



HEALTH INSURANCE IN SINGAPORE-

WHO AND WHY

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Introduction



- Health insurance is the best way to fund catastrophic illnesses.
- Medisave and Medishield are the main financial cushions in Singapore.
- 15% of the population buys private insurance.
- Medisave alone is recognized as inadequate.

Objectives

- To determine the profile of Singaporeans who purchase health insurance
- To identify the factors influencing this decision.

Methods (I)

Qualitative:

- Focus groups were conducted with 136 middle class Singaporeans in 14 sessions.
- Participants were selected from hospital databases based on their socio-economic status and if they were recently discharged from a hospital.

The following topics were discussed:

- Cost of healthcare
- Personal responsibility
- Health insurance
- Medical financing/ subsidies
- Service quality
- Healthy lifestyle

Methods (II)



Quantitative:

Health Services Research Network of SingHealth conducted a telephone survey to determine public perceptions on healthcare in Singapore.

- Length of study: 4-23 Aug 2006
- The absence of a sampling frame required random telephone numbers to be drawn out of the telephone directory.
- Total calls made= 6146



Successful calls Unsuccessful calls
= 1783 =4363



Data on 1,510 respondents with full information on income, education and insurance was analyzed.

Table 1 Sample population characteristics



<u>Variables</u>	<u>Survey participants</u> (N= 1783)	<u>National</u> (N= 4.5million)
Race	missing 1.7%	
%Chinese	74.2	75.56
%Malay	12.6	13.64
%Indian	10.5	08.70
%Others	02.6	02.10
Monthly Household Income (S\$)	missing 11%	
<1500	17.92	19.06
1500 – 3000	36.54	22.26
3000 – 5000	28.49	18.72
5000 – 7000	09.1	19.12
7000 – 10,000	05.69	10.60
>10,000	02.83	00.09
Housing type	missing 8%	
HDB	86.7	87.15
Condominium	06.7	08.11
Landed property	06.7	04.74

ETHNIC COMPOSITION AND HOUSING TYPE OF SAMPLE POPULATION WERE SIMILAR TO GENERAL POPULATION, BUT LOWER INCOME PERSONS WERE OVER-REPRESENTED

Results: Qualitative analysis



Factors for not buying insurance include:

- High cost of insurance premium
- Restrictions that restrict benefits
- Difficulty understanding insurance policies
- Concerns about the outsourcing of insurance
- Insurance companies are making big business.

Positive response:

- A taxi driver had the foresight to buy insurance and he was very happy with his decision.

Results:



Table 1 Demographics of the study population: N = 1510

Variables	With Insurance		Without Insurance		Total	P value	
	No	%	No	%			No
	870	(57.62%)	640	(42.38%)	1510	(100%)	
Gender							
Male	384	(44.62)	321	(50.39)	708	(47.11)	ns
Female	479	(55.38)	316	(49.61)	795	(52.89)	
Race							0.0001
Chinese	644	(74.88)	451	(71.59)	1096	(73.51)	
Indian	095	(11.05)	096	(15.24)	191	(12.81)	
Malay	093	(10.81)	072	(11.43)	165	(11.07)	
Others	027	(03.14)	011	(01.75)	038	(02.55)	
Education							0.0001
Primary	113	(12.99)	197	(30.78)	310	(20.53)	
Secondary	384	(44.14)	286	(44.69)	670	(44.37)	
Polytechnic	183	(21.03)	088	(13.75)	271	(17.95)	
University	190	(21.84)	069	(10.78)	259	(17.15)	

Table 1 Demographics of the study population continued



Variables	With Insurance 870 (57.62%)		Without Insurance 640 (42.38%)		Total 1510 (100%)	P value 0.049
	No	%	No	%		
Employment						
Working	552	(69.26)	295	(50.16)	848	(61.18)
Not working	169	(21.20)	184	(31.30)	353	(25.47)
Retired	076	(09.54)	109	(18.54)	185	(13.35)
Housing type						
HDB	736	(85.09)	568	(89.31)	1304	(86.88)
Condominium	066	(07.63)	036	(05.66)	102	(06.80)
Landed	062	(07.17)	031	(04.87)	093	(06.20)
HH income \$/mth						
< 1500	091	(10.46)	170	(26.56)	261	(17.28)
1500 – 3000	300	(34.48)	251	(39.22)	551	(36.49)
3000 – 5000	282	(32.41)	154	(24.06)	436	(28.87)
5000 – 7000	106	(12.18)	034	(05.31)	140	(09.27)
7000 – 10,000	058	(06.67)	021	(03.28)	079	(05.23)
>10,000	033	(03.79)	010	(01.56)	043	(02.85)
Age (Years)						
<40	375	(43.10)	194	(30.31)	569	(37.68)
40-65	422	(48.51)	296	(46.25)	718	(47.55)
>65	073	(08.39)	150	(23.44)	223	(14.77)

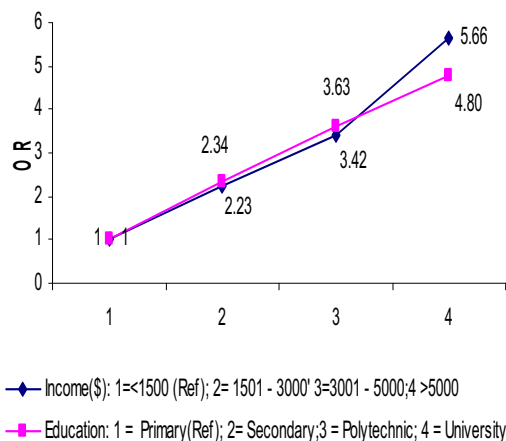
Factors influencing purchase of insurance.

(Using Logistic regression for with insurance v without insurance)



Variable	OR	95% C.I	P-value
Income (\$/mth) <\$1500	Ref		
\$1500-7000	2.93	2.21-3.88	<.0001
>\$7000	5.48	3.39-8.87	<.0001
Education			
Up to primary	Ref		
Up to secondary	2.34	1.77-3.09	<.0001
Polytechnic	3.63	2.57-5.11	<.0001
University	4.8	3.35-6.88	<.0001

Association of Income and education with Purchase of Insurance



Healthcare beliefs

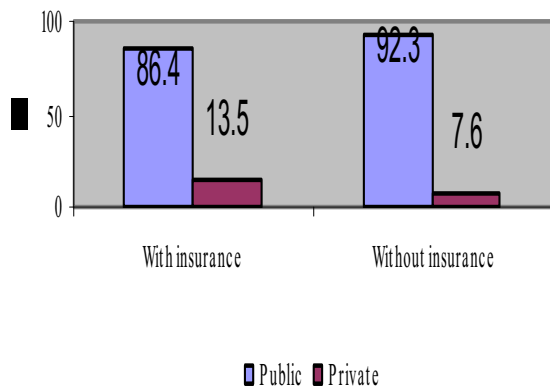


- Significantly more respondents who have bought insurance felt that
 - they should be responsible for their own health. ($p < .0001$)
- Significantly more respondents who have bought insurance disagree
 - that A and C ward patients receive same medical care ($p = .002$).
 - that 3M are sufficient for paying medical bills and government hospitals are affordable ($p = .002$).
 - that GP clinics and private hospitals are affordable.
- Significantly more respondents who have not bought insurance agreed
 - that Gov. provides affordable basic medical care.
 - that Singapore provided good healthcare ($p < .0001$)

Benefits of buying insurance

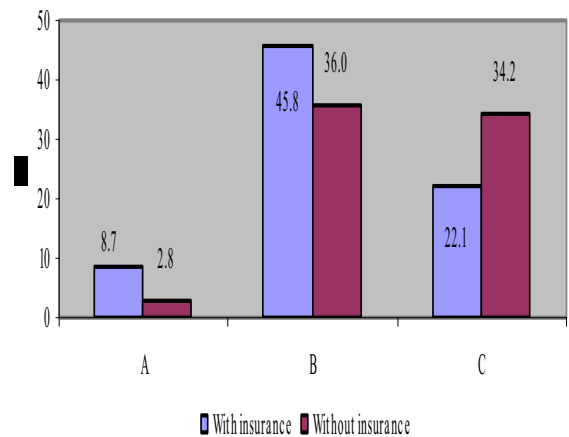


Where do you go if you needed hospitalization?



P=0.002

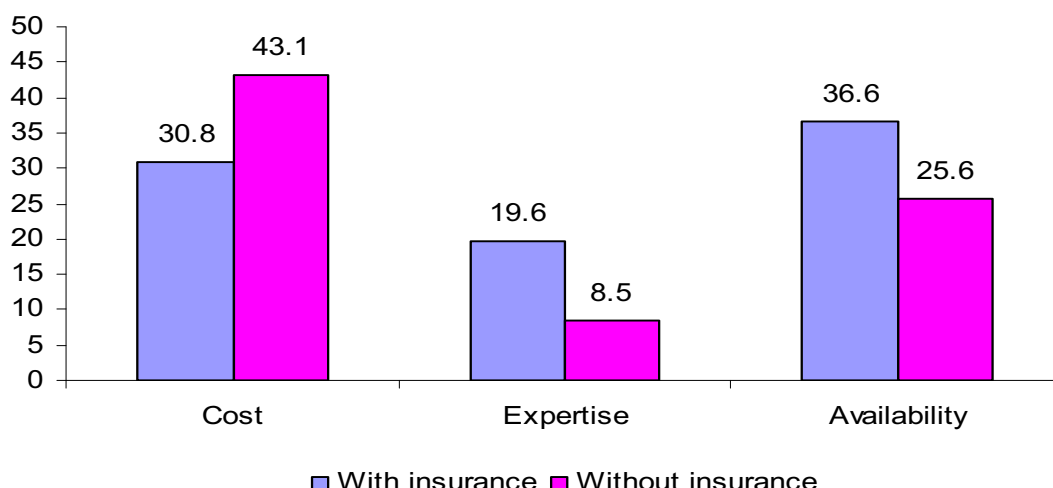
Preference for ward type



Not sure 25% (with insurance 23% and without insurance 27%)

P<0.0001

Important factors in deciding where to seek primary healthcare



“**Cost**” was perceived as the most important deciding factor by non insurance respondents while “**expertise and availability of the doctor**” were the most important factor for respondents with insurance in deciding where to seek primary healthcare. Distance (49%) and recommendation (4.7%) were the two other factors which received a similar response rate by participants with and without insurance.

Summary of findings:

- **Who buys insurance:**
 - Chinese and “Other” race category
 - Above secondary level of education
 - Household income above \$3000/month
 - Age <65 years
 - Working.
- **Factors influencing the decision:**

Income \$	OR (95% C.I.)	Education	OR (95% C.I.)
<1500	1	Primary	1
1501 – 7000	2.93	Secondary	2.34
>7000	5.84	Polytechnic	3.63
		University	4.8

P<.0001

Conclusions



- It is essential to educate everyone and encourage wider usage of health insurance.
- These educational efforts should be targeted to lower income groups with less formal education.
- It is necessary to clarify any misconceptions concerning health insurance benefit schemes.

Suggestions:

- Insurance policy brochures should be written in big font, easy to understand (by primary education level participants) language.
- Government should come up with a co-payment scheme where patient pays the premium from interest on medisave and government tops up the rest.