

Forum letter response to The Straits Times: Need to balance coverage and affordability in health insurance

Attributed to Mr Lee Swee Kiang, Executive Director, Life Insurance Association, Singapore

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We refer to the article by Straits Times senior health correspondent Salma Khalik, "[Having an Integrated Shield Plan and rider may not always guarantee peace of mind](#)" (April 21), and would like to take this opportunity to help the public better understand how health insurance works.

Integrated Shield Plan (IP) insurers need to strike a balance between the level of cover provided, and the premiums which policyholders pay. The balance that is struck differs from insurer to insurer.

Coverage for off-label use of drugs in cancer treatment is one area affected by these considerations. New cancer drugs are costly. Providing blanket coverage for such drugs regardless of indication would likely have the effect of pushing up claims cost, and correspondingly, premiums.

To ensure that these drugs are used in a clinically appropriate manner, it would make sense to align coverage with indications which have received regulatory approval.

In today's environment where medical costs are rising rapidly, it is also important that IP insurers focus their coverage on treatments which have been proven to be clinically and cost effective. This is so that, as a system, insurers can continue to help policyholders defray high medical expenses and keep premium increases in check.

Doctors and patients are encouraged to have open and clear communication, especially on the use of off-label drugs in their care plan to facilitate making informed decisions.

It is equally important that policyholders familiarise themselves with the terms and conditions of their insurance policy so they understand what is covered and what is not.

We encourage policyholders, when in doubt, to consult their financial services advisers or reach out to their insurers for clarifications. More information on IPs – including policy contracts – is available on the Ministry of Health [website](#).

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