

What you need to know about health insurance (part 2)

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Look at the fine print in your health insurance policy to ensure that you will get the benefits you need when you fall ill. Exclusion clauses, premium packages and even claim procedures are some of the key items to be noted.



Health insurance products can help you to meet your healthcare expenses, but they don't cover everything. There are terms and conditions attached, so do check the details carefully first and make sure you understand them, before making a purchase. Here are some general points you should take note of when buying a policy, renewing a policy and making a claim.

BUYING A HEALTH INSURANCE POLICY

Before purchasing a health insurance policy, check if you are already covered under another policy.

For example, in the case of medical expense insurance, taking up an additional policy doesn't mean that you will get extra benefits because the total benefit you can receive is limited to your actual expenses.

All health insurance products will

contain some exclusions, setting out the circumstances under which benefits will not be paid. Exclusions vary from product to product. Please read the policy document carefully to find out exactly what is covered and what is not. Consult your financial planner or insurance representative if you are unsure.

The commonest exclusion in health insurance is the "pre-existing condition". This means that any illness or disability that you have or have had when you signed up for the policy will not be covered.

Also, most health insurance products have an age limit, that is, you may not qualify if you are over a certain age. So it is generally better to buy health insurance early while you are still healthy.

Some health insurance policies provide cover throughout your lifetime, while others cover you only up to a certain age. So choose a product with a length of cover that suits your needs.

Different products may charge premiums in different ways. For single-premium plans, you only need to pay one lump sum. For most plans, you have to pay regular premiums, which may change as you grow older. You will receive a table which shows how the premium will change over the years.

But whether or not the policy states that the premium will change as you grow older, the insurer may have the right to change the premium at anytime by giving you written notice.

Some health insurance products guarantee that the cover will stay in force as long as premiums are paid. Others may give insurers the right to cancel cover, after giving you written notice before the policy is due for renewal. Some products also allow insurers to change the benefits, the premium rates, or other terms and conditions when the policies are due for renewal.

An insurance contract is based on trust. When you apply for cover, you must provide all the information asked for. This includes your age, occupation and medical history.

After you have bought a new policy, you have 14 days to review it. If you think it does not meet your needs, you can write to your insurer to cancel it within 14 days after receiving it. Your insurer will refund all your premiums less any medical and other expenses it had to pay.

BEFORE MAKING A CLAIM

The cost of healthcare differs between hospitals and between wards. When you need to be hospitalised, you should:

- check the ward charges and the costs of your recommended medical treatment
- check if your policy will cover these costs
- consider all available options
- choose your ward or treatment according to what you can afford

MAKING A CLAIM

To make a claim, you need to fill in a form provided by your insurer and provide proof, such as hospital bills, medical reports and test results, to support your claim.

Do inform your insurer and submit your claim as soon as possible as most health insurance policies impose a time frame for making claims.

For more general information on health insurance, visit www.moneysense.gov.sg.

