

# LOCAL VS INTERNATIONAL HEALTH INSURANCE IN SINGAPORE

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# Comparing your health insurance options in Singapore

In Singapore, one of the chief concerns among old and young, citizens, permanent residents, and expats alike, is healthcare. The country is considered to have one of the most advanced medical systems in the world, but healthcare costs in the region are increasing. Adequate health insurance coverage is therefore essential; but with countless insurers and plans to choose from, and insurance vocabulary that can seem like a foreign language, getting the right coverage isn't always easy.

Learning the key features of the main health insurance options available in the Lion City is a great first step, as you can approach the selection process with more confidence, and have a greater chance of finding the right plan for your needs. As specialists in all things insurance, our team of advisors at Pacific Prime Singapore have created this guide to answer some of the most commonly asked questions about health insurance in Singapore, such as:

- What are the main health insurance options in Singapore?
- What are the pros, cons, and main features of each insurance option?
- What does a typical insurance comparison look like?
- What are the main issues with local plans I should look out for?
- What factors should I consider when choosing health insurance?

Please note: This guide is based on a reflection of Pacific Prime Singapore's 12+ years of experience. It does not constitute any form of contract or advice. With all things related to insurance, it is important to talk with a qualified broker or agent before any decisions are made.

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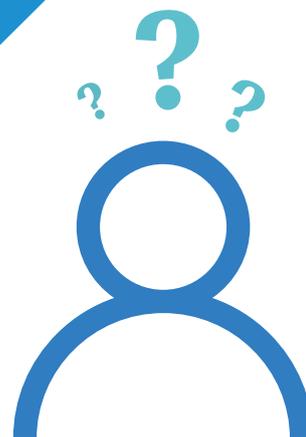
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# 1. Types of health insurance available in Singapore

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## A. Medishield Life



### What is Medishield Life?

Implemented on 1 November, 2015, Medishield Life is a basic health insurance scheme administered by the Central Provident Fund (CPF) Board. People with Medishield Life coverage, meaning all Singaporean citizens and permanent residents, are able to use it at public facilities to pay for large hospital bills and particularly costly outpatient treatments, such as dialysis and cancer chemotherapy.

### Integrated Shield Plans

Private Integrated Shield Plans, also known as Rider Plans, are top-up policies designed and managed by private insurance companies in Singapore, and provide additional coverage above and beyond the benefits offered through Medishield Life.



## Who is it for?

Medishield Life offers mandatory health insurance protection for **all** Singaporean citizens and permanent residents, regardless of age, and including those with serious pre-existing conditions. Compared to other health insurance options, Medishield Life offers basic, affordable insurance coverage that can be fully paid through Medisave.

Expats without permanent residence status are unable to access Medishield Life.

As they are add-ons to Medishield plans, Integrated Shield Plans are designed for Singaporeans and foreigners with Permanent Residence.

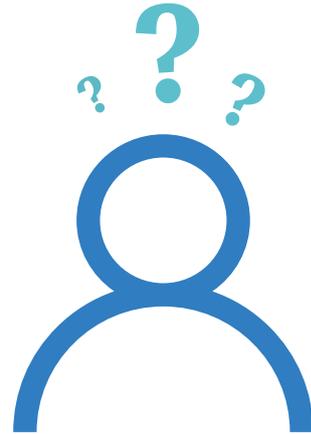


## What is the cost of Medishield Life and Integrated Shield Plans?

Your Medishield Life premium will depend on your age category, as well as the subsidies you are eligible for.

Integrated Shield Plans will also vary in price, based on the level of additional cover you select. You can find a comparison of these plans on this [page](#) of the MOH website.

## B. Local health insurance



### What is local health insurance?

Private local health insurance policies are designed to cover you only in Singapore. **In almost all cases local health coverage is limited to one country/region only** (i.e. Singapore), although some plans may offer limited coverage of life-threatening medical issues that arise during overseas trips that don't exceed 90 days. This is not usually the case though, so please make sure to read and understand any policy documentation thoroughly prior to choosing your policy.

Besides the fact that local plans generally do not protect policyholders outside of Singapore, there are a number of **potential drawbacks** associated with local health coverage. One such drawback is that **local health insurance plans will usually be limited to select facilities**. Meaning, you will not be covered if you go to a facility not on your list.



## Who is it for?

It's first important to point out that, to be eligible to enroll in a local Singapore health insurance plan, you must be a Singaporean citizen, permanent resident, or an expat with a valid pass to reside in Singapore. Generally speaking, those who rarely travel, have a relatively tight budget, and plan on spending the majority of each year in Singapore may find local health coverage to be the most optimal option.

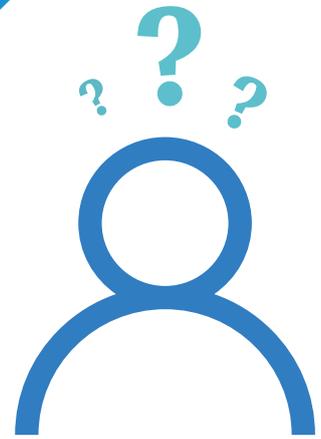
## What is the cost of local health insurance in Singapore?

As with all other insurance options detailed in this guide, the cost of local health coverage will depend on a myriad of different factors, including your age, health situation, benefits selected, the insurer, etc.

One major upside of local plans is that they are less expensive than their international counterparts.

One caveat to bear in mind here, however, is the long term sustainability of your plan. While local insurance options are less costly, they tend to carry a “renewable upon mutual agreement” clause, meaning the **insurer can** decide to **refuse renewal** or cap certain benefits at a later stage.

## C. International Private Medical Insurance (IPMI)



### What is IPMI?

International Private Medical Insurance (IPMI), is health insurance designed to cover you on a global basis\*. Unlike their local counterparts, the majority of IPMI plans allow you to **freely choose hospitals** and facilities without worrying about restrictive healthcare provider networks, or that your insurer will reject your claim based on going to the wrong location.

*Beyond geographical coverage, international health plans generally feature more comprehensive benefits than local health plans, such as higher coverage limits and a wider range of benefits in your country of residence; this can make all the difference in ensuring that you get the highest quality care possible.*

\*One caveat is that many plans will offer health cover in every country in the world except the US. This is due to the astoundingly high costs of medical care in the country. If you do travel frequently to the US, there are options available for worldwide coverage that includes the US, but the premium will be higher.



## Who is it for?

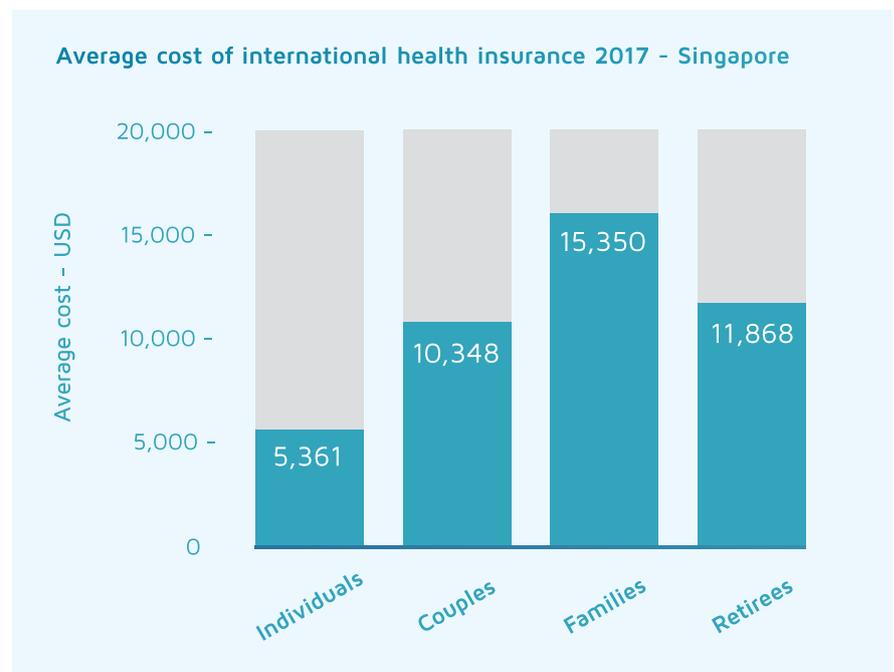
International health insurance is designed specifically to cater to the unique healthcare needs of long- and short-term **expats** living abroad, and **frequent travelers** - whether for business, pleasure, or visiting their home country. International plans may also be your best bet if you desire **higher flexibility** in your choice of private hospitals/clinics, and a wider, more comprehensive range of coverage benefits.



## What is the cost of IPMI?

Again, many different factors go into the calculation of IPMI premiums. Perhaps not surprisingly, due to its comprehensive benefits and worldwide coverage, international health insurance plans can be substantially more expensive than their local counterparts. According to our [Cost of International Health Insurance](#) report the average cost of an IPMI plan in Singapore for individuals, couples, families, and retirees was USD 10,732 in 2017. For a breakdown of costs by demographic, please refer to the graph below:

*The average premiums indicated to the right are aggregated prices using three different levels of plan from 10 major insurers who offer international health insurance. The levels of plan used include: a) inpatient only, b) inpatient + outpatient, and c) full coverage (inpatient + outpatient + maternity). As such, you will likely see lower premiums quoted for lower tier plans (e.g. inpatient only).*





## 2. Why International Private Medical Insurance (IPMI) is the superior choice

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In addition to the benefits mentioned in the previous section, what makes IPMI particularly appealing for those living in Singapore is its wider range of comprehensive benefits, which safeguards the financial future of policyholders against **fast-rising healthcare costs in the region**.

Another major reason why we would recommend IPMI to the majority of our clients is the international nature of many expats' and local Singaporeans' jobs, which often involve at least some element of overseas travel. Of course, when making a decision on insurance it's important to weigh up all your options.

## A. Common issues with local health insurance plans

One of the top reasons why people opt for local health coverage in Singapore is, without a doubt, its relatively low price tag. It's important to be wary, however, as the cheapest premium is most likely not conducive to the highest quality plan, or the best reputation for claims reimbursement, renewal negotiations, and customer service.

One essential point to make here is that there are a number of 'hidden' drawbacks to **local private health insurance options** may not be as immediately apparent. Common issues to watch out for when securing local health insurance include:

- **Not lifetime renewable:** The majority of local health insurance plans are not lifetime renewable, meaning the insurer can refuse to renew your policy if you develop a serious condition during your policy period; leaving no other insurer capable of allowing cover for that particular condition.
- **Erratic premium increases:** We've witnessed cases in the past where smaller insurance companies have tried to attract customers with cheap rates, only to drastically increase premiums to unaffordable levels the next year in light of claims having been made during the policy period.
- **Restrictive provider networks:** Local plans commonly feature a restriction that limits coverage to designated hospitals, GPs, and specialists (if the plan includes outpatient coverage). Of course, you can still opt for care outside of your plan's network, but the insurer may only reimburse a small portion on any claims made, or even reject the claim.
- **Low limits, high co-pays, and a long list of exclusions:** Local plans, especially ones that have low premiums, have a tendency to feature low limits and sub-limits, with high or even unlimited co-pays, and a long list of illnesses, injuries, and scenarios in which you will not be eligible for coverage.
- **No international medical evacuation:** Unlike their international counterparts, virtually all local health insurance plans will not cover international medical evacuation, which provides reimbursement in the event that you sustain a serious illness or injury in a remote area and need to be transported to the nearest suitable facility that may not be available in a particular location/country.
- **Zero or limited cover for pre-existing/chronic conditions:** Pre-existing or chronic conditions that may develop while you're on your current policy may not be automatically covered, and are in some cases explicitly excluded.

### 3. How do I know if IPMI is the best fit?

Now, you might be wondering, “How do I know if IPMI plans are the right fit for my needs?” Based on our vast experience serving over 500,000 clients, we highly recommend the international coverage option if one or more of the below applies to your situation/requirements:

- You're looking for health insurance that covers you worldwide
- You want a long term, stable health insurance option that is guaranteed renewable
- You're an expat living abroad
- You're a frequent traveller
- You desire the freedom to be able to choose any facility you want
- You want comprehensive coverage benefits that help offset all or the majority of your healthcare expenses
- You're looking for a plan that features the option of covering pre-existing/chronic conditions
- Your premiums increase based on how much you claim
- You have a plan with no guarantee of coverage renewability

Of course, before purchasing a plan, it is imperative to also consider how long an insurer has been in the market, and whether they have an exceptional reputation for paying out claims, as well as a stable history of premium increases.

#### A. The importance of comparing plans

As with almost all other forms of insurance, it's never easy navigating through countless plan options all on your own. While health insurance plans can sometimes look quite similar on the surface, if you dig a little deeper you will find that coverage levels and benefits can vary significantly between insurers, and even plans from the same insurer.

To illustrate this difference, let's take a look at a tailored international and local health insurance plan comparison that we would typically provide to a [50 year old client](#) living in Singapore. In creating the below plan comparisons\*, we've kept in mind that clients of this age group are typically after robust hospitalization benefits and cancer coverage.

*\*The tables on the next two pages have been simplified for easier legibility. We have omitted the insurers' names.*

## i. IPMI plan comparison

\*IP = Inpatient

\*\*OP = Outpatient

Plan	A	C	E
Annual limit (USD)	3,000,000	2,890,000	1,518,750
Area of coverage	Worldwide Excluding USA	Worldwide Excluding USA	Worldwide Excluding USA
Annual excess/ deductible	0	1,700 Per Year	2,025 IP, 0 OP Per Year
IP* (Hospitalization)	Yes	Yes	Yes
Accommodation Type	Private Room	Private Room	Private Room
OP** Treatment Pre/Post Hospitalization	Within 15 Days (Pre); Up to	No	No
	2,000 & Within 30 Days		
	(Post)		
IP Advanced Imagery	Yes	Yes	Yes
IP Kidney Dialysis	Yes (pre & post operative	Yes	Yes
	care)		
IP Oncology	Yes	Yes	Yes
OP (GP, Clinic, Specialists, Drugs)	No	No	11,475 (With Sub-limits)
OP Advanced Imagery	Yes	Yes	Yes
Prescribed Medication	No	No	Up to GP Consultations
GP Consultations	No	No	1,350
OP Specialist's Fees	No	No	Yes
Pre-Existing Conditions Coverage	Possible Coverage With	Possible Coverage With	Possible Coverage With
	Loading	Loading	Loading
Annual Health Check	No	No	No
Emergency Evacuation	Yes	Yes	Yes
Renewability	Lifetime	Lifetime	Lifetime
IP Claims Handling	Direct Billing	Direct Billing	Direct Billing
OP Claims Handling (in SG)	NA	Direct Billing	Direct Billing in Network / Reimbursed Within 48 Hours Out of Network
Total Premium in USD	2,622	4,668	5,013



### Pacific Prime Singapore's recommendation

The ideal plan for this particular client will depend on their preferred coverage level, healthcare needs, and budget. For example, we would suggest **Plan A** if the client wants a hospitalization only plan with worldwide coverage and a relatively high annual limit. On the other hand, we would recommend **Plan E** if the client prefers a more comprehensive option that is mid-range price wise; this plan carries a deductible for inpatient treatment which helps pull the overall premium down.

## ii. Local plan comparison

Plan	A	B	D
Annual limit (SGD)	3,000,000	250,000	250,000
Area of coverage	Singapore Only	Singapore Only	Singapore Only
Annual excess/ deductible	0, OP - 100 Per Claim	0	0
IP* (Hospitalization)	1,000,000 (30 days wait)	Yes	Yes
Accommodation Type	Private Room	Private Room	Private Room
OP** Treatment Pre/Post Hospitalization	Up to 180 Days (For Both Pre/Post)	Up to 90 Days (For Both Pre/Post)	Up to 90 Days (For Both Pre/Post)
IP Advanced Imagery	Yes	Yes	Yes
Intensive Care Unit	Yes	Yes	Yes
OP (GP, Clinic, Specialists, Drugs)	Yes (100 Excess per Visit)	Yes With Sublimits	Yes With Sublimits
OP Advanced Imagery	No	Up to Diagnostic Tests	Up to Diagnostic Tests
Prescribed Medication	Up to GP Consultations	Yes	Yes
GP Consultations	25,000 (100 Excess Per Visit)	35 Per Visit (Up to 12 GP Visits, Panel as Charged)	35 Per Visit (Up to 12 GP Visits, Panel as Charged)
OP Specialist's Fees	Up to GP Consultations	500 & Pediatrician (150)	500 & Pediatrician (150)
Pre-Existing Conditions Coverage	Exclusion	Exclusion	Exclusion
Annual Health Check	No	No	No
Emergency Evacuation	1,000,000	Yes	Yes
Renewability	Upon Mutual Agreement (Up to 80 Years Old Max)	Upon Mutual Agreement (Up to 80 Years Old Max)	Upon Mutual Agreement (Up to 80 Years Old Max)
IP Claims Handling	Reimbursed	Direct-Billing in SG only	Direct-Billing in SG only
OP Claims Handling (in SG)	Reimbursed	Direct Billing (GP only)	Direct Billing (GP only)



### Pacific Prime Singapore's recommendation

Out of all the local plan options, we would recommend **Plan D**. It covers both inpatient and outpatient treatment, and doesn't have any deductible/excess.

## B. Key features of Medishield Life, local, and IPMI plans

To clarify and summarize the key features and differences between the three main Singapore health insurance options in an easy-to-digest format, we've created this generalized comparison of Medishield Life, local health insurance, and IPMI:

Plan type	IPMI	Local	Medishield Life
Annual Limit	Varies; Typically higher than local options	Varies; typically lower than IPMI annual limits	SGD 100,000
Area of Coverage	Worldwide (usually excluding US)	Singapore only (but sometimes with short term overseas cover for emergency expenses)	Singapore only (no overseas cover)
Inpatient Cover	Yes	Yes	Yes
Accommodation Type	Private room	Private Room	B2/C wards in public hospitals
Pre- and Post- Hospitalization Treatment	Yes (usually up to 90 days pre- and post- hospitalization)	Yes (usually up to 90 days pre- and post- hospitalization)	NA
Outpatient treatment	Depends if the client opts for an IP + OP plan	Depends if the client opts for an IP + OP plan	NA
GP Visits	Yes (if the client is eligible to OP coverage)	Yes (if the client is eligible to OP coverage)	NA
Specialist Visits	Yes (if the client is eligible to OP coverage)	Yes (if the client is eligible to OP coverage)	NA
Renewability	Lifetime	Upon mutual agreement (up to a certain age)	Lifetime
Coverage of Pre-Existing Conditions	Possible coverage with loading	No	Yes
International medical evacuation	Yes	No	No
Average annual premium	USD 5,361 (for individuals)	Age 30: SGD 900 - SGD 2,500; Age 50: SGD 1,500 - SGD 4,500.	Relatively low (please refer to the MOH <a href="#">website</a> for specific details)



## 4. Where can I go for **health insurance** in Singapore?

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Clearly there's a lot to unpack here, so if you'd like some extra guidance, our team of advisors are standing by to answer your questions, understand your needs, and present you with the most optimal options, at the best possible price.

Not only do we help individuals, families, and groups find the best plan, but our support teams can also ensure that when you do require medical care, the claims process is as stress-free and seamless as possible. To get started with Asia's leading insurance broker, [get in touch](#) with Pacific Prime Singapore today.

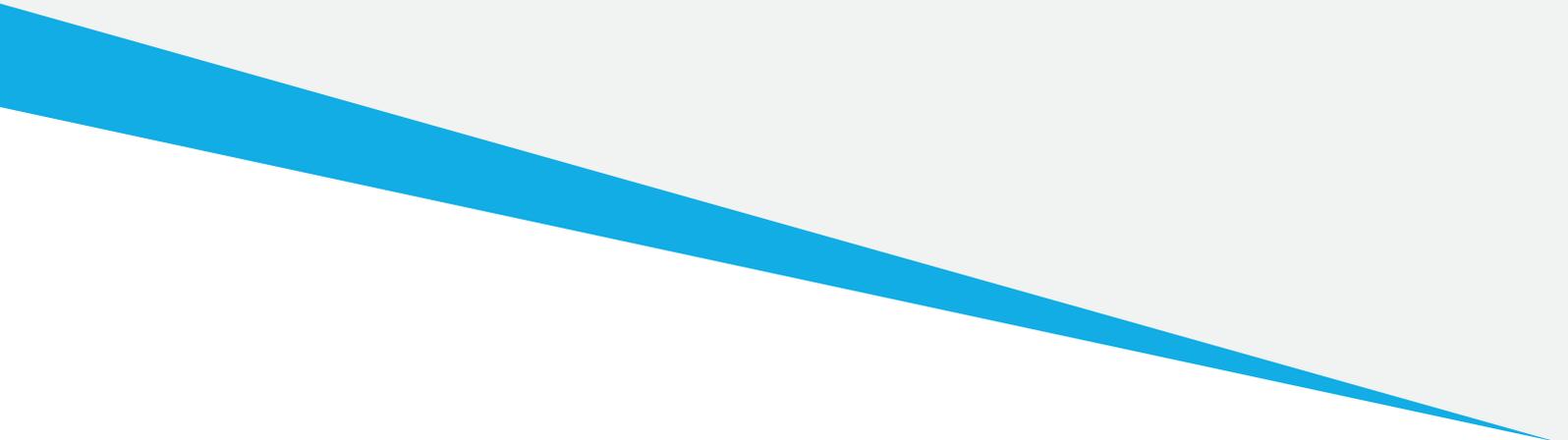


## About Pacific Prime Singapore

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Established in 2000 in Hong Kong, and in Singapore over a decade ago, Pacific Prime has grown from its humble beginnings to become the world's leading provider of International Private Medical Insurance (IPMI). One of our primary goals is to simplify insurance. We achieve this through exceptional service, impartial advice, and industry-leading [guides](#). Not only do we help clients select the most optimal insurance solutions, we also provide a wide range of additional services, such as claims, renewal support, and more at no extra cost.

For a free quote, or to learn more about how we can help you, [contact us](#) today.



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