

Dear Valued Customer.

Thank you for choosing HSBC Life Insurance Pte Ltd as your preferred Insurer.

### **1<sup>st</sup> April 2023 Cancer Drug Changes for HSBC Life Shield Plan and Enhanced Care**

#### **Revised Coverage for Cancer Drug Treatments and Introduction of the Ministry of Health's (MOH's) Cancer Drug List (CDL)**

To ensure greater affordability of cancer treatments and the long-term sustainability of premiums, MOH has developed a Cancer Drug List (CDL) comprising clinically proven and more cost-effective cancer treatments.

From 1 September 2022, MediShield Life (MSHL) and MediSave (MSV) will only cover treatments on the CDL. For all Integrated Shield Plans (IPs), the CDL will take effect from 1 April 2023, upon the renewal of your policy. Customers with riders can claim for selected cancer drug treatments beyond the CDL. These changes were announced by MOH on 17 August 2021 <[https://www.moh.gov.sg/news-highlights/details/government-enhances-subsidies-to-improve-affordability-of-cancer-treatment\\_17Aug2021](https://www.moh.gov.sg/news-highlights/details/government-enhances-subsidies-to-improve-affordability-of-cancer-treatment_17Aug2021)> and recapped in a press release on 2 September 2022 <<https://www.moh.gov.sg/news-highlights/details/transitional-support-for-cancer-patients>>.

You may scan the QR code below or visit <https://go.gov.sg/moh-cancerdruglist> to view the latest version of the CDL. The CDL currently covers most cancer drug treatments approved by the Health Sciences Authority (HSA). MOH will update it every few months to keep up with medical advancements and the latest clinical evidence.



#### **Revised Policy Benefits for Cancer Drug Treatment**

Your policy's Outpatient Chemotherapy benefit will be replaced with a new Cancer Drug Treatment benefit and Cancer Drug Services benefit from your respective policy renewal dates on or after 1 April 2023.

- **Cancer Drug Treatment benefit** – Only cancer drug treatments on the CDL will be claimable under your Policy, up to the treatment-specific claim limits. Selected cancer drug treatments beyond the CDL will be claimable under riders. If you are currently undergoing cancer treatment, please consult your doctor early on whether your treatment is on the CDL.
- **Cancer Drug Services benefit** – Services that are part of a cancer drug treatment (including treatments not on the CDL), such as consultations, scans, lab investigations, treatment preparation and administration, supportive care drugs and blood transfusions, will be claimable under the Cancer Drug Services benefit, up to specified claims limits.

**Please refer to the Appendix for details on the IP and rider claim limits and coverage under each of the above benefits and sample illustrations of claims.**

To better support policyholders through these changes, we will **not** increase your IP premiums<sup>1</sup> from 2 September 2022 to 31 August 2024. This does not apply to premiums of IP riders, including riders which have existing claims-based pricing features.

However, there are certain scenarios where policyholders will see their premiums increase during this period:

- HSBC Life Shield Plan A policyholders whose premiums have not yet been adjusted for the current re-pricing cycle lasting from 1 September 2022 to 1 September 2023 will see a premium revision at their next policy renewal. These premium revisions accompany product enhancements that had been previously planned. We had started to inform customers of these changes in their renewal letters 2 months prior to their policy renewal date, starting 1 September 2022
- Policyholders will see their premiums increase when they move to a higher age band or when the GST rate is revised in the future.

### **Transitional Support for Patients Undergoing Cancer Drug Treatment**

To allow sufficient time for affected individuals to adjust to the changes, customers on a course of cancer drug treatment as of 31 March 2023<sup>2</sup> and whose policies are renewing between 1 April 2023 and 30 September 2023 will continue to receive their current coverage until 30 September 2023. Thereafter, these customers will not be able to make IP claims for any treatments not on the CDL, and their claims for CDL treatments will be subject to the revised limits. Customers whose policy renewals are between 1 October 2023 and 31 March 2024 will see no change to their IP coverage from now until their policy renewal.

Customers who are undergoing treatments not listed on the CDL may wish to discuss with their doctors whether there are suitable alternative treatments on the CDL. However, if switching to a CDL treatment is not feasible, there is support available for those facing difficulties affording treatment.

- If you are a subsidised patient, you can approach a Medical Social Worker (MSW) in your public healthcare institution (PHI) for financial assistance such as MediFund.
- If you are a non-subsidised patient in a PHI or a patient in a private medical institution, you can approach your doctor to refer you to subsidised care in a PHI, where financial assistance may be available. The PHI's medical team will review your treatment plan and provide financial counselling (e.g., eligibility for subsidies) before you decide whether to proceed with the transfer.

If you have questions regarding the changes and how it will impact you, please contact [cc.life@mail.life.hsbc.com.sg](mailto:cc.life@mail.life.hsbc.com.sg)

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<sup>1</sup> Planned changes to GST (from 7% to 8% in 2023 and from 8% to 9% in 2024), premium increases that were announced prior to 2 September 2022 (which will continue till this cycle of premium increases is complete), and premium increases when you move to higher age bands will continue to apply.

<sup>2</sup> Where at least one IP claim is made for an outpatient or inpatient cancer drug treatment administered between 1 January 2023 to 31 March 2023.

## Appendix

### Cancer Drug Treatment and Services Limits

Base Plan	HSBC Life Shield Plan A / Plan B	HSBC Life Shield Standard Plan
Cancer drug treatment <b>(Monthly limit)</b>	5 x MSHL limits	3 x MSHL limits
Cancer drug services <b>(Annual limit)</b>	5 x MSHL limits	2 x MSHL limits
Rider Plan	Enhanced Care Plan A / Plan B	Enhanced Care Standard Plan
Cancer drug treatment on the CDL <b>(Monthly limit)</b>	5 x MSHL limits (in addition to base plan limit)	-
Cancer drug treatment <u>not</u> on the CDL* <b>(Monthly limit)</b>	\$30,000 per month	\$5,000 per month
Cancer drug services <b>(Annual limit)</b>	-	-

“5 x MSHL limits” means the insured is covered up to 5 times the MSHL limits. Similarly, “2 x MSHL limits” means the insured is covered up to 2 times the MSHL limits. Please refer to [the CDL on MOH's website](#) under “MediShield Life Claim Limit per month” for the latest MSHL limits. MOH may update this list from time to time.

\* Only non-CDL cancer drug treatments under selected drug classes based on the Life Insurance Association, Singapore’s (LIA’s) ‘Non-CDL Classification Framework’ are covered under riders. Non-CDL cancer drug treatments will not count towards or benefit from prevailing stop-loss / co-payment cap of \$3,000. Please refer to the next para for more information.

#### Scope of rider coverage for non-CDL treatments

The Life Insurance Association, Singapore (LIA) has developed a ‘Non-CDL Classification Framework’ to provide greater clarity and facilitate a common understanding of non-CDL cancer drug treatments covered by riders. Under the framework, cancer drug treatments are grouped according to regulatory approvals and clinical guidelines. Riders will cover non-CDL cancer drug treatments under drug classes A to E. Please refer to the framework on LIA’s website (<https://www.lia.org.sg/industry-guidelines/health-insurance/framework/2022/non-cdl-classification-framework/>) for more information.

#### Important Notes

(a) The limits shown under the IPs are inclusive of what is claimable from MSHL, and exclusive of any Government subsidies and MediSave (MSV), if applicable. They are subject to prevailing co-insurance and pro-ration as set out in the Benefit Schedule.

(b) MediShield Life (MSHL) and IP payouts will be up to the highest claim limit among the claimable treatments administered in that month, if they are prescribed according to the indications listed on the CDL. In the event that multiple cancer drugs are used as per the indications on the CDL, the IP (in this case Shield Plan A and Standard Plan used as examples) payout can be used to pay for any or all of the constituent CDL treatments. If multiple cancer drugs are used but not according to any indications on the CDL (use of a drug for treating a particular cancer), none of the treatments will be claimable, even if the individual drugs are listed on the CDL.

For example, if a patient were to claim Drug A (MSHL claim limit = \$1,800), and Drug B (MSHL claim limit = \$1,000) in the same month, MSHL would only pay out up to \$1,800 (highest claim limit among the claimable treatments administered in that month mentioned above), which can be used to pay for both drugs.

For an IP plan covering 5 x MSHL limits, the patient would be able to claim up to \$9,000 per month which can be used to pay for both drugs.

(c) Please take note that the costs highlighted in red below are purely illustrative, costs may differ across different medical providers.

**Claims Illustration 1 (CDL treatment)**

The illustration below provides an example for policyholders who have an IP and Rider, and are looking to claim for cancer treatment using drugs on the CDL

**CDL treatment: Breast Cancer (Atezolizumab in combination with nab-paclitaxel)** → please take note that this is for illustrative purposes only

**Plan: HSBC Life Shield Plan A + Enhanced Care Plan A**

Total treatment cost / month:  
\$3,800

Total services cost / month:  
\$200

Plan	MSHL Claim Limit <sup>^</sup>	HSBC Life Shield Plan A	Enhanced Care Plan A	Total Claim Limit	Co-Insurance %	Total Payout Breakdown per month
<b>Cancer drug treatment limit for CDL</b> (Monthly limit)	<u>MSHL limit for treatment:</u> \$1,800 / month	<u>IP limit for treatment:</u> 5x MSHL limits amounting to \$9,000 / month <i>(inclusive of MSHL)</i>	<u>Rider limit for treatment:</u> 5x MSHL limits amounting to \$9,000 / month	<u>Total cancer drug treatment limit:</u> \$18,000 / month		<u>Co-insurance:</u> \$200  <u>Co-payment cap:</u> \$3,000 <i>(No cap for non-panel doctors)</i>
<b>Cancer drug services limit</b> (Annual limit)	<u>MSHL limit for services:</u> \$1,200 / year	<u>IP limit for services:</u> 5x MSHL limits amounting to \$6,000 / year <i>(inclusive of MSHL)</i>	N.A.	<u>Total cancer drug services limit:</u> \$6,000 / year	<u>Co-insurance:</u> 5% x \$4,000 = \$200	<u>HSBC Life pays:</u> \$4,000 - \$200 = \$3,800  <b><u>Total amount payable by customer:</u></b> <b>\$200 (5% Co-Insurance)</b>
<b>Cancer drug treatment limit for non-CDL</b> (Annual limit)	N.A.	N.A.	<u>Rider limit for treatment:</u> \$30,000 per month	Unable to claim under this benefit as treatment is on the CDL	Unable to claim under this benefit as treatment is on the CDL	Unable to claim under this benefit as treatment is on the CDL

<sup>^</sup>The MSHL Claim Limits listed above are correct as of 1 September 2022.

Based on Claims Illustration 1, riders to a higher IP (Plan A) provide more comprehensive coverage. Policyholders will have an additional 5 x MSHL limits on top of IP coverage (resulting in 10 x MSHL limits for Cancer Drug Treatments coverage, including MSHL coverage). There will also be lower out-of-pocket expenses for the policyholder.

**Claims Illustration 2 (CDL treatment)**

This illustration below will provide an example for policyholders who hold an IP without a rider and looking to claim for cancer treatment using drugs on the CDL.

**CDL treatment: Breast Cancer (Atezolizumab in combination with nab-paclitaxel)** → please take note that this is for illustrative purposes only

**Plan: HSBC Life Shield Standard Plan**

Total treatment cost / month:  
\$3,800

Total services cost / month:  
\$200

Plan	MSHL Claim Limit <sup>^</sup>	HSBC Life Shield Standard Plan	Total Claim Limit	Co-Insurance %	Total Payout Breakdown per month
<b>Cancer drug treatment limit for CDL</b> (Monthly limit)	<u>MSHL limit for treatment:</u> \$1,800 / month	<u>IP limit for treatment:</u> 3x MSHL limits amounting to \$5,400 / month (inclusive of MSHL)	<u>Total cancer drug treatment limit:</u> \$5,400 / month	<u>Co-insurance: 10%</u> x \$4,000 = \$400	<u>Co-insurance: \$400</u>  <u>HSBC Life pays:</u> \$4,000 - \$400 = \$3,600  <u>Total amount payable by customer:</u> <b>\$400 (10% Co-Insurance)</b>
<b>Cancer drug services limit</b> (Annual limit)	<u>MSHL limit for services:</u> \$1,200 / year	<u>IP limit for services:</u> 2x MSHL limits amounting to \$2,400 / year (inclusive of MSHL)	<u>Total cancer drug services limit:</u> \$2,400 / year		
<b>Cancer drug treatment limit for non-CDL</b> (Annual limit)	N.A.	N.A.	N.A.	N.A.	N.A.

<sup>^</sup>The MSHL Claim Limits listed above are correct as of 1 September 2022.

Policyholders with only a Standard Plan, without rider, enjoy lower premium outlay but have a higher out-of-pocket expenses.

**Claims Illustration 3 (Non-CDL treatment)**

The illustration below will provide an example for policyholders who have a higher IP (Plan A) and rider, and are looking to claim for Non-CDL treatment

**Non-CDL Treatment: Sarcoma (Nab-Sirolimus)** → please take note that this is for illustrative purposes only  
**Class of Non-CDL Treatment: Class A to Class E (based on LIA's Non-CDL Classification [Framework](#))**

**Plan: HSBC Life Shield Plan A + Enhanced Care Plan A**

Total treatment cost / month:  
**\$35,000**

Total services cost / month:  
**\$200**

Plan	MSHL Claim Limit <sup>^</sup>	HSBC Life Shield Plan A	Enhanced Care Plan A	Total Claim Limit	Co-Insurance %	Total Payout Breakdown per month
<b>Cancer drug treatment limit for CDL</b> (Monthly limit)	Unable to claim under this benefit as this is a non-CDL treatment					
<b>Cancer drug services limit</b> (Annual limit)	MSHL limit for services: \$1,200 / year	IP limit for services: 5x MSHL limits amounting to \$6,000 / year (inclusive of MSHL)	N.A.	Total cancer drug services limit: \$6,000 / year	Co-Insurance: 5% x (\$30,000 + \$200) = \$1,510	Co-insurance: \$1,510  Co-payment cap: No cap for non-CDL treatments  Treatment cost above the claim limit: \$35,000 - \$30,000 = \$5,000  HSBC Life pays: \$35,000 - \$1,510 - \$5,000 = \$28,490  <b>Total amount payable by customer:</b> \$1,510 (5% co-insurance) + \$5,000 (cost above the claim limit) = <b>\$6,510</b>
<b>Cancer drug treatment limit for non-CDL</b> (Annual limit)	N.A.	N.A.	Rider limit for non-CDL treatment: \$30,000 / month	Total non-CDL cancer drug treatment limit: \$30,000 / month		

<sup>^</sup>The MSHL Claim Limits listed above are correct as of 1 September 2022.

Only policyholders who attach their IP with rider will have coverage for Non-CDL cancer treatments (i.e., drugs not listed on the CDL or used for a different indication) under drug classes A to E based on LIA's 'Non-CDL Classification Framework'.

*Note: Enhanced Care Rider has a co-payment cap when seeing a panel doctor at \$3,000 per policy year. Please take note that Non-CDL treatments are excluded from co-payment caps.*

**What happens if a policyholder has already met the co-payment cap from an earlier episode? See the example below for how the amount that the policyholder has to pay will change:**

- *Patient A incurs a total bill of \$35,000 with a panel doctor for a non-CDL treatment in that policy year. Suppose further that the patient had already earlier incurred a \$60,000 bill with a panel doctor for a separate, unrelated inpatient episode, requiring him to pay \$3,000 in co-payment previously, thus reaching the \$3,000 co-payment cap.*
- *As the co-payment cap does not apply to non-CDL cancer drug treatments, the policyholder will still have to pay the \$1,500 in co-insurance (i.e., 5% of \$30,000 claim limit) and the remaining \$5,000 of the treatment cost above the claim limit. This brings the total amount payable by the customer for the second episode to \$6,500.*