

Ministry of Health (MOH) – Life Insurance Association (LIA)

Moratorium on Genetic Testing and Insurance

Introduction

1. This moratorium has been developed by the Ministry of Health (MOH) and the Life Insurance Association (LIA) on behalf of its members (the “Moratorium”).

The terms of the Moratorium reflect the commitments from LIA and its members on the use of genetic test results in underwriting risk, and apply to all LIA members.

2. Under this Moratorium, a distinction is drawn between diagnostic genetic tests and predictive genetic tests.

- (a) Diagnostic genetic tests confirm or rule out a diagnosis based on existing symptoms, signs or abnormal non-genetic test results which indicate that the condition in question may be present. In the same way as a blood test or medical imaging, genetic testing can be used to confirm or exclude diagnoses of ill health. The results of diagnostic genetic tests can therefore form part of relevant medical information in such applications. In these instances, insurers will be able to access the results of a diagnostic genetic test and may use these results to inform their decision about an application. Diagnostic genetic tests are subject to Paragraph 4 of this Moratorium, and not any other terms of this Moratorium.

- (b) Predictive genetic tests predict a future risk of disease in individuals without symptoms or signs of a genetic disorder. Predictive genetic test results can only be used in insurance underwriting subject to the terms of this Moratorium.

Definitions

3. For the purpose of this Moratorium:

- (a) “Activities of Daily Living” or “ADL” means a set of activities such as (i) bathing or washing, (ii) dressing, (iii) feeding, (iv) transferring, (v) mobility and (vi) toileting;

- (b) “Applicant” means the person applying for an insurance (whether or not that person is the Life Assured under that insurance);

- (c) “Biomedical Research” means any systematic investigation with the intention of developing or contributing to generalisable knowledge;
- (d) “Commencement Date” has the meaning set out in Paragraph 11;
- (e) “Critical Illness Insurance” means an insurance that pays out a benefit when the Life Assured under that insurance is diagnosed with one or more specified diseases or has undergone one or more specified medical procedures;
- (f) “Cumulative Insurance” means, in relation to a Relevant Insurance, an insurance which:
 - (i) is of the same type as the Relevant Insurance;
 - (ii) insures the same Life Assured as the Relevant Insurance;
 - (iii) has not lapsed and is effective as at the date the Relevant Insurance is to be effected; and
 - (iv) is not group insurance or general insurance;
- (g) “Direct-to-Consumer Genetic Test” means a genetic test that is provided directly to consumers by the manufacturer or supplier of the test;
- (h) “Disability Income Insurance” means an insurance that pays a fixed amount each month to replace part of the income the Life Assured under that insurance would lose if the Life Assured is not able to work as a result of an accident or illness;
- (i) “Genetic Test” means a test which looks for a particular gene variant. This is regardless of whether the test was carried out as part of a single-gene test, a panel, or up to the level of whole genome sequencing;
- (j) “Health Insurance” means an insurance that provides benefits for daily cash limits or for medical costs resulting from accidents or illness. It is also known as medical expense insurance, hospital and surgical insurance, or hospital income plan;
- (k) “Insurer” means any insurer who is carrying on life business (as defined in Section 2(1)(a) of the Insurance Act (Cap. 142)) in Singapore;
- (l) “Integrated Shield Plan” means an insurance plan which provides higher coverage than MediShield Life and comprises two parts, namely, the basic

MediShield Life and an additional private insurance portion run by private insurers;

- (m) “Life Assured” means, in relation to an insurance, the individual whose life is or is to be insured under that insurance, whether or not that individual is an adult or child and whether or not that individual is a Resident;
- (n) “Life Insurance” means an insurance that provides financial protection against the financial loss that can happen due to an individual’s death;
- (o) “Long-term Care Insurance” means an insurance that helps to meet some or all of the costs of daily living of a Life Assured who, as a result of an accident or illness, is unable to perform a specified number of ADLs;
- (p) “Payout” means an amount that would be (but has not been) paid out by an Insurer under a valid insurance policy, whether such amount is a lump sum payment (such as a lump sum payment of the sum assured (including riders or multiplier benefits)) or a monthly payment (such as a monthly benefit);
- (q) “Predictive Genetic Test” means a Genetic Test that predicts a future risk of disease in individuals without symptoms or signs of a genetic disorder;
- (r) “Relevant Individual” means an Applicant or a Life Insured;
- (s) “Relevant Insurance” has the same meaning as set out in Paragraph 6(b);
- (t) “Relevant Resident Individual” means a Relevant Individual who is a Resident;
- (u) “Resident” means any individual (whether an adult or a child) who is:
 - (i) a Singapore citizen;
 - (ii) a Singapore permanent resident;
 - (iii) a Singapore resident who (A) holds a work pass or permit issued under the Employment of Foreign Manpower Act (Cap. 91A) or any of its regulations, and (B) has resided in Singapore for not less than a total of 183 days in the 12 months preceding the date on which he or she applied for the applicable Relevant Insurance; or
 - (iv) a Singapore resident who (A) holds a pass or permit issued under the Immigration Act (Cap. 133) or any of its regulations, that has a duration longer than 90 days, and (B) has resided in Singapore for at least 90 consecutive days in the 12 months preceding the date on which he or she applied for the applicable Relevant Insurance; and

- (v) “Total Permanent Disability Insurance” means an insurance that provides financial protection against the financial loss of a Life Assured when he or she is found to be permanently disabled.

Commitments to consumers

4. Insurers shall not require or pressure a Relevant Individual (directly or indirectly) to undertake a Genetic Test in order to obtain insurance coverage. For the avoidance of doubt, the Insurers shall also not request a Relevant Resident Individual to take a Predictive Genetic Test.

5. An Insurer:

- (a) shall not request the disclosure of; and
(b) shall not use,

the result of any Genetic Test for the purpose of underwriting any insurance in relation to any Relevant Individual, if the Genetic Test was conducted in the context of **Biomedical Research** regardless of where or when the research was conducted or the nature of the research.

6. (a) Commencing on and from the date which is nine months after the Commencement Date, subject to Paragraph 6(b), for each Relevant Resident Individual, an Insurer:

- (i) shall not request the disclosure of; and
(ii) shall not use,

the result of any Predictive Genetic Test for the purpose of underwriting any insurance in relation to the Relevant Resident Individual. For the avoidance of doubt, this includes any Predictive Genetic Test which was previously taken or which may be taken in the future.

- (b) Paragraph 6(a) shall apply unless all the following conditions are satisfied:

- (i) the insurance to be underwritten (the “**Relevant Insurance**”) is one of the types of insurance set out in Column 1 of Table 1 below;
(ii) the relevant Insurer shall aggregate, according to its internal basis, the amount of all Payouts on the same life under the Relevant Insurance (as if the Relevant Insurance has been effected) with the sum of all Payouts from all insurers in Singapore under the Cumulative Insurances as at the date the Relevant Insurance is underwritten, and such aggregated amount (including the Payouts under the Relevant Insurance as if the Relevant Insurance has

been effected) must be above the financial limit set out in Column 2 of Table 1 below, corresponding to the type of the Relevant Insurance; and

- (iii) the Predictive Genetic Test the result of which is to be disclosed or used, is one of the types of Predictive Genetic Test set out in Column 3 of Table 1 below corresponding to the type of the Relevant Insurance.

Table 1. Financial limits and list of approved Predictive Genetic Tests – for Relevant Resident Individual only

Column 1. Relevant Insurance	Column 2. Financial limit (aggregated per life basis)	Column 3. Approved Predictive Genetic Tests (medical condition / gene)
Life Insurance	the higher of: (a) S\$2,000,000 per life; and (b) the amount of the sum assured in a Life Insurance which is in the 99 th percentile of all Life Insurances in Singapore at the time the Relevant Insurance is underwritten	Huntington's disease (HTT)
Total Permanent Disability Insurance	the higher of: (a) S\$2,000,000 per life; and (b) the amount of the sum assured in a Total Permanent Disability Insurance which is in the 99 th percentile of all Total Permanent Disability Insurances in Singapore at the time the Relevant Insurance is underwritten	
Long-term Care Insurance under which	the higher of: (a) S\$3,000 monthly benefit; and	

<p>the Insurer will pay out a claim if the Life Assured is unable to perform 2 or more ADLs for at least 6 months (each, a “Type A Long-term Care Insurance”)</p>	<p>(b) the amount of monthly Payout payable under a Type A Long-term Care Insurance which is in the 99th percentile of all Type A Long-term Care Insurances in Singapore at the time the Relevant Insurance is underwritten</p>	
<p>Long-term Care Insurance under which the Insurer will pay out a claim if the Life Assured is unable to perform 1 ADL (each, a “Type B Long-term Care Insurance”)</p>	<p>the higher of: (a) S\$3,000 monthly benefit; and (b) the amount of monthly Payout payable under a Type B Long-term Care Insurance which is in the 99th percentile of all Type B Long-term Care Insurances in Singapore at the time the Relevant Insurance is underwritten</p>	<p>Huntington’s disease (HTT) Breast cancer (BRCA1) Breast cancer (BRCA2)</p>
<p>Critical Illness Insurance</p>	<p>the higher of: (a) S\$500,000 per life; and (b) the amount of the sum assured in a Critical Illness Insurance which is in the 99th percentile of all Critical Illness Insurances in Singapore at the time the Relevant Insurance is underwritten</p>	
<p>Disability Income Insurance</p>	<p>the higher of: (a) S\$10,000 monthly benefit; and (b) the amount of monthly Payout payable under a</p>	

	Disability Income Insurance which is in the 99 th percentile of all Disability Income Insurances in Singapore at the time the Relevant Insurance is underwritten	
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<i>Explanatory Note: Insurers shall aggregate the Payouts under Cumulative Insurances and the Relevant Insurance in determining whether the condition in Paragraph 6(b)(ii) is met</i>		
Illustration		
Year	Cumulative Insurance	Sum Assured
2020	Relevant Individual buys Relevant Insurance Policy 1 from Insurer A	\$2million
Commencement Date of Moratorium: 27 January 2021		
2022	Relevant Individual wishes to buy Relevant Insurance Policy 2 from Insurer B	\$500,000
		\$2.5million
<i>Insurer B will underwrite based on the total sum assured of \$2.5million.</i>		

7. Commencing on and from the date which is nine months after the Commencement Date, for each Relevant Individual, an Insurer:
- (a) shall not request the disclosure of; and
 - (b) shall not use,
- the result of any Genetic Test for the purpose of underwriting any insurance in relation to any Relevant Individual:
- (i) if the insurance to be underwritten is a Health Insurance, an Integrated Shield Plan, or any other type of insurance not listed in Table 1;
 - (ii) if the Genetic Test was taken after insurance cover under such an insurance had started, unless the Relevant Individual consented to the Genetic Test before the insurance cover had started;
 - (iii) if the Genetic Test was a **Direct-to-Consumer** Genetic Test; or

- (iv) if the Genetic Test is a Genetic Test of **an individual other than the Relevant Individual**, such as a blood relative of the Relevant Individual.

This Paragraph 7 shall apply even if the conditions in Paragraph 6(b) are satisfied.

- 8. Notwithstanding any other provision of this Moratorium, if the result of a Predictive Genetic Test is given or disclosed to an Insurer by a Relevant Individual or any other person, whether accidentally, voluntarily or otherwise, the Insurer may take into account the result if the result is to the Relevant Individual's benefit. If the result is unfavourable to the Relevant Individual, then:
 - (a) before the date which is nine months after the Commencement Date, the Insurer shall ignore the result; and
 - (b) on and after the date which is nine months after the Commencement Date, the Insurer shall not use the result for any purpose unless the conditions in Paragraph 6(b) are satisfied.

[Explanatory Note: For instance, if a Predictive Genetic Test result was disclosed which ruled out a risk which was otherwise suggested by family history, the Insurer may take this into account to offer more favourable terms. If the result is unfavourable to the Relevant Individual, then:

- (a) before the date which is nine months after the Commencement Date, the Insurer shall ignore the result; and*
 - (b) on and after the date which is nine months after the Commencement Date, the Insurer shall not use the result for any purpose unless the conditions in Paragraph 6(b) are satisfied.]*
- 9. Each Insurer shall provide each Relevant Individual with clear information before an application for insurance cover is completed, explaining:
 - (a) what a Relevant Individual will and will not have to disclose regarding Genetic Test results, in accordance with this Moratorium; and
 - (b) how the Insurer's insurance decision may be affected if the Relevant Individual decides voluntarily to disclose any favourable Predictive Genetic Test result.

Compliance

- 10. Compliance with this Moratorium is a condition of LIA membership, as follows:

- (a) each LIA member shall submit an annual compliance report to LIA, certifying its continued compliance with this Moratorium and outlining all complaints received relating to the operation of this Moratorium;
- (b) on behalf of its members, LIA shall submit an annual compliance report to MOH;
- (c) each annual compliance report referred to above shall be in a form and contain information required by MOH after consultation and mutual agreement with LIA; and
- (d) each complaint handled by the insurer (i.e. LIA member) should also be informed to MOH in a stipulated timeline and in a form containing information required by MOH, after consultation and mutual agreement with LIA.

Duration and reviews

11. This Moratorium shall commence on [27 January 2021] (the “**Commencement Date**”). This Moratorium is open-ended with no expiry date. It will be mutually reviewed every three years by MOH and LIA as informed to LIA by MOH in writing (or vice versa). At any time during the three years, either MOH or LIA may request for a review if developments in genetic testing or in the insurance sector warrant an urgent review.
12. As part of the review process, MOH and LIA will take into account relevant considerations such as but not limited to:
 - (a) industry feedback;
 - (b) appropriateness of financial limits and types of insurance stated in Paragraph 6;
 - (c) impact of this Moratorium on the sustainability of the life insurance industry;
or
 - (d) any developments in genetic testing and the insurance sector, allowing for this Moratorium to be kept up-to-date.