
First published in the *Government Gazette*, Electronic Edition, on 31st October 2016 at 5:00 pm.

No. S 534

MEDISHIELD LIFE SCHEME ACT 2015 (ACT 4 OF 2015)

MEDISHIELD LIFE SCHEME (PREMIUM RECOVERY) REGULATIONS 2016

ARRANGEMENT OF REGULATIONS

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In exercise of the powers conferred by section 34 of the MediShield Life Scheme Act 2015, the Minister for Health makes the following Regulations:

Citation and commencement

1. These Regulations are the MediShield Life Scheme (Premium Recovery) Regulations 2016 and come into operation on 1 November 2016.

Definitions

2. In these Regulations, unless the context otherwise requires —

“unpaid interest” means any interest (including compound interest) imposed under section 11(1)(a) of the Act in accordance with regulation 5, that remains unpaid at the time payment is applied towards that interest in accordance with regulation 4;

“unpaid premium” means the premium payable for an insurance period, that remains unpaid at the time payment is applied towards that premium in accordance with regulation 4.

Recovery bodies

3. The following statutory bodies are prescribed as recovery bodies for the purposes of Part 3 of the Act:

- (a) Central Provident Fund Board;
- (b) Inland Revenue Authority of Singapore.

Order in which certain payments to be applied

4. Subject to section 4(1)(c)(ii) of the Act, if the Board receives any payment from —

- (a) an insured person that is payable by the insured person under section 4(1)(c)(i) or (2)(a) of the Act; or
- (b) the insured person’s parent that is payable by the parent under section 4(1)(c)(ii) or (2)(a) of the Act,

the payment may be applied in the following order:

- (i) first, towards the unpaid interest (if any) imposed on the insured person’s unpaid premium for the first insurance period of the insured person’s MediShield Life cover;
- (ii) second, towards the insured person’s unpaid premium for the first insurance period of the insured person’s MediShield Life cover (if any);
- (iii) in the same order towards the unpaid interest (if any) imposed on the insured person’s unpaid premium for the second insurance period of the insured person’s MediShield Life cover, then the insured person’s unpaid premium payable for the second insurance period of the insured person’s MediShield Life cover (if any), and so on for each subsequent insurance period of the insured person’s MediShield Life cover.

Interest

5.—(1) The Board may impose interest (called in this regulation the current interest) under section 11(1)(a) of the Act at the rate of 4% per annum on the whole or part of the following amounts that remain due and payable at the time the current interest is imposed:

- (a) the insured's premium payable for an insurance period;
- (b) interest previously imposed (if any) on the premium mentioned in sub-paragraph (a).

(2) Subject to paragraph (3), the current interest —

- (a) begins to run —
 - (i) where no interest has previously been imposed on the insured's premium mentioned in paragraph (1)(a), from the beginning of the insurance period mentioned in paragraph (1)(a);
 - (ii) where any interest has previously been imposed on the insured's premium mentioned in paragraph (1)(a), from the beginning of the first insurance period that begins after the date on which the interest previously imposed on that premium ceases to run; or
 - (iii) on any other date specified by the Board; and

(b) ceases to run —

- (i) at the end of the insurance period mentioned in paragraph (2)(a)(i) or (ii) (as the case may be); or
- (ii) on any other date specified by the Board.

(3) The period during which the current interest runs, as prescribed in paragraph (2), excludes any period during which interest previously imposed on the insured's premium mentioned in paragraph(1)(a) (if any) runs.

Demand note

6. A recovery body must serve a demand note in accordance with section 11(2) of the Act if any interest is to be imposed under section 11(1)(a) of the Act.

Waiver

7. The Board may waive any interest imposed under section 11(1)(a) of the Act.

Made on 31 October 2016.

AUBECK KAM
*Permanent Secretary,
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Singapore.*

[MH 96:27/12; AG/LEGIS/SL/176A/2015/9 Vol. 1]

(To be presented to Parliament under section 34(4) of the MediShield Life Scheme Act 2015).