HEALTHCARE FINANCING AND REIMBURSEMENT:
A GLOBAL REVIEW OF MAJOR TOPICS AND TRENDS

Authors:
Benjamin Gaw and Tony Yeo, Drew & Napier
benjamin.gaw@drewnapier.com **and** tony.yeo@drewnapier.com

LAWS AND REGULATIONS ON HEALTHCARE FINANCING AND REIMBURSEMENT

1. Please provide a bird's-eye view on the healthcare economy, indicating, in general terms, the role of the government (public healthcare) and private actors (private healthcare).

In Singapore, there are two branches of healthcare available – subsidised government or public healthcare and unsubsidised private healthcare. Singapore has a mixed delivery model, with the public sector delivering 80 per cent of the services in the acute care sector. The private sector delivers about 80 per cent of the services in the primary care sector. Conversely, in the step-down care sector (which includes services such as nursing homes, community hospitals, and hospices), service provision is mainly provided by voluntary welfare organisations, most of which are funded by the government for their services rendered to patients.

The government plays a dominant role in the public healthcare sector. The national healthcare system in Singapore uses a mixed financing system under which there are broadly four tiers of healthcare funding. First, direct subsidies from the government. This includes drug subsidies as well as the Community Health Assist Scheme (CHAS), which enables all Singapore citizens to receive subsidies for medical and or dental care at participating general practitioner (GP) and dental clinics. Secondly, Medisave, a compulsory individual medical savings account scheme, where all working Singaporeans and their employers contribute part of the employee's monthly wages into the account, to save for the employee's future medical needs. Thirdly, MediShield Life, a low-cost basic health insurance plan for all Singapore citizens and permanent residents, which helps to pay for large hospital bills and selected costly outpatient treatments. MediShield Life is generally funded by one's Medisave funds or through voluntary cash top-ups, although the government has also provided subsidies for lower- and middle-income Singaporeans, as well as Pioneer Generation members. Lastly, Medifund, a medical endowment fund set up by the government for needy Singaporean patients, who cannot afford to pay their medical bills despite using the first three tiers of healthcare funding.

Private insurers supplement the healthcare insurance framework in Singapore by offering insurance plans such as, among other things, the Integrated Shield Plans (ISPs) to boost coverage for purchasers beyond what is offered by the mandatory MediShield Life.

2. Please provide a high-level overview of the legal framework regarding healthcare financing and reimbursement.

Singapore adopts a mixed financing system that provides multiple tiers of financing for its citizens' healthcare expenditure. The four main tiers of healthcare financing in Singapore are discussed in Q1.

The government administers a number of subsidy schemes, such as the CHAS, Interim Disability Assistance Programme for the Elderly, and the Medication Assistance Fund. These

three schemes subsidise primary healthcare, provide financial assistance to disabled elderly persons, and subsidise certain drugs.

Under the CHAS scheme, GPs and dental clinics that have agreed to partner with the Ministry of Health (MOH) will provide common outpatient medical treatment and basic dental services to low-income elderly or disabled patients at subsidised charges. The CHAS covers 23 chronic diseases and medical conditions. All Singapore citizens are eligible to receive subsidies under the CHAS, although enrolment is on an application basis, and subsidies are tiered according to household monthly income per person or, for households with no income, the annual value of the home.

For long-term disabilities, CareShield Life and ElderShield are long-term care insurance schemes provided by the government which offer Singapore citizens and Singapore permanent residents financial protection should they become severely disabled (that is, unable to perform at least three or more of the six activities of daily living), especially during old age.

It should be noted that MediSave, MediShield Life, ElderShield, CareShield Life and any ISPs do not only reimburse the cost of medicines, but also hospitalisation and certain outpatient expenses.

3. What are the key regulators and supervisory bodies regarding healthcare financing and reimbursement?

Healthcare regulation in Singapore is overseen by the MOH, a ministry of the Singapore government. The government sets policy directions in relation to healthcare objectives, such as ensuring quality and affordable basic medical services for all and providing everyone with access to different levels of healthcare in a timely, cost-effective and seamless manner.

Established by the MOH, the Agency for Care Effectiveness (ACE), the national health technology assessment (HTA) and clinical guidance agency in Singapore. The ACE supports providers, patients, and payers make better-informed decisions about patient care by conducting HTAs, publishing healthcare guidance and providing education.

MOH Holdings (MOHH) is the 100 per cent government-owned holding company for Singapore's public healthcare entities, which includes the following relevant entities for our purposes:

- 1FSS, which provides shared support for financial processing services such as payroll and accounts receivables and payables to the entire public healthcare system.
- Atlas Care, which delivers and facilitates care and social services to the residents of the Community Care Apartments.
- Agency for Integrated Care, which looks into the enhancement and integration of Singapore's long-term care sector
- Vanguard Healthcare, which supports the development of eldercare services in Singapore through its operation of nursing homes and senior care centres.

Singapore's public healthcare system is also geographically structured and managed by three healthcare clusters: National Healthcare Group, National University Health System, Singapore Health Services. These healthcare clusters provide direct services to people across a full care

spectrum, and work with and organise partners across the healthcare and social service continuums.

The Competition and Consumer Commission of Singapore (CCCS) is the national competition regulator for anti-competitive conduct in general, including in the healthcare industry. To date, we have not sighted any specific CCCS regulation of healthcare financing.

In rare cases, applications may be brought before the Singapore courts for judicial review of legal policies and laws. This also includes matters regarding healthcare financing and reimbursement. In line with the principle of the separation of powers, the role of the courts is to make findings of fact on the case specifically brought before it, to ensure the constitutionality or legality of a measure or statutory provision. It would not be the proper avenue to call for a substantive review of an area which would be the expertise of the executive or legislature. Please see Q14 for discussion of the recent case of *Han Hui Hui and others v Attorney-General* [2022] SGHC 141.

4. Has there been a change with healthcare financing and reimbursement as a consequence of the Covid-19 pandemic?

During the Covid-19 pandemic, the Singapore government played a key role in providing vaccines for free under the National Vaccine Programme to all eligible Singapore citizens, permanent residents, long-term pass holders, and certain short-term pass holders aged six months and above.

Post Covid-19, Singapore saw a surge in the numbers of seniors with complex conditions which drove up hospital bed occupancy. To address this, new acute and community hospital beds were added. The Singapore government intends to add another 4,000 beds by 2030. More community hospitals for sub-acute and rehab patients and Transitional Care Facilities for patients who are waiting for longer-term care arrangements are being built. To facilitate appropriate transfers from acute hospitals to community settings, the Singapore government has provided more funding for community hospitals, to address the friction experienced by acute hospitals in transferring suitable patients to community hospitals. From the last quarter of 2024, the Singapore government plans to allow more diagnostic services like CT and MRI scans, and relevant drugs to be subsidised at community hospitals.

The community hospital subsidy framework is also aligned to the acute hospital subsidy framework. This way, patients receive the same subsidy rate, which is 50 per cent to 80 per cent throughout their inpatient stay, regardless of settings. With this important enhancement, most community hospital patients will see smaller hospital bills.

The Singapore government has also made Mobile Inpatient Care at Home (MIC@Home), a pilot project where virtual hospital beds are set up at the homes of patients with doctors and nurses visiting the patients as if they are in a hospital, a mainstream service. MIC@Home is priced similar to or lower than a normal hospital ward. Patients will be supported by subsidies, MediShield Life and MediSave, which is no different from a physical inpatient stay.

The Singapore government is also encouraging telehealth by extending subsidies and allowing the use of MediSave for the use of telehealth for chronic care. MediSave coverage was also extended in the second half of 2024 to telehealth consults for preventive care, such as follow-

up reviews after regular health screening. With this change, telehealth is treated almost the same way as physical consultations in terms of financial support.

5. Who has access to the healthcare system as a patient on the one side and as a medical service provider/supplier of medical goods on the other side? What are the conditions of admission?

Generally, all patients, regardless of age, nationality, or residence are able to access medicine in Singapore. However, the level of subsidies (if any) differs depending on the nationality of the patient. For example, the CHAS scheme discussed in Q2 is only available to Singapore citizens who apply and qualify for the different tiers under the scheme.

Please see Q8 for discussion of MediShield Life claims by hospitals.

Singapore citizens who travel abroad would generally have to purchase additional travel insurance for their health needs while overseas, as the schemes and national health insurance coverage discussed in Q1 and Q2 above are geographically limited to Singapore. Certain ISPs may provide coverage for Singaporeans abroad; however, this would depend on the private insurer and the specific policy wording.

HEALTH INSURANCE FINANCING AND COVERAGE

6. How are health insurance carriers financed? How are premiums determined?

Beyond the mandatory MediShield Life basic hospitalisation insurance plan offered to all Singapore citizens and permanent residents, additional coverage on top of the coverage provided under MediShield Life may be sought through the optional purchase of ISPs, which are private medical insurance plans offered by private insurance. ISPs are made up of two components: the first being the MediShield Life component, which covers large hospital bills in subsidised wards in public hospitals, and the second being an additional private insurance coverage to cover the costs of private hospitals or more expensive wards in public hospitals. ISPs can pay up to a maximum of 90 per cent of one's hospital bills and may include coverage for outpatient treatments depending on the plan purchased. Purchasing an optional rider can cap a patient's cash out lay to 5 per cent of a bill, up to a maximum of S$3,000 a year. Private insurers in Singapore are generally financed through premiums paid by the insured along with their investment returns.

Under the ISP, the private insurer will collect premiums and claims disbursements for the MediShield Life component of the ISP. Premiums for the MediShield Life component of an ISP is fully payable by MediSave, while the additional private insurance component may be payable by MediSave up to a specific limit, depending on one's age. Any excess will need to be paid in cash. Premiums for riders also have to be paid in cash.

Generally, the premium to be paid for the private insurance component of an ISP is determined by the insurer. In 2024, data published for the first time by the MOH shows that premiums can vary significantly, even for plans pegged to the same ward class. To keep premiums affordable, MOH requires all ISPs to retain the core co-payment principle through features such as deductibles and co-insurance.

7. How is coverage of medical services by health insurance carriers regulated? Are there differences in coverage for in-person medical appointments and telemedicine appointments?

Private health insurers are regulated by both the Monetary Authority of Singapore (MAS) and the MOH. The MAS regulates and supervises all insurance companies in Singapore, including those that offer health insurance. The MOH regulates ISPs to ensure that they make proper use of MediSave monies for the welfare of policy holders and requires ISPs to focus on catastrophic coverage where risk-pooling is the most effective. The MOH does not regulate the terms of health insurance plans beyond ISPs that are paid out of MediSave.

Generally, insurers have the flexibility to dictate what coverage its ISPs offer, with some including teleconsultation coverage for general practitioner and specialist visits, although MOH will review the terms of any ISPs which will be marketed to the public and may require an insurer to amend any ambiguous terms and conditions. The only exception to this is the standardised ISP which was released by five private insurers in May 2016. The standardised ISP offered coverage for nine out of ten Class B1 public hospital bills and gave people the option for coverage beyond Class B2/C at affordable premiums. The benefits of the standardised ISP are identical across all insurers, although they charge different premiums.

MOH will also continually assess the performance of all insurers in Singapore, such as publishing the time taken for insurance companies to process claims on MOH's website. MOH also provides the public with a comparison of the key features of the Integrated Shield Plans marketed in Singapore, promoting transparency.

MOH also requires insurers to guarantee renewals to ensure that policyholders continue to be covered even in the event where they become ill and incur high claims later. However, MOH does not regulate the decision of private insurers on whether to accept applicants into their plans. Such decisions will be made independently, after the insurer's assessment during the underwriting process.

HOSPITAL SECTOR

8. How are services provided by hospitals in the stationary (inpatient) and ambulatory (outpatient) settings financed and reimbursed?

In Singapore, both public and private hospital charge for treatments on a case-by-case basis. However, all patients who visit the accident and emergency (A&E) department in a public hospital are charged at a single flat subsidised rate for basic investigations and services, regardless of income.

Singapore citizens and permanent residents will be able to utilise their MediShield Life or their ISPs (if applicable) to cover most of the cost incurred in hospitals. Co-payment is an important principle in the design of Singapore's healthcare insurance framework. The government takes the view that co-payment encourages policyholders and their doctors to more prudently consider the necessity and appropriateness of any medical treatment undertaken and its cost and has implemented a minimum of 5 per cent co-payment for new riders across all settings. The aim of this approach is to reduce moral hazard and ultimately keep healthcare costs and insurance premiums affordable and sustainable for all in the long run.

Claims under MediShield Life can be made through the hospital where the patient is being treated. The hospital will inform the Central Provident Fund Board that the patient is insured under the MediShield Life scheme and submit the claim to the Central Provident Fund Board. After determining the amount payable from MediShield Life, the Central Provident Fund

Board will make payment directly to the hospital, and the outstanding amount may be settled with the patient's MediSave or by cash payment, or by a combination of the two. The withdrawal limits for MediSave depend on the type of treatment required by the patient.

9. How are the prices of such services determined? How is economic efficiency controlled?

In Singapore, public hospitals are also known as restructured hospitals. These are owned by the government or state-owned organisations. Public hospitals operate on a non-profit basis. Accordingly, margins applied are used to cover manpower, operations and maintenance and overhead costs associated with the provision of specific services, drugs, and investigations. Public hospitals bills are generally more affordable than that of private hospitals' and are subsidised for Singapore citizens and permanent residents depending on one's income and ward type. Non-permanent resident foreigners only get subsidies for services in the emergency department.

Private hospital service prices are not regulated in Singapore. Since 2004, MOH began publishing hospital bill sizes to show the variation in costs among public and private hospitals. As patients are usually concerned with the total cost of treatments, MOH has been publishing Total Hospital Bills sizes for 80 common conditions at both public and private hospitals. MOH has also published Total Operation Fees in both public and private hospitals, broken down into about 140 common procedures. This promoted competition and transparency, resulting in positive results for consumers, such as fallen LASIK prices and competitive price wars.

To ensure that prices remain competitive, the MOH has also published fee benchmarks for hospital services and medical professionals in the private healthcare sector. Types of fee benchmarks include those for hospitals, surgeons, anaesthetists, and doctors' inpatient attendance. Such fee benchmarks are intended to serve as a reference of reasonable fee ranges in the private sector and are not fee caps. Fees may be charged outside of the fee benchmarks, with valid justification.

HEALTHCARE PROVIDERS IN PRIVATE PRACTICE

10. How are services provided by physicians, therapists, laboratories and other service providers financed and reimbursed?

Unlike public healthcare services, private healthcare services are not subsidised.

As discussed in Q6, Singapore citizens and permanent residents will be able to utilise their MediShield Life or their ISPs (if applicable) to cover most of the cost incurred in hospitals. As MediSave Life benefits are designed to provide coverage for subsidised bills at Class B2/C wards and subsidised outpatient treatments/day surgery at public hospitals, bills incurred in private hospitals that have smaller or no subsidy are pro-rated. Claim limits are then applied to the pro-rated bill.

In addition to what has been discussed in Q6, individuals who wish to purchase an ISP can choose between two broad types of ISPs – ISPs without a rider and ISPs with a rider. ISPs without a rider will cover a large portion of private hospital costs incurred but will require the patient to be responsible for out-of-pocket expenses such as deductibles, a co-insurance portion, and perhaps other miscellaneous expenses. Adding a rider to the ISP will cover part of the patient's co-payment portion and deductible components, reducing the co-payment portion of a hospital bill to at most 5 per cent, regardless of the ward class selected, and can

even be capped at S$3,000 if the patient goes for the insurance company's panel doctor, gets pre-authorisation, or both.

For other private healthcare services, these are typically covered by patients themselves with the help of any relevant private insurance policies they have, which could include corporate insurance programmes.

11. How are the prices of such services determined? How is economic efficiency controlled?

Private healthcare service prices are not regulated in Singapore. As of April 2007, private doctors are no longer required to peg their fees to a set of fee guidelines prepared by the Singapore Medical Association, allowing free competition to dictate the prices of such fees.

Please see Q9 on our discussion on hospital fee benchmarks in Singapore.

PHARMACEUTICALS AND MEDICAL DEVICES

12. How are pharmaceuticals and medical devices financed and reimbursed?

Under Singapore's mixed financing system, the Singapore government also administers a number of drug subsidy schemes to ensure that eligible patients have access to effective medications for medical conditions. The funding available depends on the treatment required, whether the treatment is sought at a public or private healthcare institution, and if care is being received inpatient or outpatient.

The market price of a medicinal product or a medical device is not generally governed by law or regulation in Singapore. However, the drug subsidy schemes administered by the MOH include the Standard Drug List (SDL) Subsidy Framework and the Medication Assistance Fund (MAF).

The SDL Subsidy Framework, which is modelled on the World Health Organization's essential drug lists, consists of drugs assessed to be cost-effective and essential to the provision of medical care to all Singaporeans.

The MAF was set up in August 2010 to provide financial assistance in respect of non-standard, high-cost drugs, and is available to patients who face difficulties affording their medical bills after MediShield Life or MediSave claims or deductions. Patients who are prescribed with MAF-listed drugs can apply for the MAF by approaching a medical social worker in the restructured hospitals and institutions or polyclinics.

The Drug Advisory Committee also makes recommendations to the MOH as to whether a drug should be subsidised through listing on the SDL or MAF.

Direct government subsidies of up to 75 per cent for subsidised medications are offered at specialist outpatient clinics and polyclinics. Patients receive drug subsidies and assistance based on their subsidy and means-test status, and the scheme under which the drug is covered (eg, SDL, MAF).

The Subsidised Vaccine List provides government subsidies for specific brands of vaccines which the National Childhood Immunisation Schedule and the National Adult Immunisation

Schedule recommend. Subsidies of up to 100 per cent may be offered at polyclinics and CHAS GPs.

In addition to the abovementioned subsidies, MediShield Life and Medisave, the Pioneer and Merdeka Generation Packages offer additional benefits to all eligible seniors. Such benefits may apply to drugs and vaccines in public healthcare institutions and CHAS GPs.

There are other types of funding available, depending on one's age, health condition, monthly household income, need for a caregiver, or where one is being treated. Specific examples include the Seniors' Mobility and Enabling Fund, which provides subsidies to offset the costs of assistive devices and home healthcare items, and the Rare Disease Fund (RDF).

The RDF is a national multi-stakeholder charity fund established in July 2019, with the purpose of providing long term, financial support to patients with rare genetic diseases who require high-cost treatments. The RDF combines community donations with three-for-one government matching and is intended to be a last line of support after government subsidies, insurance, and other financial assistance.

13. How are the prices of pharmaceuticals and medical devices determined? How is economic efficiency controlled?

While prices for pharmaceuticals and medical devices are generally not regulated in Singapore, the government can manage drug costs through different mechanisms. These include:

- integrating supply chain management across the public healthcare sector, to achieve better economies of scale and greater negotiating leverage;
- adopting value-based pricing, to negotiate drug prices to levels commensurate with the benefits; and
- ensuring appropriate use of drugs (for example, encouraging the use of generic drugs where possible due to cost efficiency).

Separately, it should be noted that public healthcare institutions in Singapore procure medicinal products in bulk by way of tender contracts through Group Procurement Offices to achieve economies of scale.

Price levels of therapeutic products and medical devices generally do not depend on the prices for the same product in other countries, as prices are generally not regulated in Singapore. However, this may be a factor considered in negotiations with drug companies.

The ACE, as discussed in Q3, works to lower prices of health technologies – including drugs, medical devices and medical services – by evaluating their clinical and cost effectiveness, and negotiating with companies based on their proven outcomes. The evaluations made by the ACE also guide policymakers in making subsidy decisions. Summaries of the rationale for subsidy decisions, as well as the key clinical and economic evidence supporting such recommendations, are published by the ACE to increase the level of transparency in decision-making.

LITIGATION INVOLVING HEALTHCARE FINANCING AND REIMBURSEMENT

14. Please provide a high-level overview of major litigation topics and landmark cases regarding healthcare financing and reimbursement.

***Lo Kok Jong v Eng Beng* [2024] 1 SLR 964**

The respondent in this case had been hit by a vehicle driven by the appellant. The respondent sought to recover from the appellant, *inter alia*, special damages reflecting the medical expenses she had incurred and that were paid for by certain government subsidies and grants (the 'Subsidies and Grants'). On appeal, the High Court Judge ordered the appellant to pay the special damages, and the respondent was in turn to repay the sum to the Ministry of Health. On further appeal, the questions arose as to whether awarding such damages would amount to double recovery, and if so, whether the Court has the power to order the proposed repayment.

The Court of Appeal analysed the nature of the Subsidies and Grants and found that the Subsidies and Grants were benefits made available by the government to the general public to cover any medical expenses they might incur. Thus, the default rule against double recovery applied such that the Subsidies and Grants were deductible from the damages payable. The Court of Appeal was of the view that it is irrelevant that the tortfeasor may benefit from this as it is an incidental consequence of the rule against double recovery. As for the High Court Judge's repayment order, the Court of Appeal opined that it was inappropriate to order such a repayment order as there were apparent logistical issues with repaying the sum to the appropriate government body. The Court of Appeal also opined that it was both unprincipled and impractical for the Court to institute a recoupment mechanism on its own accord, and that this was a legislative and executive matter which lay outside the province of the courts. The Court of Appeal therefore allowed the appellant's appeal.

***Han Hui Hui and others v Attorney-General* [2022] 5 SLR 1023**

On 28 January 2020, the Singapore government announced that it would fully cover the Covid-19 medical bills of all Covid-19 patients in public hospitals. On 8 November 2021, the Multi-Ministry Taskforce and the Ministry of Health (MTF and MOH) announced a policy that Covid-19 patients who were eligible for vaccination but who were unvaccinated by choice would be charged for their Covid-19 medical bills from 8 December 2021 (the 'Policy'). The applicants sought leave to commence judicial review proceedings to obtain, among others, (1) a quashing order against the Policy, and (2) a declaration that the Policy was unlawful and/or irrational, on the grounds that the Policy was illegal, irrational and/or unlawfully discriminatory.

The High Court dismissed the application. The High Court held that the Policy was not irrational as the decision behind the Policy was one which fell within the range of legally possible answers and was not so absurd that no reasonable decision-maker could have come to it. The Court also held that the Policy was not illegal as the MTF and MOH exercised their powers in good faith (without impropriety) and had taken into account all relevant considerations. Finally, the Court held that the Policy was not unlawfully discriminatory as unvaccinated persons could not be said to be equally situated as vaccinated persons, that is, unvaccinated persons faced (1) higher risks of serious illness and death, (2) increased likelihood of Covid-19 infection and transmission, and (3) contributed disproportionately to the strain on healthcare resources. Further, any difference in treatment was based on sound rationale.

Accordingly, the MTF and the MOH were acting well within their executive capacity in announcing the Policy.

Re Singapore Medical Association-Guidelines on Fees **[2010] SGCCS 6**

The Singapore Medical Association (SMA) is a national medical organisation representing the majority of medical practitioners in both the public and private sectors in Singapore. SMA applied for a decision from the Competition Commission of Singapore (CCS) as to whether its Guideline on Fees (GOF), which recommended ranges of professional fees for an array of services provided by doctors in private practice in Singapore, contravened the Competition Act by preventing, restricting, or distorting competition in Singapore.

While SMA submitted that the GOF was not intended to facilitate price-fixing between medical practitioners but was meant to protect the patients' interest, the CCS noted that the recommended fees were stipulated as a range with both a maximum and a minimum. The CCS was therefore of the view that the purpose of the GOF was to influence prices in the private medical services sector so that they would likely be within an acceptable range to the medical practitioners themselves. While the recommended fee ranges in the GOF were stated to be voluntary, SMA had a mechanism in place to foster compliance with the GOF by referring to it when looking into any complaints of overcharging. The CCS also noted, among others, that the fee ranges in the GOF were not based on actual price data, and the GOF did not necessarily promote better service quality. The CCS also noted in *obiter* that it appeared from the facts of the case that the GOF had been effective in influencing prices. Accordingly, the CCS found that the GOF contravened the Competition Act.

RECENT DEVELOPMENTS AND TRENDS

15. What are the recent developments and trends for the next few years? Please outline any unresolved issues, proposed changes, or trends for healthcare financing and reimbursement and briefly indicate how these may foreseeably affect the medical sector in the near future.

There is presently no ongoing litigation regarding healthcare financing and reimbursement in Singapore.

The Ministry of Finance (MOF) has projected that rising healthcare costs will increase from about 18 per cent of Singapore's gross domestic product in 2023 to about 19–20 per cent in the financial years 2026 to 2030.

The budget for MOH has also been increasing over the years, with the budget for MOH currently being the second largest amongst the ministries, second only to the Ministry of Defence of Singapore.

In October 2024, the MOH announced various significant developments in the healthcare sector and healthcare financing and reimbursement.

It was announced that MediShield Life premiums will increase from April 2025 to March 2028. This came after the MediShield Life Council had determined that, in light of rising medical bills, it was necessary to increase claim limits to better protect Singaporeans against large medical bills and to expand coverage to help patients afford new types of care and treatments. With this, premiums will increase by an average of 22 per cent per policyholder by the end of

the third year. The MediShield Life Council has recommended, and the MOH has accepted, a one-off release of around S$600m from the MediShield Life Fund to cap the total premium increase to 35 per cent and phase it evenly. The government will also provide an additional S$4.1bn in support measures over the next three years. The higher premiums are intended to support new benefits under the MediShield Life scheme, including higher claim limits for existing inpatient and day surgery, raising the policy year claim limit, and more.

Approved precision medicine therapies will be covered under MediShield Life. From October 2025, the government will also extend MediShield Life and MediSave coverage to cell, tissue, and gene therapy products that are on MOH's list.

Lastly, in 2021, MOH and the Life Insurance Association (LIA) developed the Moratorium on Genetic Testing and Insurance to prevent the discriminatory use of genetic information in insurance underwriting and to mitigate concerns about insurability when genetic tests have been taken. This moratorium essentially bans the use of genetic test results from biomedical research and non-clinical or direct-to-consumer genetic test results in insurance underwriting and controls the use of predictive genetic test results in insurance underwriting. This was viewed as undermining the purpose of insurance, which was to protect people against what the minister called unexpected bad luck, including being dealt with a bad genetic hand at birth. The MOH announced in October 2024 that it was presently working on new legislation to govern the use of genetic and genomic test data to give permanence to the moratorium.