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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 —
- “demand note” means a demand note required to be served under section 11(2) of the Act;
- “parent”, in relation to an insured person, means any parent of an insured person who is required under section 4(1)(c)(ii) of the Act to pay any premium for the insured person;

“unpaid interest”, in relation to any payment from a person mentioned in regulation 4(a), (b) or (c), means any interest (including compound interest) imposed under section 11(1)(a) of the Act on the insured person’s premium and that remains unpaid at the time regulation 4 is applied to the payment from that person;

“unpaid penalty”, in relation to any payment from a person mentioned in regulation 4(a), (b) or (c), means any penalty imposed under section 17 of the Act on the insured person’s premium and that remains unpaid at the time regulation 4 is applied to the payment from that person;

“unpaid premium”, in relation to any payment from a person mentioned in regulation 4(a), (b) or (c), means any premium in respect of the insured person’s MediShield Life cover that remains unpaid at the time regulation 4 is applied to the payment from that person.

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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;

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

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- (c) any other person required under section 4(2)(b) of the Act to pay any premium in respect of the insured person,

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the payment may be applied towards the insured person's unpaid premium, and any unpaid interest and unpaid penalty imposed on the insured person's premium, that the person who made the payment is required to pay, in the following order:

- (i) first, the unpaid penalty (if any) imposed on the insured person's premium for the first insurance period of the insured person's MediShield Life cover;
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- (ii) second, the unpaid interest (if any) imposed on the insured person's premium for the first insurance period of the insured person's MediShield Life cover;
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- (iii) third, the insured person's unpaid premium for the first insurance period of the insured person's MediShield Life cover (if any);
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- (iv) then, towards any unpaid penalty, unpaid interest and unpaid premium of the insured person's MediShield Life cover, in the order in paragraphs (i), (ii) and (iii), for each subsequent insurance period in turn.
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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.

Penalty

5A.—(1) For the purposes of section 17 of the Act, the amount of penalty that may be imposed in respect of an insured person's premium for an insurance period is —

(a) 5% of the insured person's premium for the insurance period that remains unpaid on the first penalty date; and

(b) 12% of the insured person's premium for the same insurance period that remains unpaid on the second penalty date.

(2) In this regulation —

“first penalty date”, for an insured person's premium for an insurance period, is a date (not earlier than one month after the beginning of the insurance period) specified for the purposes of paragraph (1)(a) in the demand note that imposes the penalty;

“second penalty date”, for an insured person’s premium for an insurance period, is a date (not earlier than the first anniversary of the first penalty date for the insured person’s premium for the insurance period) specified for the purposes of paragraph (1)(b) in the demand note that imposes the penalty.

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Service of demand note

6.—(1) A demand note may be served on a person in any of the following ways:

- (a) by leaving the demand note at, or by sending it by prepaid post to, any of the following addresses:
 - (i) the person’s residential address (including an address provided in accordance with section 31 of the Act);
 - (ii) any correspondence address provided by the person —
 - (A) in relation to the administration of the Act;
 - (B) to an approved medical institution in relation to any healthcare-related public scheme;
 - (C) to a healthcare institution which is owned or operated by a cluster HQ or its subsidiary; or
 - (D) to the Board for the purposes of the Central Provident Fund Act (Cap. 36);
 - (iii) in addition, if the person is an insured person who is below 21 years of age —
 - (A) the residential address of the insured person’s parent (including an address provided by the parent in accordance with section 31 of the Act);
 - (B) any correspondence address mentioned in sub-paragraph (a)(ii) provided by the insured person’s parent; or

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- (C) the usual or last known address of the place of residence or business of the insured person's parent;
- (b) in an electronic message that the person —
- (i) may reasonably be expected to be aware has been sent; and
 - (ii) is capable of retrieving.
- (2) A demand note is taken to be duly served on a person if it is sent by registered post addressed to any of the following addresses provided by the person:
- (a) the person's residential address provided in accordance with section 31 of the Act; or
 - (b) a correspondence address provided under paragraph (1)(a)(ii) (except paragraph (1)(a)(ii)(C)).
- (3) This regulation does not affect the service of a demand note in accordance with any other written law or in any manner agreed by the person to be served.
- (4) In this regulation, "cluster HQ" means —
- (a) National Healthcare Group Pte. Ltd.;
 - (b) National University Health System Pte. Ltd.; or
 - (c) Singapore Health Services Pte. Ltd.

[S 194/2018 wef 09/04/2018]

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,
Ministry of Health,
Singapore.*

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