



REPUBLIC OF SINGAPORE

# GOVERNMENT GAZETTE

## BILLS SUPPLEMENT

*Published by Authority*

---

---

NO. 3]

MONDAY, JANUARY 19

[2015

---

---

First published in the *Government Gazette*, Electronic Edition, on 19th January 2015 at 5:00 pm.

**Notification No. B 3** — The MediShield Life Scheme Bill is hereby published for general information. It was introduced in Parliament on 19th January 2015.

# **MediShield Life Scheme Bill**

---

**Bill No. 3/2015.**

*Read the first time on 19 January 2015.*

## **MEDISHIELD LIFE SCHEME ACT 2015**

**(No. of 2015)**

### ARRANGEMENT OF SECTIONS

#### PART 1

##### PRELIMINARY

##### Section

1. Short title and commencement
2. Interpretation

#### PART 2

##### MEDISHIELD LIFE SCHEME

3. Establishment of MediShield Life Scheme
4. Premium
5. Refund
6. Recovery of amounts paid in excess and short payments
7. MediShield Life Fund
8. MediShield Life Council
9. Delegation of functions and powers
10. Nature of rights and benefits under Scheme

#### PART 3

##### RECOVERY OF OUTSTANDING PREMIUMS, ETC.

11. Demand note
12. Defaulter's agent for recovery of outstanding premiums
13. Defaulter's agent in relation to joint moneys
14. Payment by Government
15. Suit for outstanding premiums

Section

- 16. Recovery from defaulter leaving Singapore
- 17. Penalty for late payment of premium
- 18. Recovery body

PART 4

OFFENCES

- 19. False or incorrect health declaration, means declaration or claim application
- 20. Investigators
- 21. Power to obtain information
- 22. Obstructing investigators in execution of their duties
- 23. Offences by bodies corporate, etc.
- 24. Composition of offences
- 25. Conduct of prosecutions

PART 5

DISCLOSURE OF INFORMATION

- 26. Confidential information
- 27. Health information
- 28. Means information, household composition, etc.
- 29. Offence and immunity relating to disclosure
- 30. General

PART 6

MISCELLANEOUS

- 31. Change of address
  - 32. Certificate of officer authorised by Board to be evidence
  - 33. Protection from personal liability
  - 34. Regulations
  - 35. Transitional and savings provisions
  - 36. Related amendments to Bankruptcy Act
  - 37. Consequential amendments to Central Provident Fund Act
  - 38. Consequential amendments to Income Tax Act
-

A BILL

*intituled*

An Act to provide for the MediShield Life Scheme and matters related thereto, and to make consequential and related amendments to certain other written laws.

Be it enacted by the President with the advice and consent of the Parliament of Singapore, as follows:

PART 1  
PRELIMINARY

**Short title and commencement**

1. This Act may be cited as the MediShield Life Scheme Act 2015  
5 and shall come into operation on such date as the Minister may, by  
notification in the *Gazette*, appoint.

**Interpretation**

2.—(1) In this Act, unless the context otherwise requires —

10 “approved medical institution” means any medical institution  
approved by the Minister for the purposes of section 3;

“approved medical treatment or services” means any medical  
treatment or medical services approved by the Minister for the  
purposes of section 3;

“authorised person” —

15 (a) for the purposes of section 27, means a person  
authorised by the Minister to have access to  
information obtained under section 27(1) for the  
purposes described in section 27(1)(a) or (b); and

20 (b) for the purposes of section 28, means a person  
authorised by the Minister to have access to means  
information obtained under section 28(1) in order to  
assess the eligibility of any person insured or to be  
insured under the Scheme for any grant, subsidy or  
benefit under a relevant public scheme;

25 “Board” means the Central Provident Fund Board constituted  
under section 3 of the CPF Act;

“Central Provident Fund” means the Central Provident Fund  
established under section 6 of the CPF Act;

30 “Council” means the MediShield Life Council established under  
section 8;

“CPF Act” means the Central Provident Fund Act (Cap. 36);

- “CPF member” means a “member of the Fund” or “member” as defined in section 2(1) of the CPF Act;
- “defaulter” means a person liable to pay an outstanding premium;
- “Fund” means the MediShield Life Fund referred to in section 7, and includes the MediShield Fund; 5
- “health declaration” means a declaration, as to whether a person has any pre-existing medical condition, submitted to the Board for the purposes of determining whether premium loading under the Scheme applies to that person; 10
- “healthcare-related public scheme” means a public scheme, prescribed for the purposes of Part 5, that is established to provide any grant, subsidy or other benefit for the payment of any healthcare expenses, and includes a relevant public scheme; 15
- “household composition” means information on the identity and particulars of the persons who comprise a household for the purposes of determining whether a member of that household satisfies the eligibility criteria for a grant, subsidy or benefit under a relevant public scheme or any tier or category within such eligibility criteria; 20
- “insured person” means a person who is insured under the Scheme;
- “investigator” means a public officer appointed under section 20(1) or an officer of the Board appointed under section 20(2); 25
- “IRAS” means the Inland Revenue Authority of Singapore established under section 3 of the Inland Revenue Authority of Singapore Act (Cap. 138A);
- “means declaration” means a declaration, submitted to a person appointed by the Minister, for the purposes of determining a person’s household income or eligibility for a grant, subsidy or other benefit under a relevant public scheme; 30

“means information” means —

- (a) any documents, information, returns, assessment lists or copies of such lists relating to the income or items of income of any person to which section 6 of the Income Tax Act (Cap. 134) applies;
- (b) any documents, information, returns and assessments relating to the business, the value of the supply of any goods and services, or the income of any taxable person to which section 6 of the Goods and Services Tax Act (Cap. 117A) applies;
- (c) information obtained under the Property Tax Act (Cap. 254), including the Valuation List;
- (d) information obtained under the Stamp Duties Act (Cap. 312); and
- (e) information relating to income or items of income of any person in the possession of any Government department or other public authority;

“medisave account” means a medisave account maintained under section 13 of the CPF Act;

“MediShield Fund” means the fund called the MediShield Fund referred to in section 56 of the CPF Act as in force immediately before the date of commencement of section 37(7);

“MediShield Scheme” means the medical insurance scheme called the MediShield Scheme referred to in section 53 of the CPF Act as in force immediately before the date of commencement of section 37(7);

“outstanding premium” means the amount of premium due which remains unpaid, and includes any interest imposed under section 11(1)(a) in respect of the premium and any penalty imposed under section 17 in respect of the premium;

“premium” means a premium payable for insurance cover under the Scheme;

“prescribed public scheme” means a public scheme prescribed for the purposes of Part 5;

“public authority” means a body established or constituted by or under a public Act to perform or discharge a public function;

“public scheme” means any scheme to provide financial relief, assistance or support to citizens or permanent residents of Singapore, or any part of them, that is established — 5

(a) by or under any written law and administered by a public authority; or

(b) by the Government in any other manner; 10

“recovery body” means any statutory body prescribed as a recovery body under section 18(1);

“relevant authority” means IRAS, the Commissioner of Stamp Duties, the Comptroller of Goods and Services Tax, the Comptroller of Income Tax, the Comptroller of Property Tax, the Chief Assessor, or any Government department or public authority in possession of means information; 15

“relevant public scheme” means a public scheme to provide any grant, subsidy or other benefit for the payment of a premium payable under this Act; 20

“relevant regulations” means any regulations made under this Act;

“Scheme” means the medical insurance scheme called the MediShield Life Scheme referred to in section 3.

(2) A person has a pre-existing medical condition in relation to that person’s insurance cover under the Scheme (called in this subsection the relevant insurance cover), if the person has a medical condition specified by the Minister for the purposes of premium loading under this Act immediately before — 25

(a) the date that person’s relevant insurance cover begins; or 30

(b) if that person has continuously had relevant insurance cover since the date of commencement of section 3, and was continuously insured under the MediShield Scheme



immediately before that date, the earliest date from which that person was so continuously insured under the MediShield Scheme.

(3) For the purposes of this Act —

5 (a) “premium loading” means any additional amount payable as premium, over and above the premium payable for an insurance cover under the Scheme; and

(b) the Minister is to determine the criteria for whether and when premium loading is to apply to any person.

10 (4) For the purposes of this Act, the time at which an individual attains a particular age expressed in years is the corresponding anniversary of the date of that individual’s birth, except that where an individual was born on 29 February in any year, then, in any subsequent year, the anniversary of that individual’s birth is deemed to  
15 occur on 1 March of that subsequent year.

(5) A reference to a health declaration or a means declaration in this Act includes a reference to a health declaration or a means declaration, as the case may be, made before the date of commencement of section 3, in anticipation of the establishment of the Scheme.

20

## PART 2

### MEDISHIELD LIFE SCHEME

#### **Establishment of MediShield Life Scheme**

25 **3.—**(1) A medical insurance scheme, known as the MediShield Life Scheme, is established for the purpose of paying the whole or part of the costs incurred by an insured person for approved medical treatment or services received by the insured person in an approved medical institution during the period when the insured person is insured under the Scheme.

30 (2) The Board is to administer the Scheme in accordance with this Act.

(3) The Scheme applies to every person who is a citizen or permanent resident of Singapore.

## Premium

4.—(1) The premium for each insurance period (called in this section the relevant insurance period) of such amount as may be prescribed in the relevant regulations is to be paid —

- (a) not later than 30 days after the beginning of the relevant insurance period, or on or before such later date as the Board may permit; 5
- (b) in such manner as the Board may permit; and
- (c) by all or any of the following persons, and in such proportion, as the Board may require: 10
  - (i) the insured person;
  - (ii) a parent or both parents of the insured person, subject to any provision in the relevant regulations, if the insured person has not attained 21 years of age at the beginning of the relevant insurance period. 15

(2) Despite anything in the CPF Act, the Board is entitled to deduct, from the amount standing to a person's credit in that person's medisave account, the whole or any part of the premium for the relevant insurance period (including any interest or penalty imposed under section 11(1)(a) or 17, as the case may be, in respect of that premium) — 20

- (a) payable by that person under subsection (1)(c)(i) or (ii); or
- (b) payable by any other person, in the circumstances prescribed in the relevant regulations.

(3) In subsection (1), “parent”, in relation to an insured person who has not attained 21 years of age, includes — 25

- (a) an adoptive parent of the insured person;
- (b) a step-parent of the insured person; or
- (c) a guardian, or any person who has the actual custody, of the insured person. 30

## Refund

5           **5.—**(1) Where the whole or any part of the premium paid by a person is liable to be refunded under this Act, the amount may be refunded —

          (a) into that person’s account in the Central Provident Fund; or

          (b) in such other manner as the Board may determine.

          (2) The Board is entitled to recover on behalf of the Government from any amount which is liable to be refunded under this Act —

10           (a) any Government grant for the payment of the premium payable for a person’s insurance cover under the Scheme; and

          (b) any interest which the person is liable to pay the Government under the terms of the Government grant.

15           (3) Where a person who has paid in cash any sum towards the premium for any insurance period (called in this section the relevant person), whether for the relevant person or for any other person, dies before the start of that insurance period, and the sum does not exceed such amount as the Minister may, by notification in the *Gazette*, specify —

20           (a) the Board may pay to a proper claimant the whole or any part, as the Board may determine, of the sum; and

          (b) the receipt of the proper claimant is a discharge to the Board for the payment to the proper claimant under paragraph (a).

25           (4) Subsection (3) does not affect any recourse which any person may have against a proper claimant for an amount paid to the proper claimant under subsection (3)(a).

          (5) In this section —

          “child” means a legitimate child and includes any child adopted by virtue of an order of court under any written law for the time being in force in Singapore, Malaysia or Brunei Darussalam;

          “parent” includes —

          (a) an adoptive parent of the relevant person;

- (b) a step-parent of the relevant person; or
- (c) a guardian, or any person who has the actual custody, of the relevant person;

“proper claimant” means a person who —

- (a) claims to be entitled to a sum referred to in subsection (3) on the death of a relevant person, as personal representative of the relevant person; or 5
- (b) claims to be entitled (whether for the person’s own benefit or not) to a sum referred to in subsection (3) on the death of a relevant person, and is the widower, widow, child, grandchild, parent, brother, sister, nephew, niece, grandparent, uncle or aunt of the relevant person. 10

### **Recovery of amounts paid in excess and short payments**

6.—(1) If, on account of any material change in the information available to the Board or the correction of any error, or in any other circumstances prescribed in the relevant regulations, the Board finds that there is any shortfall in any premium paid in respect of any insurance period by or for any person insured or to be insured under the Scheme, the amount of the shortfall is payable, by all or any of the following persons, and in such proportion, as the Board may require: 15

- (a) a person by whom the premium is payable under section 4(1)(c)(i) or (ii);
- (b) a person by whom the premium is payable under section 4(2)(b). 20 25

(2) If, on account of any material change in the information available to the Board or the correction of any error, or in any other circumstances prescribed in the relevant regulations, the Board finds that any benefit under the Scheme has been paid in excess of the amount that ought to have been paid under the Scheme, the excess payment is to be repaid to the Fund in accordance with the relevant regulations — 30

- (a) by the insured person; or

(b) if the excess payment has been paid by the Board directly to the credit of an approved medical institution, by that approved medical institution.

5 (3) The Board may charge an insured person, a person by whom the premium is payable or an approved medical institution an administrative fee prescribed in the relevant regulations, if any material change, error or prescribed circumstances referred to in subsection (1) or (2) arises from incorrect information which is —

10 (a) provided by the insured person, the person by whom the premium is payable or the approved medical institution, as the case may be; and

(b) included in a health declaration, means declaration or claim application made under the Scheme.

15 (4) Sections 4(2), 7(2), 32(2) and 34(2)(e) and Part 3 apply, with such modifications as may be prescribed in the relevant regulations, to any amount payable under this section as they apply to a premium.

### **MediShield Life Fund**

7.—(1) The MediShield Fund is renamed the MediShield Life Fund and is to be administered in accordance with this Act.

20 (2) The MediShield Life Fund comprises —

(a) all premiums (including interest, costs and penalties under sections 11(1)(a), 15(3) and 17, respectively) and any other sums paid under the Scheme;

25 (b) all premiums under the MediShield Scheme paid on or after the date of commencement of this section;

(c) all Government grants paid to the credit of the Fund for the purposes of the Scheme;

30 (d) all gifts or donations given or made by any person for payment into the Fund, or to the Government or the Board for the purposes of the Scheme or for payment into the Fund;

(e) all investments out of moneys in the Fund under subsection (5) and the proceeds of any such investments, including the net income from such investments;

- (f) all composition sums collected under section 24; and
- (g) all moneys in the MediShield Fund immediately before the date of the commencement of this section.

(3) All payments under the Scheme are to be met from the Fund.

(4) Any costs or expenses incurred in the administration or enforcement of the Scheme may be met from the Fund. 5

(5) The Board may invest the moneys in the Fund in accordance with the standard investment power of statutory boards as defined in section 33A of the Interpretation Act (Cap. 1), except that the Board is subject to any general or specific directions from the Minister (instead of the Minister charged with the responsibility for the Board). 10

(6) Every amount paid into or out of the MediShield Fund before the date of commencement of this section to defray any costs and expenses incurred for the purposes of the MediShield Scheme or the Scheme is taken to be and always to have been validly paid, and no legal proceedings are to lie or be instituted or maintained in any court of law on account of or in respect of any such payment. 15

(7) The Board is not liable for any payment under the Scheme, or for any costs or expenses incurred in the administration or enforcement of the Scheme, by reason of anything done, purported to be done, or omitted to be done, by the Board in good faith and with reasonable care. 20

### **MediShield Life Council**

**8.—(1)** A MediShield Life Council is established, comprising the following members, all of whom are to be appointed by the Minister: 25

- (a) a Chairperson;
- (b) a Deputy Chairperson;
- (c) at least 2 and not more than 15 other individuals.

(2) In addition to the functions and powers conferred on the Council by other provisions of this Act, the Council also has the following functions: 30

- (a) to make recommendations to the Minister on policy and scheme parameters to ensure that the Scheme provides effective protection for citizens and permanent residents of Singapore in an affordable and sustainable manner;
- 5 (b) to review the administration of the Scheme to ensure alignment with the directions of the Council;
- (c) to advise the Minister on matters related to the investment of the Fund, and any other matters related to the Scheme or the Fund as the Minister may direct.
- 10 (3) The terms and conditions of the appointment of the members of the Council are to be determined by the Minister.
- (4) The Council may appoint from amongst its own members or from other persons who are not members such number of committees as the Council thinks fit for purposes which, in the opinion of the  
15 Council, would be better managed by means of such committees.
- (5) Unless otherwise provided by or under this Act, the Council may determine the procedure to be adopted by the Council for the purposes of this Act.

### **Delegation of functions and powers**

- 20 **9.**—(1) The Council may in respect of a specified matter or class of matters, by writing, delegate any of its functions, duties or powers under this Act to a member of the Council or a committee appointed under section 8(4), except the power of delegation conferred by this subsection.
- 25 (2) The Board may in respect of a specified matter or class of matters, by writing, delegate any of its functions, duties or powers under this Act to a member, an officer or a committee of the Board, except the power of delegation conferred by this subsection.
- 30 (3) The chief executive officer of the Board may in respect of a specified matter or class of matters, by writing, delegate any of the chief executive officer's functions, duties or powers under this Act to a member or an officer of the Board, except the power of delegation conferred by this subsection.

(4) A recovery body may in respect of a specified matter or class of matters, by writing, delegate any of its powers under this Act to any officer of the recovery body, except the power of delegation conferred by this subsection.

(5) Without affecting the power of delegation under section 36 of the Interpretation Act (Cap. 1), any Minister who has the power to issue an approval or a direction under Part 5 may in respect of any specified matter or class of matters, by writing, delegate that power to any public officer. 5

(6) Every member, officer, committee or public officer purporting to act pursuant to a delegation under this section is, in the absence of proof to the contrary, presumed to be acting in accordance with the terms of the delegation. 10

(7) A delegation under this section is revocable at will, and no such delegation prevents the exercise of any power, function or duty by the Minister, the Council, the Board, the chief executive officer of the Board or the recovery body, as the case may be, which makes the delegation. 15

**Nature of rights and benefits under Scheme**

10.—(1) The rights and benefits of an insured person arising from the insured person’s insurance cover under the Scheme are not assignable or transferable. 20

(2) A policy of insurance issued under the Scheme does not create any legal or equitable trust.

(3) Section 73 of the Conveyancing and Law of Property Act (Cap. 61) and section 49L of the Insurance Act (Cap. 142) do not apply to any policy of insurance issued under the Scheme. 25

(4) The Insurance Act does not apply to the Scheme or anything done under this Act.



## PART 3

## RECOVERY OF OUTSTANDING PREMIUMS, ETC.

**Demand note**

5 **11.**—(1) If the whole or any part of the premium payable for an insurance period remains unpaid at the expiry of such period as the Board may permit (being not less than one month) after the beginning of that insurance period —

10 (a) interest may be imposed from time to time on any outstanding premium for that insurance period (excluding any penalty imposed under section 17), to run from the beginning of that insurance period or from such later period as the Board may determine at the prescribed rates; and

(b) sections 12 to 16 may be applied to the outstanding premium.

15 (2) A recovery body must serve a demand note on a defaulter liable to pay any outstanding premium —

(a) if any interest or penalty is to be imposed on the defaulter under subsection (1)(a) or section 17, as the case may be; and

20 (b) before any power under section 12, 13, 14, 15 or 16 is exercised to recover that outstanding premium from the defaulter.

(3) A demand note must state —

(a) the outstanding premium which is payable by the defaulter; and

25 (b) any interest imposed under subsection (1)(a) and any penalty imposed under section 17.

(4) This Part applies to an outstanding premium despite any appeal pending against liability to pay the whole or any part of that outstanding premium.

**Defaulter's agent for recovery of outstanding premiums**

30 **12.**—(1) A recovery body may, if it considers necessary, by notice in writing declare any person to be a defaulter's agent.

(2) The person declared to be the defaulter’s agent under subsection (1) is to be treated as the agent of the defaulter for the purposes of this Act, and may be required by the recovery body to pay any outstanding premium payable by the defaulter from any moneys which may be held by the defaulter’s agent for, or due from the defaulter’s agent to, the defaulter — 5

(a) on or not more than 90 days after the date on which the defaulter’s agent receives the notice; or

(b) at any time on or after the date on which the defaulter’s agent receives the notice, if the moneys are earnings and the defaulter’s agent is liable, as a principal and not as an employee or agent, to pay the earnings to the defaulter. 10

(3) Where separate amounts of moneys come to be held by the defaulter’s agent for, or become due from the defaulter’s agent to, the defaulter at different times within the period in subsection (2)(a) or (b), as the case may be, the recovery body may require the outstanding premium to be paid in instalments of such sums as the recovery body may specify from one or more of those separate amounts. 15

(4) Any person who is declared by a recovery body to be a defaulter’s agent under subsection (1) and is aggrieved by the declaration may object to the declaration by notice in writing to the recovery body within 14 days after the date of receipt of the notice, or within such longer period as the recovery body in its discretion may allow. 20

(5) The recovery body must examine the objection and may cancel, vary or confirm the declaration. 25

(6) An objector in subsection (4) who is aggrieved by the recovery body’s decision upon the objection in subsection (5) may appeal against that decision in accordance with the relevant regulations.

(7) If the defaulter’s agent fails to make any payment under subsection (2), the outstanding premium is recoverable from the defaulter’s agent in the manner provided in section 15. 30

(8) For the purposes of this section, a recovery body may require any person to give information as to —

(a) any moneys, funds or other assets which may be held by that person for any defaulter; or

(b) any moneys due from that person to any defaulter.

5 (9) In this section, “earnings”, in relation to a defaulter, means any sum payable to the defaulter —

(a) by way of wages or salary, including any fees, bonus, commission, overtime pay or other emoluments payable in addition to wages or salary by the person paying the wages or salary, or payable under a contract of service; or

10 (b) by way of pension, including an annuity in respect of past services, whether or not the services were rendered to the person paying the annuity, and including periodical payments by way of compensation for the loss, abolition or relinquishment, or any diminution in the emoluments, of  
15 any office or employment.

(10) Where a defaulter’s agent makes any payment of moneys to the recovery body under this section or section 13 —

(a) the defaulter’s agent is deemed to have been acting under the authority of the defaulter;

20 (b) the defaulter’s agent is, by this provision, indemnified in respect of the payment to the recovery body;

(c) the outstanding premium due from the defaulter is reduced by the amount paid by the defaulter’s agent to the recovery body; and

25 (d) the amount paid by the defaulter’s agent to the recovery body is deemed to have been paid to the defaulter in accordance with any law, contract or scheme governing the payment of moneys held by the defaulter’s agent for, or due from the defaulter’s agent to, the defaulter.

30 **Defaulter’s agent in relation to joint moneys**

**13.—**(1) This section applies where the moneys referred to in section 12(2) are moneys in a joint account of which the defaulter is a

joint account holder, or are the proceeds of sale of any immovable property of which the defaulter was a joint owner.

(2) The defaulter’s agent must —

- (a) within 14 days after the date of the receipt of the notice under section 12(2), send a notice, by registered post addressed to every owner of the moneys in the bank account or the proceeds of sale (called in this section joint moneys) at the owner’s address last known to the defaulter’s agent, informing the owner of the declaration under section 12(1); 5
- (b) retain such amount of the joint moneys as is presumed under subsection (3) to be owned by the person from whom the outstanding premium is due; and 10
- (c) subject to subsections (6) and (7), within the time specified in the notice (being not less than 42 days after the date of the receipt of the notice under section 12(2)) pay the outstanding premium due from the retained amount to the recovery body. 15

(3) It is presumed, until the contrary is proved, that the joint account holders of a joint account have equal shares of the moneys in the account as at the date of the receipt of the notice under section 12(2), and that the joint owners of any immovable property share the proceeds of sale of the property equally. 20

(4) Any owner of joint moneys who objects to the share presumed under subsection (3) may give notice of the owner’s objection in writing to the defaulter’s agent within 28 days after the date of the receipt of the agent’s notice under subsection (2)(a), or within such longer period as the recovery body may allow, and furnish proof as to the owner’s share of the joint moneys together with the notice of objection. 25

(5) Where an objection under subsection (4) is received, the defaulter’s agent must — 30

- (a) inform the recovery body of the objection within 7 days after the date of the receipt of the objection; and
- (b) retain the amount of the joint moneys referred to in subsection (2)(b) until such time as the recovery body by

notice under subsection (6) informs the defaulter's agent of the recovery body's decision on the objection.

5 (6) The recovery body must consider the objection under subsection (4) and, by notice in writing, inform the objector of its decision.

(7) An owner of joint moneys aggrieved by the decision of the recovery body under subsection (6) may appeal against that decision in accordance with the relevant regulations.

10 (8) Where the recovery body has decided under subsection (6) on the amount of the defaulter's share of the joint moneys, the defaulter's agent must, despite any appeal under subsection (7), pay that amount, from the amount of the joint moneys retained under subsection (5)(b), towards any outstanding premium due from the defaulter.

15 (9) In this section, "joint account" means a bank account in the names of 2 or more persons, but excludes any partnership account, any trust account and any account where a minor is one of the joint account holders.

### **Payment by Government**

14.—(1) Where —

20 (a) any outstanding premium is due from any person under this Act other than as a defaulter's agent under section 12 or 13;

(b) an amount is or would be payable by the Government to the person by or under any written law, contract or scheme —

25 (i) on or not more than 90 days after the date on which the public officer in paragraph (c) receives the notice in paragraph (c); or

(ii) at any time on or after the date on which the public officer in paragraph (c) receives the notice in paragraph (c), if the amount is earnings (as defined in section 12(9)) payable to the person by the Government as a principal and not as an agent; and

30

(c) before the amount referred to in paragraph (b) is paid to the person, the recovery body serves a notice on any public

officer by whom the payment is to be made that the outstanding premium referred to in paragraph (a) is due from the person,

then the public officer is, despite that or any other written law, contract or scheme, entitled to pay the whole or any part of the amount referred to in paragraph (b) towards the whole or any part of the outstanding premium referred to in paragraph (a). 5

(2) If a public officer makes a payment under subsection (1) towards the outstanding premium referred to in subsection (1)(a) —

(a) the amount of the outstanding premium is to be reduced by the amount of that payment; and 10

(b) that payment is deemed to have been made to the person in accordance with the law, contract or scheme referred to in subsection (1)(b).

### **Suit for outstanding premiums**

 15

**15.**—(1) All outstanding premiums imposed under this Act, and all sums due to the Fund, may be sued for and recovered by a recovery body in its own name by way of specially endorsed writ of summons.

(2) A recovery body is entitled to all costs and interest allowed by law against the person sued. 20

(3) All sums (including costs and interest) recovered in a suit brought under this section are to be paid into the Fund.

### **Recovery from defaulter leaving Singapore**

**16.**—(1) Where a recovery body is of the opinion that any defaulter is about or likely to leave Singapore without paying all outstanding premiums payable by the defaulter, the recovery body may issue a certificate containing particulars of such outstanding premiums and a direction to the Commissioner of Police or the Controller of Immigration, or both, to prevent the defaulter from leaving Singapore without paying the outstanding premiums or furnishing security to the recovery body for the payment. 25 30

(2) Subject to the provisions of any order issued or made under any law for the time being in force relating to banishment or immigration,

upon receiving a direction under subsection (1), the Commissioner of Police or the Controller of Immigration, or both, as the case may be, are to take, or cause any police officer or immigration officer to take, such measures as may be necessary to prevent the defaulter from leaving Singapore until every outstanding premium has been paid or secured.

(3) The measures referred to in subsection (2) may include —

(a) the use of such force as may be necessary; and

(b) if appropriate, the detention of any passport, certificate of identity or travel document and any exit permit or other document authorising the defaulter to leave Singapore.

(4) At the time the recovery body issues the certificate under subsection (1), the recovery body must issue to the defaulter, by personal service or registered post, a notification of the issue of the certificate; but a non-receipt of the notification does not invalidate any proceedings under this section.

(5) Payment of the outstanding premium to an officer in charge of a police station or an immigration officer, or production of a certificate issued by the recovery body stating that the outstanding premium has been paid or secured, is sufficient authority for allowing the defaulter to leave Singapore.

(6) A defaulter who, knowing that a direction has been issued under this section to prevent the defaulter's departure from Singapore, voluntarily leaves or attempts to leave Singapore without paying the outstanding premium or furnishing security to the recovery body's satisfaction for that payment —

(a) 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 12 months or to both; and

(b) may be arrested, without warrant, by any police officer or immigration officer.

(7) No civil or criminal proceedings are to be instituted or maintained against the Commissioner of Police, the Controller of Immigration or any other police officer or immigration officer, in

respect of anything done in good faith and with reasonable care under the authority of this section.

### **Penalty for late payment of premium**

17.—(1) Subject to subsection (3), if the whole or any part of the premium for an insurance period, or any interest imposed under section 11(1)(a), remains unpaid at the expiry of such period as the Board may permit (being not less than one month) after the beginning of that insurance period, a penalty may be added to the premium and interest at the rates and times prescribed in the relevant regulations. 5

(2) Subject to subsection (3), the relevant regulations may provide for penalties to be imposed at different rates for premiums and interest imposed under section 11(1)(a) which remain unpaid for different periods. 10

(3) The total amount of the penalties imposed on the premium and interest for an insurance period must not exceed 17% of the total amount of the premium for that insurance period and any interest imposed under section 11(1)(a) on the outstanding premiums for that insurance period. 15

(4) The recovery body may, subject to such terms and conditions as the recovery body may specify, extend the time limit within which payment of any penalty is to be made. 20

(5) A recovery body may for any good cause shown remit the whole or any part of the penalty imposed by it under subsection (1).

### **Recovery body**

18.—(1) The Minister may prescribe one or more statutory bodies as recovery bodies for the purposes of this Part. 25

(2) A recovery body may —

(a) only exercise any powers under this Part which the Minister authorises it to exercise; and

(b) must, in exercising those powers, comply with any directions of the Council. 30



(3) Despite the provisions of any written law, a legal officer of a recovery body who is an advocate and solicitor may appear for the recovery body in any civil proceedings arising from the exercise of the recovery body's powers under this Part, and may make and do all acts and applications in respect of such proceedings on behalf of the recovery body.

## PART 4

### OFFENCES

#### **False or incorrect health declaration, means declaration or claim application**

19.—(1) A person commits an offence if the person —

(a) makes a health declaration, means declaration or claim application under the Scheme which is false or misleading in a material particular, knowing that the declaration or application is false or misleading in a material particular;

(b) omits any matter or thing without which the health declaration, means declaration or claim application, as the case may be, is misleading in a material particular, knowing that the omission makes the declaration or application misleading; or

(c) provides any information which is false or misleading in a material particular, knowing that the information provided —

(i) is false or misleading in a material particular; and

(ii) will be included in a health declaration, means declaration or claim application made under the Scheme.

(2) A person shall be liable on conviction of an offence under subsection (1) —

(a) in any case where the person is an individual, to a penalty equal to the relevant amount; or

(b) in any other case, to a penalty equal to 5 times the relevant amount.

(3) A person who commits an offence under subsection (1), with the intention of causing any premium to be undercharged or any benefit or claim to be overpaid under the Scheme, shall be guilty of an offence under this subsection and shall be liable on conviction of the offence under this subsection — 5

(a) in any case where the person is an individual —

(i) to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both; and

(ii) in addition, to a penalty equal to 2 times the relevant amount; or 10

(b) in any other case —

(i) to a fine not exceeding \$10,000; and

(ii) in addition, to a penalty equal to 4 times the relevant amount.

(4) In this section, “relevant amount” means the amount by which any premium has been undercharged, or the amount of any benefit or claim that has been overpaid, as a result of the offence, or that would have been so undercharged or overpaid if the false or misleading declaration or application (as the case may be) had been accepted as correct. 15 20

## **Investigators**

**20.**—(1) The Minister may, in writing, appoint any public officer to investigate any offence under this Act.

(2) The chief executive officer of the Board may, in writing, appoint any officer of the Board to investigate any offence under this Act. 25

(3) An investigator, when exercising any powers and carrying out any duties under this Act, must comply with such general or special directions as may from time to time be given —

(a) by the Minister, if the investigator is a public officer; or

(b) by the chief executive officer of the Board, if the investigator is an officer of the Board. 30

## Power to obtain information

21.—(1) An investigator who has a reasonable suspicion that any person has committed an offence under this Act may —

5 (a) by notice in writing require any person to attend at such reasonable time and at such place as may be specified by the investigator to answer any question or to provide a signed statement in writing concerning the suspected offence;

(b) require any person —

10 (i) to furnish any information within the person's knowledge; or

(ii) to produce for inspection any document or record in the person's possession,

that the investigator believes on reasonable grounds to be connected with the suspected offence; and

15 (c) retain the original copy of any document or record that the investigator believes on reasonable grounds to be connected with the suspected offence, or make or cause to be made, without payment, copies of or extracts from that document or record.

20 (2) Where any document or record required by an investigator is kept in electronic form, then —

25 (a) the power of an investigator to require that document or record to be produced for inspection under subsection (1)(b)(ii) includes the power to require a copy of that document or record to be made available for inspection in legible form; and

(b) subsection (1)(c) applies to any copy so made available.

30 (3) Any copy of or extract from any document or record made under subsection (1)(c) and certified as such by the investigator is admissible as evidence in any proceedings under this Act.

(4) Any person who, when required by an investigator to furnish under subsection (1)(b) any information or produce any document or record, refuses or fails, without reasonable excuse, to furnish the

information or to produce the document or record within the time allowed by the investigator shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$10,000 or to imprisonment for a term not exceeding 6 months or to both.

### **Obstructing investigators in execution of their duties**

5

**22.** Any person who, without reasonable excuse, obstructs, hinders or impedes any investigator in the performance or execution of a duty or anything which the investigator is authorised, empowered or required to do under this Act shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$20,000 or to imprisonment for a term not exceeding 12 months or to both.

10

### **Offences by bodies corporate, etc.**

**23.—(1)** Where an offence under this Act committed by a body corporate is proved —

(a) to have been committed with the consent or connivance of an officer; or

15

(b) to be attributable to any neglect on the officer's part,

the officer as well as the body corporate shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(2) Where the affairs of a body corporate are managed by its members, subsection (1) is to apply in relation to the acts and defaults of a member in connection with the member's functions of management as if the member were a director of the body corporate.

20

(3) Where an offence under this Act committed by a partnership is proved —

25

(a) to have been committed with the consent or connivance of a partner; or

(b) to be attributable to any neglect on the partner's part,

the partner as well as the partnership shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

30

(4) Where an offence under this Act committed by an unincorporated association (other than a partnership) is proved —

(a) to have been committed with the consent or connivance of an officer of the unincorporated association or a member of its governing body; or

(b) to be attributable to any neglect on the part of such an officer or a member,

the officer or member as well as the unincorporated association shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(5) In this section —

“body corporate” includes a limited liability partnership as defined in section 2(1) of the Limited Liability Partnerships Act (Cap. 163A);

“officer” —

(a) in relation to a body corporate, means any director, partner, member of the board of management, chief executive, manager, secretary or other similar officer of the body corporate and includes any person purporting to act in any such capacity; or

(b) in relation to an unincorporated association (other than a partnership), means the president, the secretary, or any member of the committee of the unincorporated association, or any person holding a position analogous to that of president, secretary or member of such a committee and includes any person purporting to act in any such capacity;

“partner” includes a person purporting to act as a partner.

### **Composition of offences**

**24.—**(1) A public officer authorised by the Minister, or an officer of the Board authorised by the chief executive officer of the Board, may compound any offence under this Act which is prescribed as a compoundable offence by collecting from a person reasonably suspected of having committed the offence a sum not exceeding the lower of the following:

(a) one half of the amount of the maximum fine that is prescribed for the offence;

(b) \$1,000.

(2) On payment of such sum of money, no further proceedings are to be taken against that person in respect of the offence. 5

(3) All sums collected under this section are to be paid into the Fund.

### **Conduct of prosecutions**

**25.** Proceedings in respect of any offence under this Act may, with the authorisation of the Public Prosecutor, be conducted —

(a) by any public officer appointed by the Minister to conduct such proceedings; or 10

(b) by any officer of the Board appointed by the chief executive officer of the Board to conduct such proceedings.

## **PART 5**

### **DISCLOSURE OF INFORMATION**

15

#### **Confidential information**

**26.—**(1) Where the Minister certifies, under the Minister's hand, that a public officer, a public authority or any other organisation or person (called in this subsection a recipient organisation) requires any particular class of confidential information about a person (called in this subsection a person concerned), which is in the possession of a Government department or another public authority, for the administration or enforcement of the Scheme or in order to disburse or facilitate the disbursement of any grant, subsidy or benefit under a healthcare-related public scheme, in relation to the person concerned — 20 25

(a) the Minister charged with the responsibility for that Government department or other public authority may, in addition to any other power conferred by any written law, direct that Government department or other public authority to provide so much of the confidential information to the 30

recipient organisation as the recipient organisation requires for that purpose; and

(b) that Government department or other public authority is to comply with the direction under paragraph (a).

5 (2) The Board may use so much of the confidential information about a person, obtained by the Board before, on or after the date of commencement of this section in the course of performing the Board's functions or duties under the CPF Act, to administer or enforce the Scheme in relation to that person as —

10 (a) the Minister certifies, under the Minister's hand, to be required by the Board for that purpose; and

(b) the Minister charged with the responsibility for the Board approves to be used for that purpose.

15 (3) The Board may use so much of the confidential information about a person obtained by the Board in the course of performing its functions or duties under this Act to perform the Board's functions and duties under the CPF Act in relation to that person as the Minister approves to be used for that purpose.

20 (4) A person who had consented, before the date of commencement of section 34(2)(j), to the Board disclosing information about that person in the Board's possession to an insurer to administer or operate an insurance scheme referred to in section 77(1)(k) of the CPF Act in relation to that person, or that person's dependant, is deemed to consent to the Board disclosing information, obtained by the Board on or after that date in the course of administering or enforcing the CPF Act or this Act, to that insurer to administer or operate that insurance scheme (whether pursuant to regulations made under section 77(1)(k) of the CPF Act or regulations made under section 34(2)(j)), until such deemed consent is withdrawn.

30 (5) Subsections (1), (2) and (3) do not apply to —

(a) confidential information about a person obtained directly or indirectly from a medical institution or a medical practitioner who attended to that person at that medical institution; and

(b) means information.

## Health information

27.—(1) Where the Minister certifies, under the Minister’s hand, that an authorised person requires confidential information about a person (called in this section a person concerned) which is in the possession of a medical institution or a medical practitioner who attended to the person concerned in that medical institution, in order to —

- (a) assess whether premium loading under the Scheme applies to the person concerned on account of a pre-existing medical condition; or
- (b) assess a claim for benefits under the Scheme by the person concerned,

the authorised person may request that medical institution or medical practitioner to provide so much of the confidential information to the authorised person as the authorised person needs for that purpose.

(2) Where any confidential information about a person concerned has been obtained under subsection (1), an authorised person may —

- (a) access or use, or disclose to another authorised person, such confidential information for the purposes certified by the Minister under subsection (1); or
- (b) disclose such confidential information to any person for the administration or enforcement of the Scheme, or to an insurer to administer or operate an insurance scheme referred to in section 77(1)(k) of the CPF Act or section 34(2)(j) in relation to the person concerned but only if the information is disclosed —
  - (i) with the approval of the Minister; and
  - (ii) in the form of a report stating whether that person concerned has any pre-existing medical condition (without identifying the pre-existing medical condition) and the amount of premium loading applicable to the premium payable by that person.

(3) If a person concerned opts out, in the manner determined by the Minister, from the provision of information about the person



concerned for the purposes of subsection (1)(a), an authorised person must not, from the time the authorised person is notified that the person concerned has opted out, except with the consent of the person concerned —

- 5           (a) request a medical institution or a medical practitioner to provide the information under subsection (1)(a); or
- (b) access or use any information obtained under subsection (1)(a).

10           (4) A person who has not attained the age of 21 years (called in this subsection the minor) may opt out from the provision of information about the minor for the purposes of subsection (1)(a) only if —

- (a) the minor has attained the age of 16 years; and
- (b) any other person who is liable to pay the minor’s premium under section 4(1)(c)(ii) does not object to the opting out by
- 15           the minor.

**Means information, household composition, etc.**

20           **28.**—(1) Where an authorised person requests for means information about a person (called in this section a person concerned), which is in the possession of a relevant authority, to assess the eligibility of any person for any grant, subsidy or benefit under a relevant public scheme, the relevant authority is to provide to the authorised person so much of that means information as —

- (a) the Minister certifies, under the Minister’s hand, to be required by the authorised person for that purpose; and
- 25           (b) the Minister charged with the responsibility for the relevant authority approves to be provided for that purpose.

30           (2) An authorised person may access or use, or disclose to another authorised person, any means information provided under subsection (1) for the purposes for which the information was provided.

             (3) An authorised person may provide means information about a person concerned obtained under subsection (1) to any public authority or other organisation or person that is responsible for a

prescribed public scheme (called in this subsection a recipient organisation) or any officer, employee or agent of the recipient organisation, for the recipient organisation to disburse, or facilitate the disbursement of, a grant, subsidy or benefit under the prescribed public scheme, only —

5

(a) in the form of a report derived from such means information stating whether any person satisfies the eligibility criteria for a grant, subsidy or benefit under a relevant public scheme or any tier or category within such eligibility criteria (whether or not the report includes any information other than means information);

10

(b) at the request of the recipient organisation; and

(c) with the approval of the Minister.

(4) If a person concerned opts out, in the manner determined by the Minister, from the provision of means information about the person concerned for the purpose referred to in subsection (1), an authorised person must not, from the time the authorised person is notified that the person concerned has opted out, except with the consent of the person concerned —

15

(a) request the information under subsection (1); or

20

(b) access or use any information obtained under subsection (1).

(5) If a person concerned opts out, in the manner determined by the Minister, from the provision of information about the person concerned under subsection (3) for the disbursement, or for facilitating the disbursement, of all grants, subsidies or benefits under all prescribed public schemes, an authorised person must not from the time the authorised person is notified that the person concerned has opted out, disclose the information under subsection (3), except with the consent of the person concerned.

25

(6) A person who has not attained the age of 21 years (called in this subsection the minor) may opt out from the provision of means information about the minor under subsection (1) or (3) only if —

30

(a) the minor has attained the age of 16 years; and

(b) any other person who is liable to pay the minor's premium under section 4(1)(c)(ii) does not object to the opting out by the minor.

5 (7) Information on a person's household composition and whether that person satisfies the eligibility criteria for a grant, subsidy or benefit under a relevant public scheme or any tier or category within such eligibility criteria, derived from information obtained under this section may be disclosed to that person.

10 (8) IRAS may, if it is prescribed as a recovery body, use to enforce the Scheme so much of the means information or other confidential information obtained by it (whether before, on or after the date of commencement of this section) in the course of performing its functions under section 6 of the Inland Revenue Authority of Singapore Act (Cap. 138A) as the Minister charged with the  
15 responsibility for finance approves to be used for such purpose.

### **Offence and immunity relating to disclosure**

20 **29.**—(1) Subject to subsections (2), (3) and (4), any person who, knowing that any information about any other person was provided or obtained under any provision of section 26, 27 or 28, accesses, uses or discloses the information, without the written consent of that other person, 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 12 months or to both.

25 (2) No person or organisation shall be guilty of an offence under any written law or of any breach of confidence, shall incur any civil liability or shall be liable to any disciplinary action by a professional body, by virtue merely of doing any of the following in good faith and with reasonable care:

30 (a) complying with a direction under section 26(1)(a) or a request under section 27(1) or 28(1);

(b) providing or disclosing information in accordance with any provision of section 26, 27 or 28;

(c) accessing or using information provided or obtained under any provision of section 26, 27 or 28 in accordance with the

requirements of such provision and any terms and conditions imposed under section 30(1);

(d) with the approval of the Minister —

(i) disclosing any information obtained under section 26, 27 or 28 to the Council for the exercise of the Council's functions and powers under this Act; or

(ii) where the organisation is the Council, using that information to exercise its functions and powers under this Act.

(3) Sections 26, 27 and 28 and subsection (2) apply —

(a) despite any other written law; and

(b) whether or not any person accessing, using or disclosing information under those provisions is under any obligation (imposed by any written law or otherwise) not to access, use or disclose such information.

(4) Sections 26, 27 and 28 do not affect the exercise of any right or authority under any other written law or rule of law to access, use or disclose confidential information.

## General

**30.**—(1) An approval under section 26(2)(b) or (3), 27(2)(b)(i), 28(1)(b), (3)(c) or (8) or 29(2)(d) or a direction under section 26(1)(a) may be given on such terms and conditions, as the Minister giving the approval or direction considers appropriate, regarding access to the information provided or disclosed pursuant to the approval or direction, as the case may be.

(2) A certification, an approval or a direction by a Minister under this Part may be given in relation to a particular class of confidential information about persons within a class of persons specified in the certification, approval or direction.

(3) References in this Part to the Scheme and to other provisions of this Act are to apply, before the commencement of the provisions establishing the Scheme and the commencement of those other

provisions of this Act, respectively, as if those provisions were already in force.

## PART 6 MISCELLANEOUS

### 5 **Change of address**

**31.**—(1) Subject to subsection (2), every person who is liable to pay any premium under section 4(1)(c)(i) or (ii) must inform the Board in writing of any change in that person’s residential address.

10 (2) If a person has changed that person’s residential address and has made a report of the change under section 8 of the National Registration Act (Cap. 201), that person is taken to have informed the Board of the change of that residential address in accordance with subsection (1).

### **Certificate of officer authorised by Board to be evidence**

15 **32.**—(1) In any legal proceedings, a copy of an entry in the accounts of the Fund duly certified under the hand of an officer of the Board authorised by the Board to sign the certification is prima facie evidence of the entry having been made and of the truth of the contents of the entry.

20 (2) In any suit under section 15, the production of a certificate signed by an officer of the Board authorised by the Board to sign the certification stating the following is sufficient evidence of the amount due and sufficient authority for the court to give judgment for that amount:

- 25 (a) the name and address of the defaulter; and  
(b) the amount of the outstanding premium payable by the defaulter.

### **Protection from personal liability**

30 **33.** No liability is incurred by any public officer, any member of the Council or of any committee appointed under section 8(4), any member, officer or employee of the Board or a recovery body, or any

other person acting under the direction of the Council or the Board, for anything which is done or purported to be done, or omitted to be done, in good faith and with reasonable care in —

- (a) the exercise or purported exercise of any power under this Act; or 5
- (b) the performance or purported performance of any function or duty under this Act.

## **Regulations**

**34.—**(1) The Minister may make regulations for carrying out the purposes and provisions of this Act. 10

(2) Without limiting subsection (1), such regulations may —

- (a) despite section 3(3), provide for the circumstances in which a person ceases to be an insured person or may be reinstated as an insured person, including —
  - (i) refunds and payments to be made to adjust for such changes; and 15
  - (ii) interest paid into that person’s medisave account to be deducted and paid to the general moneys of the Central Provident Fund;
- (b) prescribe different rates of premiums for different classes of insured persons, including imposing premium loading for insured persons who do not satisfy the Board that they have no pre-existing medical conditions; 20
- (c) prescribe the benefits payable under the Scheme (which may differ for different classes of insured persons) and make provision for claims for such benefits, including — 25
  - (i) the circumstances in which an insured person is entitled to claim such benefits, including limiting benefits to any approved medical treatment or services which are assessed by the Council or a committee appointed under section 8(4) to be appropriate in the circumstances of any particular case; 30

- (ii) the form and manner of submitting claims under the Scheme, including provision for direct submission of such claims by approved medical institutions; and
  - (iii) providing for any payments which an insured person is liable to make under this Act to be deducted from the benefits payable to that person;
- (d) prescribe the circumstances for imposing and the manner of computing premiums, interest (including compound interest) under section 11(1)(a) and penalties imposed under section 17, and the order in which payments are applied to such premiums, interest and penalties;
- (e) prescribe the circumstances in which premiums, interest under section 11(1)(a) and penalties imposed under section 17 are payable by a person (other than an insured person) and may be deducted from that person's medisave account under section 4(2)(b);
- (f) provide for any payment under this Act to be deducted from the medisave account of the person liable to make that payment;
- (g) provide for the refund of any premium, interest under section 11(1)(a), penalty under section 17 or other payment made under this Act (called in this paragraph the refunded payment), including —
  - (i) the rate, manner or circumstances for the refund to be made;
  - (ii) for any payments which the insured person is liable to make under this Act to be deducted from the amount to be refunded; and
  - (iii) if the refunded payment was deducted from an account of a CPF member in the Central Provident Fund, the refund, to that or any other account of that CPF member in the Central Provident Fund, of the whole or such part of the interest which would have been payable if the refunded payment had not been so deducted;

- (h) prescribe the fees and charges for the purposes of this Act;
- (i) provide in respect of any offence under the regulations —
- (i) in a case where the offender is an individual, for a penalty not exceeding a fine of \$5,000 or imprisonment for a term not exceeding 12 months or both for each offence; or 5
  - (ii) in any other case, for a penalty not exceeding a fine of \$10,000 for each offence;
- (j) provide, in any case where a CPF member or the CPF member's dependant is insured under a medical insurance scheme or other insurance scheme approved by the Minister, for — 10
- (i) the withdrawal of money from the CPF member's medisave account for the payment of any premium payable by the CPF member or the dependant in respect of the medical insurance scheme or other insurance scheme; 15
  - (ii) the refund of any premium paid by the CPF member or the dependant in respect of the medical insurance scheme or other insurance scheme, the circumstances under which any such refund is to be made, and the determination of the manner in which any such refund will be made (including the person who will make any such determination); 20
  - (iii) the payment of any rebate given in respect of the medical insurance scheme or other insurance scheme, the circumstances under which any such payment will be made, and the determination of the manner in which any such payment will be made (including the person who will make any such determination); 25 30
  - (iv) the insurer to pay administrative fees to the Board for any material change or error in relation to any withdrawal, refund or payment by the Board arising from incorrect information provided by the insurer or



from such other circumstances as may be prescribed;  
and

(v) transitional provisions for a medical insurance scheme or other insurance scheme approved by the Minister for the purposes of this paragraph, if regulations made under section 77(1)(k) of the CPF Act applying to that medical insurance scheme or other insurance scheme are revoked;

(k) provide —

(i) the manner of service of any document permitted or required to be served on any person under this Act (not being the service of a document in any proceedings in court); and

(ii) that any such document sent by registered post to a person at his or her residential address (as provided to the Board in accordance with section 31) or at a correspondence address provided by the person in accordance with the relevant regulations is taken to be duly served;

(l) exempt any person or class of persons from the Scheme or any provision of this Act, or modify the application of this Act in relation to any person insured under the Scheme by virtue of section 35(1) or any other class of persons;

(m) prescribe the circumstances for the termination of insurance cover under the Scheme in relation to any person or class of persons insured under the Scheme by virtue of section 35(1);

(n) make transitional and savings provisions for the MediShield Fund and MediShield Scheme, including for the payment of benefits, the recovery of premiums payable and the refund of payments made under that Scheme on or after the date of commencement of section 37(7);

(o) make financial provisions in relation to the Fund and the Scheme, including the audit of the Fund and the Scheme and the submission of reports on the administration and enforcement of the Fund or the Scheme; and

(p) prescribe anything that is required or permitted to be prescribed under this Act.

(3) The regulations made under this Act may make different provisions for different classes of persons.

(4) All regulations made under this Act are to be presented to Parliament as soon as possible after publication in the *Gazette*. 5

### **Transitional and savings provisions**

**35.**—(1) Every person who, not being a citizen or permanent resident of Singapore, is an insured person under the MediShield Scheme immediately before the date of commencement of section 3 continues to be insured under the Scheme — 10

(a) with such modifications as may be prescribed in the relevant regulations; and

(b) until that insurance cover is terminated under the relevant regulations. 15

(2) Except as provided in subsection (1), the Scheme does not apply to any person who is not a citizen or permanent resident of Singapore.

(3) Section 13(1)(b) of the CPF Act continues to apply to withdrawals from a person's medisave account for the payment of premiums payable for insurance cover under the MediShield Scheme as if that section was not amended by this Act. 20

(4) Section 16A of the CPF Act continues to apply to premiums payable for a person's insurance cover under the MediShield Scheme as if that section was not amended by this Act.

(5) Despite section 37(7), section 53A of the CPF Act in force immediately before the date of commencement of section 37(7) continues to apply to any thing done before that date by any person who was below the age of 16 years or 21 years, as the case may be, when that thing was done. 25

### **Related amendments to Bankruptcy Act** 30

**36.**—(1) Section 90(1) of the Bankruptcy Act (Cap. 20, 2009 Ed.) is amended —

- (a) by deleting the word “and” at the end of paragraph (f); and
- (b) by deleting the full-stop at the end of paragraph (g) and substituting the word “; and”, and by inserting immediately thereafter the following paragraph:

5                   “(h) eighthly, all premiums (including interest and penalties for late payment) and other sums payable in respect of the bankrupt’s insurance cover under the MediShield Life Scheme referred to in section 3 of the MediShield Life Scheme Act 2015 before the time fixed for the proving of debts has expired.”.

10

(2) Section 127(2) of the Bankruptcy Act is amended —

- (a) by deleting the word “or” at the end of paragraph (a); and
  - (b) by deleting the full-stop at the end of paragraph (b) and substituting the word “; and”, and by inserting immediately thereafter the following paragraph:
- 15

                  “(c) a debt in respect of any premium (including interest and penalties for late payment) and other sums due under the MediShield Life Scheme Act 2015.”.

20

### **Consequential amendments to Central Provident Fund Act**

**37.—**(1) Section 2 of the Central Provident Fund Act (Cap. 36, 2013 Ed.) (called in this section the CPF Act) is amended —

- (a) by inserting, immediately after the definition of “medisave account” in subsection (1), the following definition:
- 25

                  ““MediShield Life Scheme” means the MediShield Life Scheme referred to in section 3 of the MediShield Life Scheme Act 2015;”;

- (b) by deleting “57,” in subsection (4).

(2) Section 10 of the CPF Act is amended —

(a) by renumbering the section as subsection (1) of that section, and by inserting immediately thereafter the following subsection:

“(2) Despite anything in this Act or the MediShield Life Scheme Act 2015, no money in the Fund is to be used to make any payment for the purposes of the MediShield Life Scheme Act 2015 or any costs or expenses incurred in the administration of the MediShield Life Scheme, except for — 5 10

(a) withdrawals or deductions from a member’s medisave account made in accordance with this Act or the MediShield Life Scheme Act 2015; or

(b) any payment made by the Board, as a defaulter’s agent under section 12 or 13 of the MediShield Life Scheme Act 2015, from moneys payable from the Fund.”; and 15

(b) by deleting the section heading and substituting the following section heading:

“**Expenses, etc.**”. 20

(3) Section 13(1) of the CPF Act is amended by deleting paragraph (b) and substituting the following paragraph:

“(b) a medisave account from which, apart from subsection (6) and sections 15(2), (3), (4) and (5), 16A and 27B, withdrawals may be made in accordance with — 25

(i) any regulations made under section 77(1)(j) and (k); and

(ii) the MediShield Life Scheme Act 2015; and”.

(4) Section 16A(1) of the CPF Act is amended — 30

(a) by deleting the words “section 57 or” and substituting the words “section 34 of the MediShield Life Scheme Act 2015 or section”;

(b) by deleting the words “those regulations” in paragraph (a) and substituting the words “regulations made under section 77(1)”;

5 (c) by deleting the words “those regulations” wherever they appear in paragraph (b) and substituting in each case the words “regulations made under section 77(1)”;

10 (d) by deleting the words “premium payable for the member’s insurance under the MediShield Scheme established and maintained by the Board under section 53, or under any medical insurance scheme or other insurance scheme referred to in section 77(1)(k)” in paragraph (c) and substituting the words “premium (including interest and penalties for late payment) and other sums payable for the member’s insurance under the MediShield Life Scheme, or under any medical insurance scheme or other insurance scheme referred to in section 34(2)(j) of the MediShield Life Scheme Act 2015 or section 77(1)(k)”;

15 and

(e) by deleting sub-paragraph (i) of paragraph (c) and substituting the following sub-paragraph:

20 “(i) the member is insured under the MediShield Life Scheme, or under any medical insurance scheme or other insurance scheme, as the case may be; and”.

25 (5) Section 27B of the CPF Act is amended —

(a) by deleting sub-paragraph (ii) of subsection (6)(b) and substituting the following sub-paragraph:

“(ii) every deduction which the Board is entitled to make under —

30 (A) section 27L, 32 or 45 or any regulations made under section 77(1); and

(B) the MediShield Life Scheme Act 2015.”; and

(b) by deleting sub-paragraph (ii) of subsection (7)(b) and substituting the following sub-paragraph:

“(ii) every deduction which the Board is entitled to make under —

(A) section 27L, 32 or 45 or any regulations made under section 77(1); and

(B) the MediShield Life Scheme Act 2015.”.

(6) Section 52 of the CPF Act is amended — 10

(a) by inserting, immediately after the words “section 56” in the definition of “MediShield Fund”, the words “as in force immediately before the date of commencement of section 37(7) of the MediShield Life Scheme Act 2015”; and

(b) by inserting, immediately after the words “section 53” in the definition of “Scheme”, the words “as in force immediately before the date of commencement of section 37(7) of the MediShield Life Scheme Act 2015”. 15

(7) Sections 53, 53A, 54, 55, 56 and 57 of the CPF Act are repealed.

(8) Section 59 of the CPF Act is amended by deleting subsections (6) and (7) and substituting the following subsections: 20

“(6) On the request of an insurer administering or operating an insurance scheme referred to in section 34(2)(j) of the MediShield Life Scheme Act 2015 or section 77(1)(k) for information about a person or the person’s dependant, which the insurer requires to administer or operate the insurance scheme in relation to the person, or the person’s dependant, the Board may disclose to the insurer such information (including any medical information and information relating to the amount standing to the credit of the person in the person’s medisave account) obtained by the Board, in the course of performing the Board’s functions or duties under this Act, for such purpose as the Minister may approve. 25 30

(7) The insurer may use the information about the person or the person’s dependant obtained under subsection (6) only for the purpose approved by the Minister under that subsection.”.

5 (9) Section 66 of the CPF Act is amended by deleting the words “, the Home Protection Fund or the MediShield Fund” and substituting the words “or the Home Protection Fund”.

### **Consequential amendments to Income Tax Act**

**38.** Section 14(8) of the Income Tax Act (Cap. 134, 2014 Ed.) is amended —

10 (a) by inserting, immediately after the word “MediShield” in the definitions of “co-payment”, “deductible”, “qualifying insurance” and “rider”, the word “Life”;

(b) by deleting the definition of “integrated medical insurance plan” and substituting the following definition:

15 ““integrated medical insurance plan” has the same meaning as in the regulations made under section 34(2)(j) of the MediShield Life Scheme Act 2015 or section 77(1)(k) of the Central Provident Fund Act;”; and

20 (c) by deleting the definition of “MediShield Scheme” and substituting the following definition:

25 ““MediShield Life Scheme” means the MediShield Life Scheme referred to in section 3 of the MediShield Life Scheme Act 2015 and includes the MediShield Scheme established and maintained under section 53 of the Central Provident Fund Act as in force immediately before the date of commencement of section 37(7) of the MediShield Life Scheme Act 2015;”.

30

---

## EXPLANATORY STATEMENT

This Bill seeks to establish the new MediShield Life Scheme (the Scheme) to provide a compulsory medical insurance scheme for all Singapore citizens and permanent residents. The Scheme is financed through the MediShield Life Fund (the Fund) which includes moneys from the MediShield Fund established under the Central Provident Fund Act (Cap. 36) (CPF Act).

### PART 1

#### PRELIMINARY

Clause 1 relates to the short title and commencement.

Clause 2 relates to the interpretation of the Bill. Clause 2(1) defines certain terms used in the Bill, such as, “approved medical institution”, “approved medical treatment or services”, “authorised person”, “health declaration”, “household composition”, “means declaration”, “means information”, “outstanding premium” and “public authority”. Clause 2(2) defines when a person has a pre-existing medical condition. Clause 2(3) defines “premium loading” and provides that the Minister may determine whether and when premium loading is to apply to any person. Clause 2(4) sets the date when a person is taken to attain a particular age for the purposes of the Act. As health declarations and means declarations may need to be furnished in anticipation of the establishment of the Scheme, clause 2(5) provides that a reference to a health declaration or a means declaration includes a reference to such declarations made before the date when clause 3 (which establishes the Scheme) commences.

### PART 2

#### MEDISHIELD LIFE SCHEME

Clause 3 establishes the Scheme, which is a compulsory medical insurance scheme for all Singapore citizens and permanent residents. The Central Provident Fund Board (the Board) will administer the Scheme.

Clause 4 provides for the payment of premiums for insurance cover under the Scheme, the persons by whom premiums are payable and the time and manner of payment (including deduction from a person’s medisave account). Persons who do not satisfy the Board that they have no pre-existing medical conditions may be subject to premium loading, that is, such persons may have to pay an additional amount as premium. The Board may, subject to the relevant regulations, require a parent or both parents of an insured person who has not attained 21 years of age at the beginning of the relevant insurance period to pay the whole or part of the premium for the insured person.



Clause 5 provides for the refund of premiums under the Scheme, the recovery of Government grants (and interest on such grants) from such refunds, and the payment of the refund to any proper claimant (as defined in clause 5(5)) to discharge the liability to make a refund.

Clause 6(1) and (2) provide for the recovery of any shortfall in the premium or the refund of any excess benefit paid, as the case may be, on account of any material change in the information available to the Board or the correction of any error or in any other circumstances prescribed in the relevant regulations. Clause 6(3) allows the Board to charge the insured person, the person by whom the premium is payable or the approved medical institution an administrative fee, if the material change or error or prescribed circumstances referred to in clause 6(1) or (2) arises from any incorrect information which is provided by that person or medical institution and included in a health declaration, means declaration or claim application.

Clause 7 provides for the MediShield Fund to be renamed the MediShield Life Fund and for payments of moneys into and out of the Fund. All payments under the Scheme are to be met from the Fund. All costs or expenses incurred in the administration or enforcement of the Scheme may be met from the Fund. Clause 7(7) clarifies that the Board is not liable for any payment under the Scheme, or for any costs or expenses incurred in the administration or enforcement of the Scheme, by reason of anything done, purported to be done, or omitted to be done, by the Board in good faith and with reasonable care.

Clause 8 provides for the establishment of the MediShield Life Council (the Council) which, among other things, has the functions: (a) to make recommendations to the Minister on policy and scheme parameters to ensure that the Scheme provides effective protection for citizens and permanent residents of Singapore in an affordable and sustainable manner; (b) to review the administration of the Scheme to ensure alignment with the directions of the Council; and (c) to advise the Minister on matters related to the investment of the Fund, and any other matters related to the Scheme or the Fund as the Minister may direct.

Clause 9 provides for the delegation of powers under the Act by the Council, the Board, the chief executive officer of the Board, a recovery body or certain Ministers (in relation to their powers to issue approvals or directions under Part 5), except for any power of delegation conferred by that clause.

Clause 10 contains provisions on the nature of rights and benefits under the Scheme based on sections 48, 48A and 56B of the Central Provident Fund Act. The rights of an insured person arising from the insured person's insurance cover under the Scheme are not assignable or transferable. A policy of insurance issued under the Scheme does not create any legal or equitable trust. Section 73 of the Conveyancing and Law of Property Act (Cap. 61) and section 49L of the Insurance

Act (Cap. 142) do not apply to any policy of insurance issued under the Scheme. The Insurance Act does not apply to the Scheme or anything done under the Bill.

### PART 3

#### RECOVERY OF OUTSTANDING PREMIUMS, ETC.

Clause 11 allows interest to be imposed on any premium for an insurance period that remains unpaid at the expiry of a period determined by the Board (being at least one month) after the beginning of that insurance period. A demand note stating the amount of the outstanding premium payable, any interest imposed under clause 11(1)(a) and any penalty imposed under clause 17 must be served by a recovery body on the person by whom the outstanding premium is payable, if any such interest or penalty is imposed and before any power under clauses 12 to 16 is exercised.

Clause 12 empowers a recovery body, by notice in writing, to declare a person to be a defaulter's agent. The defaulter's agent must pay any outstanding premium payable by the defaulter from any moneys which may be held by the defaulter's agent for, or due from the defaulter's agent to, the defaulter. This provision is similar to section 57 of the Income Tax Act (Cap. 134), except that it allows for payments to be required from earnings beyond a period of 90 days after the date the defaulter's agent receives the notice issued by the recovery body.

Clause 13 is similar to section 57 of the Income Tax Act, and applies where the outstanding premium due is to be paid from moneys in a joint account (at a bank) of which the defaulter is a joint account holder or from the proceeds of sale of any immovable property of which the defaulter was a joint owner (called joint moneys). The defaulter's agent must retain the defaulter's share of the joint moneys and pay the outstanding premium due from the retained amount to the recovery body.

Clause 14 is similar to section 57 of the Income Tax Act, and provides for the deduction of outstanding premiums from amounts payable by the Government to a defaulter by or under any written law, contract or scheme.

Clause 15 is adapted from section 89 of the Income Tax Act and provides for all outstanding premiums imposed under the Bill and all sums due to the Fund to be sued for and recovered by a recovery body in its own name. The recovery body is also entitled to all costs and interest allowed by law against the person sued. All sums (including costs and interest) recovered in such a suit are to be paid into the Fund.

Clause 16 is similar to section 86 of the Income Tax Act, and applies where a recovery body is of the opinion that any defaulter is about or is likely to leave Singapore without paying all outstanding premiums payable by the defaulter or furnishing security for the payment. It empowers the Commissioner of Police or

the Controller of Immigration, on the direction of a recovery body, to take, or cause any police officer or immigration officer to take, such measures as may be necessary to prevent the defaulter from leaving Singapore until the outstanding premium has been paid or secured.

Clause 17 allows for penalties to be imposed on any premium for an insurance period, or any interest imposed under clause 11(1)(a) that remains unpaid at the end of a period permitted by the Board (being at least one month) after the beginning of that insurance period, at different rates for amounts remaining unpaid for different periods. The total amount of the penalties imposed on such premium and interest for an insurance period must not exceed 17% of the total amount of the premium for that insurance period and any interest imposed under clause 11(1)(a) on the outstanding premiums for that insurance period. This provision differs from section 87 of the Income Tax Act in certain respects, namely, computation of the penalty, and the possibility that interest under clause 11(1)(a) and the penalty may run concurrently.

Clause 18 provides for the Minister to prescribe one or more statutory bodies as recovery bodies for the purposes of Part 3 of the Bill. A recovery body may only exercise powers under that Part which the Minister authorises it to exercise, and must, in exercising its powers, comply with any directions of the Council. A legal officer of a recovery body who is an advocate and solicitor may appear for the recovery body in any civil proceedings arising from the exercise of its powers under Part 3 of the Bill.

## PART 4

### OFFENCES

Clause 19 makes it an offence to provide a false or incorrect health declaration, means declaration or claim application, knowing that it is false or misleading in a material particular. A person is liable on conviction of the offence (if an individual) to a penalty equal to the relevant amount or (if not an individual) to a penalty equal to 5 times the relevant amount. A person who commits the offence, with the intention of causing any premium to be undercharged or any benefit or claim to be overpaid under the Scheme, is liable on conviction (if an individual) to a fine not exceeding \$5,000 or to imprisonment for a term not exceeding 12 months or to both and, in addition, to a penalty equal to 2 times the relevant amount, or (if not an individual) to a fine not exceeding \$10,000 and, in addition, to a penalty equal to 4 times the relevant amount. The relevant amount is the amount of any premium that has been undercharged, or the amount of any benefit or claim that has been overpaid, as a result of the offence, or that would have been so undercharged or overpaid if the false or misleading declaration or application (as the case may be) had been accepted as correct.

Clause 20 provides for the appointment of public officers or officers of the Board to investigate offences under the Bill.

Clause 21 relates to the investigator's powers to obtain information on reasonable suspicion that any person has committed an offence under the Bill.

Clause 22 makes it an offence for a person, without reasonable excuse, to obstruct, hinder or impede any investigator in the performance or execution of a duty or anything which the investigator is authorised, empowered or required to do under the Bill. A person is liable on conviction of the offence to a fine not exceeding \$20,000 or to imprisonment for a term not exceeding 12 months or to both.

Clause 23 deals with offenders which are corporations or unincorporated associations.

Clause 24 empowers a public officer authorised by the Minister, or an officer of the Board authorised by the chief executive officer of the Board, to compound an offence prescribed by regulations to be compoundable. This may be done by collecting from a person reasonably suspected of having committed the offence a sum not exceeding one half of the amount of the maximum fine that is prescribed for the offence or a sum of \$1,000, whichever is the lower.

Clause 25 provides for the conduct of prosecutions for offences under the Bill, with the authorisation of the Public Prosecutor, by any public officer appointed by the Minister, or by any officer of the Board appointed by the chief executive officer of the Board, to conduct such proceedings.

## PART 5

### DISCLOSURE OF INFORMATION

Clause 26 relates to the disclosure and use of confidential information about a person (not being health information or means information). Clause 26(1) provides for the provision of information by a Government department or other public authority for the administration or enforcement of the Scheme or in order to disburse or facilitate the disbursement of grants, subsidies or benefits under healthcare-related public schemes, on the direction of the Minister responsible for that Government department or public authority and with the certification of the Minister for Health that the information is required for that purpose.

Clauses 27 and 28 provide for an authorised person to request for the disclosure and use of a person's health information and means information, respectively, in certain circumstances. A person may opt out of providing health information to assess whether that person has a pre-existing medical condition, or of providing means information to assess the person's eligibility for a grant, subsidy or benefit under a relevant public scheme. This may however result in that person having to pay higher premiums. A person may also opt out of the disclosure of a report

derived from means information obtained under clause 28(1) for the disbursement of grants, subsidies or benefits under all prescribed public schemes. This means that the person may need to furnish the means information directly to those other organisations to be assessed for eligibility under those public schemes.

Clause 29 makes it an offence for any person who, knowing that information about a person concerned was provided or obtained under clause 26, 27 or 28, accesses, uses or discloses the information without the written consent of that person concerned. The maximum penalty for the offence is a fine not exceeding \$5,000 or imprisonment for a term not exceeding 12 months or both. However, no person or organisation is guilty of an offence under any written law or any breach of confidence, incurs any civil liability or is liable to any disciplinary action by a professional body, by virtue merely of anything done in good faith and with reasonable care: (a) to comply with a direction under clause 26(1) or a request under clause 27(1) or 28(1); (b) to provide or disclose information in accordance with any provision of clause 26, 27 or 28; (c) to access or use information provided or obtained under any provision of clause 26, 27 or 28 in accordance with the requirements of the provision and any terms and conditions imposed under clause 30(1); or (d) with the approval of the Minister, to disclose information obtained under clause 26, 27 or 28 to the Council for the exercise, or where the organisation is the Council, to use that information to exercise, the functions and powers of the Council under the Bill.

Clause 29(3) provides that clauses 26, 27, 28 and 29(2) apply despite any other written law and whether or not any person accessing, using or disclosing information under those provisions is under any obligation (imposed by any other written law or otherwise) not to access, use or disclose such information.

Clause 29(4) provides that clauses 26, 27 and 28 do not affect the exercise of any right or authority under any other written law or rule of law to access, use or disclose confidential information.

Clause 30 sets out general provisions applicable to Part 5. Clause 30(1) provides that a Minister giving any of certain approvals and directions relating to the provision or disclosure of information under Part 5 may do so on terms and conditions regarding access to that information. Clause 30(2) provides that any certification, approval or direction under Part 5 may be given by a Minister in respect of a particular class of information about persons within a class of persons, instead of individually. As Part 5 makes reference to the Scheme and other provisions of the Bill which will commence after Part 5, clause 30(3) provides that those references are to apply as if those provisions were already in force.

## PART 6

### MISCELLANEOUS

Clause 31 is similar to section 88(1) and (2)(a) of the Income Tax Act, and requires a person liable to pay the premium under clause 4(1)(c)(i) or (ii) to notify

the Board of any change of residential address. Notification of change of residential address under section 8 of the National Registration Act (Cap. 201) will satisfy the notification requirement.

Clause 32, which is based on section 66 of the CPF Act and section 89(4) of the Income Tax Act, provides for a copy of an entry in the accounts of the Fund duly certified by an authorised officer of the Board to be evidence of such entry in legal proceedings and the truth of the entry, and for a certificate of such officer stating the name and address of the defaulter and the amount of outstanding premium payable by the defaulter to be sufficient evidence of the amount due and sufficient authority for the court to give judgment for that amount in any suit brought under clause 15.

Clause 33 protects any public officer, any member of the Council or of any committee of the Council appointed under clause 8(4), any member, officer or employee of the Board or a recovery body, or any other person acting under the direction of the Council or the Board, for anything which is done or purported to be done, or omitted to be done, in good faith and with reasonable care in the exercise or purported exercise of any power under the Bill, or the performance or purported performance of any function or duty under the Bill.

Clause 34 empowers the Minister to make regulations for the carrying out of the purposes and provisions of the Bill, including the following matters:

- (a) the circumstances in which, despite clause 3(3), an insured person (including a citizen or permanent resident of Singapore) may cease to be an insured person or may be reinstated as an insured person, and for related adjustments to that person's medisave account;
- (b) the rates of premiums for different classes of persons and premium loading;
- (c) the benefits under the Scheme, which may differ for different classes of insured persons, including limiting benefits to any approved medical treatment or services assessed by the Council, or a committee of the Council, to be appropriate in the circumstances of any particular case;
- (d) the imposition and computation of premiums, interest under clause 11(1)(a) and penalties under clause 17;
- (e) the payment of such premiums, interest and penalties by persons other than the insured person;
- (f) the deduction of any payment under the Bill from the medisave account of the person liable to make that payment;
- (g) the refund of payments under the Bill, and related matters;
- (h) fees and charges for the purposes of the Bill;
- (i) penalties for offences under the regulations;

- (j) matters relating to medical insurance schemes approved by the Minister;
- (k) service and deemed service of documents permitted or required to be served under the Bill;
- (l) exemption of any person or class of persons from the Scheme or any provision of the Bill, and modification of the application of the Bill in relation to certain insured persons;
- (m) termination of insurance cover in relation to certain persons;
- (n) transitional and savings provisions for the MediShield Fund and the MediShield Scheme; and
- (o) financial provisions in relation to the Fund and the Scheme.

Regulations made under the Bill may make different provisions for different classes of persons, and must be presented to Parliament as soon as possible after publication in the *Gazette*.

Clause 35 relates to transitional and savings provisions. Clause 35(1) provides for non-citizens and non-permanent residents of Singapore who were insured under the MediShield Scheme immediately before the date of commencement of clause 3 to continue to be insured under the Scheme, with prescribed modifications, until that insurance cover ceases in accordance with the relevant regulations. Clause 35(2) clarifies that apart from clause 35(1), the Scheme does not apply to any person who is not a citizen or permanent resident of Singapore.

Clause 35(3) provides that section 13(1)(b) of the CPF Act continues to apply to withdrawals from a person's medisave account for the payment of premiums payable for insurance cover under the MediShield Scheme as if that section was not amended by the Bill.

Clause 35(4) provides for section 16A of the CPF Act to continue to apply to premiums payable for a person's insurance under the MediShield Scheme as if that section was not amended by the Bill.

Clause 35(5) provides that, despite clause 37(7), which repeals section 53A of the CPF Act, that section as in force immediately before the date of commencement of clause 37(7) continues to apply to any thing done before that date by any person who was below the age of 16 years or 21 years, as the case may be, when that thing was done.

Clause 36 makes related amendments to the Bankruptcy Act. Clause 36(1) inserts new section 90(1)(h) of that Act to rank the priority of premiums (including interest and penalties for late payment) and other sums payable in respect of the bankrupt's insurance cover under the Scheme before the time for proving debts has expired. Clause 36(2)(b) inserts new section 127(2)(c) of that Act to provide that a bankrupt's debt in respect of any premium (including interest and penalties) and other sums due under the Bill, is not affected by the bankrupt's discharge.

Clause 37(1), (3), (4), (5), (6) and (9) makes consequential amendments to sections 2, 13(1)(b), 16A(1), 27B, 52 and 66 of the CPF Act. Clause 37(2) inserts new section 10(2) of the CPF Act to prohibit (with certain exceptions) money in the Central Provident Fund from being used to make any payment for the purposes of the Bill or any costs or expenses incurred in the administration of the Scheme. Clause 37(7) repeals sections 53, 53A, 54, 55, 56 and 57 of the CPF Act relating to the MediShield Scheme. As certain medical insurance schemes previously provided for under regulations made under section 77(1)(k) of the CPF Act will be provided for under regulations made under clause 34(2)(j) of the Bill instead, clause 37(8) allows the Board to continue to disclose information obtained in the course of performing its functions or duties under the CPF Act to an insurer administering or operating such an insurance scheme, with the Minister's approval.

Clause 38 makes consequential amendments to section 14(8) of the Income Tax Act to refer to the Scheme and provisions of the Bill.

## EXPENDITURE OF PUBLIC MONEY

This Bill will involve the Government in extra financial expenditure, the exact amount of which cannot at present be ascertained.

---