

Life Insurance

And YOU

This is the first of a 6-part series introducing the various concepts of insurance and giving tips on what to look out for when buying insurance products. This series is by the Central Singapore CDC and the Life Insurance Association as part of the MoneySENSE national financial education programme. In this issue and the next two, we look at health insurance.

Part I of III on Health Insurance

Health insurance gives you and your family protection against financial loss arising from accident, illness or disability. It can provide you with income during your hospitalisation or disability, or cover the cost of your medical treatment or nursing care.

What Type Of Health Insurance Product Do You Need?

The health insurance product you will need will depend on what you want protection against.

If you are looking to...

- have your medical expenses paid
- protect your income if disabled
- receive a fixed amount of cash during hospitalisation
- reduce the financial impact if diagnosed with a major illness (e.g. cancer)
- pay the cost of care if you are too weak to look after yourself

You should consider ...

- Medical Expense Insurance
- Disability Income Insurance
- Hospital Cash Insurance
- Critical Illness Insurance
- Long-term Care Insurance

How Much Health Insurance Should You Purchase?

You should consider the quality of healthcare service and/or the level of income protection that you would want should you fall ill or become disabled. Purchase enough cover to meet this expectation but consider your ability to continue paying the premiums over the long term.

Are You Already Covered By Other Health Insurance Policies?

Check what health insurance policies you are already covered under before you purchase any new ones. You should note the following:

Multiple Medical Expense Policies

The total reimbursement from all your plans is limited by the amount you have actually spent. Buying additional medical expense insurance plans may not give you more.

Switching Between Health Insurance Products

Health insurance products usually do not cover any illness or disability existing at the time you sign up. If you make a switch to another health insurance product you may not be able to make claims relating to medical conditions that develop after you took up your original health insurance policy.

In the next issue, we will discuss some key features that you should look out for when buying health insurance.

If you want to know more about Health Insurance, log on to the websites of the Life Insurance Association (www.lia.org.sg), the General Insurance Association of Singapore (www.gia.org.sg) or MoneySENSE (www.mas.gov.sg/consumer) for a copy of the consumer guide "Your Guide to Health Insurance".

The information in this article is of a general nature and may not apply to your own personal circumstances. This article is not a substitute for seeking professional advice on any specific issue.

For educational resources on personal financial matters and information on MoneySENSE events, visit the MoneySENSE website at www.mas.gov.sg/consumer.

Any question about insurance? You can send them to lifelonglearning@centralsingapore.org.sg. Selected questions will be answered in subsequent issues.



CONTEST

Win a \$50 book voucher!

Simply answer these simple questions and send the contest form to :
"Life Insurance and YOU"

Central Singapore Community Development Council
HDB Hub Biz Three, 490 Lorong 6 Toa Payoh, #04-10, S(310490)

3 Winners will be picked! Closing date is 12 June 2004. Winners will be notified by post.

Q1 : This regular column is brought to you by _____ and _____

Q2 : You should consider _____ Insurance if you wish to reduce the financial impact when you are diagnosed with a major illness (e.g. cancer).

Name: _____

IC: _____

Age: _____

Tel: _____

Email: _____

Address: _____

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