



Singapore Top-Up Guide 2017-2018



GUIDE TO TOP-UP INSURANCE PLANS



Singapore is one of many countries where it is common practice for employers to provide medical insurance benefits to their employees. The practice is not a statutory requirement in most cases, however it's part of the country's developing employment culture to insure the health of your workers as a way of ensuring the health of your business.

Medical treatments in Singapore can be expensive and insurance premiums can also rank amongst the highest in the Asia-Pacific region, so employers have been offering basic insurance packages as a way of providing extra incentive to high calibre candidates.

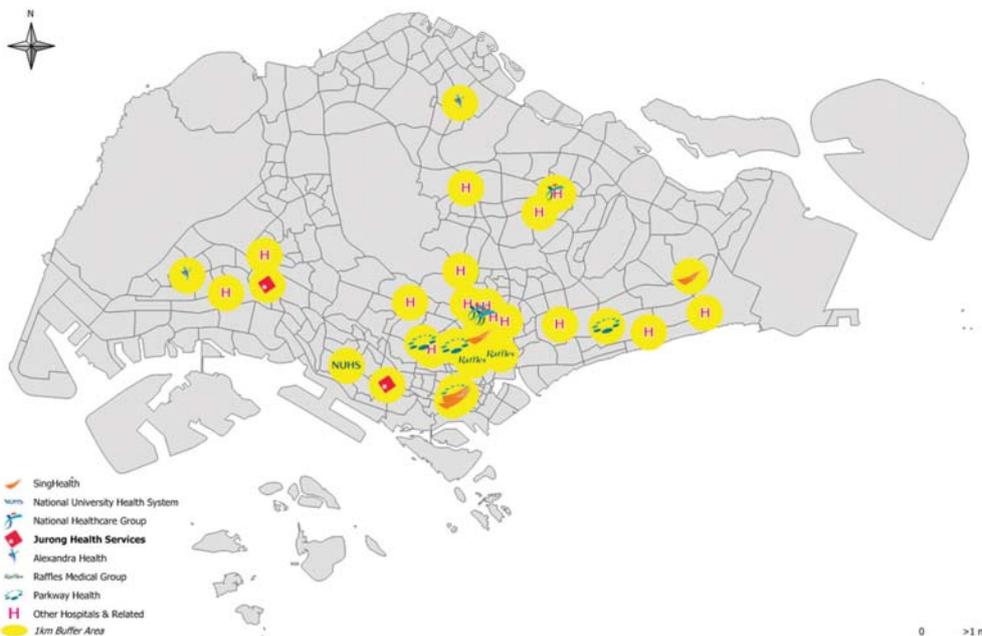
Insurance benefits may not always extend to a worker's dependents however, and workforce trends show that employers are increasingly shifting away from older, fully-inclusive health insurance packages to more local contract terms. These group plans can often offer simply a minimum level of insurance coverage to employees.

If you feel that your employer's health insurance plan does not provide enough coverage, there are a number of options available to you including top-up solutions that can enhance the benefits of your employer-provided policy. These plans can leverage the existing minimum hospitalization coverage you do have to reduce the premiums you will pay personally to extend your benefits and limits.

SINGAPORE HOSPITALS

Public and private hospitals in Singapore both operate with excellent overall levels of health care. As can be expected, private hospitals generally have higher costs and the government subsidies offered in public hospitals are only available to Singaporeans and Permanent Residents.

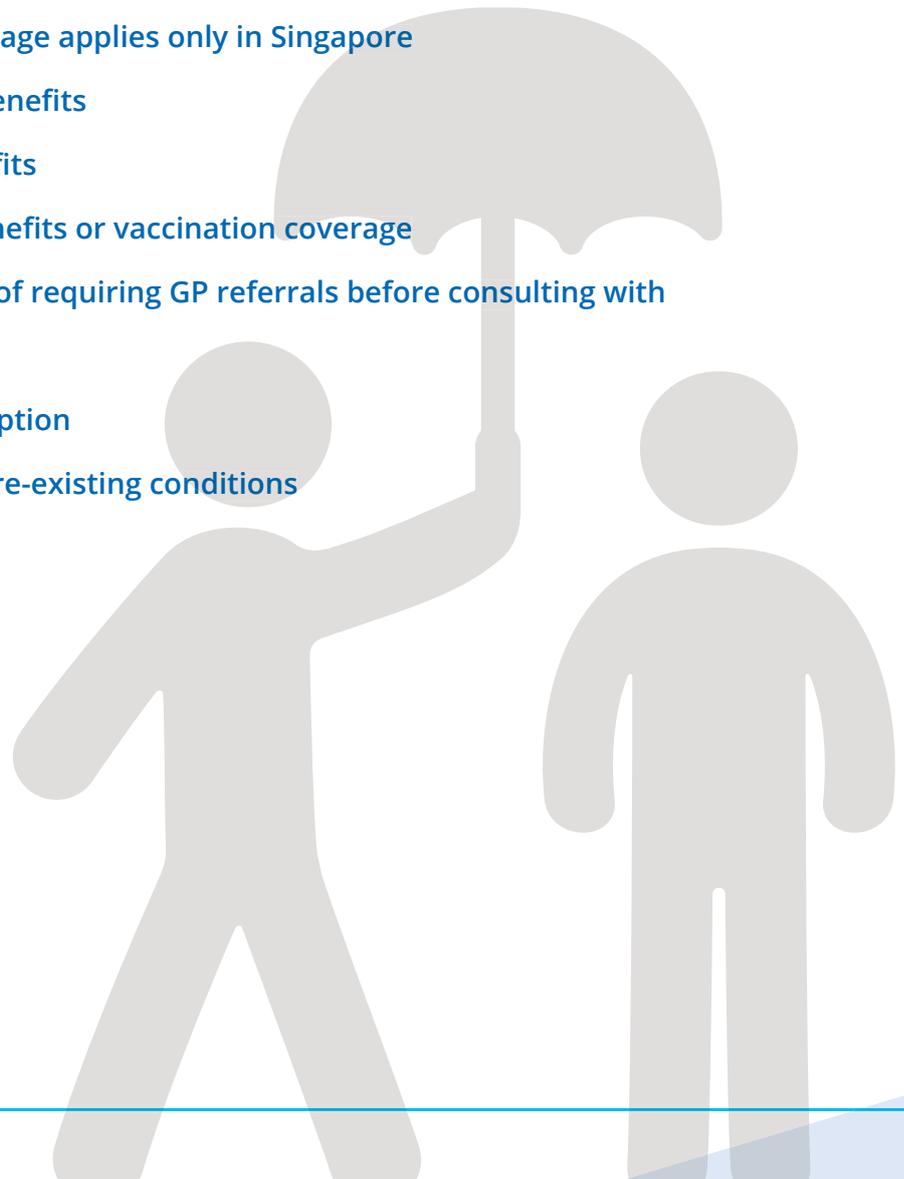
A surgical schedule of fees (see *appendix 1*) is often included in local basic plans, otherwise a restricted percentage of coverage (or lower overall limits) will apply if you elect to have treatments in a private hospital. It's important to check your local plan as some will not allow treatment outside of Government Restructured Hospitals (public) and certain types of wards (such as 2 or 4 bed wards).



COMMON GAPS IN EMPLOYER-PROVIDED INSURANCE SCHEMES

Pacific Prime has been operating in Singapore for over a decade, assisting many corporate clients with their group insurance solutions. Our experience has found that there are a number of areas where common employer-provided insurance schemes leave gaps. These include:

- Low overall limits of coverage in hospitalization and surgery cases
- Limited or no out-patient benefits
- Limited cancer and kidney dialysis benefits
- Low freedom to choose doctor or specialists due to restricted networks of providers or panels
- Insurance coverage applies only in Singapore
- No maternity benefits
- No dental benefits
- No wellness benefits or vaccination coverage
- High likelihood of requiring GP referrals before consulting with a specialist
- No portability option
- Exclusions on pre-existing conditions



COMMON GAPS IN EMPLOYER-PROVIDED INSURANCE SCHEMES

While employer-provided schemes are not poor quality, they will more often than not be much less comprehensive than a basic individual plan can be. Here are some common scenarios that Pacific Prime Singapore advisors have regularly encountered when reviewing corporate insurance plans for expats:



Co-payment percentages

An employee's 'Group Hospital and Surgical' coverage is usually up to SGD 10,000-15,000. Sometimes there will be an additional Group Major Medical plan that provides additional coverage, but with a co-payment of 10-20%. This leaves the insured to cover a portion of the total bill beyond what their Group Hospital and Surgical coverage provides.



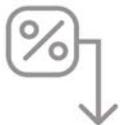
Different surgical schedule coverage

An employee's work insurance policy says the max payable for **surgeries** is subject to a **surgical schedule**. This sets certain reimbursement percentages for certain procedures; such as 100% reimbursement for heart surgery, but only 50% of knee surgery costs.



No portability

An employee aged 55 ceases employment with a company he has been with for 10 years after developing a serious illness like cancer or diabetes. When his employer-provided scheme ends with his employment, he finds he is **declined coverage** by other insurers because of his pre-existing conditions.



Limited serious illness coverage

Diagnosed with cancer, an employee finds that the total overall coverage from the employer-provided scheme amounts to SGD 10,000 for out-patient **chemotherapy** - a figure that will not even cover the actual cost of one cycle of treatments.



Low limits and coverage

A trip to the A&E department is only reimbursed in cases of an **accident** and the limits are usually very low (SGD 80), which does not cover the actual costs involved - leaving the actual treatment costs to be paid by the employee out-of-pocket.

You should be aware that if your plan does not cover certain illnesses/treatments or has low limitations which will not pay all bills, care in Singapore can become extremely costly very quickly. Expats in particular should be very clear about what their employer-provided insurance scheme provides as their inability to access Singaporean social security can leave them with some high hospital costs.

ACTUAL COSTS OF MEDICAL TREATMENTS AND SURGERIES

In Singapore, the Ministry of Health’s website provides useful information regarding the costs of many procedures in local hospitals. When considering what gaps might exist in your employer-provided insurance scheme, knowing what procedures cost can help you to ensure that the coverage you have will be adequate when you need it.

The information below refers to the typical costs in **public** and **private** hospitals using data from the Ministry of Health. Keep in mind that these are hospital fees and do not necessarily include charges for anesthetists and doctors. These may be added on top of the prices listed below.



Basic uncomplicated Appendix surgery (SGD):

Hospital	Room	25th Percentile bill size*	75th Percentile bill size*
Mount Elizabeth (Private)	1 bedded	15,852	22,370
Raffles Hospital (Private)	1 bedded	17,762	21,491
National University Hospital (Public)	Ward A	5,386	6,665
KK Hospital (Public)	Ward A	7,166	10,391
Singapore General (Public)	Ward A	7,002	9,040

* A percentile means that 25% (or 75%) of patients paid the amount stated, or below

ACTUAL COSTS OF MEDICAL TREATMENTS AND SURGERIES

Knee arthroscopic surgery (SGD):

Hospital	Room	25th Percentile bill size*	75th Percentile bill size*
Mount Elizabeth (Private)	1 bedded	13,710	23,912
Raffles Hospital (Private)	1 bedded	19,694	26,104
National University Hospital (Public)	Ward A	6,141	10,833
Tan Tock Seng Hospital (Public)	Ward A	4,370	6,385
Singapore General (Public)	Ward A	7,429	12,688

* A percentile means that 25% (or 75%) of patients paid the amount stated, or below



WHAT SOLUTIONS ARE AVAILABLE?

If you have identified that there are gaps and limited benefits in your employer's health insurance coverage that you need addressed, there are a number of solutions available to you.

1. OBTAIN A NEW MEDICAL INSURANCE PLAN

One of the most comprehensive ways to ensure you have the right level of coverage and benefits for your personal situation is to purchase a new, separate medical plan. This can ensure:

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- **Continuation of benefits** for as long as you choose, separated completely from the company you work for
- Flexible **underwriting of pre-existing conditions** with no exclusions or waiting periods
- The ability to include **international coverage** that's portable so you can receive treatment wherever in the world you are
- More **comprehensive benefits** that can include out-patient, maternity, dental, and wellness benefits
- Greater **freedom of choice of providers**, meaning you can consult any doctor or hospital of your choice
- **Higher limits of coverage** with most plans offering cover in excess of SGD 1 million

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The premiums you will pay will be age-related and can range from simple hospital plans to fully comprehensive benefits. Your health insurance expert at Pacific Prime Singapore can provide solutions for any requirements and budget.

WHAT SOLUTIONS ARE AVAILABLE?

2. PURCHASE A TOP-UP SOLUTION

If purchasing a whole new plan is not something you are interested in, perhaps a top-up plan would be more appropriate. These have the added bonus of using your employer-provided coverage as a base, and providing additional coverage and benefits for a much lower premium than a full policy.

These policies come into play if and when hospital bills exceed your company cover, but the main drawback is that you might feel like you're 'juggling' between the two insurers. Processing claims can be a duplicating process and there are rules in these policies about when coverage applies.

Top-up solutions work when the claims and treatments are eligible on **both** policies, and provided you do not stand to make a 'profit' from the claims. You cannot submit a bill twice for actual reimbursements, but you can use a top-up arrangement to offset the **deductible** on your plan:

First Claim	
Insurer A Corporate Plan	Insurer B Private Top-Up Plan
Member claims \$1,000 for an accident	Member claims \$1,000 for an accident
No deductible	Deductible of \$500
Insurer A evaluates and pays claim	Insurer B evaluates claim for \$1,000 to offset deductible limit (now down to 0)

Second Claim	
Insurer A Corporate Plan	Insurer B Private Top-Up Plan
Member incurs \$15,000 fee for surgery	Member incurs \$15,000 fee for surgery
Member opts to claim to insurer B due to limitation on surgery coverage	No deductible remaining, Insurer B evaluates and settles claims for \$15,000

Another advantage of **top-up** plans is that you have the option to include additional benefits with no or very low deductibles - these can include **out-patient, dental, optical, and wellness** add-ons. This can be a great way to make a basic level employer-provided insurance coverage plan more comprehensive without paying the high premiums of a new, full insurance plan.

These plans are also **portable**, meaning that if you change jobs you can simply keep the **top-up** plan to add extra limits and benefits to your new employer-provided plan.

Pacific Prime Singapore is a leading insurance broker in Asia and offers a full range of insurance solutions locally. Their expert advisors and content marketing team have worked extremely hard to make Pacific Prime a company that is approved and recommended by many established Singapore lifestyle companies such as Expat Living, The HoneyCombers, Expat Woman and JustLanded.



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