

Poor, elderly fear MediShield hike

Two groups likely to be worst hit by higher payments

By ANDREA ONG

THE changes to MediShield next year worry two groups of residents: The poor and the elderly.

They fear the pinch on their pockets and Medisave savings from having to pay higher premiums and a bigger initial amount of their hospital bill – called the deductible – before they can turn to MediShield.

While economists and Members of Parliament interviewed agree that these two groups are likely to be worst hit, they are divided on whether the changes will lead to some not being able to pay their medical bills.

Under changes to the national health insurance scheme unveiled on Wednesday, C- and B2-class patients will pay \$500 more before they can claim from MediShield. Also, policyholders will pay higher premiums – as much as \$251 more, depending on their age.

The Government will give a one-time Medisave top-up to offset the higher premiums over the next two years. About 85 per cent of Singaporeans aged 65 and older will also get annual Medisave top-ups for five years under the GST Voucher scheme.

But some, like engineer Seah Leong Khai, 62, worry the top-ups will not be enough, especially for poorer old folk, and that the changes will shut out more people.

He paid \$1,100 for a cataract operation in April without claiming from MediShield as the cost fell within the deductible amount.

The deductible will be raised to \$1,500 for C-class patients and \$2,000 for B2-class.

“It is going to be even harder



About one in two B2- and C-class bills now qualifies for MediShield payouts. After the increase in deductibles, this will fall. ST FILE PHOTO

to claim after that,” said Mr Seah.

Currently, about one in two B2- and C-class bills qualifies for MediShield payouts. After the increase in deductibles, one in three or four will qualify.

Economists said those with little Medisave or fail to make regular Medisave contributions may struggle.

Health economist Tomoki Fujii of the Singapore Management University said “the hardest hit would be the poor with moderate but chronic medical conditions whose bills are close to their deductibles”.

Non-Constituency MP Gerald Giam is among those who feel the changes will take a big toll on the lower income. He points out that the scheme collects more premiums than it pays out in claims, so it can “take on greater risks on behalf of Singaporeans”.

But health economist Phua Kai Hong of the Lee Kuan Yew School of Public Policy said insurance schemes like MediShield should be aimed at high-cost catastrophic illnesses. The minority hit hard by the changes should be able to tap Medifund, he said.

He is also among those who said the increases were necessary to make up for wider coverage

and rising claims.

Head of the Government Parliamentary Committee for Health Lam Pin Min welcomed the enhanced coverage, but hopes the Health Ministry will pay closer attention to lower middle-income families who fail to qualify for Medisave top-ups via GST Voucher.

Yesterday, the ministry gave the assurance that Medisave is enough to cover the increase in deductibles and premiums.

Even without the Medisave top-ups, the annual Medisave contribution from a household in the 10th percentile is enough to cover the premiums for a family of four with one working spouse and two children, said its spokesman.

Those who struggle can approach the hospital’s medical social workers to explore aid avenues like Medifund, he added.

Explaining that MediShield is intended to cover large bills, he said patients who need more intensive or expensive treatment, or incur multiple bills in a year, will continue to benefit from payouts.

“In this way, we ensure those who need it more receive the payouts, while keeping premiums affordable,” he said.

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