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# Enhanced Medical Insurance Coverage To Better Protect Employers

4 March 2022 | [Foreign manpower](#)

To better protect employers from having to bear large unexpected medical bills incurred by their migrant workers, the Ministry of Manpower (MOM) will enhance the coverage of the mandatory medical insurance (MI) for Work Permit (including Migrant Domestic Workers) and S Pass holders. The new requirements will come into effect by end 2022 and will apply to all new Work Permit and S Pass applications and renewals. More details will be shared in due course.

2 The MI enhanced coverage will comprise the following features:

- a. Introduction of a co-payment element for employers and insurers for amounts above \$15,000, up to an annual claim limit of at least \$60,000. Employers will continue to be fully insured (first dollar coverage) for the medical expenses of their Work Permits and S Pass holders up to \$15,000. While this ensures protection for the bulk of workers' medical bills, there remains an average of over 1,000 employers<sup>1</sup> per year who face bills that are larger than \$15,000. With higher coverage, insurers will also co-pay 75% for amounts above \$15,000, up to an annual claim limit of at least \$60,000. The increased annual claim limit will cover more than 99% of Work Permit and S Pass holders' inpatient and day surgery bills. See [Annex A](#) for some illustrations.
- b. Standardisation of allowable exclusion clauses. This provides employers and workers with greater clarity on their coverage and the types of claims they are eligible for. The list of allowable exclusions can be found in [Annex B](#).
- c. Introduction of age-differentiated premiums. Insurers who sell MI products will have to offer differentiated premiums for those age 50 and below, and those who are above 50 years old. This is to keep premiums affordable as the large majority of our migrant workforce are aged 50 years and below.
- d. Requirement for insurers to reimburse hospitals directly upon the admissibility of the claim. Employers will not need to pay for their workers' hospital bills upfront before seeking reimbursement from their insurers. This will help free up cashflow for households and businesses, especially for employers who may be cash-strapped.

3 With the enhanced MI coverage, employers will be better supported in managing the financial risks of larger medical bills. The enhancements have also been carefully calibrated to balance the sustainability of coverage against longer-term cost of premiums. As many insurers have expressed interest to offer MI products with the enhanced coverage, we expect the MI premiums to be competitively priced. MOM will monitor the insurance premium to ensure that it remains affordable for employers, and work in partnership with insurance associations to ensure smooth implementation of the enhanced MI model.

4 In his speech at the Committee of Supply Debate 2022, Dr Koh Poh Koon, Senior Minister of State for Manpower thanked employers, industry associations and Non-Governmental Organisations who have expressed their support for the enhanced medical insurance scheme during MOM's engagement with them.

5 Mr Sim Gim Guan, Executive Director, Singapore National Employers Federation (SNEF) said: "The enhancement of the mandatory medical insurance will help employers manage instances when they are facing large out-of-pocket medical bills. With a larger risk-pool, the increase in insurance premium, with the higher coverage, will be mitigated."

6 Mr Alan Tan, Vice President (International Relations), Association of Small and Medium Enterprises (ASME) added: "The enhancements to Work Permit and S Pass Holders' medical insurance are an improvement to the primary healthcare ecosystem for foreign workers. It helps to ease the burden of exorbitant medical bills on employers. For the foreign workers, healthcare would be more accessible and affordable."

7 In addition, Mr Ho Kai Weng, Chief Executive, General Insurance Association of Singapore (GIA), said: "The increased protection will help to protect more employers of migrant workers from large medical bills, and reduce instances of them raising funds by other ways such as crowdfunding. GIA will work with MOM and our members to implement the new policy and have suitable products ready before end 2022."

## FOOTNOTE

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1. Based on bills incurred by Work Permit and S Pass holders at public healthcare institutions from 2017 to 2020.

## ANNEX

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[Enhanced Medical Insurance Coverage for Work Permit and S Pass Holders Annex A](#)  
[Enhanced Medical Insurance Coverage for Work Permit and S Pass Holders Annex B](#)

## ANNEX A

|  | Current MI  | Enhanced MI  |
|--|---|--|
| <b>Scenario 1:</b> Worker incurs \$15,000 bill from an colorectal surgery procedure  | <p>Insurer</p> <p>\$15K first dollar</p>  | <p>Insurer</p> <p>\$15K first dollar</p>   |
| <b>Scenario 2:</b> Worker incurs \$70,000 bill from a cardiosurgery procedure  | <p>Insurer      Employer</p> <p>\$15K first dollar      \$55K</p>   | <p>Employer (\$13,750)</p> <p>\$15K first dollar      25%      75%</p> <p>Insurer (\$15,000 + \$41,250) = \$56,250</p>                               |
| <b>Scenario 3:</b> Worker incurs \$100,000 bill from a neurosurgery procedure  | <p>Insurer      Employer</p> <p>\$15K first dollar      \$85K</p>   | <p>Employer (\$40K)</p> <p>\$15K first dollar      25%      75%</p> <p>Insurer = max annual claim limit of \$60K</p>                                 |
| <b>Scenario 4:</b> Worker incurs \$15,000 bill from a colorectal surgery procedure (bill 1) and a \$20,000 bill from a subsequent follow-up procedure (bill 2) | <p>Bill 1: \$15K      Bill 2: \$20K</p> <p>Insurer      Employer</p> <p>\$15K first dollar      \$20K</p> | <p>Bill 1: \$15K      Bill 2: \$20K</p> <p>Insurer      Employer (\$5,000)</p> <p>\$15K first dollar      25%      75%</p> <p>Insurer (\$15,000)</p> |

*Note: Figures are for illustration purposes only. Actual bill sizes may vary depending on the medical assessment and condition of the patient.*

**List of allowable exclusions**

Insurers are only allowed to exclude the following treatment items, procedures, conditions and activities in their medical insurance product for Work Permit and S pass holders:

**Group A: Treatment that is elective and not medically necessary**

- Ambulance fees
- Cosmetic surgery
- Dental work (except due to accidental injuries)
- Vaccination
- Infertility, sub-fertility, assisted conception or any contraceptive operation, including their related complications
- Sex change operations, including their related complications
- Expenses incurred after the 7<sup>th</sup> calendar day from being certified to be medically fit for discharge from inpatient treatment and assessed to have a feasible discharge option by a medical practitioner
- Optional items which are outside the scope of treatment
- Health screening examinations for the purpose of diagnosis and any treatment of a preventive nature

**Group B: Treatment resulting from employers'/workers' acts**

- Treatment of conditions or injuries arising from any malicious / willful / illegal acts by employer or employer's family members
- Treatment for conditions or injuries arising from any criminal acts committed by worker
- Maternity charges (including Caesarean operations or abortions, and their related complications)
- Treatment for conditions or injuries arising from voluntary participation in hazardous sports
- Treatment of conditions or injuries arising directly or indirectly from nuclear fallout, war and related risk
- Repeat occurrence of:
  - a. Treatment of conditions or injuries arising from drug addiction (except that of illicit drugs) or alcoholism
  - b. Treatment of conditions or injuries arising from participation in civil commotion, riot, or strike
  - c. Treatment of mental conditions and conditions or injuries arising from self-inflicted injuries and attempted suicide
  - d. Treatment of venereal diseases and/or sexually transmitted diseases

**Group C: Others**

- Treatment of conditions deemed as pre-existing illnesses within the first 12 months of employment under the same employer
- Overseas medical treatment
- Private nursing charges
- Purchase of medical equipment
- Medical repatriation
- Outpatient rehabilitation such as physiotherapy, occupational therapy and speech therapy, unless recommended by a medical practitioner during hospitalisation period
- Traditional Chinese medicine or any forms of alternative treatment
- Treatment which has received reimbursement from Work Injury Compensation Insurance (WICI) and other forms of insurance coverage