



A PRACTITIONER'S PERSPECTIVE

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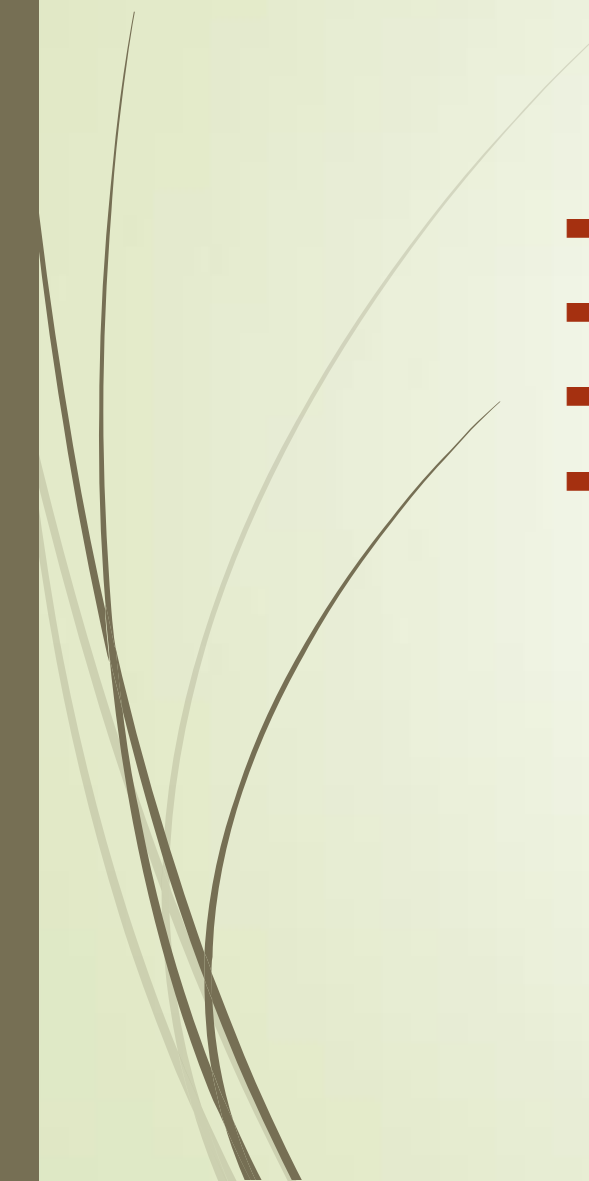
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OVERVIEW

- Need for change
 - Response of the providers
 - Response of the insurers
 - Further adjustments to CareShield Life
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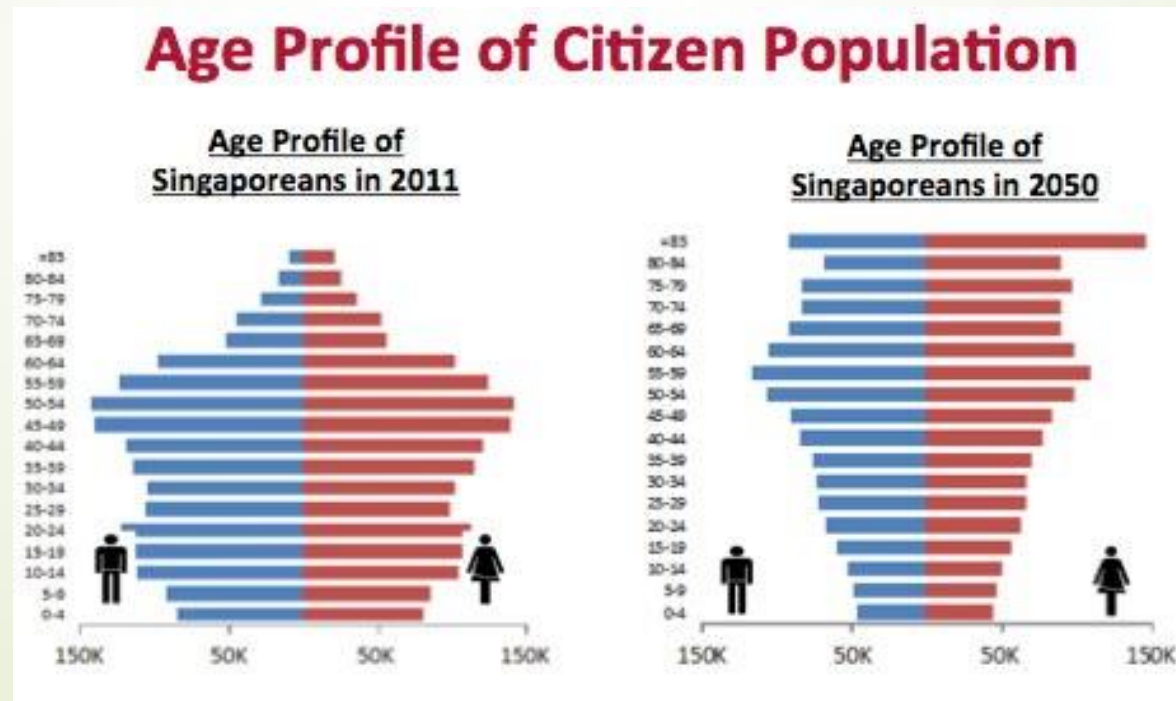
Need for Change


“

Some people don't like change, but you need to embrace change if the alternative is disaster.

”

Elon Musk





CareShield Life- What and Why

- ▶ Universal; auto-enrolment and mandatory
- ▶ Higher pay outs increasing over time
- ▶ No cap on pay out duration
- ▶ Earlier start to premium payments; premium payments end at 67 years

- ▶ Policy and pricing flexibility
 - ▶ Pricing of premiums
 - ▶ Quantum and targeting of government support
 - ▶ Quantum of pay outs
 - ▶ Independent Council; not for profit basis



Provider Responses

“

People respond to incentives.
The rest is commentary.

”

Steven E. Landsburg

Author of the Armchair Economist

- ❑ Addressable market expansion
- ❑ Predictable payment mechanism
 - Lifetime pay outs
 - Increased quantum with inflation adjustment



Provider Responses

- Residential
 - Home
 - Day

 - Market Consolidation
 - Use of technology

 - Advocacy for expansion of eligibility
 - Advocacy for increase in quantum of pay outs
 - Mixed payment sources
- Together with elderly and caregivers

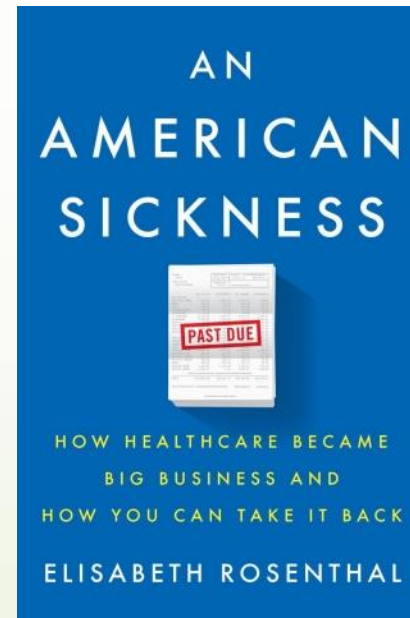


Insurer Responses

“The very idea of health insurance is in some ways the original sin that catalyzed the evolution of today’s medical-industrial complex.”

Elizabeth Rosenthal


Editor-in-chief, Kaiser Health News





Insurer Responses

- ▶ Reference point of MediShield Life
- ▶ Government-mandated basic plan; supplemental and complementary plans offered by private insurers
 - ▶ Quantum of pay out
 - ▶ Associated services



Further adjustments to CareShield Life

“

Healthcare is firstly about politics, then about economics and finally about health

”

Senior politician, Singapore
Sometime in the 2000s



Crystal ball gazing

- ▶ Balancing political and financial imperative
- ▶ Financial sustainability through expansion of government subsidies- direct and indirect
- ▶ Provider market influence through direct participation
- ▶ Clampdown on provider excesses
 - ▶ Fee guidelines/ transparency of pricing
 - ▶ Charges of fraud/ profiteering
 - ▶ Public odium
- ▶ Insurer outlook cloudy
 - ▶ Longevity
 - ▶ Adverse selection
 - ▶ Engagement earlier and earlier in economically productive life; bundling with other products

Concluding thoughts

Health Care Philosophy

The Government's health care philosophy is based on five fundamental objectives:

- a. To nurture a healthy nation by promoting good health;
- b. To promote personal responsibility for one's health and avoid over-reliance on state welfare or medical insurance;
- c. To provide good and affordable basic medical services to all Singaporeans;
- d. To rely on competition and market forces to improve service and raise efficiency; and
- e. To intervene directly in the health care sector, when necessary, where the market fails to keep health care costs down.

- Dynamic and complex interplay of forces
- Ideology still critical determinant; PAP government still strongly shaped by 1993 White Paper on Affordable Healthcare
- Need for continued dialogue and debate

- Role of academia
- Role of data