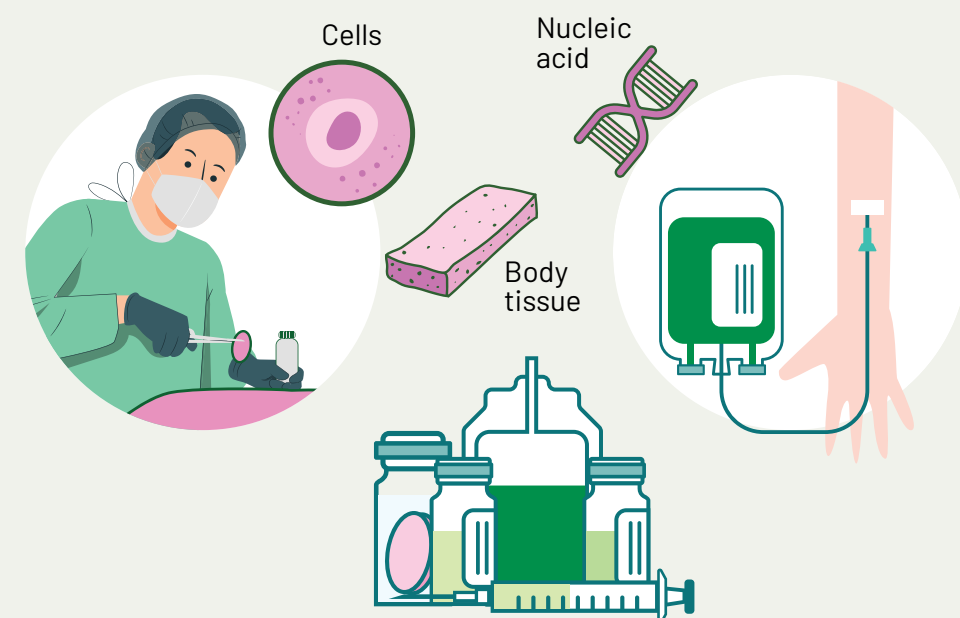
The field of medicine has seen many advancements and breakthroughs that have paved the way for innovative therapies. These have the potential to cure serious diseases, including cancers and rare diseases, adding healthy life years to otherwise dependent individuals. However, many of these novel treatments are very high-cost, some possibly going up to a few million dollars.

• **CTGTPs**

One such breakthrough is CTGTPs, which have the potential to transform healthcare, and over time, become more mainstream. They are often delivered as one-off treatments and have shown potential to effectively treat various cancers and rare diseases.

What are CTGTPs?

CTGTPs are made from human or animal cells or tissues, or man-made genetic material. They are used to diagnose, treat, or prevent different conditions including **cancers**, and **genetic disorders**. Without treatment, many of these conditions could lead to severe disability or death.



CTGTPs are promising treatment options for certain patients with health conditions that are currently difficult to treat. Most are one-time treatments that can reduce a patient's reliance on lifelong treatments. While the long-term benefits of these treatments may be uncertain, clinical studies are ongoing.

What are CTGTPs?

Tissue therapy

Tissues from a donor or tissues that are grown in a laboratory are used during surgery to repair or replace damaged areas of a body (e.g., a bone graft).



Cell therapy

Cells from the patient (autologous cells) or a donor (allogeneic cells) are processed in a laboratory and then placed back into the patient to heal damaged areas of the body or act as a treatment to find and kill cancer cells.

Common conditions treated with cell therapies include cancers of the blood and bone marrow, cancers of the lymphatic system, plasma cell disorders, and other conditions that affect the body's ability to make healthy cells.



Gene therapy



Genetic material (recombinant nucleic acids) is delivered into the patients' cells to replace, inactivate, or correct the function of missing or abnormal genes.

Gene therapies can treat genetic or inheritable disorders, and certain types of cancer.

However, the high cost of CTGTPs puts them out of reach for most people. Without any financing support, patients would not be able to access these potentially life-saving treatments.

The Council is encouraged that since August 2024, the Government has extended subsidies under a pilot for a list of CTGTPs evaluated to be clinically- and cost-effective. Kymriah, a type of cell therapy for leukaemia patients who have not responded well to conventional treatments, is the first to be listed on the Ministry of Health's (MOH) CTGTP List. More treatments may be listed over time.

The Council recommends extending MediShield Life coverage to CTGTPs to improve affordability of such treatments. Insurance is a suitable way to finance such treatments which are costly but for conditions that occur very rarely. Nonetheless, the Council understands that Singaporeans may be concerned about the impact of CTGTPs on insurance premiums. To ensure that premiums remain affordable, the Council recommends two key safeguards:

► **One**, MediShield Life, like subsidies, should only cover treatments that are proven to be clinically- and cost-effective, i.e., on MOH's CTGTP List. This would allow the Government to negotiate with pharmaceutical companies to secure price reductions, thereby mitigating the financial impact on our healthcare system.

What is Health Technology Assessment (HTA)?

HTA is an established scientific research methodology that evaluates how well a new health technology (including drugs, devices and medical services) works in relation to its cost, compared to existing standards of care. HTA is used in other developed countries such as the United Kingdom, New Zealand and Australia to ensure that funding is targeted at clinically- and cost-effective treatments.



What is the Agency for Care Effectiveness (ACE)?

Established by the MOH, ACE is the national HTA agency in Singapore. It evaluates the effectiveness, safety and value of health technologies by reviewing clinical and economic evidence, negotiating prices with pharmaceutical companies, and seeking views from clinicians and patients.



ACE's evaluations are used by the Government to inform healthcare funding decisions (e.g., whether a new health technology should be subsidised in public healthcare institutions). Similarly, the Council referenced ACE's evaluation when deciding which clinically- and cost-effective treatments should be recommended for MediShield Life coverage as part of this review.

► **Two**, MediShield Life claim limits for CTGTPs should be sized to fully cover two in three subsidised bills, instead of nine in ten subsidised bills. It is prudent to take a more cautious approach for a start, as CTGTPs are a new class of therapies.

As the field of CTGTPs is evolving, the Council will continue to monitor developments and review MediShield Life coverage in this area.

What does "clinically- and cost-effective" mean?

A **clinically- and cost-effective** treatment is one that should be

- Effective and safe for managing the health condition based on clinical evidence; and
- Value for money and hence, an acceptable use of healthcare resources. This is especially important as new or expensive health technologies may not always be as good as available alternatives that are already being used locally.



• High-cost drugs for blood conditions and childhood onset conditions

Similar to CTGTPs, there are many new drug treatments with the potential to improve the quality of life and clinical outcomes of patients. However, these drugs can be expensive, as they may have to be administered recurrently over a long period of time. For example, risdiplam, which is used to treat spinal muscular atrophy, can cost around \$90,000 annually even after subsidies.

The Council hence recommends extending MediShield Life coverage to include selected high-cost drugs, starting with drug treatments for blood conditions such as haemophilia and childhood onset conditions such as spinal muscular atrophy (**see Figure 4.2I**). As with CTGTPs, only drug treatments that are clinically- and cost-effective would be covered by MediShield Life.

Figure 4.2I: Summary of recommended claim limits for new high-cost treatments

List of new high-cost treatments	Recommended MediShield Life claim limits
CTGTPs	Refer to MOH's website for treatment-specific limits
Drug Treatment and Prophylaxis for Haemophilia A	\$1,400 per month
Drug Treatment and Prophylaxis for Haemophilia B	\$4,800 per month
Drug Treatment for Immune Thrombocytopenia and Refractory Severe Aplastic Anaemia	\$1,800 per month
Drug Treatment of Thalassaemia	\$800 per month
Drug Treatment of Children with Short Stature due to Conditions Associated with Growth Failure	\$800 per month
Drug Treatment for Spinal Muscular Atrophy	\$7,400 per month
Drug Treatment for Fabry Disease	\$4,400 per month
Drug Treatment for X-Linked Hypophosphataemia	\$6,800 per month

Impact of Changes to Benefit Parameters

Overall, the Council is of the view that the proposed changes to MediShield Life benefits will improve protection for large subsidised bills and provide more assurance to Singaporeans.

Figure 4.3: Overall impact of recommended benefit changes

	Change
Proportion of subsidised bills fully covered by MediShield Life ⁵	From <8 in 10 to 9 in 10
Increase in number of subsidised patients with bills fully covered by MediShield Life ⁵	About 29,000 per year (15% of subsidised patients ⁶)
Number of subsidised patients who will benefit from higher payouts	About 44,000 per year (24% of subsidised patients ⁶)
Average increase in payouts	\$830 per patient ⁷

Premium Adjustments and Support Measures

Adjustments to premiums

With medical inflation and higher utilisation, the scheme has been paying out more every year since the last review in 2020. It is inevitable that premiums will need to be increased to reflect the claims experience and support the increase in claim limits and new benefits.

Figure 4.4A: Growth in MediShield Life payout and utilisation⁸

Year	2020	2021	2022	2023
Total MediShield Life payout (\$ billion)	1.05	1.20	1.26	1.39
Number of claims with MediShield Life payout	701,000	776,000	784,000	840,000
Average payout per claim (\$)	1,490	1,540	1,610	1,650

⁵ With co-payment covered by MediSave

⁶ Subsidised patients who receive payouts from MediShield Life

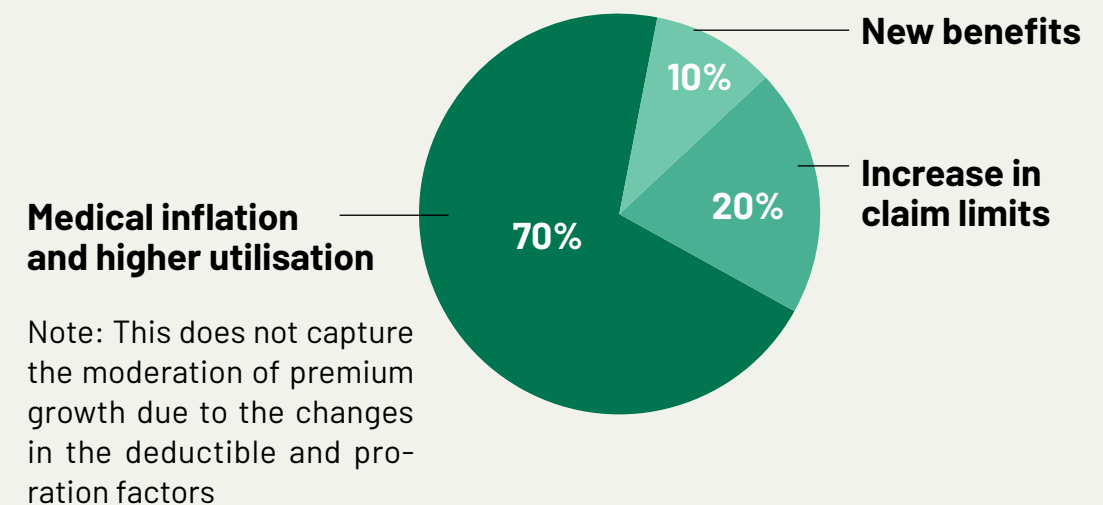
⁷ Subsidised patients who will benefit from higher payouts

⁸ Figures might not add up due to rounding

The Council recommends that premiums be adjusted as proposed by the scheme's appointed actuary. These are the factors contributing to the increase in premiums (**refer to Figure 4.4B**):

- **To support higher payouts.** Medical inflation and higher utilisation account for about 70% of premium increases. Between 2020 and 2023, annual payouts have increased by 9.8% per year, and the payout per claim has increased by 3.4% per year.
- **Increase in claim limits.** About 20% of premium increases is to support the increase in claim limits. This would provide greater assurance against large bills.
- **New benefits.** The remaining 10% of the premium increases would support other changes to the scheme such as the expansion of coverage to include new benefits.

Figure 4.4B: Drivers of premium increases



Premium support measures

The Council has studied the premium impact on various individuals and household archetypes, focusing on vulnerable groups such as the lower-income, elderly, and those with insufficient MediSave balances. These groups may have greater concerns over their ability to afford their premiums.

To ensure that premiums remain affordable to Singaporeans and to help them pay for their premiums fully using MediSave, the Council recommends that the Government consider several measures to soften the impact of the premium increases.

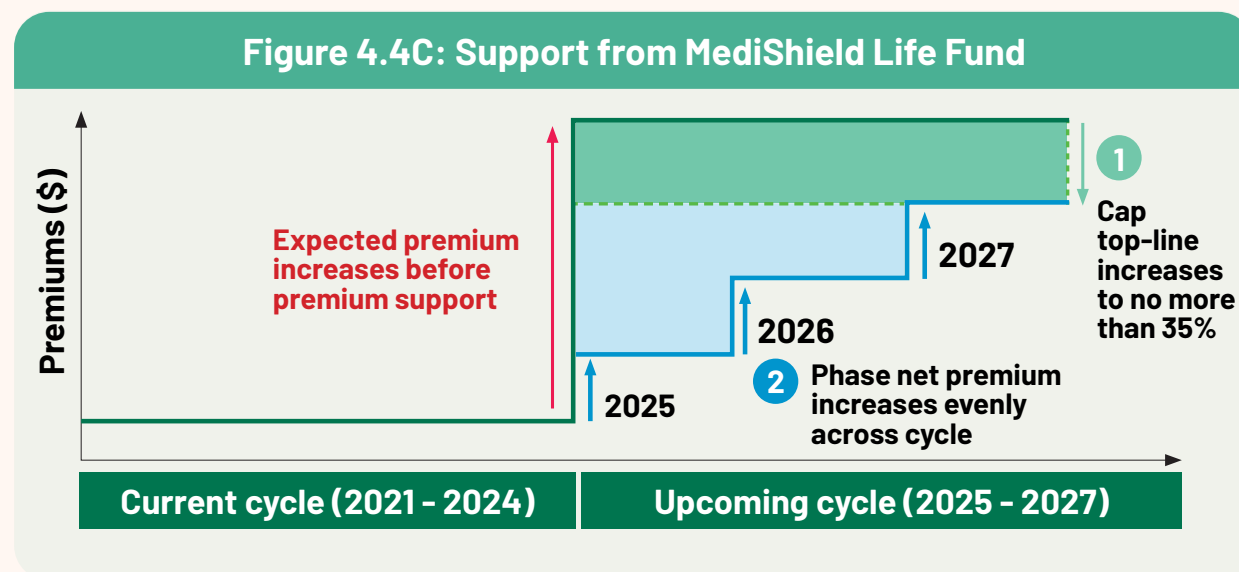
• Cap and phase in premium increases



The Council recommends capping premium increases at 35% for each age band, and phasing in the premium increases evenly over the next three years. To fund this, the Council recommends a one-off release of around \$600 million in capital from the MediShield Life Fund.

The release of capital is made possible due a change in the MediShield Life Fund's risk model, following the Monetary Authority of Singapore's adoption of the Risk-Based Capital Framework 2 after the last review. This reduced the need for the MediShield Life Fund to maintain a high level of capital, part of which can be released to cushion premium increases for this review.

With this release of capital, premiums would increase by an average of 22% per policyholder, by the end of the third year, before government support measures. The MediShield Life Fund would remain in a healthy position after the release of capital.



• Enhance existing premium subsidies for lower- to middle-income

As premiums rise with age, the Council is concerned about the long-term premium affordability for older age groups, especially lower- to middle-income Singaporeans. We recommend that the Government provide further assistance to these groups through means-tested premium subsidies.

• Provide additional MediSave top-ups



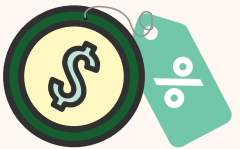
The Government can further consider providing MediSave top-ups to support some groups of Singaporeans, so as to help them pay for their MediShield Life premiums fully through MediSave. This could include increasing the existing lifetime annual MediSave top-ups for Pioneer Generation seniors as well as special top-ups for groups of Singaporeans, which the Government does from time to time. Such top-ups would be helpful especially for Singaporeans with low MediSave balances, such as homemakers and informal workers.

• Expand Additional Premium Support



Today, Additional Premium Support is available for those who are unable to afford their premiums even after government subsidies and MediSave use, and have limited family support. The Council also recommends that Additional Premium Support be expanded to cover more lower-income individuals.

• Introduce premium discounts for MediShield Life



The Government can consider providing premium discounts to policyholders who lead healthy lifestyles such as exercising regularly or going for recommended health screenings. This idea was considered in earlier reviews of MediShield Life. In 2014, the MediShield Life Review Committee had recommended that the Government explore introducing incentives for leading healthy lifestyles. The Council in 2020 then suggested that the Government continue with its initiatives to incentivise healthy living, such as HPB's rewards and vouchers for healthy lifestyles. With the launch of Healthier SG in 2023, the Government is placing strong emphasis on preventive health and the need for individuals to take charge of their own well-being. International evidence shows that individuals who adopt healthier lifestyle habits are more likely to show improvements in health outcomes, which should result in a reduction of claims. It would be a good opportunity for MediShield Life to incorporate this feature and a portion of the MediShield Life Fund may be set aside to support policyholders who receive these discounts.

With this, the Council believes more policyholders would be motivated to cultivate consistent health-seeking behaviours that positively impact their health, and in the longer term, result in a reduction of healthcare utilisation and better claims experience.

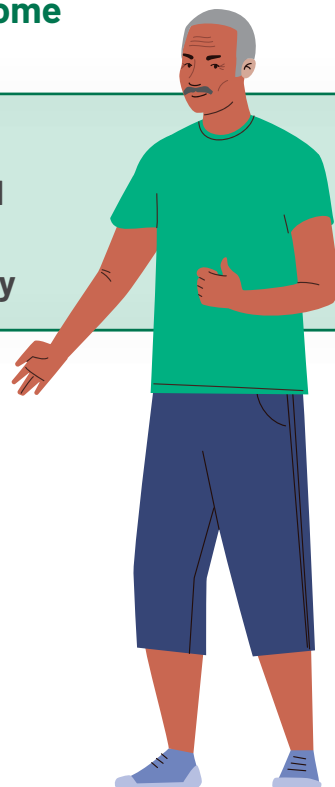
Premium impact after support measures

We are glad that the Government has accepted our recommendations to provide additional support, to help premiums remain affordable for the vast majority. The following figures illustrate the premium impact on various groups, based on the premium subsidy schedule that the Government has shared with the Council.

Figure 4.4D: Premium impact on a lower-income Merdeka Generation senior

Illustration 1: Mr A

- Single Merdeka Generation senior, 67 years old
- 2-room HDB
- Per capita household income of \$1,000 monthly



Mr A would enjoy means-tested subsidies of 40%, additional Merdeka Generation subsidies of 5%, and support to phase in the increase evenly over the next three years.

	2024	2025	2026	2027	Cumulative increase over 2025-2027
Annual premium	\$1,121	\$1,326 per year (+\$205)			+\$615
Net premium after subsidies and phasing	\$673	\$690 (+\$17)	\$709 (+\$36)	\$729 (+\$56)	+\$109

Note: Figures in brackets refer to the increase in premiums using 2024 as the base year. Cumulative increase over 2025 to 2027 refers to the sum of the figures in brackets.

After subsidies and phasing, Mr A's cumulative net premium increase over 2025 to 2027 would be \$109.

Figure 4.4E: Premium impact on a Pioneer Generation senior

Illustration 2: Mrs B

- Single Pioneer Generation senior, 87 years old
- 2-room HDB
- No household income



Mrs B would enjoy special Pioneer Generation subsidies of 59% and an annual Pioneer Generation MediSave top-up. She would also receive support to phase in the increase evenly over the next three years. As a younger Pioneer Generation, she will continue to see at least two-thirds of her premium covered.

	2024	2025	2026	2027	Cumulative increase over 2025-2027
Annual premium	\$2,063	\$2,785 per year (+\$722)			+\$2,166
Net premium after subsidy and phasing	\$846	\$935 (+\$89)	\$1,035 (+\$189)	\$1,142 (+\$296)	+\$574
Net premium after Pioneer Generation MediSave top-up	\$146	\$235 (+\$89)	\$335 (+\$189)	\$442 (+\$296)	+\$574

Note: Figures in brackets refer to the increase in premiums using 2024 as the base year. Cumulative increase over 2025 to 2027 refers to the sum of the figures in brackets.

After subsidies and phasing, Mrs B's cumulative net premium increase over 2025 to 2027 would be \$574.

Figure 4.4F: Premium impact on a Merdeka Generation senior couple

Illustration 3: Mr and Mrs C

- Merdeka Generation senior couple, 67 years old
- Private residential property
- Per capita household income of more than \$3,600

Mr and Mrs C would enjoy Merdeka Generation subsidies of 5% and support to phase in the increase evenly over the next three years.



	2024	2025	2026	2027	Cumulative increase over 2025-2027
Annual premium	\$2,242	\$2,652 per year (+\$410)			+\$1,230
Net premium after subsidies and phasing	\$2,130	\$2,248 (+\$118)	\$2,380 (+\$250)	\$2,520 (+\$390)	+\$758

Note: Figures in brackets refer to the increase in premiums using 2024 as the base year. Cumulative increase over 2025 to 2027 refers to the sum of the figures in brackets.

After subsidies and phasing, Mr and Mrs C's cumulative net premium increase over 2025 to 2027 would be \$758.

Figure 4.4G: Premium impact on a dual-income multi-generational family

Illustration 4: The D family

- Grandfather and grandmother (both 67-year-old Merdeka Generation)
- Husband and wife, 42 years old, both working
- Primary school-going daughter and son
- 5-room HDB
- Per capita household income of \$2,500 monthly

The D family would benefit from means-tested subsidies of up to 35%, additional Merdeka Generation subsidies of 5%, and support to phase in the increase evenly over three years.



	2024	2025	2026	2027	Cumulative increase over 2025-2027
Annual premium	\$3,608	\$4,326 per year (+\$718)			+\$2,154
Net premium after subsidies and phasing	\$2,496	\$2,608 (+\$112)	\$2,734 (+\$238)	\$2,868 (+\$372)	+\$722

Note: Figures in brackets refer to the increase in premiums using 2024 as the base year. Cumulative increase over 2025 to 2027 refers to the sum of the figures in brackets.

After subsidies and phasing, the D family's cumulative net premium increase over 2025 to 2027 would be \$722.

The following premium schedules are for Singapore Citizens in the first year from when the premiums are revised, i.e., 2025, and in the third year after the premium increases have been fully phased in, i.e., 2027. The full premium schedules are in **Annex E**.

Figure 4.4H: MediShield Life Premium Schedule for Singapore Citizens in 2025 after phased increase

Age Next Birthday	Current Premiums (\$)	Revised Premiums (\$)	Net premiums after subsidies and phasing (\$)⁹			
			Lower-income¹⁰	Lower-Middle-income¹¹	Upper-Middle-income¹²	High Income
1 - 20	148	200	123	131	139	164
21 - 30	255	295	200	214	227	267
31 - 40	397	503	322	343	364	429
41 - 50	535	637	396	424	453	566
51 - 60	815	903	576	617	673	841
61 - 65	1,039	1,131	676	729	800	1,067
Merdeka Generation Seniors¹³						
66 - 70	1,121	1,326	690	749	828	1,124
71 - 73	1,217	1,643	758	825	917	1,278
74 - 75	1,345	1,816	837	912	1,013	1,412
Pioneer Generation Seniors¹⁴						
76 - 78	1,559	2,027	778			
79 - 80	1,620	2,187	818			
81 - 83	1,706	2,303	853			
84 - 85	1,971	2,616	931			
86 - 90	2,063	2,785	935			
>90	2,093	2,826	925			

⁹ This is based on the premium subsidy schedule that the Government shared with the Council, where premium subsidies applied are for lower- to upper-middle income Singapore Citizens living in properties with an Annual Value of \$21,000 or less. Those with an Annual Value of \$21,001 to \$25,000 will receive 10 percentage points less subsidy, while those with an Annual Value of above \$25,000 will not receive premium subsidies. Individuals who own more than one property are not eligible for premium subsidies. Permanent Residents receive half of the applicable premium subsidies for Singapore Citizens.

Figure 4.4I: MediShield Life Premium Schedule for Singapore Citizens in 2027 after increase has been fully phased in

Age Next Birthday	Current Premiums (\$)	Revised Premiums (\$)	Net premiums after subsidies and phasing (\$)⁹			
			Lower-income¹⁰	Lower-Middle-income¹¹	Upper-Middle-income¹²	High Income
1 - 20	148	200	150	160	170	200
21 - 30	255	295	221	236	251	295
31 - 40	397	503	377	402	428	503
41 - 50	535	637	446	478	510	637
51 - 60	815	903	587	632	722	903
61 - 65	1,039	1,131	679	735	848	1,131
Merdeka Generation Seniors¹³						
66 - 70	1,121	1,326	729	796	928	1,260
71 - 73	1,217	1,643	822	904	1,068	1,561
74 - 75	1,345	1,816	908	999	1,180	1,725
Pioneer Generation Seniors¹⁴						
76 - 78	1,559	2,027	928			
79 - 80	1,620	2,187	999			
81 - 83	1,706	2,303	1,043			
84 - 85	1,971	2,616	1,125			
86 - 90	2,063	2,785	1,142			
>90	2,093	2,826	1,130			

¹⁰ Lower-income refers to individuals with monthly per capita household income of \$1,500 or less.

¹¹ Lower-middle income refers to individuals with monthly per capita household income of \$1,501 to \$2,600.

¹² Upper-middle income refers to individuals with monthly per capita household income of \$2,601 to \$3,600.

¹³ Premiums after support measures shown below are for Merdeka Generation seniors and inclusive of the additional Merdeka Generation subsidies.

¹⁴ Premiums after support measures shown below are for Pioneer Generation seniors and inclusive of the special Pioneer Generation subsidies. Figures shown have not included the annual MediSave top-ups for Pioneer Generation seniors.

Adjustment to Premium Rebates

Policyholders pay additional premiums during their working ages, and in return enjoy premium rebates during their older ages. This helps to distribute premiums more evenly throughout a policyholder's life, and moderates the premium increases experienced at older ages.

The Council recommends increasing the indicative premium rebates that will be released to those born in or after 1950 by 25%, to better moderate their premium increases at old age. The recommended indicative premium rebates are in **Annex F**.



The amount of rebates each policyholder receives would depend on their age of entry into MediShield / MediShield Life. Those who joined the scheme later and hence, set aside less of their premiums towards rebates, will receive lower rebates. Actual rebates depend on the experience of the scheme (e.g., mortality and morbidity experience of each cohort, investment returns, previously distributed rebates and other factors) which cannot be determined until closer to the eligible date for each cohort.



5 INSIGHTS FROM THE PUBLIC

The Council engaged a diverse range of citizens, stakeholders and experts to gather their insights and ideas on MediShield Life. Eight focus group discussions and two roundtable discussions were held between July 2023 to October 2024. More than 300 stakeholders participated in the discussions and shared their feedback.



Public	Stakeholders	Experts
<ul style="list-style-type: none"> Members of the public 	<ul style="list-style-type: none"> Chinese Development Assistance Council, Eurasian Association, Singapore Indian Development Association, Yayasan MENDAKI Patient advocacy representatives Ground volunteers (through Silver Generation Office, Central Provident Fund Board and People's Association) Union leaders 	<ul style="list-style-type: none"> Academics Healthcare professionals 

General Insights

Many participants took the opportunity to share their views of and experiences with the healthcare system. Overall, healthcare affordability was top-of-mind for Singaporeans from all walks of life. Some had personal anecdotes of themselves or their loved ones benefitting from MediShield Life. Others expressed anxieties about rising healthcare costs and whether they would have





sufficient MediSave to meet their needs in their old age. Most participants had difficulty understanding the differences among the schemes, and whether they could benefit from them. These concerns pointed to a need for better clarity and communication of how the national healthcare financing schemes work together to provide assurance in healthcare.

In particular, the participants also provided valuable feedback on how MediShield Life and its benefits could be better explained to the public. The Council has taken in this feedback and will continue to work with the Government to better communicate and raise awareness of the MediShield Life scheme.

Public Understanding of MediShield Life

Most participants had heard about MediShield Life but did not know that it was the national health insurance scheme. Many also did not have a good understanding of the scheme and its parameters. Some participants were unable to distinguish between MediShield Life and Integrated Shield Plans or other national insurance schemes such as CareShield Life and ElderShield.

With respect to the benefits under MediShield Life, many participants were concerned that MediShield Life would not pay out for the one in ten subsidised bills that its limits were not sized to cover. Some also thought that MediShield Life did not provide coverage for life.

Only a few participants knew how much MediShield Life premiums they were paying, as premiums are automatically deducted from most policyholders' MediSave with no or little out-of-pocket cash payment.

In almost all the focus group discussions held, Integrated Shield Plans, and how these interact with MediShield Life, often came up. While some understood the difference between MediShield Life and Integrated Shield Plans, there was confusion over what MediShield Life and Integrated Shield Plans covered. Some also had the misperception that there was no need for MediShield Life if one already had an Integrated Shield Plan.

“ MediShield Life is lower in premiums, but the coverage is lower. You got to go to a government hospital. Integrated Shield Plan is like an enhanced version of the insurance coverage, in case you are hospitalised in a private hospital. ”

“ MediShield Life is not relevant to me. My family and I have private Shield Plans. ”

Council's response:

The Council will continue to work with the Government to press on with efforts to educate Singaporeans about MediShield Life. In particular, it is critical for the Government to better explain how MediShield Life and Integrated Shield Plans work together, and how they are different. Understanding this is important so that individuals can make more informed choices about their health insurance coverage.

We note that the Government has been working closely with various key partners and agencies, such as the Central Provident Fund Board, to drive

greater awareness and public understanding of MediShield Life through ground engagement and mass publicity.

The Government has shared with the Council that it will also be stepping up efforts to improve public understanding of the role of insurance in the healthcare financing landscape. The Council will continue partnering the Government in its efforts.

Universal Coverage and Risk-Pooling

Participants appreciated the healthcare coverage provided through MediShield Life, especially the assurance that MediShield Life provided universal coverage for all Singaporeans and that no one would lose coverage due to an inability to pay premiums. Some shared that they had encountered a major health episode and that MediShield Life payouts had reduced their out-of-pocket expenses significantly.

However, the concept of risk pooling was not well-understood and received mixed reactions.

A few participants thought risk-pooling meant that younger and healthier policyholders were sharing the risks of older policyholders who tend to claim more. Some participants felt that risk-pooling was unfair for healthier individuals as their premiums would be used to subsidise those with treatment needs.

“ A lot of youngsters ask, ‘Why should I participate in MediShield Life?’ And if premiums will go up for young people, they will ask, ‘Am I subsidising costs for the elderly?’ ”

“ We cannot predict what will happen in the future at our age. So at least if anything happens to us, we have some coverage and we don’t have to worry about a big lump sum of cash that we have to fork out. ”

Council’s response:

Risk-pooling for large and uncertain healthcare bills is important because these are difficult for individuals or their families to predict and save up for. When everyone shares in a risk pool like MediShield Life, each pays a smaller annual premium in exchange for coverage for large healthcare bills. This gives everyone greater assurance, that each individual will be covered financially when he experiences a major health episode.

However, risk-pooling for MediShield Life is not across all age groups as a whole. Risks are pooled within similar age cohorts, to avoid inter-generational cross-subsidisation where the young help to pay for the old.

As a universal scheme, and in line with the philosophy of greater collective responsibility in an inclusive society, all Singapore Citizens and Permanent Residents participate in the MediShield Life risk pool, and benefit from the assurance it provides.

Changes to Claim Limits and Deductibles

All participants welcomed the increase in claim limits and improvement in coverage which would bring reductions in cash payments. However, some participants had concerns whether the increase in claim limits to fully cover nine in ten subsidised bills would be adequate in providing support and assurance to all Singaporeans. Some also drew a connection between increasing claim limits and a rise in premiums.

Most participants understood the rationale for increasing the inpatient deductibles and introducing an outpatient deductible. However, many were concerned that the increase in deductibles could adversely affect the ability of some patients to afford their healthcare bills.

Some participants, particularly those who were no longer employed or those with dependants who needed help with premium payment, were worried that the deductible changes could lead to inadequate MediSave balances for their future healthcare needs. Some suggested that the Government provide support measures to cushion the impact.

“ Increasing claim limits is good news, because MediShield Life will pay more. ”

“ Why only cover 9 in 10? Why not 10 in 10? What if I’m the 1 in 10? ”

“ I think the deductible is acceptable if coverage is expanded. You pay more for more coverage – this is reasonable. ”

“ Your pocket will be broken and there’s an immediate impact. Is it the right time to do the deductible changes? In the short term, the deductible affects everyone across the board, as it’s an immediate cost increase. ”

Council’s response:

We recommend sizing MediShield Life claim limits to fully cover nine in ten subsidised bills so that we can strike a balance between protecting Singaporeans against the vast majority of episodes and keeping premiums affordable. Singaporeans can be assured that for the one in ten subsidised bill that exceeds the claim limit, they will still receive payouts up to the claim limit. Those who have difficulty affording their bills after subsidies, MediShield Life and MediSave, can apply for financial assistance such as MediFund in our public hospitals.

We also recognise the concerns regarding the changes in deductibles. This

is why we recommend phasing in the Ward C deductible over the next three years. This will help those seeking care at Ward C in public hospitals, where the deductible increase is the largest and where most patients seek care. The Council also recommends that the MediSave withdrawal limits be raised to help patients pay for the deductible increases through MediSave. We urge the Government to provide additional support to those with low or insufficient MediSave balances.

Coverage of CTGTPs

Some recognised that the extension of coverage to such therapies would provide welcome relief to patients and their loved ones who would otherwise find it challenging to afford such treatments on their own. However, a few participants expressed concerns over the increase in premiums for the majority of Singaporeans who would not use such treatments.

“ What if you’re the one in hundred that needs the treatment, but the treatment isn’t covered by MediShield Life? ”

“ How much of the premium increase is due to CTGTPs? Coverage should not be 100% to encourage people to go for more affordable options. ”

“ These treatments are used in rare cases. I agree that risk-pooling is an appropriate financing lever. But how would this affect the rest? Just because one person claims this large amount, it would push premiums up exponentially even though the rest of us claim very little. ”

Council's response:

The Council is mindful that CTGTPs are very expensive treatments and has taken a prudent approach in recommending the extension of MediShield Life to help patients to afford these treatments. For now, coverage will only be extended as a pilot and only to selected treatments that are assessed to be clinically and cost-effective. CTGTP claim limits will also be sized more conservatively. The Council would also like to clarify that coverage of CTGTPs is not the main driver of premium increases. More details regarding the Council's considerations and recommendation regarding CTGTPs can be found in **Chapter 4**.

Premium Affordability and MediSave Adequacy

Premium increases drew mixed sentiments from participants, especially from seniors, lower-income groups, and those with chronic conditions. Most understood why premiums had to increase, but they were naturally concerned about how much premiums would increase by.

Many were relieved that premiums could be fully paid by MediSave and that cash payments could be kept to a minimum. However, some participants, especially the elderly and lower-income, were concerned over how the higher premiums and the increase in deductibles would affect their MediSave balances for

future healthcare needs. Beyond this, a common sentiment was that support tends to be thinnest for breadwinners in the middle-income group who are 'sandwiched' between dependants. Such individuals are likely to experience the heaviest financial burden as they tend to be the main payers of their dependants' premiums and their families do not qualify for much support.

There were also some participants who felt that premium increases should be tied to whether policyholders had made claims or utilised healthcare. There were suggestions to introduce a no-claims discount such that premiums are reduced for as long as no healthcare claims are made in the policy year.

“ Premium increase, deductible increase... then what will happen to my MediSave? ”

“ Not many people have MediSave balances, especially those who are not working. These people depend on annual MediSave top-ups. ”

“ The older we get, the more premiums we pay, but we also earn less income due to retirement. ”

“ As you age, you might have various illnesses that hinder you from working and earning money. With higher premiums, those who are not working anymore may still be faced with a high payable amount even after subsidies. ”

“ When we age, we get more illnesses which can incur large hospital bills. It is not reasonable to expect that my children can continue to afford this, especially if long-term treatment or hospital stay is needed. At least if the Government subsidise a little, it will lighten our burden. ”

“ The premium increase may be minimal if I’m only paying for myself. But as I am in a 5-person household and am the sole breadwinner, the increase will be huge. ”

“ If I do not make a claim, why must my premiums still increase? If I make no claim, my premium should decrease or stay the same. ”

Council’s response:

The Council is aware that premium increases are top of mind for policyholders, especially against the backdrop of cost-of-living pressures. We therefore recommend a suite of measures to cushion the impact of the increases. First, we suggest capping and phasing in premium increases through a one-off release in capital from the MediShield Life Fund. Second, we recommend that the Government provide additional measures to help Singaporeans with the premium increases, especially vulnerable groups such as the lower-income and the elderly. Please refer to **Chapter 4** for the Council’s recommended premium support measures.

The Council agrees that it is important to stay healthy and to reduce the likelihood of requiring healthcare. However, a no-claims discount may penalise

Singaporeans for unexpected illnesses, and could also discourage some from seeking early diagnosis and treatment where necessary. Instead, we recommend that discounts on MediShield Life premiums be given to policyholders who make an effort to lead a healthy lifestyle.





KEEPING HEALTHCARE COSTS SUSTAINABLE

With an ageing population and rising disease prevalence, more Singaporeans will utilise healthcare. Meanwhile, medical advances and wage inflation globally contribute to rising healthcare costs. These are the challenges that the Singapore healthcare system will continue to face in the years ahead.

The Council will continue to review MediShield Life regularly so that it complements the Government's other healthcare financing schemes to keep healthcare affordable for Singaporeans amidst rising costs. However, it is equally important to control the rise in healthcare costs so that the scheme, which is



ultimately funded by Singaporeans through premiums, remains sustainable. Hence, we are heartened that this is a key priority of the Government, and various policies have been implemented in this regard. These include:

- **Increased focus on preventive health and chronic disease management through Healthier SG.** This is a national movement aimed at promoting preventive health, supporting a healthier lifestyle for all Singaporeans, and preventing the onset of chronic diseases.
- **Greater use of HTA.** This ensures that subsidies and insurance only cover new, high-cost technologies and drugs that are proven to be clinically- and cost-effective. This also allows the Government to negotiate for more competitive prices from the industry, moderating claims growth.
- **Shifting of care from inpatient setting to outpatient and home setting.** For example, with the advent of hospital-at-home care models, the Government has been able to provide acute care to patients within the comfort of their homes, enabled by technology.
- **Strengthened governance over inappropriate MediShield Life claims.** The Claims Management Office was set up in 2022 to develop claims rules to guide appropriate MediShield Life claims and adjudication by an independent panel appointed by the MediShield Life Council.

The Council's recommendations for this review support the Government's efforts in healthcare cost containment. For example, the expansion of MediShield Life coverage to new outpatient treatments and home-based medical care will support patients in choosing to receive their care in the outpatient setting or at home. The approach for MediShield Life to only cover high-cost technologies that are clinically- and cost-effective, will also place the Government in a better position to secure price reductions.

Beyond improvements to the MediShield Life scheme, we urge the Government and all stakeholders in the healthcare ecosystem to take bold and decisive steps in cost containment and healthcare transformation to ensure the long-term affordability and sustainability of healthcare in Singapore. This will also keep MediShield Life premiums affordable in the years to come.



7 APPRECIATION



The Council would like to thank the following groups and stakeholders for their feedback and support:

Grassroots and Community Partners

- People's Association (PA)
- National Trades Union Congress (NTUC) and its union leaders
- Chinese Development Assistance Council (CDAC)
- Eurasian Association (EA)
- Singapore Indian Development Association (SINDA)
- Yayasan MENDAKI

Healthcare Clusters, Statutory Boards and Agencies

- Agency for Integrated Care (AIC)
- Health Promotion Board (HPB)
- MOH Holdings (MOHH)
- National Healthcare Group (NHG)
- National University Health System (NUHS)
- Singapore Health Services (SingHealth)
- Synapxe

Government Agencies

- Central Provident Fund Board (CPF Board)
- Ministry of Culture, Community and Youth (MCCY)
- Ministry of Finance (MOF)
- Ministry of Digital Development and Information (MDDI)

And all volunteer facilitators and note-takers who had taken the time to join us in the review's focus group discussions.

ANNEX A

COMPOSITION OF THE MEDISHIELD LIFE COUNCIL

The 11-member MediShield Life Council, chaired by Mrs Fang Ai Lian, was appointed by the Minister for Health:

- To make recommendations to the Minister for Health on policy and scheme parameters to ensure that the MediShield Life scheme provides effective protection for Singapore Citizens and Permanent Residents in an affordable and sustainable manner;
- To review the administration of the MediShield Life scheme to ensure alignment with the directions of the Council; and
- To advise the Minister for Health on matters related to the investment of the Fund, and any other matters related to the MediShield Life scheme or the MediShield Life Fund as the Minister for Health may direct.

NAME	DESIGNATION
Mrs Fang Ai Lian (Chairman)	Former Chairman, Ernst & Young
Mr Hee Theng Fong (Deputy Chairman)	Arbitrator and Mediator, The Arbitration Chambers
Dr Chia Sing Joo	Medical Director, Senior Consultant Urologist, ML'Ve UroCare Center
Prof Chee Yam Cheng	Emeritus Consultant, Tan Tock Seng Hospital
Mrs Hauw Soo Hoon	Operating Partner, iGlobe Partners (II) Pte Ltd
Ms Kohe Hasan	Chief Executive Officer, M Kapital Consulting Pte Ltd
Mr Lee Ming San	Managing Director, One North Capital
Mr Sazali bin Zainal	General Secretary, Singapore Technologies Engineering Staff Union
Mr Shekaran Krishnan	Partner, Ernst & Young LLP
Dr Tan Yew Oo	Specialist in Medical Oncology, Icon Cancer Centre Farrer Park
Prof Walter Tan	Medical Director, Raffles Hospital

ANNEX B

COMPONENTS OF MEDISHIELD LIFE PREMIUMS

MediShield Life premiums are set at each age band to reflect:

- The expected cost of claims, with some allowance for uncertainty;
- The expected cost of scheme administration; and
- The cost to support future premium rebate benefits when policyholders are at older ages.

1. Expected cost of claims

Most of the premiums collected are used to cover the expected cost of claims. Cost of claims comprises two factors: (i) utilisation (i.e., number of claims), and (ii) claim amounts (i.e., how much per claim).

Both factors are estimated by making projections using historical trends, while adjusting for potential future changes in policies or conditions. Utilisation is estimated by analysing the likelihood of members needing different types of treatments at different stages of life. Utilisation may also vary over time due to medical advancement, evolving medical advice and policyholders' needs. Claim amounts are estimated by looking at the cost of medical treatment and how it may grow over time due to healthcare inflation, at the aggregate level and by treatment type.

Beyond these factors that affect utilisation and claim amount, we also consider potential changes in consumption patterns arising from changes in the broader healthcare system, for instance, with the mainstreaming of new care models. This assessment is an iterative process, with the impact from such changes being modelled to evaluate their impact on the final premium. The claims experience is thereafter monitored annually to refine estimates of how future claims will pan out.

These estimates are collectively developed by the Ministry of Health and the scheme's appointed actuary, in consultation with the MediShield Life Council and other key stakeholders such as clinical experts.

2. Expected cost of scheme administration

Scheme administration cost includes those incurred for the collection of premiums, as well as assessment and payment of claims. These costs are estimated based on historical data and account for external factors that may affect these costs in the future.

3. Cost of future premium rebate benefits

Additional premiums are collected when an age cohort is younger, and the contributions from each age cohort are returned as rebates to offset premiums when they are older. This distributes premiums more evenly across a policyholder's life and helps keep premiums affordable in one's old age. The actual rebates will depend on the experience of the scheme (e.g., how long individuals live, investment income, previously distributed rebates, and other factors) for each cohort and are determined closer to when the cohort reaches the eligible age for rebates.



MEDISHIELD LIFE FUND LIABILITIES AND CAPITAL

Assets in the MediShield Life Fund are used to support:

- **Liabilities**, which are held to meet expected claims and expenses to be paid; and
- **Capital**, which is additional financial resources to ensure that the MediShield Life Fund can pay out for unexpected claims that exceed the liabilities that were set aside.

Liabilities

Liabilities are monies that are set aside in the MediShield Life Fund to honour expected future commitments including:

1. Future premium rebates

To ensure that MediShield Life premiums remain affordable in one's old age, part of the premiums that policyholders pay when young is set aside, and returned as premium rebates when they are old and likely no longer working. The contributions from each age cohort will be used to support their own rebates in their old age. This helps to distribute premiums more evenly throughout policyholders' lifetimes.

2. Claims incurred but not yet submitted or paid

This is for expected claims, where treatment has already taken place (and hence hospitalisation expenses have already been incurred) but have yet to be submitted or paid for. This also includes the projected future costs for those who have started on multi-year treatments.

3. Claims not yet incurred but expected to be paid in the future

This is for claims where treatments have not taken place but are expected to occur in the next few years based on actuarial projections. This includes an allowance for the fact that premiums typically remain constant between each scheme review, unlike average claim amounts that increase annually in tandem with rising medical treatment costs.

Capital

The MediShield Life Fund maintains sufficient capital so that it can meet its commitments to policyholders. Holding sufficient liabilities and capital is consistent with the insurance industry's best practices and the requirements set by the Monetary Authority of Singapore for private insurers. The MediShield Life Fund maintains sufficient capital to absorb the impact of adverse events without requiring sudden increases in premiums. A larger capital base provides greater protection and assurance for the scheme and its policyholders, but it is carefully balanced against premium affordability.



RECOMMENDED CHANGES TO EXISTING MEDISHIELD LIFE BENEFITS

MediShield Life Claim Limits	Current	Recommended
Inpatient Treatments / Day Surgery Treatments		
Daily Ward and Treatment Charges		
• Normal Ward	\$800 per day	\$830 per day
• ICU Ward	\$2,200 per day	\$5,140 per day
• Additional claim limit for first two days, applicable to Normal and ICU Wards	\$200 per day	\$800 per day
• Psychiatric	\$160 per day, up to 60 days per policy year	\$230 per day, up to 60 days per policy year
• Community Hospital (Rehabilitative)	\$350 per day	\$370 per day
• Community Hospital (Sub-acute)	\$430 per day	\$570 per day
• Inpatient Hospice Palliative Care Service (General)	\$460 per day	\$460 per day (No change)
• Inpatient Hospice Palliative Care Service (Specialised)	\$500 per day	\$500 per day (No change)
Surgical Procedures (depending on complexity)	\$240 – \$2,600 per procedure	\$240 – \$3,900 per procedure
Implants	\$7,000 per treatment	\$7,000 per treatment (No change)
Outpatient Treatments		
Kidney Dialysis	\$1,100 per month	\$1,750 per month
Erythropoietin	\$200 per month	\$220 per month
Immunosuppressants for Organ Transplant	\$550 per month	\$710 per month
Long-Term Parenteral Nutrition	\$1,700 per month	\$2,200 per month
Patients receiving treatment for one primary cancer		
• Cancer Drug Treatment <i>Refer to MOH's website for treatment-specific limits</i>	\$200 – \$9,600 per month depending on treatment	\$200 – \$9,600 per month depending on treatment (No change)
• Cancer Drug Services	\$3,600 per year	\$3,600 per year (No change)
Patients receiving treatment for multiple primary cancers		
• Cancer Drug Treatment <i>Refer to MOH's website for treatment-specific limits</i>	Sum of the highest cancer drug treatment limit amongst the claimable treatments received for each primary cancer per month	Sum of the highest cancer drug treatment limit amongst the claimable treatments received for each primary cancer per month (no change)
• Cancer Drug Services	\$7,200 per year	\$7,200 per year (No change)
Radiotherapy for Cancer		
• External Radiotherapy (except Hemi-body) & Proton Beam Therapy – Category 1	\$300 per treatment session	\$400 per treatment session
• Brachytherapy & Proton Beam Therapy – Category 2	\$500 per treatment session	\$620 per treatment session
• Hemi-body Radiotherapy	\$900 per treatment session	\$620 per treatment session
• Stereotactic Radiotherapy & Proton Beam Therapy – Category 3	\$1,800 per treatment session	\$460 per treatment session
• Radiosurgery & Proton Beam Therapy – Category 4	\$10,000 per treatment course	\$15,700 per treatment course
Maximum Claim Limits		
Policy Year Claim Limit	\$150,000	\$200,000

EXPANSION TO NEW TREATMENTS

List of new treatments and home-based medical care	Recommended MediShield Life Claim Limits
Home Ventilation and Respiratory Support Service (HVRSS)	\$840 per month
Paediatric Home Care (PHC)	\$420 per month
Negative Pressure Wound Therapy (NPWT)	\$120 per day
Repetitive Transcranial Magnetic Stimulation (rTMS)	\$120 per treatment session
Pasteurized Donated Human Milk (PDHM)	\$85 per day
Hyperbaric Oxygen Therapy (HBOT)	\$780 per treatment session
Outpatient Parenteral Antibiotic Therapy (OPAT)	\$90 per day
Cell, Tissue and Gene Therapy Products (CTGTPs)	Refer to MOH's website for treatment-specific limits
Drug Treatment and Prophylaxis for Haemophilia A	\$1,400 per month
Drug Treatment and Prophylaxis for Haemophilia B	\$4,800 per month
Drug Treatment for Immune Thrombocytopenia and Refractory Severe Aplastic Anaemia	\$1,800 per month
Drug Treatment of Thalassaemia	\$800 per month
Drug Treatment of Children with Short Stature due to Conditions Associated with Growth Failure	\$800 per month
Drug Treatment for Spinal Muscular Atrophy	\$7,400 per month
Drug Treatment for Fabry Disease	\$4,400 per month
Drug Treatment for X-Linked Hypophosphataemia	\$6,800 per month

CURRENT AND RECOMMENDED PRO-RATION FACTORS FOR INPATIENT AND DAY SURGERY SURGICAL FEES

Ward class	Singapore Citizen		Permanent Resident	
	Current	Recommended	Current	Recommended
Ward B2/C	100%	100%	58% / 44%	60%
Ward B2+	70%	100%	47%	60%
Ward B1	43%	35%	38%	30%
Ward A	35%	25%	35%	25%
Private ward	25%	10%	25%	10%
Day Surgery Public Subsidised	100%	100%	58%	58%
Day Surgery Public Unsubsidised	35%	25%	35%	25%
Day Surgery Private	25%	15%	25%	15%

CURRENT AND RECOMMENDED PRO-RATION FACTORS FOR INPATIENT AND DAY SURGERY DAILY HOSPITAL CHARGES

Ward class	Singapore Citizen		Permanent Resident	
	Current	Recommended	Current	Recommended
Ward B2/C	100%	100%	58% / 44%	50%
Ward B2+	70%	100%	47%	50%
Ward B1	43%	34%	38%	29%
Ward A	35%	27%	35%	25%
Private ward	25%	16%	25%	16%
Day Surgery Public Subsidised	100%	100%	58%	54%
Day Surgery Public Unsubsidised	35%	33%	35%	33%
Day Surgery Private	25%	21%	25%	21%

CURRENT AND RECOMMENDED PRO-RATION FACTORS FOR COMMUNITY HOSPITAL AND INPATIENT HOSPICE PALLIATIVE CARE SERVICE

Ward class	Singapore Citizen		Permanent Resident	
	Current	Recommended	Current	Recommended
Subsidised	100%	100%	50%	60%
Unsubsidised	50%	45%	50%	37%

CURRENT AND RECOMMENDED PRO-RATION FACTORS FOR KIDNEY DIALYSIS AND ERYTHROPOIETIN

Ward class	Singapore Citizen		Permanent Resident	
	Current	Recommended	Current	Recommended
Public Subsidised	100%	100%	67%	67%
Public Unsubsidised	100%	100%	100%	56%
MOH-subsented Voluntary Welfare Organisations	100%	100%	100%	67%
Private	100%	100%	100%	56%

CURRENT AND RECOMMENDED PRO-RATION FACTORS FOR OUTPATIENT TREATMENTS (EXCLUDING KIDNEY DIALYSIS AND ERYTHROPOIETIN)

Ward class	Singapore Citizen		Permanent Resident	
	Current	Recommended	Current	Recommended
Public Subsidised	100%	100%	67%	56%
Public Unsubsidised	50%	35%	50%	35%
Private	50%	30	50%	30%

CURRENT AND RECOMMENDED DEDUCTIBLE

Ward class	Current		Recommended			
			2025 - 2026		2027	
	≤ 80 y/o	> 80 y/o	≤ 80 y/o	> 80 y/o	≤ 80 y/o	> 80 y/o
Private	\$2,000	\$3,000	\$3,500	\$4,500	\$3,500 (no change)	\$4,500 (no change)
Ward A						
Ward B1/B2	\$2,000	\$3,000	\$2,500	\$3,500	\$2,500 (no change)	\$3,500 (no change)
Ward C	\$1,500	\$2,000	\$2,000	\$2,750	\$2,500	\$3,500



ANNEX E

MEDISHIELD LIFE PREMIUM SCHEDULE (NON-MERDEKA / PIONEER GENERATION SINGAPORE CITIZENS) IN 2025

Age Next Birthday (in 2025)	Current Premiums (\$)	Revised Premiums (\$)	Annual Premiums After Subsidies and Phasing (\$) ¹⁵							
			Lower-Income ¹⁶		Lower-Middle Income ¹⁷		Upper-Middle Income ¹⁸		High Income	
			Current	Revised	Current	Revised	Current	Revised	Current	Revised
1 - 20	148	200	111	123	118	131	126	139	148	164
21 - 30	255	295	191	200	204	214	217	227	255	267
31 - 40	397	503	298	322	318	343	337	364	397	429
41 - 50	535	637	375	396	401	424	428	453	535	566
51 - 60	815	903	571	576	611	617	652	673	815	841
61 - 65	1,039	1,131	675	676	727	729	779	800	1,039	1,067
66 - 70	1,121	1,326	729	749	785	808	841	887	1,121	1,183
71 - 73	1,217	1,643	791	825	852	892	913	984	1,217	1,345
74 - 75	1,345	1,816	874	912	942	986	1,009	1,088	1,345	1,486
76 - 78	1,559	2,027	935	989	1,013	1,074	1,091	1,189	1,559	1,699
79 - 80	1,620	2,187	972	1,041	1,053	1,131	1,134	1,253	1,620	1,790
81 - 83	1,706	2,303	1,024	1,062	1,109	1,156	1,194	1,319	1,706	1,885
84 - 85	1,971	2,616	1,183	1,221	1,281	1,328	1,380	1,515	1,971	2,165
86 - 90	2,063	2,785	1,135	1,170	1,238	1,285	1,341	1,482	2,063	2,280
>90	2,093	2,826	1,047	1,072	1,151	1,187	1,256	1,388	2,093	2,313

MEDISHIELD LIFE PREMIUM SCHEDULE (NON-MERDEKA / PIONEER GENERATION SINGAPORE CITIZENS) IN 2027

Age Next Birthday (in 2025)	Current Premiums (\$)	Revised Premiums (\$)	Annual Premiums after subsidies and phasing (\$)							
			Lower-Income		Lower-Middle Income		Upper-Middle Income		High Income	
			Current	Revised	Current	Revised	Current	Revised	Current	Revised
1 - 20	148	200	111	150	118	160	126	170	148	200
21 - 30	255	295	191	221	204	236	217	251	255	295
31 - 40	397	503	298	377	318	402	337	428	397	503
41 - 50	535	637	375	446	401	478	428	510	535	637
51 - 60	815	903	571	587	611	632	652	722	815	903
61 - 65	1,039	1,131	675	679	727	735	779	848	1,039	1,131
66 - 70	1,121	1,326	729	796	785	862	841	995	1,121	1,326
71 - 73	1,217	1,643	791	904	852	986	913	1,150	1,217	1,643
74 - 75	1,345	1,816	874	999	942	1,090	1,009	1,271	1,345	1,816
76 - 78	1,559	2,027	935	1,115	1,013	1,216	1,091	1,419	1,559	2,027
79 - 80	1,620	2,187	972	1,203	1,053	1,312	1,134	1,531	1,620	2,187
81 - 83	1,706	2,303	1,024	1,152	1,109	1,267	1,194	1,612	1,706	2,303
84 - 85	1,971	2,616	1,183	1,308	1,281	1,439	1,380	1,831	1,971	2,616
86 - 90	2,063	2,785	1,135	1,253	1,238	1,393	1,341	1,810	2,063	2,785
>90	2,093	2,826	1,047	1,130	1,151	1,272	1,256	1,696	2,093	2,826

MEDISHIELD LIFE PREMIUM SCHEDULE (MERDEKA GENERATION SENIORS) IN 2025

Age Next Birthday (in 2025)	Current Premiums (\$)	Revised Premiums (\$)	Annual Premiums After Subsidies and Phasing (\$)							
			Lower-Income		Lower-Middle Income		Upper-Middle Income		High Income	
			Current	Revised	Current	Revised	Current	Revised	Current	Revised
66 - 70	1,121	1,326	673	690	729	749	785	828	1,065	1,124
71 - 73	1,217	1,643	730	758	791	825	852	917	1,156	1,278
74 - 75	1,345	1,816	807	837	874	912	942	1,013	1,278	1,412
76 - 78	1,559	2,027	780	820	857	904	935	1,019	1,403	1,529
79 - 80	1,620	2,187	810	862	891	952	972	1,074	1,458	1,611
81 - 83	1,706	2,303	853	873	938	967	1,024	1,131	1,535	1,696
84 - 85	1,971	2,616	986	1,004	1,084	1,112	1,183	1,299	1,774	1,948
86 - 90	2,063	2,785	928	942	1,032	1,057	1,135	1,254	1,857	2,052
>90	2,093	2,826	837	840	942	956	1,047	1,157	1,884	2,082

MEDISHIELD LIFE PREMIUM SCHEDULE (MERDEKA GENERATION SENIORS) IN 2027

Age Next Birthday (in 2025)	Current Premiums (\$)	Revised Premiums (\$)	Annual Premiums after subsidies and phasing (\$)							
			Lower-Income		Lower-Middle Income		Upper-Middle Income		High Income	
			Current	Revised	Current	Revised	Current	Revised	Current	Revised
66 - 70	1,121	1,326	673	729	729	796	785	928	1,065	1,260
71 - 73	1,217	1,643	730	822	791	904	852	1,068	1,156	1,561
74 - 75	1,345	1,816	807	908	874	999	942	1,180	1,278	1,725
76 - 78	1,559	2,027	780	912	857	1,014	935	1,216	1,403	1,824
79 - 80	1,620	2,187	810	984	891	1,094	972	1,312	1,458	1,968
81 - 83	1,706	2,303	853	921	938	1,036	1,024	1,382	1,535	2,073
84 - 85	1,971	2,616	986	1,046	1,084	1,177	1,183	1,570	1,774	2,354
86 - 90	2,063	2,785	928	975	1,032	1,114	1,135	1,532	1,857	2,507
>90	2,093	2,826	837	848	942	989	1,047	1,413	1,884	2,543

MEDISHIELD LIFE PREMIUM SCHEDULE (PIONEER GENERATION SENIORS) IN 2025 AND 2027

Age Next Birthday (in 2025 and 2027)	Current Premiums after subsidies (\$)	Revised Premiums after subsidies and phasing in 2025 (\$)	Revised Premiums after subsidies and phasing in 2027 (\$)
76 - 78	714	778	928
79 - 80	740	818	999
81 - 83	772	853	1,043
84 - 85	848	931	1,125
86 - 90	846	935	1,142
>90	837	925	1,130

¹⁵ This is based on the premium subsidy schedule that the Government shared with the Council.

¹⁶ Lower-income refers to individuals with monthly per capita household income of \$1,500 or less.

¹⁷ Lower-middle income refers to individuals with monthly per capita household income of \$1,501 to \$2,600.

¹⁸ Upper-middle income refers to individuals with monthly per capita household income of \$2,601 to \$3,600.



PREMIUM REBATES TABLE (FOR THOSE BORN BEFORE 1950)

Entry Age	Premium Rebate Amount per year, by Age Band (\$)						
	71 - 73	74 - 75	76 - 78	79 - 80	81 - 83	84 - 85	86 - 90
Current							
41 - 50	82	97	109	129	228	236	236
51 - 60	41	48	55	65	114	118	118
Recommended							
41 - 50	82	97	173	208	228	236	236
51 - 60	41	48	86	104	114	118	118

PREMIUM REBATES TABLE (FOR THOSE BORN IN OR AFTER 1950)

Entry Age	Premium Rebate Amount per year, by Age Band (\$)							
	66 - 70	71 - 73	74 - 75	76 - 78	79 - 80	81 - 83	84 - 85	86 - 90
Current								
1 - 30	51	112	193	273	329	462	507	564
31 - 40	43	84	145	205	247	347	380	423
41 - 50	38	56	97	137	165	231	253	282
51 - 60	32	32	48	68	82	116	127	141
61 - 70	0	13	35	53	67	75	81	95
Recommended								
1 - 30	64	141	244	345	415	583	640	712
31 - 40	54	106	183	259	312	438	480	534
41 - 50	48	71	122	173	208	292	319	356
51 - 60	40	40	61	86	104	146	160	178
61 - 70	0	16	44	67	85	95	102	120



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