Life Insurance Association Singapore
LIFE IS WORTH PROTECTING. INVEST IN IT.

Forum Letter to The Straits Times: Changing scope of healthcare coverage to include new treatments may require repricing

20 April 2026

We thank Forum writer David Lok Seow Kang for his feedback (Don't let medical progress become a loophole for insurers, March 31).

Severe-stage critical illness (CI) insurance provides a lump sum payout upon the diagnosis of an advanced stage CI or if a policyholder undergoes a major medical procedure.

It is meant to help the policyholder with loss of income or increased expenses during the recovery period. This is unlike hospitalisation insurance that works on a reimbursement basis.

When new severe-stage CI products are offered in the market, insurers adopt the latest Life Insurance Association of Singapore's standardised definitions for 37 severe-stage CIs (LIA CI Framework) to make it easier for consumers to compare products available at that time.

The LIA CI Framework is updated every few years, taking into consideration medical advances and actual claims experience, among other factors.

There are other forms of CI products available, such as early-stage CI insurance, that cover treatments like "keyhole" treatments which are not within the current scope of the LIA CI Framework.

CI policies are carefully designed based on known risks and established treatments available at the point of purchase.

We understand the desire to expand coverage definitions for CI policies held by existing policyholders to include new treatments.

However, changes to the scope of coverage may require repricing to sustainably cover all policyholders who had purchased it, which will impact affordability.

LIA regularly reviews the LIA CI Framework, and will include a feasibility study on how CI insurance coverage can continue to serve the needs of consumers.

We recognise that seeking medical treatment for a major illness can be stressful and time-sensitive.

To avoid uncertainty at such a difficult time, policyholders may wish to review their coverage, speak with a trusted financial adviser representative, and check in regularly to ensure their protection continues to match their needs and expectations.

Chan Wai Kit
Executive Director
Life Insurance Association, Singapore (LIA Singapore)