

**CENTRAL PROVIDENT FUND ACT
(CHAPTER 36, SECTION 77(1)(k))**

**CENTRAL PROVIDENT FUND (WITHDRAWALS FOR
ELDERSHIELD SCHEME) REGULATIONS**

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[30th September 2002]

Citation

1. These Regulations may be cited as the Central Provident Fund (Withdrawals for ElderShield Scheme) Regulations.

Definitions

- 2.** In these Regulations, unless the context otherwise requires —
- “approved insurer” means any insurer approved by the Minister for Health for the purposes of these Regulations;
- “dependant”, in relation to a member, means —
- (a) the member’s spouse, child or parent;

- (b) the member's sibling or grandparent, who is a citizen of Singapore or a permanent resident of Singapore; or
- (c) any other person whom the Board may approve as a dependant for the purposes of these Regulations;

[S 856/2020 wef 01/10/2020]

“ElderShield Scheme” means an insurance scheme established and maintained by the Ministry of Health for the purposes of allowing a person to purchase a severe disability insurance policy from an approved insurer;

“ElderShield Supplement Scheme” means an insurance scheme established and maintained by the Ministry of Health for the purposes of allowing an insured person to purchase a supplementary severe disability insurance policy from an approved insurer to provide additional severe disability insurance benefits over and above the ElderShield Scheme;

“Government premium subsidy” means the amount of premium payable under an insurance policy (after deducting any rebate given by the approved insurer of that insurance policy that is off-set under regulation 8A(2)(a) against the premium payable) that is subsidised by the Government;

[S 543/2012 wef 01/11/2012]

“member” means a member of the Fund (including a member who is an undischarged bankrupt);

“net premium” means the amount of premium payable under an insurance policy, after deducting —

- (a) any rebate given by the approved insurer of that insurance policy that is off-set under regulation 8A(2)(a) against the premium payable; and

- (b) the Government premium subsidy (if any);

[S 543/2012 wef 01/11/2012]

“premium” means any premium payable under a severe disability insurance policy purchased under the ElderShield

Scheme or ElderShield Supplement Scheme, and includes any goods and services tax thereon;

“severe disability insurance policy” or “insurance policy” means an insurance product or plan —

- (a) which pays an insured person a fixed sum of monthly benefits if, at any time during the period the person is insured under the policy, he becomes incapable of independently performing activities of daily living by reason of severe disability; and
- (b) which is approved by the Minister for Health for the purposes of the ElderShield Scheme or ElderShield Supplement Scheme.

ElderShield Supplement Scheme

2A. A person shall not qualify to be insured under the ElderShield Supplement Scheme unless he is already insured under the ElderShield Scheme.

Members eligible to withdraw

3.—(1) Any member who satisfies the criteria specified by the Ministry of Health to be automatically insured under the ElderShield Scheme shall be deemed to have authorised the Board to withdraw the moneys standing to his credit in his medisave account in the Fund for the payment of any premium payable under any severe disability insurance policy taken out with an approved insurer under the ElderShield Scheme if —

- (a) he does not give notice to the Board under regulation 4 that he does not authorise the Board to make such withdrawals; or
- (b) having given such notice under regulation 4(a), he subsequently elects to be insured under the ElderShield Scheme within 90 days before the commencement of the policy or such other period as may be allowed by the Ministry of Health.

(2) Any person who, by his own application, is insured under the ElderShield Scheme or ElderShield Supplement Scheme may authorise the Board to withdraw moneys standing to his credit in his medisave account in the Fund for the payment of any premium payable under any severe disability insurance policy taken out with an approved insurer under the ElderShield Scheme or ElderShield Supplement Scheme.

(3) Any member may authorise the Board to withdraw moneys standing to his credit in his medisave account in the Fund for the payment of any premium payable under any severe disability insurance policy taken out with an approved insurer under the ElderShield Scheme or ElderShield Supplement Scheme by any dependant of his who is insured under the ElderShield Scheme or ElderShield Supplement Scheme.

(4) An authorisation under paragraph (2) or (3) shall be —

- (a) made in such form and in accordance with such procedure as the Board may require; and
- (b) supported by such documents or evidence as the Board may require.

(5) The Board may authorise the withdrawal under paragraph (2) or (3) subject to such terms and conditions as the Board may think fit to impose.

(6) The amount of money that may be withdrawn by a member under these Regulations for the payment of premiums for one or more insurance policies under the ElderShield Supplement Scheme shall not exceed a sum of \$600 per year per person insured.

Opting not to use moneys in medisave account to pay premium

4. Any member who satisfies the criteria specified by the Ministry of Health to be automatically insured under the ElderShield Scheme may give notice in writing to the Board through an approved insurer that he does not authorise the Board to withdraw moneys standing to his credit in his medisave account in the Fund for the payment of any premium payable under any severe disability insurance policy taken out with an approved insurer under the ElderShield Scheme if —

- (a) he does not wish to be insured under the ElderShield Scheme; or
- (b) he does not wish to have the premium paid by such withdrawals.

Withdrawal of moneys from medisave account

5.—(1) Any withdrawal of moneys under regulation 3(1), (2) or (3) shall be made at the time when the approved insurer notifies the Board that the payment of such premium is due.

(2) The amount withdrawn from the medisave account of a member under regulation 3(1), (2) or (3) shall be forwarded by the Board to the approved insurer in payment of the premium payable by the member or his dependant, as the case may be, under the insurance policy for which the amount was withdrawn.

(3) If, on the date any net premium payable by a member under any insurance policy taken out under the ElderShield Scheme or ElderShield Supplement Scheme is due, the amount standing to the credit of the member concerned in his medisave account is insufficient to pay the net premium due, the approved insurer may, on being notified by the Board of the insufficiency, determine the manner in which any deficiency in the net premium is to be paid.

Withdrawal of authorisation

6. Any authorisation given to the Board by a member under regulation 3(2) or (3) may be subsequently withdrawn by that member by giving notice in writing to the Board through an approved insurer with whom an insurance policy under the ElderShield Scheme or ElderShield Supplement Scheme is taken out.

Termination of insurance policy

7.—(1) Where an insurance policy taken out under the ElderShield Scheme or ElderShield Supplement Scheme is terminated, the approved insurer with whom the insurance policy is taken out shall cease to withdraw moneys from any medisave account for the payment of any premium under the terminated insurance policy.

(2) No further withdrawals under paragraph (1) shall be made by the Board from the medisave account of a member for the payment of premiums under the terminated insurance policy from the effective date of termination of the insurance cover.

Refund of premiums

8.—(1) If a person insured by an approved insurer under a severe disability insurance policy purchased under the ElderShield Scheme or a supplementary severe disability insurance policy purchased under the ElderShield Supplement Scheme ceases to be so insured within a period of 60 days starting on the date of the commencement of the insurance cover, the approved insurer must refund the full amount of the premium paid for the insurance cover (called the policy premium) in accordance with paragraphs (2) and (3), as applicable.

(2) Where the policy premium was deducted (in whole or in part) from the medisave account of one or more members, the amount so deducted from each medisave account must be paid into that medisave account.

(3) The balance of the policy premium, if any, must be paid in the following manner:

- (a) if the policy premium was paid (in whole or in part) by any Government premium subsidy, an amount computed according to the formula $\left(\frac{S}{C+S}\right) \times B$ must be paid to the Government;
- (b) if the policy premium was paid (in whole or in part) in cash, an amount computed according to the formula $\left(\frac{C}{C+S}\right) \times B$ must be paid to the payer or, where this is not possible or the payer cannot be ascertained, to the insured person;
- (c) if the policy premium was paid (in whole or in part) in cash by 2 or more persons, the amount repayable under sub-paragraph (b) must be paid to each payer in the proportion of total payment in cash paid by that payer or, where this is not possible or the payer cannot be ascertained, to the insured person.

(4) In paragraph (3) —

(a) *B* or the “balance of the policy premium” is the balance remaining after deducting from the policy premium —

- (i) the amount payable under paragraph (2), if any; and
- (ii) the expense incurred by the approved insurer in underwriting the insurance cover, if claimed;

(b) *C* is the amount of the policy premium paid by cash; and

(c) *S* is the amount of the policy premium paid by the Government premium subsidy.

(5) If a person insured under the ElderShield Scheme or ElderShield Supplement Scheme ceases to be insured under the ElderShield Scheme or ElderShield Supplement Scheme at any time after 60 days starting on the commencement of the insurance cover, any premium paid does not have to be refunded, unless the approved insurer allows it in any particular case.

[S 856/2020 wef 01/10/2020]

Payment of premium rebate

8A.—(1) Where, in respect of a severe disability insurance policy under the ElderShield Scheme, any approved insurer gives any rebate of any premium paid under the policy (referred to in this regulation as the premium rebate) —

(a) the person who is or was insured under the policy (referred to in this regulation as the insured person) or the member who paid the premium, as the case may be, is entitled to the premium rebate; and

(b) the approved insurer shall pay the premium rebate in the manner set out in paragraph (2).

(2) The premium rebate shall be paid in one or more of the following manners, and be distributed among those manners in such proportion, as the Minister charged with the responsibility for health may determine:

(a) by off-setting the premium rebate against the whole or any part of the premium payable, under the insured person’s

severe disability insurance policy under the ElderShield Scheme, for the policy year immediately after the date on which the premium rebate was given;

- (b) by crediting the premium rebate to the medisave account of the insured person or the member who paid the premium, as the case may be;
- (c) in cash to the insured person or the member who paid the premium, as the case may be.

[S 543/2012 wef 01/11/2012]

Persons who lack mental capacity

9. Where an approved insurer has reason to believe that a person insured automatically under the ElderShield Scheme is unable by reason that he lacks capacity within the meaning of section 4 of the Mental Capacity Act (Cap. 177A) —

- (a) to make the decision to authorise withdrawal from his medisave account; or
- (b) to terminate his insurance cover for himself,

that approved insurer shall refund, in accordance with regulation 8(2) or (3), the full amount of premium paid by that person together with the whole or such part, as the Board may determine, of any interest that would have been payable thereon if such premium had not been so deducted to the medisave account of that person.

[S 856/2020 wef 01/10/2020]

Repayment of withdrawn moneys by member

10. If a member makes a false representation to the Board or provides the Board with any false information, for any purpose connected with these Regulations, the Board may require the member to repay to the member's medisave account the whole or part, as the Board may determine, of —

- (a) the moneys withdrawn from the member's medisave account under these Regulations; and

- (b) any interest that would have been payable on the moneys withdrawn if the moneys had not been withdrawn from the medisave account.

[S 856/2020 wef 01/10/2020]

Repayment of moneys withdrawn and paid under section 67D(2) of Act

11. For the purposes of section 67D(2) of the Act, a withdrawal from a member's medisave account or payment by the Board to an approved insurer of the amount withdrawn (as the case may be) is not in compliance with these Regulations if —

- (a) an authorisation under regulation 3(2) or (3) for the withdrawal, made or purportedly made by the member —
- (i) is not signed by the member;
 - (ii) is signed by the member when the member lacks capacity within the meaning of section 4 of the Mental Capacity Act (Cap. 177A) to make the decision to authorise the withdrawal; or
 - (iii) is given on the basis of inaccurate or misleading information from the approved insurer or any other person;
- (b) where the Board imposes any terms and conditions under regulation 3(5) when authorising the withdrawal, any of the terms or conditions are breached in relation to the withdrawal;
- (c) any of the terms and conditions required by the Board under section 67B(2) of the Act, in relation to an application for the withdrawal, are breached by the approved insurer;
- (d) the amount withdrawn or paid exceeds —
- (i) the premium that is payable by the member or the member's dependant, as the case may be, under the insurance policy for which the amount is withdrawn or paid; or

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- (ii) the maximum amount permitted by regulation 3(6);
or
- (e) the withdrawal is authorised or the amount withdrawn is paid by the Board on the basis of inaccurate or misleading information.

[S 724/2016 wef 01/01/2017]

LEGISLATIVE HISTORY
CENTRAL PROVIDENT FUND (WITHDRAWALS FOR
ELDERSHIELD SCHEME) REGULATIONS
(CHAPTER 36, RG 29)

This Legislative History is provided for the convenience of users of the Central Provident Fund (Withdrawals for ElderShield Scheme) Regulations. It is not part of these Regulations.

1. G. N. No. S 522/2002 — Central Provident Fund (Withdrawals for ElderShield Scheme) Regulations 2002

Date of commencement : 1 October 2002

2. 2004 Revised Edition — Central Provident Fund (Withdrawals for ElderShield Scheme) Regulations

Date of operation : 29 February 2004

3. G. N. No. S 496/2007 — Central Provident Fund (Withdrawals for ElderShield Scheme) (Amendment) Regulations 2007

Date of commencement : 30 September 2007

4. G. N. No. S 711/2007 — Central Provident Fund (Withdrawals for ElderShield Scheme) (Amendment No. 2) Regulations 2007

Date of commencement : 1 January 2008

5. G. N. No. S 121/2010 — Central Provident Fund (Withdrawals for Eldershield Scheme) (Amendment) Regulations 2010

Date of commencement : 1 March 2010

6. 2010 Revised Edition — Central Provident Fund (Withdrawals for Eldershield Scheme) Regulations

Date of operation : 31 May 2010

7. G.N. No. S 543/2012 — Central Provident Fund (Withdrawals for ElderShield Scheme) (Amendment) Regulations 2012

Date of commencement : 1 November 2012

8. G.N. No. S 724/2016 — Central Provident Fund (Withdrawals for ElderShield Scheme) (Amendment) Regulations 2016

Date of commencement : 1 January 2017

9. G.N. No. S 398/2019 — Central Provident Fund (Withdrawals for ElderShield Scheme) (Amendment) Regulations 2019

Date of commencement : 1 June 2019

10. G.N. No. S 856/2020 — Central Provident Fund (Withdrawals for ElderShield Scheme) (Amendment) Regulations 2020

Date of commencement : 1 October 2020