

# Singapore Health and Benefits International Medical Study

2019



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# 1

## Executive Summary

### Methodology

The data set for the 2019 *Singapore Health and Benefits International Medical Study* is derived from internal information regarding Mercer Marsh Benefits (MMB) clients' international benefits plans. The study includes 56 employers and covers more than 4,600 employees. The results are intended to provide a snapshot of the international medical benefit limits provided by employers in Singapore.

Industries represented include: consumer services (20%), finance (25%), material and industrial (12%), professional and other services (25%) and technology (18%). International medical plans most often extend outside the usual residential country.

Insurance plans typically extend coverage worldwide, excluding the United States. In fact, 86% of respondents for this survey include worldwide coverage excluding the United States, whereas just 3% of respondents report having worldwide coverage including the United States. A further 11% report "other," which includes only certain regions or countries.

For employers that have a large expatriate workforce or a large mobile workforce, Mercer recommends adapting international medical plans, which can and should be considered for employees who need flexibility, whether because of travel schedules or health concerns, or to comprehensively cover people residing and working outside their home countries.

Employees, especially expatriates, are keen to know what their out-of-pocket expenses or coverage limitations will be. International medical plans can provide extra peace of mind and alleviate worries about navigating complex local healthcare systems. This can also alleviate friction for employees from countries with universal health insurance, as they will not be accustomed to healthcare not being provided by the government.



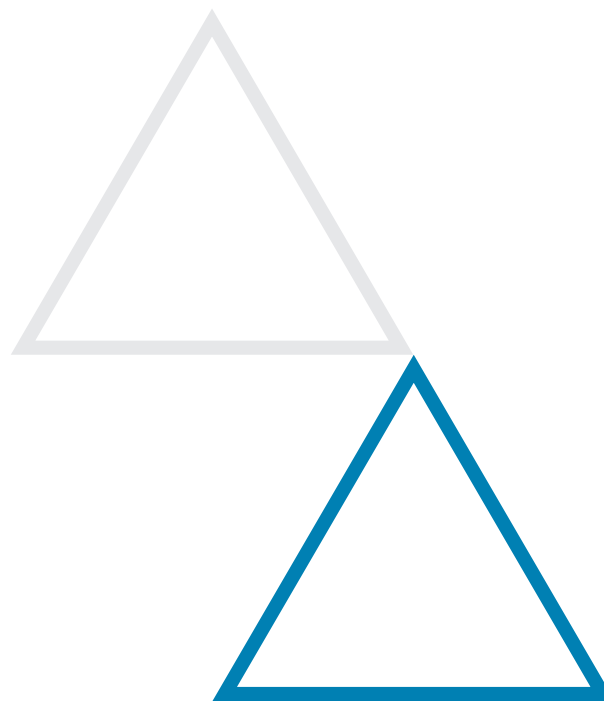
## Key Findings

- Of companies identified in the study, 94% bear the full premium costs for employee coverage on a compulsory basis. Only 6% offer plans on a voluntary basis, either as standalone options or as part of a flexible benefits proposition.
- More than 97% of plans provide dependent coverage with benefit limits equal to the employee plans.
- The median overall maximum limit per policy year is US\$2,000,000.
- All companies surveyed (100%) report providing inpatient benefits. This is expected, as inpatient benefits are a core module and a minimum requirement of such plans.
- An impressive 99% of companies surveyed provide a unique benefit with international medical plans: psychiatric coverage, limited to a number of days.
- Outpatient benefits are provided by 98% of companies surveyed. All industries report 100%, except for consumer services (91%).
- Of the companies surveyed, 91% report providing emergency medical evacuation. Only companies from the material and industrial sector report 100% coverage.
- Just 68% of companies report providing maternity benefits. And 46% of companies report providing a specified level of coverage for newborn services, with 79% providing coverage for congenital benefits.
- Of companies in the survey, 82% provide wellness benefits, which includes routine health checks, cancer screenings, cardiovascular examinations, neurological examinations, vital sign tests and vaccinations. Only companies representing the material and industrial sector report 100% coverage for this benefit.
- A bit more than half (61%) of companies surveyed report providing dental benefits. Even fewer (46%) provide vision benefits for employees.

### Benefits of international medical insurance:

- **Limited out-of-pocket expenses:** Inpatient benefits typically have full refund features with no sub-limits, and plans have high annual limits.
- **Full coverage for cancer and kidney treatment:** Full refund applies to high-cost treatments such as cancer and kidney dialysis.
- **Medical history disregarded (MHD):** Once the minimum headcount is met, the policy is eligible for MHD underwriting, in which pre-existing medical conditions will be covered. This also includes waiving the waiting period for some benefits.
- **Portability:** This enables relocation from one country to the next without waiting periods and provides global continuity.
- **Customizable:** Customization allows plans and benefits to be tailored to specific needs. Such customization is generally only available for groups of at least 100 members. For small and midsize enterprises (SMEs), insurers would propose off-the-shelf solutions with less customizable options.
- **Concierge service proposition:** Issuance of guarantee of payment facility for cashless inpatient treatment and comprehensive online support are provided.

We hope this *Singapore Health and Benefits International Medical Study* can provide guidance for organizations to design benefits that fit employees' needs or can be customized.



# 2

## International Medical Plans

### Introduction

Singapore has become a popular commercial hub as one of the leading and fastest-growing commerce sectors in the world. With many expatriates, international transferees and C-suite-level employees working in or relocating to the region, Singapore is well-acquainted with foreign enterprise. The rising cost of living around the globe affects the cost of healthcare services received by employees, and Singapore is no exception. Although it's important for organizations to provide local employees with suitable insurance coverage, educating foreign employees on the local Singapore healthcare landscape to ensure they have adequate coverage for their needs can be crucial, since many countries provide socialized healthcare (which may be free at the point of use).

An international healthcare plan can help address the following areas:

- Managing the healthcare needs of a mobile workforce that requires frequent travel and relocation — and is therefore in need of medical coverage on either a regional or global basis
- Benefits consistency for a regional workforce; noting that, in some countries, locally compliant solutions may be required

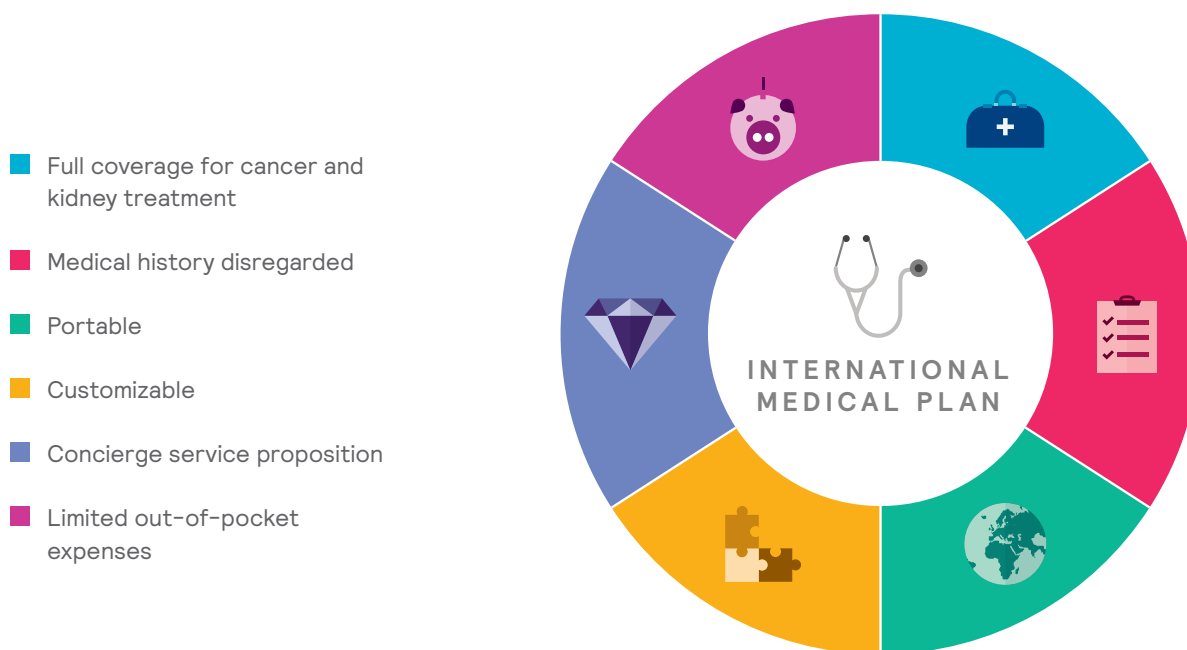
Over the past twelve months, we have seen a growing trend of employees looking to explore more comprehensive healthcare plans to reduce their out-of-pocket exposure in Singapore.



## Benefit Description

International medical plans can provide both essential and comprehensive coverage to people residing and working outside their home countries. Plan benefits are usually designed to provide extra coverage with minimum out-of-pocket exposure. Gaps in coverage and other employee concerns are usually addressed as outlined below.

**Figure 1.** Key Benefits of International Medical Insurance Plans



**Limited out-of-pocket expenses:** Inpatient benefits typically have full refund features with no sub-limits (paid in full), and plans have high annual limits.

**Full coverage for cancer and kidney treatment:** Full refund applies to high-cost treatments like cancer and kidney dialysis.

**Medical history disregarded (MHD):** Once the minimum headcount is met, the policy is eligible for MHD underwriting, in which pre-existing medical conditions will be covered and the waiting period for some benefits will be waived.

**Portability:** This enables relocation from one country to the next without waiting periods and provides worldwide medical coverage (if selected) that allows elective medical treatment overseas.

**Customizable:** Customization allows plans and benefits to be tailored to specific needs.

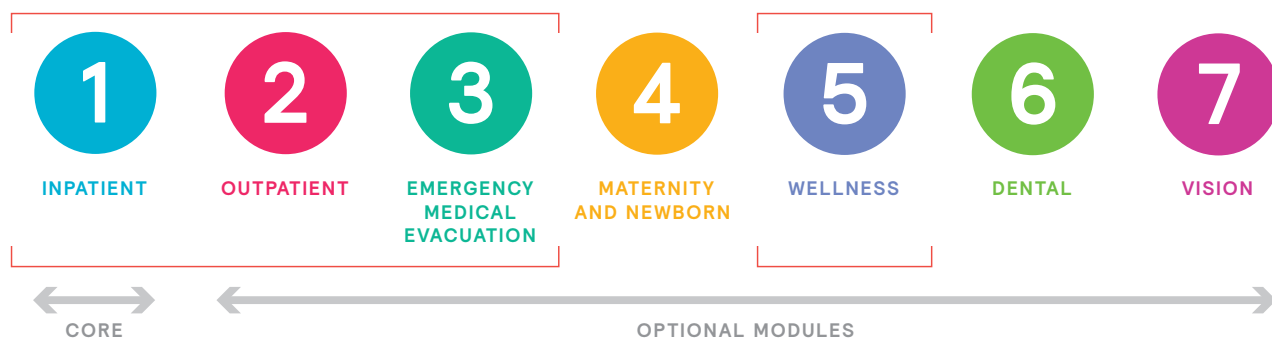
**Concierge service proposition:** Issuance of guarantee of payment facility for cashless inpatient treatment and comprehensive online support are provided.

## Benefit Provision

International medical plans typically offer a modular design to provide flexibility, encompassing the core module (inpatient benefits) and optional modules (outpatient benefits; emergency medical evacuation; maternity and newborn benefits; and wellness, dental and vision benefits).

The most common combination, with a prevalence of more than 80%, includes inpatient benefits, outpatient benefits, emergency medical evacuation and wellness.

Figure 2. Core + Optional Modules



## Case Studies

Below, we present two case studies that show some of the challenges companies and individuals face. Although one of the case studies we've included is outside Singapore, we realize that companies and individuals in Singapore share similar challenges.