

## FINANCIAL ASSISTANCE SCHEMES TO THE ELDERLY – WHAT’S NEW?

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### INTRODUCTION

Over the past few decades, Singapore’s population has experienced a rise in life expectancy and a decline in fertility rates below replacement level. Along with an increase in lifestyle-related diseases such as strokes, diabetes and heart diseases, there are implications on independent quality of life and accompanying financial burden on the family, health care system and government policies.

### FINANCING HEALTHCARE FOR THE ELDERLY

To help needy patients and elderly pay for their medical expenses, the government put in place a three-prong financing framework: Medisave, Medishield and Medifund.

**Medisave**, introduced in April 1984, is the main national medical savings plan which enforces individuals to put aside 6 – 8 percent of their income, depending on their age, into their personal Medisave Accounts to meet their future hospitalization. Over recent years, the government has been reviewing the adequacy of Medisave through topping up and extending Medisave to cover ambulatory and outpatient treatments, such as day surgery, investigations, chemotherapy, radiotherapy, dialysis and recently, day rehabilitative services. This comes in handy for cash-tight Singaporeans, especially the elderly, when paying for medical services.

**Medishield**, introduced in 1990, is a voluntary, opt-out low cost insurance scheme. It is designed to help members meet medical expenses for major or prolonged illnesses for which their Medisave balance would not be sufficient to cover. It operates on a co-payment and deductible system. Members can also apply for their dependants, in which case, elderly parents up to age 70, to be covered under Medishield or Medishield Plus (Plan A / B).

Finally, **Medifund** is an endowment fund set up by the government in April 1993 to help needy Singaporeans who are unable to pay for their in-patient and out-patient expenses. This is a safety net for those who cannot even afford heavily subsidized charges despite Medisave and Medishield. It is also targeted at elderly born on or before 1940, who most likely do not have Medisave contribution.

### Primary Care Partnership Scheme

In October 2000, Ministry of Health launched the Primary Care Partnership Scheme (PCPS). Under the PCPS, the Ministry engages private general practitioners (GPs) to provide common outpatient medical services to needy elderly, 65 years and above with per capita income of \$700 and below or Public Assistance recipients, who do not live near polyclinics or have practical problems getting to the polyclinics. Eligible needy elderly need only pay polyclinic charges. In March 2002 recently, the Ministry has also included dental services under the PCPS and extended PCPS to the whole of Singapore.

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### Means Testing

With the increase in dual-income and small nuclear families, frail elderly with medical problems can no longer be maintained at home, unless their families can afford a maid or where community based services such as day care or home help services are easily accessible or available. Placement in commercially run nursing homes is beyond the means for many.

To facilitate admission of needy elderly into nursing homes and fund voluntary nursing homes, Ministry of Health implemented means testing and a 3-tier subsidy for voluntary nursing homes in July 2000. The subsidy ranges from 25%, 50% to 75%, is pegged to per capita income with a higher subsidy given to those in greater financial need.

With the view of improving affordability and increase sustainability of long term care of the elderly, means testing is also implemented at hospices since October 2001, day-rehabilitation centres since January 2002 and community hospitals from 1 July 2002.

### Medical Fee Exemption Cards (MFECs)

MFECs are issued by the Ministry to financially needy residents of voluntary nursing homes who qualify under means test administered by Ministry of Health. Eligible residents with MFECs are entitled to free medical and hospitalization treatment at government hospitals and clinics.

### Eldershiield – New Scheme

Eldershiield, an auto-cover basic severe disability insurance plan for elderly, is introduced in June

2002. Eldershiield policyholders, between aged 40 to 69, pay a regular premium from Medisave until age 65 and will be covered for the rest of their lives once they paid their premiums in full. Eldershiield allows a policyholder to claim \$166 a month in cash, for up to 60 months, or until his disability ceases, whichever is earlier.

For the elderly who are not able to be insured under Eldershiield because of their age or existing disabilities, the government set up **IDAPE (Interim Disability Assistance Programme for the Elderly)** to help them cope with their medical bills or home care.

IDAPE provides monthly cash payouts ranging from \$100 to \$150 for up to 60 months, to those who are disabled, i.e. unable to do at least 3 of these activities – washing, dressing, feeding, toileting, mobility and transferring. To make a claim, the elderly must first go to the appointed assessors to be certified “disabled”.

To further educate the general public about this new scheme, Ministry of Health, together with Great Eastern Insurance and NTUC Income, will be planning awareness drives to address public queries and quell confusion.

### CONCLUSION

Faced with a rapidly ageing population, preventive care, social policy for the elderly and affordability of health care will remain the main challenges for the government. While improving on existing health care schemes, the government has made it clear that Singapore's health care delivery system is based on individual responsibility coupled with government subsidies to keep basic health care

affordable. The principle of co-payment is applied to avoid pitfalls of “welfarism”.

Given our dual health care delivery system, patients, including the elderly, are still free to choose their health care providers. In which case, they are expected to pay more on their own if they demand a higher level of services.

#### REFERENCES

1. *Singapore Looks to Healthcare Changes* – Volume 3, Number 51 – May 17, 2002, applesforhealth.com
2. *Opening Address by Mr Lim Hng Kiang, Minister for Health & Second Minister for Finance* at the joint UK-Singapore Conference on Independence and Care for Older Persons, 19 October 2001.
3. *28<sup>th</sup> SMA National Medical Convention 1997*, THE SMA NEWS, Volume 29, Number 2.

## Corrigendum

The Editor of *The Singapore Family Physician* wishes to apologise for the following inadvertent errors in Vol 28(3) July-September 2002.

The dimensions in the article ‘Macular Hole and its Surgery’ on page 77 were stated as:

“Stage 2 holes are characterised by a full thickness hole with a diameter of less than 400 mm.

Stage 3 holes are full thickness holes with a diameter greater than 400 mm.

In Stage 4 holes, in addition to a full thickness hole greater than 400 mm in diameter, there is a Weiss ring in front of the optic nerve head. The Weiss ring is caused by posterior vitreous separation.”

The correct version should read as:

“Stage 2 holes are characterised by a full thickness hole with a diameter of less than 400  $\mu$ .

Stage 3 holes are full thickness holes with a diameter greater than 400  $\mu$ .

In Stage 4 holes, in addition to a full thickness hole greater than 400  $\mu$  in diameter, there is a Weiss ring in front of the optic nerve head. The Weiss ring is caused by posterior vitreous separation.”

On page 79:

“A variety of adjuvants have been tried in macular hole surgery. These include transforming growth factor  $b_2$  (TGF- $b_2$ ), autologous platelet concentrate (APC), autologous serum, thrombin, plasmin and thrombin-activated fibrinogen.

For example, TGF- $b_2$  is a growth factor that is instrumental in fibrosis and wound repair, while platelets contain many growth factors in the alpha granules with potential healing activity<sup>12</sup>.”

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