

Singapore Healthcare System¹

1.0 Background¹

Among the first primary health care initiatives launched by Singapore upon achieving self-rule in 1959 was a mass-inoculation programme against severe tuberculosis, smallpox and other tropical epidemic diseases. A major transformation in primary health care began with the decentralization of the overcrowded General Hospital to a "network of 26 satellite out-patients and 46 maternal and child health clinics by 1964"⁵. Children suffering from malnutrition were supplied with nutritional supplements. Healthcare ranked as the fifth priority for public funding after national security, job creation, housing and education⁶.

The National Health Plan (NHP) that was launched in 1983 detailed the infrastructural plan for the following 20 years, which included the Medisave concept. The public sector hospitals "started to merge the business and financial disciplines into health care services for the purpose of providing higher quality of services and financing efficiently"⁵. The Singapore health care expenditure was kept at 3% of GDP throughout 1980s to 1990s but increased in dollar terms. The ElderShield plan was introduced in 2002 to help the elderly and the disabled.

2.0 Healthcare System Regulators

The philosophy of Singapore's healthcare system rests on three pillars, namely:

- **Pillar 1:** A healthy population with access to preventive health care; promotion of healthy lifestyle.
- **Pillar 2:** Personal responsibility towards healthy living through the "3M" (Medisave, Medishield and Medifund) system.
- **Pillar 3:** Manageable healthcare costs through control of the supply side of the healthcare services and providing heavy subsidies at public healthcare institutions.

The three main regulators in the healthcare system are:

- **MOH (Ministry of Health)** - oversees the provision and regulation of healthcare services inclusive of promoting health education, monitoring the accessibility and quality of healthcare services, preventing and controlling diseases, allocating resources and specialists, as well as issuing required licences for healthcare establishments.
- **CPF (Central Provident Fund)** - enables employees, including permanent residents, to have sufficient funds for reasonable quality of life in their retirement. CPF also funds members' needs in housing and healthcare. Employers and employees are required to make monthly contributions to the fund.
- **MAS (Monetary Authority of Singapore)** - administers the Insurance Act, which protects the interests of policyholders and regulates insurers' activities. Regulates registration and licensing requirements.

3.0 Healthcare Delivery System

Singapore's healthcare delivery system includes primary healthcare, hospital care, long-term care and other integrated care.

Government hospitals and clinics in Singapore are classified as follows:

- **General Hospitals** - provide acute tertiary healthcare, with comprehensive medical facilities, in-house specialists and allied support services.
- **Specialist Hospitals and Institutions** - provide specialist treatment and healthcare. These include medical centres housing, independent specialist clinics and doctors.
- **Community Hospitals** - these are usually semi-public hospitals catering to rehabilitation, geriatric care and convalescing patients. They

¹The background information and the subsequent section on Singapore healthcare regulators were drawn from a paper entitled "Healthcare System in Singapore" by Yu Bai *et al.* Except where a citation is provided, the information and statistics in other sections of this paper were obtained from the Singapore Ministry of Health website², the Singapore Department of Statistics³ and the Singapore Statistics Yearbook⁴ as in the Reference list.

are usually funded by charities or religious groups, with assistance from the government and public healthcare professionals.

- **Polyclinics and Private Clinics** – provide the bulk of primary healthcare in terms of subsidised outpatient medical care, health screening and pharmaceutical services, with some offering dental services as well. Only 20% of primary healthcare is currently provided by polyclinics, compared with 80% by private medical practitioners (MOH).

There are currently eighteen polyclinics located throughout the island, and these are managed by the two vertically integrated delivery networks or clusters, namely the National Healthcare Group (NHG) and Singapore Health Services (Singhealth), that were both established in 2000.

3.1 Hospitals

Hospital care consists of inpatient, outpatient and emergency services. Public hospitals, which provide 80% of hospital care, are structured by regions into five clusters:

- Alexandra Health Pte Ltd (AHPL),
- Jurong Health Services (JHS),
- National University Health System (NUHS),
- National Healthcare Group (NHG) and
- Singapore Health Services (SHS).

There are two leading private healthcare providers, namely Raffles Medical Group and Parkway Health.

Table 1: Public Hospitals in Singapore

Classification	Type	Name
Alexandra Health	Hospital	Khoo Teck Puat Hospital
	Specialist Centres	Jurong Medical Centre
Jurong Health	Hospitals	Alexandra Hospital; Ng Teng Fong General Hospital
	Specialist Centres	Jurong Medical Centre
Eastern Health Alliance	Hospitals	Changi General Hospital, St Andrew's Community Hospital, The Salvation Army Peacehaven Nursing Home
National Healthcare Group	Hospital	Institute of Mental Health, Tan Tock Seng Hospital
	Specialist Centres	Communicable Disease Centre, Johns Hopkins Singapore International Medical Centre
National University Health System	Hospital	National University Hospital
	Specialist Centres	National University Cancer Institute, Singapore; National University Heart Centre, Singapore
SingHealth	Hospitals	KK Women's and Children's Hospital, Singapore General Hospital
	Specialist Centres	National Cancer Centre, National Dental Centre, National Heart Centre, National Neuroscience Institute, Singapore National Eye Centre

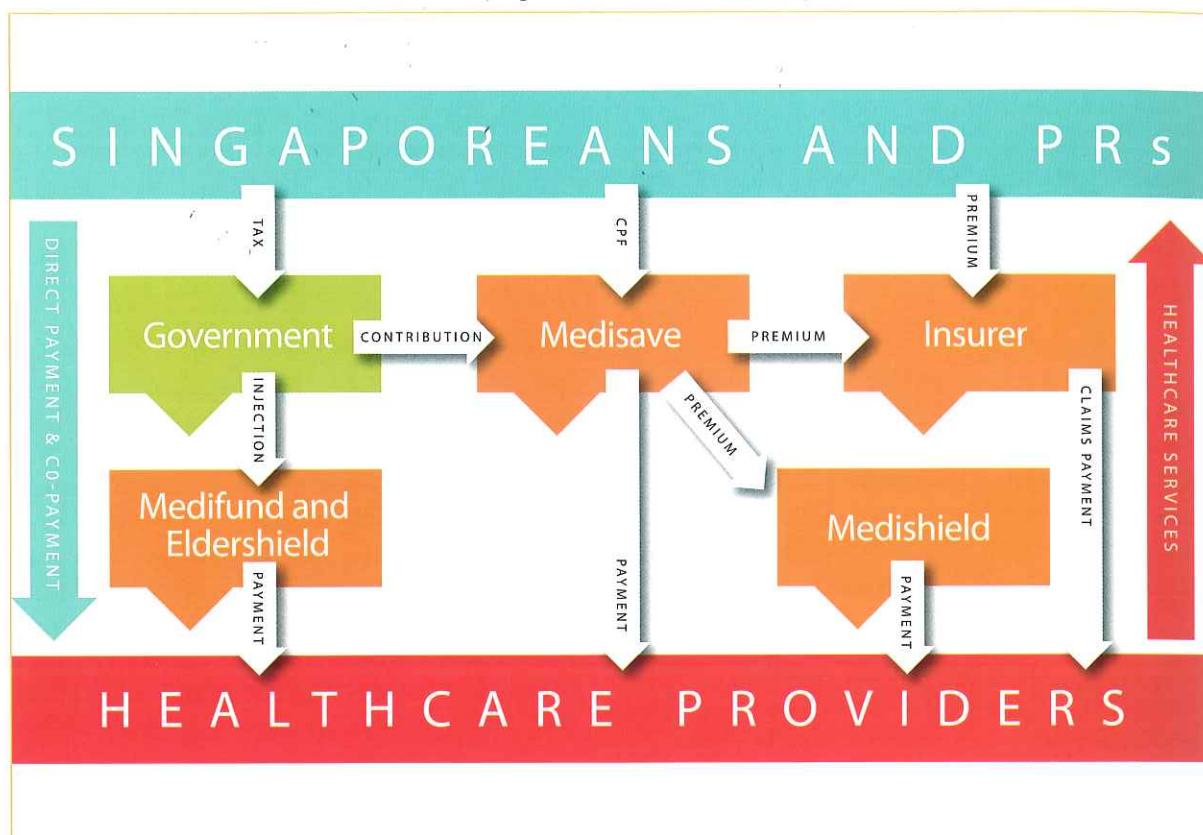
Source: Wikipedia

Table 2: Private and Community Hospitals in Singapore

Classification	Type	Name
Parkway Health	Hospitals	Gleneagles Hospital and Medical Centre; Mount Elizabeth Hospital; Parkway East Hospital; Parkway Novena Hospital
	Specialist Centre	Singapore Gamma Knife Centre
Raffles Medical Group	Hospitals	Raffles Hospital
	Specialist Centre	Raffles Surgicentre
Community Hospitals		Ang Mo Kio-Thye Hua Kwan Hospital Ltd; Bright Vision Hospital; Jurong Community Hospital; Kwong Wai Shiu Hospital And Nursing Home; Ren Ci Long Term Care (Hougang); Ren Ci Community Hospital; Ren Ci Nursing Home; St Andrew's Community Hospital (SACH); St Luke's Hospital

Source: Wikipedia and other sources

Chart 1: Financing of Health Care Services, Singapore



Source: MOH, Singapore

In 2010, there were 11,509 hospital beds, of which 8,881 beds were from the public sector and 2,628 beds from private providers. In public institutions, there were 8,819 registered doctors (excluding specialists) and 12,994 nurses. The number of doctors and nurses in the private sector was 3,292 and 5,140 respectively. (Department of Statistics, Singapore, 2011)

4.0 Healthcare Financing

a. Public Financing

Public financing for the Singapore healthcare system is sourced mainly from Medisave, MediShield and Medifund and ElderShield.

The financing of Singapore healthcare can be seen in the schematic diagram in Chart 1.

4.1 Medisave

Medisave is a national medical insurance scheme whereby a percentage of the members' CPF savings is used to meet their healthcare needs such as hospitalization expenses and certain outpatient treatments for members and immediate family

members. Members could also use Medisave fund to pay their MediShield premiums and Private Medical Insurance Scheme (PMIS) for enhanced medical coverage.

According to MOH, the number of Medisave account holders was about three million and the account had a balance of S\$50.2 billion in 2012. The annual amount withdrawn by each member was S\$732 on average.

4.1.1 Medisave Contribution

Private sector employees and government servants contribute to their individual Medisave fund. There are two different rates for contributors to the fund: (i) private sector employees and non-pensionable government servants and (ii) pensionable government servants.

4.1.1.1 CPF Contribution

Private sector employees and non-pensionable civil servants contribute 7% - 9.5% of their monthly wages to their Medisave account according to age group (Table 3).

Table 3: CPF Contribution for Private Sector Employees and Non-Pensionable Government Servants earning more than S\$1,500 per month

Employee Age (Years)	Contribution Rate (for monthly wages ≥ S\$1,500)			Credited into		
	Contribution by Employer (% of wage)	Contribution by Employee (% of wage)	Total Contribution (% of wage)	Ordinary Account (% of wage)	Special Account (% of wage)	Medisave Account (% of wage)
35 & below	16	20	36	23	6	7
36-45	16	20	36	21	7	8
46-50	16	20	36	19	8	9
51-55	14	18.5	32.5	13.5	9.5	9.5
56-60	10.5	13	23.5	12	2	9.5
61-65	7	7.5	14.5	3.5	1.5	9.5
Above 65	6.5	5	11.5	1	1	9.5

Source: CPF, Singapore

Table 4: CPF Contribution for Pensionable Government Servants

Employee Age (Years)	Contribution Rate (for pensionable component only)			Credited into		
	Contribution by Employer (% of wage)	Contribution by Employee (% of wage)	Total Contribution (% of wage)	Ordinary Account (% of wage)	Special Account (% of wage)	Medisave Account (% of wage)
35 & below	12	15	27	17.25	4.5	5.25
36-45	12	15	27	15.75	5.25	6
46-50	12	15	27	14.25	6	6.75
51-55	10.5	13.875	24.375	10.125	7.125	7.125
56-60	7.875	9.75	17.625	9	1.5	7.125
61-65	5.25	5.625	10.875	3	1.125	6.75
Above 66	4.875	3.75	8.625	0.75	0.75	7.125

Source: CPF, Singapore

Both tables can be downloaded from Singapore Central Provident Fund's website (www.cpf.gov.sg).

Pensionable government employees' contributions to Medisave range from 5.25 to 7.125, depending on age as tabulated below.

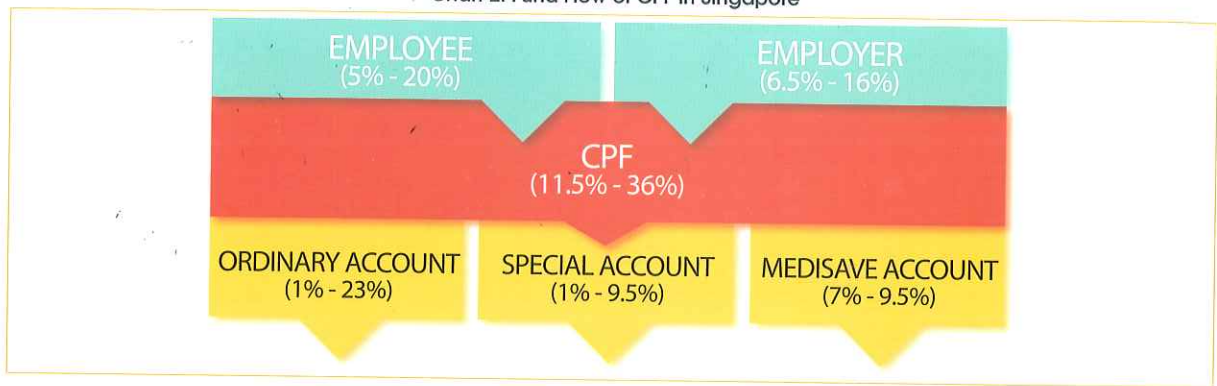
Box 1: Employer's Share in Medisave Fund

From an employer's point of view, he contributes 16% of the employee's wage and the employee contributes 20% of his wage towards CPF for employees aged 50 and below. Out of this, between 7-9% goes into Medisave (see Table 3). Taking the 9% (employee aged 45-50) bracket, **the employer's contribution to his employee Medisave fund would be 4%** and the employee pays the other 5%. **Disregarding Medisave, the employer's contribution to CPF is only 12%** and employee's contribution is 15%.

This is not very far from **Malaysia's EPF contribution of 12% for employer** and 11% from **employees earning more than RM5,000 per month**. Otherwise, the employer's contribution will be 13%.

From a monetary point of view, the employer's portion in Medisave for an employer aged 45 and earning S\$5,000 per month would be S\$200 per month.

Chart 2: Fund Flow of CPF in Singapore



The maximum balance in the member's Medisave account is subject to a Medisave Contribution Ceiling (MCC) currently set at S\$41,000.

Any excess in MCC would be transferred to:

- Special Account for members below 55 years;
- Retirement Account (RA) to top-up any Minimum Sum shortfall for members above 55.

Once the required amount has been topped up to cover any Minimum Sum shortfall, Medisave Account overflows would go into their Ordinary Account.

A Minimum Medisave Sum (MMS) S\$36,000 has to be maintained when a member withdraws his Medisave at or after age 55.

4.1.1.2 Medisave for the Self-Employed

Self-employed persons who earn more than \$6,000 a year in net trade income are required to contribute to Medisave. Contributions to Medisave are based on the previous year's net trade income and the contributor's age.

4.1.2 Use of Medisave for Chronic Diseases

The Medisave for Chronic Disease Management Programme (CDMP) covers a total of 10 chronic diseases. They include:

- Diabetes mellitus from October 2006;
- Hypertension, lipid disorders and stroke from 1 January 2007;
- Asthma and chronic obstructive pulmonary disease (COPD) from 1 April 2008;
- Schizophrenia and major depression from 1 Oct 2009;
- Bipolar disorder and dementia from 1 November 2011.

Details on Medisave Use – Patients who are issued an authorization form pay only the first S\$30 of the bill as well as 15 per cent of its balance. The remaining sum is covered by Medisave regardless of whether the bill is for a one-off visit or for a treatment package.

Withdrawal from the Medisave account is capped at S\$400 a year. Patients can also use the Medisave of their immediate family members to pay for their treatment, up to a limit of S\$400 per year per account. A maximum of up to 10 accounts may be used.

Patients can sign up for this programme at any participating clinics directly. Clinics participating in the programme display a decal or sticker.

4.1.3 Withdrawal Limits

Medisave can be claimed only if the patient stays in the hospital for at least 8 hours or if the patient is admitted for day surgery.

The claim limits are as follows:

- **Medical / surgical inpatient cases**
S\$450 per day for daily hospital charges for patients, which includes a maximum of S\$50 for doctor's daily attendance fees.
- **Approved day surgeries**
Up to S\$300 per day for daily hospital charges for surgeries, inclusive of a maximum of S\$30 for doctor's daily attendance fees.
- **Surgical operations (inpatient and day surgery)**
A fixed limit - depending on the complexity of the operation - according to the table of surgical procedures, as given in Table 6 (A, B and C refer to class of ward):

Table 5: Billing Example for Registered Chronic Disease in S\$

Medical Bill	Patient Pays	Medisave Pays
100	Deductible = 30.00 15% of balance (100 - 30) = 10.50 Total = 40.50	100 - 30 - 10.50 = 59.50 Total = 59.50

Source: MOH, Singapore

Table 6: Medisave Limits for Operations

Table of Operations	Medisave Limits
1: A, B, C	S\$250 / 350 / 450
2: A, B, C	S\$600 / 750 / 950
3: A, B, C	S\$1,250 / 1,550 / 1,850
4: A, B, C	S\$2,150 / 2,600 / 2,850
5: A, B, C	S\$3,150 / 3,550 / 3,950
6: A, B, C	S\$4,650 / 5,150 / 5,650
7: A, B, C	S\$6,200 / 6,900 / 7,550

Source: MOH, Singapore

A list of operations classified above can be found at the Singapore Ministry of Health website at www.moh.gov.sg.

4.2 Medishield

MediShield, which is operated by the CPF Board, was introduced in 1990 to help members meet medical expenses arising from major illnesses when there is insufficient savings in member's Medisave account. It operates on a co-payment and deductible system to avoid problems associated with first-dollar, comprehensive insurance (where insurance covers health care expenses without co-payments or deductibles having to be paid first).

As a cost saving measure and to avoid depleting members Medisave accounts, the Singapore government encourages employees to take up MediShield or an appropriate private Integrated Shield Premiums Plan. MediShield can be paid by Medisave and members co-payment and deductibles can also be paid using Medisave or cash.

According to MOH, the number of Medishield policyholders reached 3.39 million in 2012, of which about 2.67 million policyholders were also enrolled in PMIS.

4.2.1 Medishield Premiums

Annual premiums for MediShield range from S\$33 for those below 30 years old, to S\$1,123 for those between 84 and 85 years old. Those above 85 years old will not be covered.

Table 7: Medishield Premiums (S\$) by Age Group

Age Next Birthday	MediShield Yearly Premiums
1 to 30	33
31 to 40	54
41 to 50	114
51 to 60	225
61 to 65	332
66 to 70	372
71 to 73	390
74 to 75	462
76 to 78	524
79 to 80	615
81 to 83	1,087
84 to 85	1,123

Source: MOH, Singapore

4.3 Medishield Integrated Shield Plans

A policyholder can also choose from amongst other Medisave-approved Integrated Shield plans offered by private insurers to provide additional benefits and coverage for Class A and B1 restructured government hospitals or for private hospitalisation.

According to MOH, "policyholders on the Medisave-approved Integrated Shield plans retain the benefits of MediShield membership, while their private insurer will service all their needs. Policyholders pay their premium, and submit claims directly to their private insurer who will then settle all necessary arrangements with MediShield."

Medisave can also be used to pay the premiums of these private Medisave-approved Integrated Shield plans, with a cap of S\$800 per policy per year except for policyholders aged 81 and above where the cap is S\$1,150 per policy per year.

Medisave-approved Integrated Shield plans include:

- IncomeShield and Enhanced IncomeShield (NTUC Income);
- HealthShield Gold (American International Assurance Singapore Private Limited);
- SupremeHealth (Great Eastern Life Assurance Co);
- MyShield (Aviva Ltd);
- PRUShield (Prudential Assurance Co).

4.3.1 Eligibility

Eligibility for Medifund assistance is subjected to the following criteria:

The patient should

- be a Singapore citizen;
- be a subsidised patient;
- have received treatment from a Medifund-approved institution;
- be unable to afford to pay medical bills despite the government subsidies from MediShield and Medisave.

Qualified patients can approach the Medical Social Workers (MSWs) of the Medifund-approved institution to apply for Medifund assistance.

4.4 Medifund

Medifund is an endowment fund set up by the Singapore government to help needy citizens meet their medical expenses in addition to what is provided for by Medisave and MediShield. Interests from the capital sum, which stood at S\$1.3785 billion in 2010, are utilized to pay medical bills of needy patients. Access to Medifund is subject to the approval of Medifund-approved institutions (MFI).

The Singapore government extracts a portion of Medifund as Medifund Silver to meet the needs of elderly Singaporeans. A start-up capital sum of \$500 million was acquired in November 2007.

4.5 ElderShield

ElderShield is a form of severe disability insurance which provides basic financial protection to those who need long-term care. This scheme is particularly tailored to the elderly population and provides a payment of \$400 per patient monthly as out-of-pocket expenses for up to 72 months.

Three private insurers, Aviva, Great Eastern and NTUC Income are appointed by the Singapore government to run ElderShield. Singapore citizens and PRs enrolled in Medisave are automatically covered under ElderShield at the age of 40. Eldershield premiums are calculated based on the entry-age. Premiums are payable annually until members reach 65 years of age.

Table 8: Singapore Healthcare Carriers and Products

Carrier	Health Insurance Product
Aviva	MediShield, IdealMedical, Global Health
AIA	Medical Expense, Hospital Income, Critical Illness, Personal Accident
Great Eastern	Hospital & Surgical, Critical Illness, Personal Accident, Disability & Long Term Care
NTUC Income	IncomeShield, Enhanced IncomeShield, IncomeShield M, ElderShield, PrimeShield, Managed Healthcare Scheme
Prudential Assurance	PRUshield

Source: Carriers

5.0 Private Insurance

There are five private insurers: American International Assurance, Aviva, Great Eastern Life, NTUC Income and Prudential Assurance offering private health insurance plans for individuals and groups. The products of each insurer are listed in Table 8.

6.0 Government Subsidy for Public Hospitals

The levels of subsidy provided for patients warded in B2 and C class wards in public hospitals are as follows:

- Patient subsidy will be based on the average monthly income received over the last available 12-month period including bonuses for salaried employees.
- Services such as day surgery, A&E services, specialist outpatient treatment and polyclinic visits will not be meant tested and standard subsidy rates apply to citizens and PRs.
- Patients with no income, such as retirees or housewives, will have their subsidy rates pegged to the value of their homes.
- All unemployed residents of HDB flats, excluding those in executive condominiums (ECs), are entitled to full subsidy.

Table 9: Singapore's Government Subsidies for Public Hospitals

Average Monthly Income of Patient (S\$)	Citizens' Subsidy		Permanent Residents' Subsidy	
	Class C	Class B2	Class C	Class B2
\$3,200 and below	80%	65%	70%	55%
\$3,201 - \$3,350	79%	64%	69%	54%
\$3,351 - \$3,500	78%	63%	68%	53%
\$3,501 - \$3,650	77%	62%	67%	52%
\$3,651 - \$3,800	76%	61%	66%	51%
\$3,801 - \$3,950	75%	60%	65%	50%
\$3,951 - \$4,100	74%	59%	64%	49%
\$4,101 - \$4,250	73%	58%	63%	48%
\$4,251 - \$4,400	72%	57%	62%	47%
\$4,401 - \$4,550	71%	56%	61%	46%
\$4,551 - \$4,700	70%	55%	60%	45%
\$4,701 - \$4,850	69%	54%	59%	44%
\$4,851 - \$5,000	68%	53%	58%	43%
\$5,001 - \$5,100	67%	52%	57%	42%
\$5,101 - \$5,200	66%	51%	56%	41%
\$5,201 and above	65%	50%	55%	40%

Source: MOH, Singapore

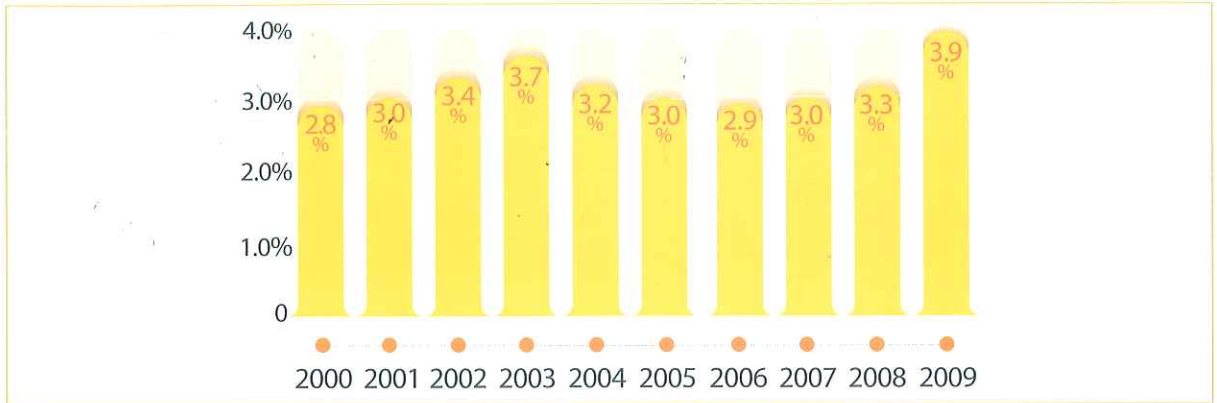
7.0 Analysis of Health Expenditure

The health care expenditure as a percentage of GDP dropped after the SARS outbreak in 2003 to 2.9% in 2006. However, it kept increasing thereafter to 3.9% in 2009 (Chart 3). The ratio of public expenditure to private expenditure was relatively stable, with private expenditure constituting a higher proportion (Chart 4). Of the government expenditure, financing for general government expending (e.g. Medifund) increased gradually, whereas social security expenditure (e.g. the Medisave subsidy) shrank in recent years. Government per capita expenditure on healthcare also increased (Chart 5), from \$440 in 2006 to S\$773 in 2011.

In the private sector, out-of-pocket expenditure is still the major funding source while the prepaid private insurance plans play a very insignificant role (Chart 6). The breakdown of government insurance plans can be seen in Table 10.

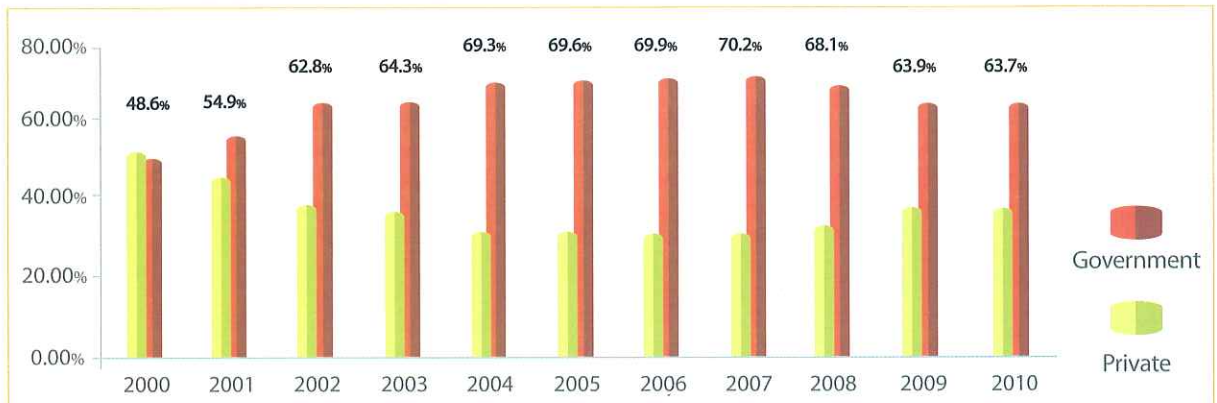
The average proportion of monthly household's healthcare expenditure increased from 3.5% in 1998 to 5.3% in 2008. (Ministry of Health Singapore, 2012).

Chart 3: Total Healthcare Expenditure as a Percentage of GDP, 2000 - 2009



Source: WHO

Chart 4: Government and Private Percentage of Healthcare Expenditure, 2000 - 2010



Source: WHO

Chart 5: Government Per Capita Expenditure on Health (S\$), 2006 - 2011



Source: WHO

Chart 6: Out-Of-Pocket (OOP) Expenses as a Percentage of Total Private Healthcare Expenditure, 2000 - 2010



Source: WHO

Table 10: The Financing Breakdown of Government Insurance Plans in Singapore

	2008	2009	2010
Medisave			
No. of Accounts (million)	2.9	2.9	3.0
Total Medisave Balance (\$\$ billion)	42.4	45.8	50.2
Average Balance per Account (SGD)	14,900	15,700	16,900
Amount Withdrawn for Direct Medical Expenses (\$\$ million)	588	661	732
MediShield & Integrated Shield Plans			
No. of MediShield Policyholders ('000)	3,076	3,299	3,390
No. of MediShield Policyholders with Private Integrated Shield plans ('000)	1,790	1,930	2,068
ElderShield			
No. of ElderShield Policyholders ('000)	835	882	921
No. of ElderShield Policyholders with Supplements ('000)	76	127	189
	FY08	FY09	FY10
Medifund			
No. of Applications Approved ('000)	370	410	481
Grants Disbursed to Institutions (\$\$ million)	73.7	75.0	80.0

Source: MOH, Singapore

Table 11: Singapore Healthcare Status

Description	2006	2007	2008	2009	2010	2011
Total Population ('000)	4,401.4	4,588.6	4,839.4	4,987.6	5,076.7	5,183.7
Singapore Residents ('000)	3,525.9	3,583.1	3,642.7	3,733.9	3,771.7	3,789.3
Total Fertility Rate (per Female)	1.28	1.29	1.28	1.22	1.15	1.20
Crude Birth Rate (per 1,000 population)	10.3	10.3	10.2	9.9	9.3	9.5
Crude Death Rate (per 1,000 population)	4.4	4.5	4.4	4.3	4.4	4.5
Infant Mortality Rate (per 1,000 live-births)	2.6	2.1	2.1	2.2	2.0	2.0
Life Expectancy at Birth (years)	80.3	80.6	80.9	81.4	81.8	82.0
Male	77.8	78.1	78.4	78.9	79.2	79.6
Female	82.6	82.9	83.3	83.7	84.0	84.3
Doctors (per 10,000 population)	16	16	16	17	17	18
Dentists (per 10,000 population)	3	3	3	3	3	3
Nurses (per 10,000 population)	47	48	49	53	57	61

Source: Yearbook of Statistics Singapore 2012, Department of Statistics, Singapore

8.0 Weaknesses of Singapore Healthcare System

According to the article, "Evaluating the SDP's National Healthcare Plan", published by *The Online Citizen (TOC)* blog on 5 September 2012 by Yeoh Lai Lin:

"The current 3Ms system, comprising Medisave, MediShield and Medifund, are touted to be providing comprehensive social support in healthcare to cover everyone's healthcare needs. However, a closer examination of each of these components reveal some gaps that do not necessarily match this idea - including requirements for the individual to pay significant out of pocket expenses, or imbued with various limiting preconditions.

For example, under Medisave, a family earning S\$2,000-S\$3,000 a month would have set aside S\$1,680 a year, which they can use to pay for their hospital bills and **very limited outpatient services**. Furthermore, this sum can only be used under certain conditions and with certain caps which limit most private healthcare.

MediShield is a scheme in which Singaporeans need to opt out of or they will be automatically be covered. Furthermore, it has been likened to run on a commercial basis. Indeed, the average MediShield medical loss ratio (MLR, the ratio of total expenses incurred (paid and reserved) in claims plus adjustment costs divided by the total earned premiums) from 2008 to 2010 was 58%. This is an extremely low ratio, which suggests that it might be

making a profit out of the pockets of contributing citizens. To put things in perspective, Obamacare in the US now mandates minimum MLRs of 85% in the large group market and 80% in the individual and small group markets.

Medifund is the endowment scheme aimed to cater to the needs of those who cannot afford healthcare. However, it runs by a means-testing qualification which requires that the patient's family members have had to exhaust their funds, including Medisave accounts, and that the individual has to sell all his disposable assets before being eligible for free treatment. Bearing in mind personal values like dignity, that is hardly a situation that most Singaporeans would wish to find themselves in, making Medifund a limited-use scheme that would arguably be of use to exceptional cases rather than the majority.

Against this backdrop of the inadequacies of the 3Ms system, it is a telling statistic that in 2010, the 3Ms accounted for less than 10 per cent of total healthcare expenditure of S\$12 billion, with Medisave contributing S\$732 million, Medifund \$80 million, and MediShield S\$248 million. The rest

is funded by employers' health benefits and out-of-pocket expenses – the highest level in developed East Asia.”

9.0 Summary

The Singapore health care system rests primarily in the hands of Singaporeans, who have various options for their medical care. Supported by the 3 pillars of the Singapore health care system, the government's health care expenditure is kept low and efficient. To reiterate, the government focuses on building up a healthy population with preventive health care and encouraging healthy lifestyles. Patients are motivated to lead healthy lives as payment of medical bills comes through their own contributions in Medisave, Medishield and Medifund system. The poor and disabled are subsidized through the endowment fund in EldersShield.

However, Singaporeans are free to opt out of the system by footing their medical bills to get better health care of their choice.

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