

EMBARGOED TILL TUESDAY, NOVEMBER 13, 6:00PM

IMPLEMENTATION OF MEDICAL FEE BENCHMARKS

Attributed to Life Insurance Association Singapore (LIA Singapore)

Nov 13, 2018

The life insurance industry is supportive of the Ministry of Health's initiative to introduce a set of national benchmarks, starting with professional fees for medical procedures. This initiative is one of the recommendations made by the Health Insurance Task Force (HITF) aimed at mitigating the rising cost of healthcare and health insurance in Singapore. The HITF believed that the adoption of published fee benchmarks or guidelines to provide a range of professional fees is paramount to improving the transparency of medical costs in Singapore. It will help bridge the information asymmetry gap which currently exists between healthcare providers and consumers, and help patients receive appropriate care at fair and reasonable costs.

These benchmarks were recommended by the Fee Benchmarks Advisory Committee, which comprised representatives across various stakeholder groups, including the medical community and insurance industry. They provide a common reference for all, helping all parties to play a more active role in ensuring that healthcare services continue to be accessible and affordable.

- **Consumers and members of the public** will be able to use the benchmarks to get a gauge of professional fees for medical procedures, enabling them to better manage their own healthcare expenses.
- **Healthcare providers** can incorporate the benchmarks into their financial counselling processes to help consumers understand the charges they may incur vis-à-vis the fee benchmarks. Fee benchmarks will provide a reference to them in setting reasonable charges.
- **Insurers** will have an additional reference point when reviewing if the fees being claimed are "reasonable and customary". It will help to mitigate cases of over-charging by providers and empower insurers to detect inflated claims and take an active approach towards claims adjudication.

Going forward, panel arrangements remain an important initiative for IP insurers in Singapore. Such arrangements enable IP insurers and healthcare providers to work together to provide consumers an improved experience. The fee benchmarks will support efforts to manage overall medical costs by providing an additional source of guidance for IP insurers when establishing and working with their panels of preferred healthcare providers.

Insurers are studying how the benchmarks will influence products in a way that is reasonable to other stakeholders, while ensuring that their healthcare protection plans remain sustainable in the long run.

Tackling healthcare cost inflation is a major challenge that can only be overcome through collective action. If all stakeholders take the benchmarks in the right spirit and apply them appropriately, the Life Insurance Association Singapore (LIA Singapore) believes that this initiative will help ensure that healthcare continues to remain accessible and affordable for all.

END

Life Insurance Association, Singapore (LIA Singapore)

Established in 1962, the Life Insurance Association, Singapore (LIA Singapore) is the not-for-profit trade body of life insurance product providers and life reinsurance providers based in Singapore and licensed by the Monetary Authority of Singapore (MAS).

Vision and Mission

The vision of member companies is *to provide individuals with peace of mind and to promote a society where every person is prepared for life's changing cycles and for those situations unforeseen.*

They are committed to being a progressive life insurance industry by collectively enhancing consumer understanding, promoting industry best practices, and through the association fostering a spirit of collaboration and mutual respect with government and business leaders.

Values underpinning the association and its members

Unified	in our resolve to deliver innovative solutions where every individual's needs are best met.
Professional	in the way we conduct ourselves and in the counsel we give.
Ethical	in ensuring our policyholders' interests are managed with utmost integrity.
Fair	in how we strive to provide favourable outcomes to both our policyholders and shareholders.
Open & honest	in all that we do to build an environment of trust and transparency.
Proactive	in the steps we take to give our people the skills and knowledge to provide sound solutions at all times.

For more information, please contact:

Pauline Lim (Ms.)
Executive Director, LIA Singapore
Tel: +65 6438 8900 / +65 9648 6407
Email : pauline.lim@lia.org.sg

Iris Ng (Ms.)
Ogilvy Singapore
Tel: +65 6417 3054 / +65 9477 8807
Email : iris.ng@ogilvy.com

Amanda Chong (Ms.)
Ogilvy Singapore
Tel : +65 6213 7781 / +65 8200 5363
Email: amanda.chong@ogilvy.com