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Employers must provide medical insurance coverage of at least \$60,000 for maids, migrant workers from July



The new requirement is to help such employers cover larger bills and minimise their out-of-pocket expenses as medical costs rise. ST PHOTO: JASON QUAH



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SINGAPORE – From July 1, employers of work permit and S Pass holders will need to provide their workers higher medical insurance coverage with an annual claim limit of at least \$60,000, up from the current \$15,000.

This new requirement, which also applies to domestic helpers, is to help employers cover larger bills and minimise their out-of-pocket expenses as medical costs rise, said the Ministry of Manpower (MOM) on Friday, highlighting that more than 5 per cent of foreign workers' medical bills exceed the current \$15,000 coverage limit.

An average of more than 1,000 employers a year face this issue, Senior Minister of State for Manpower Koh Poh Koon said in Parliament in March 2022, when he announced the move for additional insurance coverage.

MOM estimates that more than 99 per cent of bills for hospitalisation and surgical procedures will fall within the new coverage limit.

Under the new rules, employers also have to co-pay 25 per cent of claim amounts that go above the first \$15,000.

This means that if a worker incurs a \$60,000 bill for heart surgery, for instance, the employer will have to pay \$11,250, which is 25 per cent of \$45,000. The insurer will cover the other \$48,750.

From July 2025, several other changes will also be implemented.

Employers will no longer need to pay for their workers' medical treatment upfront and claim the amount from insurers later. Insurers will be required to reimburse hospitals directly.

There will also be a standard list of allowable exclusions for insurers, such as procedures that are not medically necessary, such as cosmetic surgery.

Insurers will not have to cover the treatments for pre-existing illnesses occurring within the first 12 months of work under the same employer.

Insurers must also offer different premiums for workers aged 50 and below, and those above the age of 50, from July 2025.

There were 1,033,500 work permit holders – of whom 268,500 were maids – and 177,900 S Pass holders working in Singapore as at the end of last year.

Medical bills of migrant workers are not subsidised or covered under national schemes such as MediShield Life and MediFund.

MOM said the policy changes are being implemented in phases to give employers and insurers time to adjust to the cost impact.

The ministry added: “With many insurers expressing interest to offer the enhanced medical insurance products, the market will be competitive and employers will have a range of insurers to choose from.”

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