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Foreign Worker Medical Insurance: Frequently Asked Questions

- [Rationale for Foreign Workers Medical Insurance](#)
- [Details of Medical Insurance Requirement](#)
- [Employers with Existing Medical Insurance](#)
- [Submission of Medical Insurance Details](#)

[Rationale for Foreign Workers Medical Insurance](#)

1. Are employers required to purchase and maintain insurance for Employment Pass holders?

No, the requirement applies only to Work Permit and S Pass holders. This is in line with employers' existing responsibility for the upkeep and maintenance of employees who are Work Permit and S Pass holders, including the provision of medical treatment.

Employers are not required to buy the medical insurance for Employment Pass holders, as many foreign professionals and executives, who are on Employment Passes here, already have some form of insurance coverage.

2. Why is the minimum medical insurance coverage required for Work Permit and S Pass holders raised to only \$15,000 per year for inpatient care and day surgery?

The insurance coverage is set at a basic level in order to keep premiums affordable. However, employers can opt to purchase insurance coverage above the minimum requirement.

3. How is the medical insurance requirement for Work Permit and S Pass holders different from the other employer-financed insurance requirements?

The medical insurance requirement serves a different purpose. It provides basic cover for the medical expenses of Work Permit and S Pass holders, including hospital bills for conditions that may not be work-related. The Work Injury Compensation Act, which requires employers to purchase Work Injury Compensation Insurance, covers the medical costs and compensation for work-related injuries suffered by their workers. The Work Injury Compensation Act applies to both local and foreign workers.

Employers of Foreign Domestic Workers (FDWs) are also required to purchase Personal Accident Insurance (PAI) for their FDWs. PAI

insures against accidental death and permanent disablement. The minimum sum assured is \$40,000 and any compensation payable will be made to the FDW or her beneficiaries.

4. Would the medical insurance for Work Permit and S Pass holders result in duplication with the Work Injury Compensation Insurance in terms of insurance coverage?

Work Injury Compensation Insurance covers the medical costs for work-related injuries suffered by the worker. The medical insurance will help cover medical expenses that are not claimable under the Work Injury Compensation Insurance.

5. How much will the insurance premiums increase after 1 January 2010?

Insurance premiums are set by insurance companies, and differ from insurer to insurer. Premiums are also dependant on the needs of the employer and the industry. Employers may wish to check with the respective insurance companies on the premiums.

Details of the Medical Insurance Requirement

1. Are employers responsible for the medical expenses of their Work Permit Holders/S Pass holders that exceed the insurance benefit limit? Can employers recover part of the medical fees incurred by these foreign workers from the foreign workers?

Under the Conditions of Work Permits, employers are required to bear the costs of the upkeep and maintenance of their Work Permit and S Pass holders, including the provision of medical treatment.

However, the Ministry of Manpower (MOM) recognises that some companies may wish to have co-payment arrangements with their Work Permit and S Pass holders for medical treatment in order to encourage individual responsibility for health care usage. Such companies should ensure that:

- a) The co-payment amount is reasonable and only forms a small percentage of the Work Permit/S Pass holder's monthly salary i.e. not more than 10%;and
- b) Co-payment is stated explicitly in the Work Permit/S Pass holder's employment contract or collective agreement and with the worker's consent.

2. Can employers arrange for the Work Permit Holder/S

Pass holder to share the costs of purchasing the medical insurance?

Employers are required to purchase medical insurance for their Work Permit and S Pass holders and should not pass on such cost to them.

3. What penalty would the employer of Work Permit Holder/S Pass holder face if he/she fails to meet the medical insurance requirement?

Employers who fail to purchase medical insurance are in contravention of the Conditions of Work Permits/S Pass. They shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding six months, or both.

4. Can I be exempted from the requirement to purchase medical insurance for my foreign worker?

All employers are required to purchase and maintain medical insurance for their Work Permit and S Pass holders.

5. If my medical insurance policy allows claims of \$5,000 per disability, subject to an annual overall limit of \$15,000 per year for inpatient care and day surgery, does it mean that my company is in compliance with the new revised medical insurance regulation?

No. Employers must ensure that the coverage for each disability meets the revised minimum medical insurance coverage of \$15,000 per year for each Work Permit Holder/S Pass holder for inpatient care and day surgery.

6. My company has a number of medical insurance policies with a combined coverage of \$15,000 per year for its Work Permit Holders and S Pass holders. Will the combined medical insurance policy coverage meet the coverage requirement?

Employers are required to buy medical insurance with a minimum coverage of \$15,000 per annum for inpatient care and day surgery for each of their Work Permit and S Pass holders. As long as employers fulfill this requirement, it does not matter how many medical insurance policies the employers buy for their Work Permit and S Pass holders.

7. Is the employer's liability limited to the medical bills relating to the Work Permit Holder's/S Pass holder's

hospitalisation and surgery? Does it include outpatient treatment costs?

Under the Conditions of Work Permits, employers are responsible for and shall bear the costs of the upkeep and maintenance of their Work Permit and S Pass holders, including the provision of medical treatment.

8. Is the minimum medical insurance coverage \$15,000 per policy year, or \$15,000 per disability per policy year for inpatient care and day surgery?

The medical insurance coverage must be at least \$15,000 per year per Work Permit Holder's/S Pass holder's inpatient care and day surgery.

For medical insurance policies with benefit limits based on per disability, employers must ensure that the coverage per disability meets the revised minimum medical insurance coverage of \$15,000 for inpatient care and day surgery per year for each Work Permit/S Pass holder.

9. Does the medical insurance cover for death, total permanent disability and critical illness?

Employers are required to buy medical insurance for every Work Permit/S Pass holder's inpatient care and day surgery. As insurance policies vary, employers may wish to check with the respective insurance companies if the policies cover for death, total permanent disability and critical illness.

Employers with Existing Medical Insurance

1. My company has existing medical insurance for all employees, including Work Permit and S Pass holders. Does my company need to purchase another new insurance plan for the Work Permit and S Pass holders?

Employers with existing medical insurance plans for their Work Permit and S Pass holders do not need to purchase a new plan, as long as the existing plan meets the Ministry of Manpower (MOM)'s stipulated requirement. If the coverage provided by the existing insurance plan is inadequate, the employer will have to adjust the coverage to meet the requirement.

2. Does it matter if medical insurance coverage takes the form of a group plan, an individual plan, or as a rider/add-on to another type of insurance?

All forms of insurance directly financed by the employer are acceptable, as long as the coverage meets MOM's requirement.

3. Would a medical insurance plan with total sub-limits for inpatient care and/or day surgery meet MOM's requirement?

A medical insurance with total sub-limits for inpatient care and day surgery respectively would meet MOM's requirement if each sub-limit is at least equivalent to \$15,000 a year.

4. How should I choose a medical insurance plan for my foreign worker?

You should choose a medical insurance plan that includes a clause specifying that the underwriter/insurance company guarantees that the benefits of the insurance coverage. The benefits and coverage must meet MOM's requirement.

5. Some of my company's Work Permits will be due for renewal on 1 February 2010. However, the medical insurance policies that we bought for these Work Permit Holders have a medical insurance coverage of \$5,000 and are due for renewal on 1 April 2010. Does this mean that the renewals of these Work Permits will be rejected?

Employers are required to purchase medical insurance with a minimum coverage of \$15,000 per year for each of their Work Permit/S Pass holders' inpatient care and day surgery when existing policies are renewed on or after 1 January 2010. Work Permits will be renewed if there is a valid medical insurance purchased by the employer.

6. If my company has an existing group medical insurance that expires mid-2010 and has not been fully utilised, would my company be able to use this group insurance for new Work Permit Holders or S Pass Holders who join after 1 January 2010?

Yes. If an existing group medical insurance has not been fully utilised, the company can use it to cover the new Work Permit or S Pass holder who joins after 1 January 2010 until the group medical insurance expires. Thereafter, the new minimum medical insurance coverage of \$15,000 per year for each Work Permit or S Pass holder's inpatient care and day surgery will apply.

7. If my company has an existing group medical insurance

that expires in mid-2010 and is fully utilised, would my company be able to use this group insurance for a new Work Permit Holder or S Pass Holder who joins after 1 January 2010?

No, the company would have to purchase a new medical insurance policy that provides a minimum coverage of \$15,000 per year for inpatient care and day surgery for the new foreign employee.

8. My company has an existing group medical insurance for its Work Permit and S Pass holders. As the insurance policy expires in mid-2010, does my company need to increase the insurance coverage for the remaining months of 2010 if the existing coverage is less than \$15,000 per year?

The minimum insurance coverage of \$15,000 for inpatient care and day surgery per year for each Work Permit and S Pass holder will apply to new medical insurance policies taken up on or after 1 January 2010, or upon renewal of current medical insurance policies on or after 1 January 2010.

Nevertheless, we encourage employers to upgrade their medical insurance for their Work Permit and S Pass holders at the earliest possible date.

9. If my company's Work Permit holders and S Pass holders are leaving, can my company use the existing group insurance to cover new Work Permit holders and S Pass holders who replace them?

Yes, the replacement of headcount in medical insurance policies purchased or renewed before 1 January 2010 is allowed as long as the headcount that is stipulated in the insurance policy has not been exceeded.

However, MOM encourages employers to upgrade their medical insurance at the earliest possible date as this will help to reduce the employer's exposure to large hospital bills.

Submission of Insurance

1. What information must I provide MOM concerning medical insurance for my Work Permit or S Pass holders?

You should keep MOM updated with the following information when applying for or renewing a Work Permit or S Pass:

a) Name of Insurer;

- b) Insurance Policy Number;
- c) Insurance Policy Commencement Date; and
- d) Insurance Policy Expiry Date.

Updates should be made using Work Permit Online (WPOL).

2. What information must I provide MOM concerning medical insurance for my domestic workers?

You should keep MOM updated with the following information when applying for or renewing your domestic worker's Work Permit:

- a) Name of Insurer;
- b) Insurance Policy Number;
- c) Insurance Policy Commencement Date; and
- d) Insurance Policy Expiry Date.

Updates should be made using Work Permit Online (WPOL).

Employers of Foreign Domestic Workers are also required to purchase Personal Accident Insurance (PAI) for them. You may choose to purchase an insurance rider plan to the PAI, or to purchase a separate insurance plan.

3. If I do not furnish details of medical insurance for my foreign workers to the Ministry of Manpower (MOM), will the Work Permit/S Pass be issued or renewed?

The medical insurance details are a requirement for the issuance and renewal of Work Permits and S Pass. MOM will not issue the Work Permit or S Pass without the necessary insurance details.

4. I am not a WPOL user. How can I furnish details of the medical insurance for my WP or S Pass holders to MOM?

You are encouraged to use the web-based WPOL facility to furnish the medical insurance details. Alternatively, you can authorise an Employment Agency to furnish the medical insurance details via WPOL.

To access WPOL, you need a Singapore Personal Access (SINGPASS). With SINGPASS, you can register for a WPOL account via MOM's website. Registration for a WPOL account is free of charge. You can access a broad range of other Work Permit services, including Work Permit application, issuance and renewal.

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