



MINISTRY OF HEALTH
SINGAPORE

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3 October 2022

CEOs, CMBs, CFOs, BOMs
Public Healthcare Institutions
Private Medical Institutions and Medical Practitioners accredited under MediSave and MediShield Life Schemes

Master, Academy of Medicine, Singapore (AMS)

FRAMEWORK TO ENSURE APPROPRIATE MEDISHIELD LIFE CLAIMS

This circular informs all Public Healthcare Institutions and MediSave and MediShield Life accredited medical institutions and practitioners of (i) the commencement of MediShield Life (MSHL) claim adjudication from 15 October 2022, (ii) the introduction of Claim Rules and (iii) the enforcement approach against inappropriate claims.

COMMENCEMENT OF MEDISHIELD LIFE CLAIM ADJUDICATION AND INTRODUCTION OF MEDISHIELD LIFE CLAIM RULES

2. From 15 October 2022 onwards, to ensure MSHL can continue to cover medically necessary treatments in a sustainable manner and at affordable premiums, MOH will start adjudication of MSHL claims against prevailing MOH guidelines and requirements¹. This augments MOH's current surveillance audits² for Table of Surgical Procedures (TOSP) on MSHL and MediSave (MSV) claims.

3. In addition, to better guide appropriate claim submission, MOH will progressively introduce MSHL Claim Rules (CRs) for surgical procedures, which are derived from clinical evidence and existing practices. The CRs will be co-developed

¹ These refer to prevailing guidelines published by MOH and its appointed agencies, where relevant, including but not limited to MSHL Claim Rules (CRs), Table of Surgical Procedures (TOSP) Booklet, Manual on MSV/MSHL claims, Terms and Conditions for Approval under MSV/MSHL Schemes, MOH Finance Circulars related to MSHL claims, ACE's Guidance and Singapore Medical Council (SMC)'s Ethical Code and Ethical Guidelines (ECEG).

² Conducted by MOHH Group Internal Audit (GIA) on behalf of MOH.



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with relevant public and private sector specialists, and in consultation with the wider community of relevant specialists. CRs are also verified against past MSHL and MSV claims data, to cover the majority of clinical scenarios. The first set of CRs on Gastrointestinal (GI) Endoscopy and related procedures were disseminated to GI specialists and Medical Institutions in August 2022, after stakeholder consultation. New sets of CRs for other procedures across specialties will also be introduced progressively, covering areas with high claim volume or where there were high incidences of inappropriate claims that were either detected from surveillance or brought to MOH's attention by various stakeholders.

CLAIM ADJUDICATION PROCESS

4. As part of adjudication, the appropriateness of MSHL claims will be assessed by clinical panels of private and public specialists (Panel) appointed by the MediShield Life Council (MLC). The Panel will be supported by the MOH Claims Management Office (CMO).

5. Adjudication will be done post claim submission. Cases selected for adjudication could be those that are (i) deviations from prevailing MOH guidelines and requirements (including MSHL CRs), (ii) potential inappropriate outliers detected by system analytics³ or MOH surveillance audits, and (iii) whistle-blown by patients, medical practitioners and Integrated Shield Plan (IP) Insurers.

6. Where a MSHL claim⁴ is selected for adjudication⁵, the medical institution and medical practitioner concerned will be notified in writing and be required to submit relevant clinical case notes and justifications to explain any deviation from MSHL claim requirements to the Panel. They would subsequently be informed of the outcome after the Panel has completed its assessment:

- a) If the Panel deems the medical claim to be appropriate for the patient, no change is required for the claim (i.e. MSHL and MSV payout remains).
- b) If the Panel disagrees with the justifications provided, the medical practitioner and his / her patient may, within 30 working days of receiving the Panel's assessment, submit new evidence to the Panel for

³ System analytics will assign risk scores to claims which deviate from prevailing MOH guidelines and requirements, claim rules and historical claim patterns. In general, claims with the highest risk scores will be flagged and triaged further by CMO for adjudication.

⁴ For Singaporeans and residents who purchase IP to complement MSHL coverage, final claim payout for an approved claim generally comprises the MSHL payout and the additional private insurance coverage payout which will be processed by IP insurer separately.

⁵ Each claim will be assessed based on the specific patient profile and circumstances on a case-by-case basis by the MLC Panel of relevant specialists.

reconsideration. However, if the Panel still concludes that the claim is inappropriate, the medical institution and medical practitioner will be asked to rectify the inappropriate portion of the claim and the MSHL and MSV monies improperly paid out for the claim should be refunded and not recovered from the patient, **if** directed by MOH.

Details on the adjudication process, including the key factors the Panel would assess, can be found in **Annex A**.

7. For the purpose of learning and transparency, anonymised case studies of adjudicated claims will also be shared with the clinical community regularly.

ENFORCEMENT APPROACH

8. To ensure compliance to prevailing MOH guidelines and requirements (including MSHL CRs), practitioners who submit inappropriate claims despite warnings may face any or all of the following consequences:

- a) *(Applicable only for the private sector)* Having their Approved Medical Practitioner status for MSHL and MSV claims being suspended and/or revoked by MOH. Please see **Annex B** for more details on this escalation and enforcement framework that will take effect from 1 April 2023; and/or
- b) *(Applicable only for the public sector)* Being reported to the Public Healthcare Institution's Chairman of Medical Board (CMB) for disciplinary action; and/or
- c) Being reported to the Singapore Medical Council (SMC) and Singapore Dental Council (SDC) for disciplinary action, particularly when the non-compliances are related to ethical code and ethical guidelines from SMC or SDC and found to be persistent; and/or
- d) Being prosecuted under Section 19 of the MSHL Act, the consequences of which are financial penalties and/or a jail term. This is particularly where the person (e.g. a medical practitioner or a medical institution staff) knowingly makes a false declaration, omits information or provides information which is false or misleading in a material particular that results in a claim being overpaid. The extract of Section 19 of the MSHL Act can be found in **Annex C**.

9. Before new claims requirements are implemented and enforced, adequate notice will be provided. As an example, **a transition period of six months will be provided to each new set of CRs** before any non-compliance would be enforced

under the framework mentioned in para 8a and Annex B. During this transition period, claims related to the new CRs could still be adjudicated and the medical practitioners and medical institutions concerned will be informed of the outcome for learning. Where a claim is adjudicated to be non-compliant with the new CRs, medical practitioners and medical institutions may be asked to rectify it and not recover from the patient, when the non-compliant claim is a repeated one⁶. However, it would not be counted as a non-compliant conduct under the enforcement framework until the transition period is over. Please refer to Table 1 for details.

Table 1: Rectification of Claim and Enforcement

Type of non-compliance conduct (NC)	Rectification of claim	Escalation and enforcement framework (see Annex B)
Claim Rules (CRs)	Medical institution and medical practitioner will be asked to rectify the non-compliant claim if the non-compliant claim is a repeated one.	Applicable from 1 April 2023 ⁷
Claim guidelines and requirements	For existing guidelines and requirements (e.g. inappropriate coding) – no change, as per current practice for MOH surveillance audits where medical institution and medical practitioner will be asked to rectify the non-compliant claim. For new guidelines and requirements – to be advised as and when the new guidelines are introduced.	

FEE BENCHMARKS (*applicable only for private sector*)

10. Since November 2018, MOH has introduced the fee benchmarks for private sector surgeon fees, which are reasonable fee ranges meant for routine cases that are not of exceptional complexity. To study the impact of the fee benchmarks, MOH has been monitoring the surgeon fees and total bill sizes. In order to better understand the circumstances of outlier providers who consistently charge above fee benchmarks

⁶ A non-compliant claim would be considered repeated if the practitioner has been notified of a previous claim with non-compliance of similar nature.

⁷ During the transition period before 1 April 2023, if we receive egregious inappropriate claims that persist despite adequate notice and warnings, MOH reserves the right to escalate the non-compliance status to a higher tier once the framework takes effect on 1 April 2023.

and/or peers' fee ranges, MOH will also tap on the Panel to ascertain if such cases are of exceptional complexity. However, this will be separate from the claim adjudication and enforcement framework elaborated in paras 4-8 until further notice.

CONTACT INFORMATION

11. For further clarifications, please contact:

Subject Matter	Name/ Division
MediShield Life Claim Rules and Claim Adjudication	Claims Office Admin Mailbox (email: Claims_Office_Admin@moh.gov.sg) Ms Tan Beng Hui (email: TAN_Beng_Hui@moh.gov.sg) Ms Penny Mi (email: Penny_MI@moh.gov.sg) <i>Claims Management Office</i>
Fee Benchmarks	MOH Fee Benchmarks (email: moh_fee_benchmarks@moh.gov.sg) Ms Melissa Pang (email: Melissa_PANG@moh.gov.sg) <i>Finance Partnerships and Commissioning</i>

12. Kindly disseminate this circular to all medical practitioners and relevant staff for information and follow-up.

Yours sincerely,

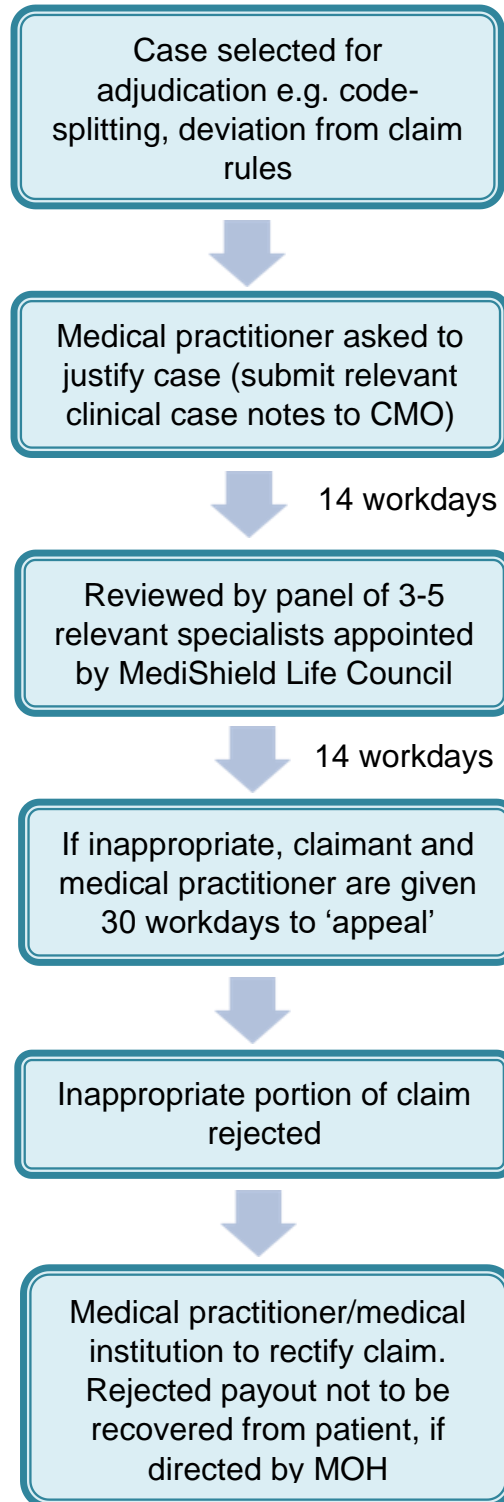
ASSOCIATE PROFESSOR KENNETH MAK
 DIRECTOR OF MEDICAL SERVICES
 MINISTRY OF HEALTH

Transmitted electronically, no signature required

cc: CEO, CPF
 Attn: Mr Alvin Ng, Senior Deputy Director, CPF

**OVERVIEW OF CLAIM ADJUDICATION PROCESS AND KEY FACTORS
CONSIDERED IN ASSESSMENT FOR CLAIM APPROPRIATENESS**

(A) CLAIM ADJUDICATION PROCESS



(B) FACTORS CONSIDERED IN DETERMINING APPROPRIATENESS OF A TREATMENT UNDER A MEDISHIELD LIFE CLAIM

In assessing the appropriateness of a treatment under the MediShield Life (MSHL) Claim, the Panel will consider whether the claim is:

- (i) Aligned to the SMC Ethical Code and Ethical Guidelines;
- (ii) In accordance with current generally accepted standards of medical practice (peer reviewed journals, MOH Guidelines, ACE guidance, consensus statements, peer concurrence etc.);
- (iii) Clinically appropriate in terms of type, frequency, extent, site, and duration, and considered effective for the insured person's illness, injury, or disease;
- (iv) Not primarily for the convenience of the insured person, medical practitioners or medical in situations where treatment is able to be reasonably rendered in an outpatient setting;
- (v) Not of an investigational or research nature/unapproved by regulatory authorities;
- (vi) Not preventive, screening or a health or aesthetic enhancement; and
- (vii) Aligned with prevailing guidelines published by MOH and its appointed agencies, where relevant, including but not limited to MSHL Claim Rules (CRs), TOSP Booklet, Manual on MSV/MSHL claims, Terms and Conditions for Approval under MSV/MSHL schemes, MOH Finance Circulars related to MSHL claims and ACE's guidance, insofar as such guidelines relate to the medical appropriateness of the treatment.

ESCALATION AND ENFORCEMENT FRAMEWORK FOR CLAIM APPROPRIATENESS *(with effect from 1 April 2023)*

Instance of non-compliant conduct (NC) ⁸	Enforcement actions	Details of enforcement actions
1st NC	Engagement	<ul style="list-style-type: none"> • The Medical Institution or Medical Practitioner will receive a Letter of Advice detailing the non-compliant conduct. • This is intended to help the Medical Institution or Medical Practitioner understand the contraventions and to improve in its/his/her practices.
2nd NC	Training	<ul style="list-style-type: none"> • The Medical Institution or Medical Practitioner will be required to complete mandatory training on Claim Appropriateness within 2 months from the date of second non-compliance letter to the Medical Institution or Medical Practitioner. • This is intended to familiarise the Medical Institution or Medical Practitioner with prevailing and relevant MOH guidelines and requirements on Claim Appropriateness, including but not limited to MSHL Claim Rules, requirements under the Table of Surgical Procedures (“TOSP”) booklet, MOH Fee Benchmarks, Manuals and circulars.

⁸ The Medical Institution’s or Medical Practitioner’s status will be reset if no non-compliant conduct found within two (2) years from the last non-compliance.

		<ul style="list-style-type: none"> Medical Institution or Medical Practitioner who fails to complete their training within the stipulated period may have their approval as an Approved Institution or Approved Medical Practitioner under MediSave Scheme and MediShield Life Scheme suspended for six months.
3rd NC	Suspension	<ul style="list-style-type: none"> The Medical Institution's or Medical Practitioner's approval under the MediSave Scheme and MediShield Life Scheme will be suspended for 6 months. (Note: The suspension notice will be listed on MOH's website.)
4th NC	Revocation	<ul style="list-style-type: none"> The Medical Institution's or Medical Practitioner's approval under MediSave Scheme and MediShield Life Scheme will be revoked and the Medical Institution or Medical Practitioner barred from applying for approval for a period of 2 years. (Note: The revocation notice will be listed on MOH's website.)

SECTION 19 OF MEDISHIELD LIFE SCHEME ACT

(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 30 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 —

- 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.

Distribution List

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