



Greater Inclusion in a Super-Aged Society: Recommendations for CareShield Life and Long-Term Care in Singapore

LEAP201 Care4WorkingFamilies (C4W)
Phase One Position Paper



KPMG in Singapore served as the knowledge partner for this initiative, providing technical expertise, strategic insights, and sectoral analysis on landscape developments, related research and best practices.





Contents

1	Executive Summary	3	6	Enhancements to Existing Schemes, Policies and Frameworks – With a Focus on CareShield Life	18
	1.1 Implications for a super-aged society: the need for an inclusive safety net	3	6.1	Overview of CareShield Life	18
	1.2 Recommendations for CareShield Life and Long-Term Care in Singapore	4	6.2	Recommendation #1 – Define a standard ‘basket’ of basic Long-Term Care expenses in Singapore to provide greater clarity on the adequacy of government support	19
2	Introduction	6	6.3	Recommendation #2 – Increase CareShield Life payouts and align annual increments with healthcare inflation to address rising medical and Long-Term Care expenses	20
	2.1 The role of CareShield Life in Singapore’s Long-Term Care model	7	6.4	Recommendation #3 – Ease CareShield Life eligibility criteria from three to two Activities of Daily Living (ADLs) to mitigate higher Long-Term Care costs	21
	2.2 Enhancing and streamlining the delivery of Long-Term Care	7	6.5	Recommendation #4 – Improve integration of CareShield Life into Singapore’s Long-Term Care framework through a ‘Recovery Greenlane’	22
3	Setting the Stage: Supporting Working Families with Elderly Dependents	8	6.6	Recommendation #5 – Cushion the impact of the “cliff effect” and ensure inclusive and equitable support across Long-Term Care schemes and services in Singapore	24
	3.1 Singapore’s rapid transition to an ageing society	8	7	Conclusion	25
	3.2 Singapore’s approach to Long-Term Care	10	8	Methodology	26
4	Long-Term Care Models in Japan and Germany	11	9	Acknowledgments	27
	4.1 Japan	11	10	Appendices	28
	4.2 Germany	12			
	4.3 Key takeaways from Japan and Germany	12			
5	Insights and Considerations for Singapore	13			
	5.1 The Growing Burden on Informal Caregivers	13			
	5.2 Rising Outpatient and Caregiving Costs	14			
	5.3 Varying Annual Value of property thresholds in Government-Funded Schemes and Subsidised Services	15			
	5.4 Opportunity for consolidation of Long-Term Care schemes and services	17			

1 Executive Summary

1.1 Implications for a super-aged society: the need for an inclusive safety net

On 27 August 2025, the Ministry of Health announced measures to enhance CareShield Life. These changes aim to ensure continued support for Singapore Residents in meeting their basic Long-Term Care needs if they develop severe disabilities¹.

We are encouraged to see that the recommendations discussed during the roundtable on 16 June 2025, as reflected in the position paper, aligns with the government's plan. These include raising the monthly payout growth rate from 2% to 4% per annum between 2026 and 2030, as well as improving and streamlining the application and claims processes for disability schemes.

Singapore will become a super-aged society by 2026², where 21% of the population will be aged 65 and above. This demographic shift will impact all facets of society, requiring a need to continuously evaluate and refine Singapore's Long-Term Care framework as the population continues to age.

In the last five years, national operating expenditure on Long-Term Care has nearly doubled, rising from S\$1.7 billion to S\$3.0 billion³. These costs are expected to increase further as care needs grow more complex and prolonged with age. Many working families now shoulder the burden of caregiving for severely disabled loved ones – a responsibility that carries heavy emotional, logistical, and financial weight. Over 40% of Caregivers are at risk of depression, and the annual monetary value of unpaid caregiving tasks is estimated at S\$1.28 billion, according to a Duke-NUS study.

One of the healthcare policies supporting Long-Term Care financing is CareShield Life, launched in 2020 to provide monthly cash payouts to individuals with severe disabilities. To date, a total of S\$26.7 million has been paid out to individuals assessed as unable to perform at least three (3) out of six (6) Activities of Daily Living (ADLs).

The costs of care are an evolving issue that requires continuous attention. Closing the gap between CareShield Life payouts and actual care expenses will help better support families in need. At the same time, more can be done to ensure equitable and timely access to assistance as families navigate an increasingly complex and uncertain future.



Notes:

- ¹ <https://www.moh.gov.sg/newsroom/government-accepts-careshield-life-council-s-recommendations-to-enhance-careshield-life-provides-additional-570-million-to-subsidise-premiums>
- ² <https://ipscommons.sg/snap-insight-ageing-well-is-a-challenge-singaporeans-must-take-on-together/>
- ³ <https://www.moh.gov.sg/newsroom/speech-by-mr-ong-ye-kung--minister-for-health--at-the-ministry-of-health-committee-of-supply-debate-2025--on-friday-7-march-2025>

1.2 Recommendations for CareShield Life and Long-Term Care in Singapore

To ensure Long-Term Care remains affordable, accessible, and sustainable, we propose five key recommendations for the CareShield Life scheme and the broader Long-Term Care ecosystem in Singapore:

Recommendation #1

Define a standard ‘basket’ of basic Long-Term Care needs in Singapore to provide greater clarity on the adequacy of government support

At present, there is no clear definition of what constitutes ‘basic’ Long-Term Care needs. Without this clarity, it is difficult for families to understand whether current government support – such as CareShield Life and other Long-Term Care support schemes – adequately address their essential care needs.

Defining a standard basket of care needs – potentially covering areas such as home modifications, psychological support, nutrition – would provide families with a clearer benchmark to gauge how CareShield Life complements other government support schemes in meeting their Long-Term Care needs.

For example, under MediShield Life, policyholders understand that they are covered for Hospitalisation or Day Surgery, Outpatient Treatment and Long-Term Care (e.g. community hospital or palliative care)⁴. Establishing a framework, with a standard basket of Long-Term Care needs as its foundation, could guide policy design, support service integration and enhance public understanding of the complexity of Long-Term Care planning.

In turn, this would help the public better appreciate how CareShield Life and other Long-Term Care support schemes work together to meet the Long-Term Care needs of families.

Recommendation #2

Increase CareShield Life payouts and align annual increments with healthcare inflation to address rising medical and Long-Term Care expenses

The current fixed 2% annual increase in CareShield Life monthly payouts has not kept pace with rising healthcare and Long-Term Care costs. With average Long-Term Care needs estimated at S\$3,000/month⁵, the current payout of S\$662/month only covers about 22% of the costs incurred, before subsidies from other relevant Long-Term Care schemes are applied.

We recommend raising the base monthly payout to cover a larger share of the average Long-Term Care needs required by the severely disabled to keep pace with the rising medical and Long-Term Care costs in Singapore.

This adjustment would ensure that the scheme remains relevant and meaningful over time, reducing the financial strain on caregivers and enabling families to plan more confidently for the future.

Recommendation #3

Ease CareShield Life eligibility criteria from three to two Activities of Daily Living (ADLs) to mitigate higher Long-Term Care costs

Currently, CareShield Life only pays out once a person is assessed as being unable to perform three or more ADLs (such as bathing, dressing, feeding). Individuals with mild to moderate disabilities requiring support are unable to benefit from the payout.

Easing the eligibility criteria from three to two ADLs will enable more people to benefit, but this must be carefully balanced with the need to maintain affordable premiums. Based on a recent study conducted in Singapore, earlier health and social interventions could save up to S\$650 million in direct healthcare costs by 2050^{6,7}.

Intervening at an earlier stage may alleviate the financial burden of an ageing population and assure Singaporeans that adequate support is provided across the care continuum.

Notes:

⁽⁴⁾ <https://www.cpf.gov.sg/member/healthcare-financing/medishield-life>

⁽⁵⁾ <https://singlife.com/en/blog/money/2025/long-term-care-costs>

⁽⁶⁾ <https://www.straitstimes.com/singapore/health/healthy-lifestyle-changes-could-save-spore-650m-in-healthcare-costs-by-2050-study>

⁽⁷⁾ <https://www.nature.com/articles/s43587-025-00915-0.pdf>

Recommendation #4

Improve integration of CareShield Life into Singapore's Long-Term Care framework through a 'Recovery Greenlane'

Accessing Long-Term Care support today in Singapore involves navigating multiple agencies and undergoing various assessments, adding to the administrative and emotional burden experienced by both the care recipient and their families.

Establishing a one-stop assessment checkpoint for Long-Term Care - using a universal care needs assessment that serves as a gateway to all eligible schemes (e.g. Home Caregiving Grant, ElderFund, Interim Disability Assistance Program) - would streamline processes and improve service delivery for Long-Term Care services, providing a seamless journey for residents in need.

This is in line with the Agency for Integrated Care's (AIC) plans to provide a more seamless Long-Term Care journey. Initiatives such as Age Well SG and Age Well Neighbourhood⁸ demonstrate how cities can be intentionally designed to integrate Long-Term Care services and facilities within the places where communities live, work and play. These efforts aim to enable seniors to age-in-place as part of a seamless journey⁹.

Recommendation #5

Cushion the impact of the "cliff effect" and ensure inclusive and equitable support across Long-Term Care schemes and services in Singapore

Families seeking treatment for their severe disabilities can experience a "cliff effect" as they navigate various means-tested support schemes. They may qualify for some schemes but not others due to the different Annual Value thresholds across programmes, although other factors, such as household income are relevant too.

For example, a family that meets the prevailing Per capita household income criteria - a primary criteria for means-testing - but lives in a private property with an annual value of property between S\$21,000 and S\$31,000 will receive subsidies for their CareShield Life premiums, MediShield Life premiums, specialist outpatient care and polyclinic visits. However, they would not qualify for Long-Term Care schemes such as Long-Term Care Subsidies for Institutional and Community Care, the Home Caregiving Grant or the Seniors' Mobility and Enabling Fund (SMF), which currently have an AV threshold of S\$21,000.

We propose aligning the AV threshold across all relevant Long-Term Care schemes with CareShield Life's S\$31,000 limit. This would ensure consistency in eligibility criteria and help mitigate the cliff effect experienced by families living in properties between S\$21,000 and S\$31,000 who also meet the relevant income requirements.

By raising the threshold from S\$21,000 to S\$31,000, more families would benefit from the support and subsidies needed to meet their Long-Term Care needs. This would also strengthen social protection for residents who may own fully-paid homes but still face financial hardship because of severe disabilities.

According to the Ministry of Finance's (MOF) announcement on 29 November 2024¹⁰, this revised threshold from S\$21,000 to S\$31,000 will cover more than three in four residential properties, including all HDB flats and a portion of lower-value private properties.

A Collective Responsibility

Singapore's Long-Term Care model must evolve to meet the challenges of a rapidly ageing population.

These five recommendations seek to:

- Make financial support more adequate and responsive
- Simplify systems and expand access to a broader group of families
- Reduce the burden on caregivers

We call upon individuals, community organisations, private sector partners, and public agencies to join us in shaping a stronger and more inclusive safety net. By contributing ideas, co-creating solutions, and championing innovation, we can build a fairer and stronger society, and shape a system of social protection that ensures no one is left behind.

Together, we can strengthen our social compact and forge a Singapore where every resident can age with dignity, and where families are well-supported in their journey of care.

Notes:

- (8) <https://www.straitstimes.com/singapore/health/age-well-neighbourhoods-integrating-existing-initiatives-to-open-across-singapore-ong-ye-kung>
- (9) <https://www.moh.gov.sg/newsroom/good-progress-in-the-implementation-of-age-well-sg>
- (10) <https://www.mof.gov.sg/news-publications/press-releases/government-raises-annual-value-threshold-for-social-support-schemes-from-january-2025-to-provide-continued-support-for-singaporeans/>



2 Introduction

A demographic transition is occurring globally, as nations around the world, including Singapore, note improving life expectancy and declining birth rates.

Life expectancy at birth for Singapore residents was 83.5 years in 2024, which is 0.9 years higher than a decade ago in 2014, where the life expectancy was at 82.6 years¹¹. Conversely, birth rates have seen a downward trend, reaching a historic low of 0.97 in 2023¹², which equates to less than one child per female.

As Singapore fast approaches a ‘super-aged’ society, where more than one in five of the population will be made up of seniors aged 65 years or older¹⁴ in 2026, it is necessary for Singapore to take stock of how it approaches Long-Term Care to ensure the financial resilience of its seniors, their families and the generations to come.

In a longevity economy, there are six principles to address the challenges of ageing populations as introduced by the World Economic Forum in a 2024 whitepaper¹³:



Six Principles for the Longevity Economy



1 Ensure financial resilience across key life events



2 Provide universal access to impartial financial education



3 Prioritise healthy ageing as foundational for the longevity economy



4 Evolve jobs and lifelong skill-building for a multi-generational workforce



5 Design systems and environments for social connection and purpose



6 Intentionally address longevity inequalities, including across gender, race and class

Notes:

- ⁽¹⁾ <https://www.singstat.gov.sg/-/media/files/publications/population/lifetable23-24.ashx>
- ⁽²⁾ <https://www.singstat.gov.sg/-/media/files/publications/population/ssn124-pg1-6.ashx>
- ⁽³⁾ https://www3.weforum.org/docs/WEF_Longevity_Economy_Principles_2024.pdf
- ⁽⁴⁾ <https://amro-asia.org/silver-linings-unlocking-the-potential-strengths-in-an-aging-singapore>

Source: World Economic Forum

2.1 The role of CareShield Life in Singapore's Long-Term Care model

CareShield Life, launched on 1 October 2020, is an evolution of the earlier ElderShield scheme. It is a national Long-Term Care insurance that pool resources to provide basic financial protection for Long-Term Care needs for the severely disabled, regardless of age.

The scheme is mandatory for Singaporeans born in 1980 or later. It is projected that one in two healthy Singaporeans could develop severe disability in their lifetime, requiring Long-Term Care¹⁵.

As of August 2025, there are 1.9 million policyholders enrolled in CareShield Life¹⁶. CareShield Life complements the Government's other Long-Term Care financing schemes to keep basic Long-Term Care costs for severe disability affordable amid rising costs¹⁷.

CareShield Life's positioning as a national Long-Term Care insurance share some likeness to the Long-Term Care insurance (LTCI) models of Japan and Germany. Each nation shapes its LTCI model to reflect the needs of its society and its unique operating contexts. An in-depth discussion of the key takeaways of the various LTCI models can be found in section 4 of the paper.

2.2 Enhancing and streamlining the delivery of Long-Term Care

In the following sections, the paper will explore some of the emerging challenges in Singapore as the population continues to age.

- 1 The growing financial and non-financial burden on informal caregivers
- 2 Increasing outpatient and caregiving costs
- 3 Fragmentation of Long-Term Care schemes and services.

Understanding and recognising these challenges earlier on allows for a continuous iteration of the current schemes, policies and frameworks that are already in place. The paper will put forward five recommendations that will allow Singapore to enhance and streamline the delivery of Long-Term Care to its residents.

Proposed Recommendations

Recommendation #1

Define a standard 'basket' of basic Long-Term Care needs in Singapore to provide greater clarity on the adequacy of government support

Recommendation #2

Increase CareShield Life payouts and align annual increments with healthcare inflation to address rising medical and Long-Term Care expenses

Recommendation #3

Ease CareShield Life eligibility criteria from three to two Activities of Daily Living (ADLs) to mitigate higher Long-Term Care costs

Recommendation #4

Improve integration of CareShield Life into Singapore's Long-Term Care framework through a 'Recovery Greenlane'

Recommendation #5

Cushion the impact of the "cliff effect" and ensure inclusive and equitable support across Long-Term Care schemes and services in Singapore

Notes:

¹⁵ <https://www.cpf.gov.sg/member/healthcare-financing/careshield-life>

¹⁶ <https://www.cpf.gov.sg/content/dam/web/member/infohub/documents/CareShield-Life-2025-Council-review-Report-FINAL.pdf>

¹⁷ <https://www.cpf.gov.sg/content/dam/web/member/infohub/documents/CareShield-Life-2025-Council-review-Report-FINAL.pdf>

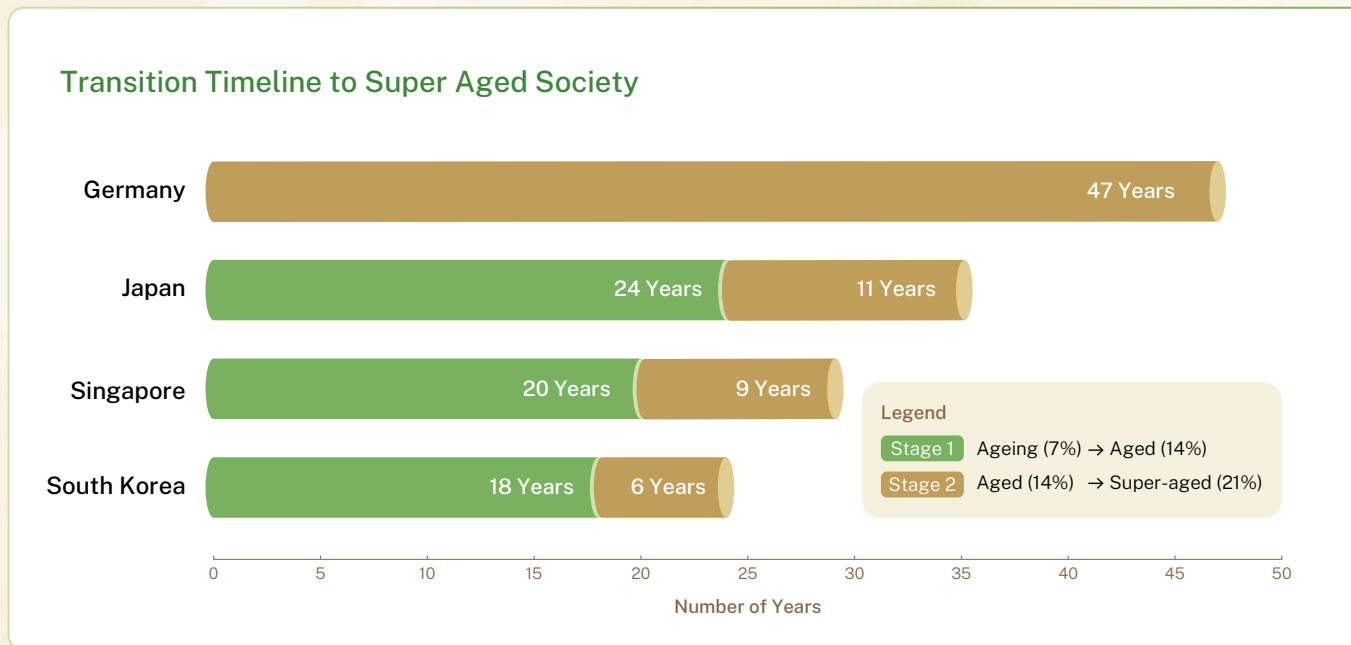
3 Setting the Stage: Supporting working families with elderly dependents

3.1 Moving towards a 'super-aged' society: Singapore's rapid transition from an ageing society

By 2026, Singapore will be defined as a 'super-aged' society, where 21% or more of the population (more than one in five) will be made up of seniors aged 65 years or older¹⁸.

While Singapore will not be the first to attain this status, it will be one of the fastest societies to make this transition from an 'ageing' society¹⁹, alongside South Korea.

This rapid transition requires a deeper thinking of how Singapore can further support the elderly across key areas such as financial resilience, intergenerational equity, and in particular, healthcare²⁰. An ageing population signals an incoming strain on Singapore's healthcare system, where a growing proportion of the adult population are today, suffering from one or more chronic diseases (multimorbidity)²¹.



Note: The data from Ageing to Aged is missing for Germany because the data for when Germany became "Aged" is not available.

Notes:

⁽¹⁸⁾ <https://amro-asia.org/silver-linings-unlocking-the-potential-strengths-in-an-aging-singapore>
⁽¹⁹⁾ <https://www.forwardsingapore.gov.sg/chapters/chapter-5>
⁽²⁰⁾ <https://www.weforum.org/stories/2025/01/super-ageing-and-youthful-populations-global-risks-report/>
⁽²¹⁾ <https://pmc.ncbi.nlm.nih.gov/articles/PMC6902794/>



3.1 Moving towards a 'super-aged' society: Singapore's rapid transition from an ageing society (continued)

Prior studies conducted globally have shown that multimorbidity introduces an increased risk of functional and cognitive decline in elderly persons²², where the implications extend beyond the healthcare setting. The inability to perform Activities of Daily Living (ADLs) gives rise to informal caregiving needs for the elderly, putting pressure on family members to provide the required daily care and assistance, among other competing priorities such as raising a family.

According to a Duke-NUS study, informal caregiving for the elderly is typically provided by adult children and migrant domestic workers. On average, caregivers spend about 60.5 hours per week on care tasks²³.

Among them, primary caregivers provide an average of 33.0 hours per week, while secondary caregivers contribute 8.4 hours per week. This translates into an annual monetary value of about S\$15,959 for primary caregivers and S\$4,062 for secondary caregivers.

Overall, the total annual monetary value of unpaid caregiving tasks is estimated at S\$1.28 billion. These caregiving tasks include providing direct care, supervising care and making care and treatment decisions²⁴.

Informal caregiving plays an important role in reducing the burden on Singapore's healthcare system and is in line with Singapore's Age Well SG programme²⁵ to encourage ageing-in-place; however, there is limited emphasis on understanding the type of support required by informal caregivers and the broader societal implications, especially as Singapore transitions into a 'super-aged' society.

The Role of Formal and Informal Caregivers

Caregivers play an important role in a care recipient's recovery journey and can often be grouped into two categories – formal and informal²⁶.

Formal caregivers are trained professionals such as nurses, therapists or home care aides, who are paid to deliver specialised care as required by the care recipient.

Informal caregivers, on the other hand, are usually family members, relatives or friends who provide unpaid care, providing support to the care recipient with their daily tasks and needs, and may act as a pillar of emotional support across the care continuum.

Notes:

⁽²²⁾ <https://pmc.ncbi.nlm.nih.gov/articles/PMC6922027/>

⁽²³⁾ <https://www.sciencedirect.com/science/article/pii/S2667032124000143?via%3Dihub>

⁽²⁴⁾ <https://www.businesstimes.com.sg/lifestyle/informal-caregiving-seniors-valued-s1-28-billion-annually-duke-nus-study>

⁽²⁵⁾ <https://www.agewellsg.gov.sg/about/>

⁽²⁶⁾ <https://pmc.ncbi.nlm.nih.gov/articles/PMC11024244/>



3.2 Singapore's approach to Long-Term Care

Singapore has been proactive preparing for a 'super-aged' society. Over the past decade, Singapore has rolled out holistic strategies and initiatives to support seniors across all facets of their lives – health, housing, employment, community and infrastructure.

In 2007, the government established the multi-agency Ministerial Committee on Ageing (MCA) to coordinate ageing-related efforts. This led to the launch of the first Action Plan for Successful Ageing in 2015, comprising over 70 initiatives. This plan was refreshed in 2023 to reflect evolving aspirations and needs focusing on three key themes: Care, Contribution and Connectedness (3Cs)²⁷.

Active ageing and ageing-in-place are key strategies to support Singapore's national priority of preventive healthcare and help seniors remain healthy, independent and connected within their homes and communities²⁸.

As part of these efforts, the Ministry of Health (MOH) will launch a pilot initiative in the third quarter of 2025, which will allow MediShield Life policyholders aged 40 and above to offset their premium via accumulating points through the Health Promotion Board's (HPB) Healthy 365 App²⁹. The aim of this incentive is to encourage healthier lifestyles and assess the link between healthy behaviours and better health outcomes³⁰.

To prepare for the rising demand for healthcare, Singapore is also expanding its network of healthcare facilities. By the mid-2030s, the goal is to increase the capacity of community hospitals and residential aged care to better support the needs of an ageing population³¹.

Notes:

- (27) <https://www.moh.gov.sg/others/resources-and-statistics/action-plan-for-successful-ageing>
 (28) <https://www.moh.gov.sg/newsroom/age-well-sg-to-support-our-seniors-to-age-actively-and-independently-in-the-community>
 (29) <https://www.moh.gov.sg/newsroom/government-accepts-medishield-life-council-s-recommendations-to-enhance-medishield-life-scheme---government-support-more-than-offsets-premium-increases>
 (30) <https://www.moh.gov.sg/newsroom/rationale-for-age-restriction-on-redeeming-medishield-life-premium-discounts-earned-through-healthy-365-app>
 (31) <https://www.moh.gov.sg/newsroom/expanding-healthcare-capacity-and-transforming-the-healthcare-workforce>



4 Long-Term Care Models in Japan and Germany

Singapore is not alone in its journey of designing the Long-Term Care models to meet the needs of an ageing society. Insurance is one of the tools used to cover the costs of Long-Term Care. Japan and Germany took a granular approach towards defining the Long-Term Care benefits while using a singular assessment. The LTC models were refined over more than 20 years to stay relevant to the needs of a super-aged society.

Each country will have to consider its unique operating contexts, how rapidly society is ageing, amongst other factors, in designing its solution to meet the Long-Term Care needs of its people.

For the purpose of this paper, we will spotlight the experiences of Japan and Germany and how they evolved their Long-Term Care Insurance (LTCI) models to meet the Long-Term Care needs of a super-aged society.

4.1 Japan

In anticipation of the increased need for LTC, Japan introduced its Long-Term Care Insurance (LTCI) system in 2000. It is a mandatory social insurance programme for people aged 40 and above³², funded by individual contributions and taxes. The LTCI system is built on three core principles – support for independence, providing social insurance and creating a user-oriented system.

As of April 2016, more than 5 million people aged 65 and above were eligible for LTCI³³. These individuals are assessed and issued a 'Certification of Needs for Long-Term Care or Support'. The assessment classifies them into Care Levels 1 to 5, or Preventive Support Levels 1 to 2. Each category and level determine the types of benefits and in-kind services they can access.

After more than 20 years of implementation, Japan now faces challenges in sustaining the LTCI system³⁴. Rising Long-Term Care costs, coupled with a shrinking workforce, has the potential to affect the stability of the system financially, should the current funding model, benefits and coverage remain the same.

To address these challenges, Japan has made several adjustments over the years. Efforts have focused on shifting towards preventive care and building a community-based integrated care system to encourage ageing-in-place. To tackle the shortage of healthcare workers, Japan is also investing in technology such as robotics, Information and Communications Technology (ICT) and Internet of Things (IoT) to enhance the quality of Long-Term Care services delivered and improve the overall well-being and quality of life of the elderly³⁵.

Notes:

³² <https://pmc.ncbi.nlm.nih.gov/articles/PMC7533196/>

³³ <https://japanhpn.org/en/section-3-2/>

³⁴ https://www.nber.org/system/files/working_papers/w31829/w31829.pdf

³⁵ https://www.meti.go.jp/english/press/2024/0628_004.html



4.2 Germany

Germany introduced its Long-Term Care Insurance (LTCI) in 1995, which is also known as *Pflegeversicherung* in German. The mandatory social insurance covers all residents, regardless of age, as long as they are assessed to be in need of care because of an illness or disability³⁶.

The system is funded through income-based contributions shared between employees and employers. Eligible persons can choose from three types of support: care allowance, home-based care (in-kind services), or residential care.

When the LTCI was first introduced, eligibility was determined using three care levels, based on the degree of dependency for daily care. Over the years, reforms were made to improve the system, to adapt to the changing and emerging needs of Germany's ageing population. A major milestone was the 2017 Care Strengthening Act II, which expanded the system from three care levels to five care grades.

This allowed for a more holistic assessment of both physical and cognitive care needs, in addition to providing higher tier of benefits for those requiring greater support³⁷.

Germany has also recognised the importance of strengthening the broader Long-Term Care ecosystem. In 2021, reforms were introduced to increase the pay for nursing staff and reduce the out-of-pocket contributions of care home residents, depending on their level of care dependency³⁸. Additionally, benefits for family caregivers were expanded, offering better access to short-term leave and respite care, helping to ease the burden of caregiving over time.

4.3 Key takeaways from Japan and Germany

Area	Japan	Germany
Single, Universal Assessment for access to LTC Schemes Both Japan and Germany use a single, universal assessment to determine eligibility for Long-Term Care schemes. This approach streamline access and maintain consistency across the system.	One standardised national assessment conducted by municipal governments which ensures uniform criteria for access.	One uniform national assessment conducted by an assessor from the Medical Review Board.
Tiered Benefits based on Care Needs After the assessment, a care level (Japan) or care grade (Germany) is assigned. Benefits are tiered according to the level of care required.	Seven levels are grouped into two categories: <ul style="list-style-type: none"> Preventive Support (Levels 1 to 2) Long-Term Care Support (Levels 1 to 5) Higher levels come with more comprehensive benefits.	Five care grades are based on both physical and cognitive impairments, with benefits increasing according to the intensity of care needed.
Types of benefits – in-kind, cash payout For both Japan and Germany, benefits are in-kind, with Germany providing the flexibility to choose between in-kind, cash or both.	Benefits are exclusively in-kind which includes professional home care and institutional services.	Flexibility is provided to the care recipient to choose between in-kind services, cash (to support informal caregiving), or a combination of both benefit types.

Notes:

⁽³⁶⁾ https://www.meti.go.jp/english/press/2024/0628_004.html
⁽³⁷⁾ <https://d-nb.info/117017489/34#:~:text=In%20course%20of%20the%20debate,from%202.35%20to%202.55%20percent>
⁽³⁸⁾ <https://www.reuters.com/world/europe/german-government-agrees-reform-care-homes-2021-05-29/>

5 Insights and considerations for Singapore

Singapore is at an important stage of its Long-Term Care journey. The right building blocks are already in place, and the refreshed 2023 Action Plan for Successful Ageing outlines the aspirations that Singapore is looking to achieve to build an age-inclusive society.

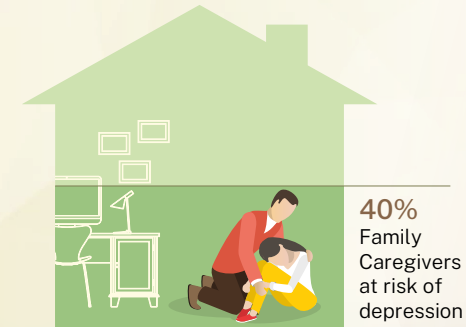
There are however opportunities for near-term changes that can be implemented to address emerging challenges.

5.1 The growing burden on informal caregivers

Informal caregivers are a critical component in Singapore's Age Well SG programme. The demand for seniors to grow old in their homes and communities – places that are familiar to them – will rise alongside a super-aged society. More of the caregiving responsibilities will shift from institutions to informal caregivers, who are typically the seniors' adult children.

This redistribution of caregiving responsibilities can place additional pressure on adult children, who may also be working full-time and raising their own families. With rising living costs, this "sandwich generation" will experience growing financial and emotional strain.

Based on a study conducted in 2022 to 2023, over 40% of family caregivers are at risk of depression³⁹, emphasising the need for further support for this underrepresented group. While the launch of the Home Caregiving Grant (HCG) in 2019 signalled a positive step forward, the eligibility criteria remain stringent. To qualify, the care recipient needs to pass a means test, and be assessed as permanently requiring assistance with at least three (3) of the six (6) ADLs defined for the grant to be disbursed⁴⁰.



Notes:

⁽³⁹⁾ <https://www.straittimes.com/singapore/over-40-of-caregivers-at-risk-of-depression-amid-challenging-environment-survey>

⁽⁴⁰⁾ <https://www.aic.sg/financial-assistance/home-caregiving-grant-hcg/>

5.2 Increasing outpatient and caregiving costs

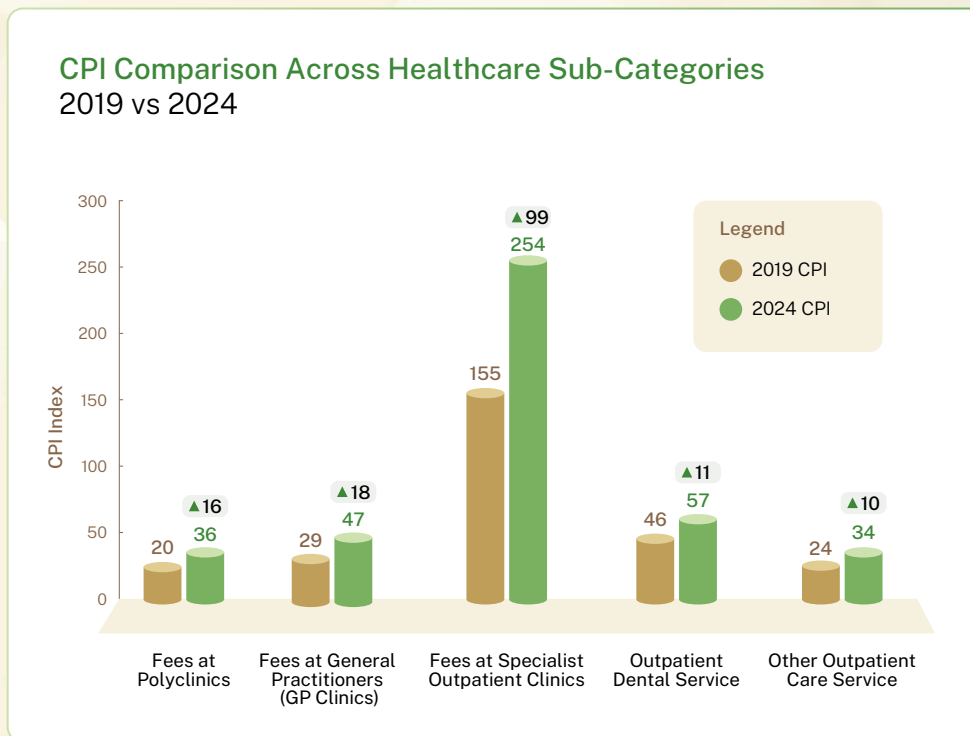
Healthcare and medical costs in Singapore continue to rise, with a projected increase of 12% in 2025, according to WTW’s Global Medical Trends 2025 report⁴¹.

The report attributes this increase to several factors, including advancements in technology and pharmaceuticals, overwhelmed public healthcare systems and increased private healthcare demand.

The latest Singapore Consumer Price Index (CPI), published by the Singapore Department of Statistics in February 2025, also reflects this upward trend. Health Expenditure rose from 6.5% in 2019 to 10.1% in 2024, an increase of 3.6 percentage points⁴².

According to the Information Paper, this increase is mainly due to higher spending on Inpatient and Outpatient Care Services, as well as rising Health Insurance costs⁴³.

Based on the data collected, all classes of Outpatient Care Services noted an increase in CPI, with Fees at Specialist Outpatient Clinics observing the largest increase from 155 in 2019, to 254 in 2024.



Notes:

(41) <https://www.wtwco.com/en-sg/insights/2024/10/2025-global-medical-trends-survey>
 (42) <https://www.singstat.gov.sg/modules/infographics/consumer-price-index>
 (43) <https://www.singstat.gov.sg/modules/infographics/-/media/Files/publications/economy/ip-e61.pdf>



5.3 Varying Annual Value of property thresholds for Government-Funded Schemes and Subsidised Services

While schemes such as the Community Health Assist Scheme (CHAS) and Chronic Disease Management Programme (CDMP) allow patients to offset certain outpatient costs, the subsidies may not be sufficient to mitigate the increasing costs of outpatient services, particularly for the lower to middle-income group.

Using CHAS as an example, benefits are currently tiered according to Per Capita Household Income (PCHI), or Annual Value (AV) of property, depending on the income status of the household.

Eligibility for CHAS benefits – effective 1 January 2025⁴⁴

CHAS Criteria	CHAS Green	CHAS Orange	CHAS Blue
^ Household monthly income per person (for households with income)	Above S\$2,300	S\$1,501- S\$2,300	S\$1,500 and below
^^ Annual Value (AV) of home (for households with no income)	Above S\$31,000	S\$21,001- S\$31,000	S\$21,000

[^] Household monthly income per person is the total gross household monthly income divided by total number of family members living together. Gross monthly income refers to your basic employment income, trade/self-employed income, overtime pay, allowances, cash awards, commissions, and bonuses.

^{^^} Annual Value is the estimated gross annual rent of a property if it were to be rented out, excluding furnishings and maintenance fees. It is determined by IRAS and may be checked via mytax.iras.gov.sg.

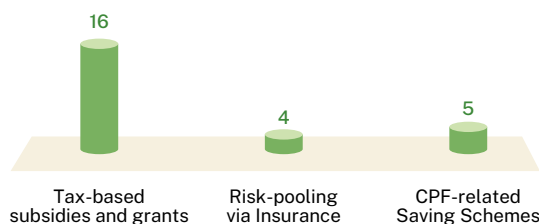
In ensuring that the AV thresholds used for means-testing continue to provide support for the majority of Singaporeans, revisions were made as of 1 January 2025 for social support and selected healthcare schemes, where the upper limit of the second AV tier was raised to S\$31,000⁴⁵.

AV Thresholds

	Prior to 1 January 2025	As of to 1 January 2025
First AV Tier	Up to S\$21,000	Up to S\$21,000
Second AV Tier	More than S\$21,000 and up to S\$25,000	More than S\$21,000 and up to S\$31,000

This is now in effect for CHAS, CareShield Life premium subsidy, MediShield Life premium subsidy, Specialist Outpatient Care (SOC) service subsidy and drugs subsidy at inpatient, SOC, and polyclinic settings.

Number of Long-Term Care Financing Tools



The CareShield Life 2025 Review Council Report provides a comprehensive list of schemes and services related to Long-Term Care, as detailed in Appendix A.

Notes:

⁽⁴⁴⁾ <https://www.chas.sg/eligibility-and-application>

⁽⁴⁵⁾ <https://www.mof.gov.sg/news-publications/press-releases/government-raises-annual-value-threshold-for-social-support-schemes-from-january-2025-to-provide-continued-support-for-singaporeans/>

5.3 Varying Annual Value of property thresholds for Government-Funded Schemes and Subsidised Services (continued)

For the purpose of this paper, these schemes and services can be grouped into three types of Long-Term Care financing tools (see chart above). Among the 16 tax-based subsidies and grants, out-of-pocket expenses apply for tax-based subsidy schemes, such as Seniors' Mobility and Enabling Fund (SMF) or when visiting the doctor, although the costs is heavily subsidised for blue or orange CHAS card owners.

The following table summarises the key features of each type of Long-Term Care financing tool, and how they help families manage the costs of Long-Term Care.

What it means for you



Tax-based
subsidies
and grants

This refers to cash transfer (grants) or discounts (subsidies) given when the applicant or their household applies for a scheme and meets the eligibility criteria. Out-of-pocket expenses apply to subsidy schemes, such as Seniors' Mobility and Enabling Fund (SMF). There are currently 16 'government-funded' Long-Term Care schemes, including CHAS, which provides subsidised services for outpatient care, such as polyclinic visits.



Risk-pooling
via insurance

This refers to enrolment in national insurance programmes, which pool resources from participating policyholders to cover payout for those who meet the conditions of a covered risk event. For example, under CareShield Life, a policyholder becomes eligible for payouts if they are unable to perform at least three out of six ADLs. There are currently four insurance programmes listed under the Long-Term Care schemes in the CareShield Life 2025 Review Council Report.



CPF-related
savings schemes

This refers to personal savings such as MediSave and other programmes to boost such savings. There are five such schemes listed in the same report.

AV thresholds for Long-Term Care related schemes – as of August 2025

It is worth noting that for the various Long-Term Care schemes and services, different sets of criteria may apply, although some overlapping criteria exists. For example, criteria such as Per capital household income and AV threshold are commonly used. These criteria help assess a household's wealth and, consequently, their level of financial need for additional support.

Our review of the various schemes and services found that the applicable AV thresholds vary. This means that households with an AV between S\$21,000 and S\$31,000 may qualify for some schemes and services but not others. This is however dependent on whether the household meet the other specific conditions and criteria of the various schemes.

More can be done to help families navigate the various schemes and services so that they can receive the support in a time of need. This will be further elaborated in section 6 of the report, where we put forth several recommendations for CareShield Life and Long-Term Care in Singapore.





5.4 Fragmentation of long-term care schemes and services

First launched in 2015, Singapore's first Action Plan for Successful Ageing was recently refreshed in 2023, incorporating the voices of seniors and the community through extensive public consultation⁴⁶.

While the wide range of initiatives across the three key themes – Care, Contribution and Connectedness – ensures the comprehensive coverage of needs, it may introduce a layer of complexity for seniors, their families and caregivers, when searching for the right support based on their personal circumstances.

With an increased emphasis on community-based care services and support, further integration across the care ecosystem (public, private and community) is required, to prevent silos and fragmentation which could lead to increased administrative burden and mental load for seniors, their families and caregivers.

Currently, for Long-Term Care, there are separate assessments being used, such as the Functional Assessment Report (FAR) and Severe Disability Assessment for government-backed schemes; community providers and nursing homes may also use tools such as the InterRAI Long-Term Care Facilities (LTCF) assessment to assess the needs of seniors⁴⁷.

Examples of schemes and services in Singapore for the ageing population⁴⁸

Schemes / Initiative / Services	Lead Agency / Owner
CareShield Life	MOH, administered by CPF and AIC
Home Caregiving Grant	MOH, administered by AIC
ElderFund	MOH, administered by CPF and AIC
MediSave Care	
Interim Disability Assistance Programme for Elderly	MOH, administered by AIC
Pioneer Generation Disability Assistance Scheme	
Migrant Domestic Worker Levy Concession (for Persons with Disabilities)	MOM, administered by AIC
Enabling Transport Subsidy	MSF, administered by SG Enable
Nursing Home Respite Care Subsidies	MOH, administered by AIC; community providers
Enhancement for Active Seniors	HDB

Note: The list of schemes, initiatives and services listed above is non-exhaustive

Notes:

⁽⁴⁶⁾ <https://www.moh.gov.sg/newsroom/launch-of-the-2023-action-plan-for-successful-ageing>

⁽⁴⁷⁾ <https://www.aic.sg/partners/mosaic/transform-community-health-terrai-training/>

⁽⁴⁸⁾ <https://supportgowhere.life.gov.sg/>





6 Enhancements to existing schemes, policies and frameworks – With a focus on CareShield Life

Based on the identified challenges that are surfacing, there are opportunities to review existing schemes, policies and frameworks to address the increasing caregiving and financial burden of an ageing population and improve the overall delivery of Long-Term Care in Singapore.



6.1 Overview of CareShield Life

Launched on 1 October 2020, CareShield Life is Singapore’s mandatory Long-Term Care insurance scheme for Singapore Residents. An evolution of ElderShield, the scheme provides universal coverage for those who are assessed to be severely disabled, where they are unable to carry out at least three (3) of the six (6) ADLs defined – washing, dressing, feeding, toileting, walking or moving around, and transferring⁴⁹.

To account for cognitive impairment on functional abilities, an updated disability assessment framework and revised training curriculum have also been rolled out to equip accredited assessors in providing more consistent assessments for cognitively impaired applicants⁵⁰.

Means-tested premium subsidies of up to 30% are also available, to help ensure that CareShield Life premiums remain affordable for lower to middle income households. No one will lose coverage due to inability to afford their premiums⁵¹.

CARESHIELD LIFE CLAIMS – 2020 TO 2024

As of 2024, there were a total of 1,821 active claimants benefitting from the scheme, with a total of S\$26.7 million that has been paid out to severely disabled individuals, who have been assessed that they are unable to perform a minimum of three out of six ADLs.

Year	No. Of Active Claimants (% Δ)	YoY Active Claimants	Amount Of Claims (S\$)	YoY Amount of Claims (% Δ)
2020	90	-	200,000	-
2021	353	292%	2,400,000	1100%
2022	638	81%	4,100,000	71%
2023	1096	72%	7,400,000	80%
2024	1821	66%	12,600,000	70%

Through extensive consultation with end users, healthcare professionals and social policy experts – culminating to a roundtable discussion to gather expert views – we examined how the CareShield Life scheme can remain relevant amid the evolving Long-Term Care landscape and rising medical costs.

Based on these insights, this position paper puts forward five recommendations to better support Singapore Residents in meeting their Long-Term Care needs should they develop a severe disability.

Notes:

(49) <https://www.cpf.gov.sg/member/healthcare-financing/careshield-life>
 (50) <https://ask.gov.sg/moh/questions/clpjhuuot008uhipnxqobmp00>
 (51) [https://www.cpf.gov.sg/member/healthcare-financing/careshield-life#:~:text=CareShield%20Life%20premiums%20are%20risk,Additional%20Premium%20Support%20\(APS\)](https://www.cpf.gov.sg/member/healthcare-financing/careshield-life#:~:text=CareShield%20Life%20premiums%20are%20risk,Additional%20Premium%20Support%20(APS))

RECOMMENDATION #1



6.2 Define a standard 'basket' of basic Long-Term Care needs in Singapore to provide greater clarity on the adequacy of government support

Defining a standard 'basket' of basic Long-Term Care needs gives families greater certainty in projecting their Long-Term Care expenses when someone in the household develops a severe disability.

Such a benchmark enables families to appreciate how CareShield Life complements other Long-Term Care schemes to meet their Long-Term Care needs.

As part of the universal assessment, the following criteria⁵² are used to determine the care grade required in Germany.

Six basic areas of life in which care support is important



Mobility

How independently can the person move, adopt and change a posture – for example, sit down, walk and climb a staircase?



Self-care

How independently can the person look after themselves in everyday life, for example in terms of personal hygiene and nutrition?



Cognitive and communicative abilities

How is the person coping with time and space in their everyday life? For example, are they able to make decisions alone, hold conversations and communicate their needs?



Managing and independently dealing with requirements and difficulties due to illness and therapy

How successfully is the person dealing independently with illnesses and therapies? What support does the applicant need from caregivers in terms of dealing with their illness and treatments?



Behaviour and psychiatric problems

How often does the person need support from a caregiver, for example due to psychiatric problems such as aggressive or anxious behaviour?



Organisation of everyday life and social contacts

How independently can the person plan their day and maintain contacts?

A starting point may be to study the permutation of ADLs that severely disabled individuals are unable to perform, to determine the common care needs across the severely disabled. With a standard basket of Long-Term Care needs as a foundation, it would aid the public in understanding the kind of Long-Term Care expenses to be expected, and how CareShield Life payout, personal MediSave savings and other Long-Term Care schemes work together to provide families with affordable and basic Long-Term Care support.

Policyholders of MediShield Life understand that the national insurance programme exists to cover large hospitalisation bills. With a clear framework, policyholders of CareShield Life will appreciate how the payouts they receive contribute towards their Long-Term Care needs.

Source: <https://gesund.bund.de/en/care-assessment#content>

Notes:

⁵² <https://gesund.bund.de/en/care-assessment#content>

RECOMMENDATION #2



6.3 Increase CareShield Life payouts and align annual increments with healthcare inflation to address rising medical and Long-Term Care expenses

Under the current CareShield Life scheme, monthly payouts have been adjusted at a 2% yearly increase since its launch in 2020 – from S\$600 in 2020, to the current level of S\$662 in 2025.

Based on Central Provident Fund Board (CPF) website, stroke is an example of a sudden disabling event that may require Long-Term Care⁵³. For a stroke patient, potential recurring outpatient costs range from S\$1,000 to S\$3,200 per month, to pay for specialised nurses to assist with daily living activities, private transportation and rehabilitative therapy.

The above does not include routine consultations with neurologists, diagnostic tests and any lifestyle adjustment costs (e.g. food and nutrition, home modifications).

While there are other available schemes and subsidies that a stroke patient may qualify for to further offset costs – such as MediSave (Outpatient), CHAS, Home Caregiving Grant, Pioneer Generation Disability Assistance Scheme, Foreign Domestic Worker Levy Concession, Seniors' Mobility and Enabling Fund

Weekly specialised caregiving needs for a stroke patient [^]			
Item	Qty	Cost Range	Total Costs
Specialised nurse	2	S\$25 to S\$150 / hour	S\$50 to S\$300
Private transportation (wheelchair accessible)	4	S\$25 to S\$60 / one-way trip	S\$100 to S\$240
Rehabilitation session	2	S\$50 to S\$100 / session	S\$100 to S\$200
		Per week	S\$250 to S\$740
		Per month	S\$1,083 to S\$3,207

[^] based on a recommended frequency of two (2) times per week⁵⁴

(SMF) – the application process is not fully streamlined, and multiple applications and assessments may be required to assess eligibility (this will be further discussed under Recommendation #3).

Increasing the current payout to cover a larger share of specialised care for the severely disabled could help families by offering some protection against unavoidable costs that may arise due to disability. This might also alleviate, to some extent, the caregiver burden for working families who find themselves ‘sandwiched’ between caring for both their young and elderly, and who may lack the financial resources to purchase supplementary

CareShield Life coverage from private insurers. One possible approach could be to consider reflecting changes in medical and Long-Term Care costs in the annual increment to CareShield Life monthly payouts, which may help these payouts better keep pace with rising expenses.

To balance the cost and ensure the sustainability of the scheme, there is an opportunity to consider a tiered benefits based on needs, referencing the models used by Japan and Germany in structuring its Long-Term Care insurance (this will be further discussed under Recommendation #4).

Notes:

⁽⁵³⁾ <https://www.cpf.gov.sg/member/healthcare-financing/careshield-life>

⁽⁵⁴⁾ https://cfps.org.sg/publications/the-singapore-family-physician/article/481_pdf



RECOMMENDATION #3



6.4 Ease CareShield Life eligibility criteria from three to two Activities of Daily Living (ADLs) to mitigate higher Long-Term Care costs

Current Long-Term Care schemes administered by the government uses ‘the need for assistance with ADLs’ as one of the main criteria to determine eligibility, as seen in the table below:

Application of ADL framework in assessing eligibility across various schemes

Schemes / Initiative / Services	ADL Framework Used
CareShield Life	Yes, requires help with at least 3 of the 6 ADLs
Home Caregiving Grant	
ElderFund	
MediSave Care	
Interim Disability Assistance Programme for Elderly	
Pioneer Generation Disability Assistance Scheme	
Migrant Domestic Worker Levy Concession (for Persons with Disabilities)	Yes, requires help with at least 1 of the 6 ADLs
Enhancement for Active Seniors	
Nursing Home Respite Care Subsidies	No, other criteria apply; referral may be required

Source: <https://supportgowhere.life.gov.sg/>, <https://www.hdb.gov.sg/residential/living-in-an-hdb-flat-for-our-seniors/ease>

Hence, when a person has mild or moderate disability (i.e. unable to perform 1 or 2 ADLs), it is not just CareShield Life payout that they are unable to access, but a suite of other Long-Term Care schemes too.

The recommendation to ease the eligibility criteria from 3 to 2 ADLs aims to support current ageing-in-place strategies and policies that prioritise prevention. This approach is timely, as projections indicate that by 2050, one in six seniors in Singapore will have at least one ADL disability⁵⁵.

Research underscores the importance of earlier intervention. A four year follow-up cohort study conducted in Korea found that the prevalence of ADL disability increases rapidly over time, particularly in persons aged 75 and above⁵⁶. Similarly, a study conducted in the United States showed that older adults with one ADL and major chronic conditions are at a high risk of developing another two disabilities⁵⁷.

A tiered benefit structure allows for earlier intervention across the continuum of care. This approach promotes recovery and mitigates further functional decline in older populations. According to a report published by the Economic Research Institute for ASEAN and East Asia, specialised care, in particular rehabilitation, were effective in reducing the risk of deterioration in care-need levels (in the context of Japan’s LTCL model) in the older population in Japan⁵⁸.

The current evidence suggests that there are advantages in easing the eligibility criteria of CareShield Life from three to two ADLs to mitigate higher Long-Term Care costs in the future, given the prevalence of chronic diseases in Singapore’s adult population. Based on a recent study led by researchers from NUS Saw Swee Hock School of Public Health, earlier health and social interventions could save up to S\$650 million in direct healthcare costs by 2050^{59,60}. Intervening at an earlier stage will alleviate the potential burden of disease, aligning with the continuum of care required for Singapore’s ageing population, providing adequate support throughout the different care phases.

Notes:

⁽⁵⁵⁾ <https://www.sciencedirect.com/science/article/pii/S2212828X18300793>

⁽⁵⁶⁾ <https://pmc.ncbi.nlm.nih.gov/articles/PMC10080827/#CR12>

⁽⁵⁷⁾ <https://pmc.ncbi.nlm.nih.gov/articles/PMC6873710/>

⁽⁵⁸⁾ <https://www.eria.org/uploads/Outcome-of-Long-term-Care-Insurance-Service-in-Japan-new.pdf>

⁽⁵⁹⁾ <https://www.straitstimes.com/singapore/health/healthy-lifestyle-changes-could-save-spore-650m-in-healthcare-costs-by-2050-study>

⁽⁶⁰⁾ <https://www.nature.com/articles/s43587-025-00915-0.pdf>

RECOMMENDATION #4



6.5 Improve integration of CareShield Life into Singapore’s Long-Term Care framework through a ‘Recovery Greenlane’

Singapore has progressed with its Long-Term Care planning over the past decade, launching the first Action Plan for Successful Ageing in 2015 comprising over 70 initiatives, which was recently refreshed in 2023.

Given the wide coverage of schemes and initiatives that have been put in place, there are opportunities to further streamline and improve the experience for the care recipient and their family, for them to access the support they require. In both Japan and Germany, access to their respective Long-Term Care Insurance (LTCI) is determined by a single, universal assessment which will provide an indication of the initial level of care and support required by the individual at the time of assessment. Re-assessments may be administered either periodically or when the individual’s circumstances change over time.

Japan	Germany
<p>7 levels of support in total⁶¹</p> <ul style="list-style-type: none"> • Preventive Support – Level 1 to 2 • Long-Term Care – Levels 1 to 5 	<p>5 care grades</p> <p>Based on both physical and cognitive impairments⁶².</p>
<ul style="list-style-type: none"> • Preventive support will unlock preventive Long-Term Care benefits such as outpatient services for rehabilitation, home-visit services, and community-based services. • Long-Term Care support will unlock Long-Term Care benefits such as access to facility services, specialised in-home services, and community-based services to provide the required care. • Periodic re-assessments may be required to evaluate the individual’s current circumstances. 	<ul style="list-style-type: none"> • Level of access and benefits are based on the care grade, where a higher care grade requires a greater need for Long-Term Care. • Care grade does not affect the kind of benefits that can be claimed, and the individual can decide between care at home and care in a residential care facility. • Only people assigned care grade 1 have fewer care benefits available to them. • The classification system also applies to children in need of Long-Term Care, but the care grade need is determined slightly differently. • Re-assessments may be triggered should the individual’s circumstances change.

Notes:

⁶¹ https://www.mhlw.go.jp/english/policy/care-welfare/care-welfare-elderly/dl/tcisj_e.pdf

⁶² <https://gesund.bund.de/en/care-grades-at-a-glance#introduction>



RECOMMENDATION #4



6.5 Improve integration of CareShield Life into Singapore's Long-Term Care framework through a 'Recovery Greenlane' (continued)

In Singapore, using an elderly stroke patient as an example, there are currently separate applications for each Government support scheme with multiple assessments and approval processes.

Assessments required to assess eligibility



Functional Assessment Report (FAR)

This is only applicable to specific Government schemes administered by AIC, SG Enable, Special Needs Trust Company.



Severe Disability Assessment

Requires MOH-accredited severe disability assessor to complete the assessment and is specific to severe disability schemes such as CareShield Life, ElderShield, Interim Disability Programme for the Elderly (IDAPE) and MediSave Care.

Additionally, there is limited integration with Community Schemes such as enrolment into Community Rehabilitation Centres, Community Caregiving Support, Food Support and Home Care volunteers (list of community schemes highlighted is non-exhaustive).

Borrowing learnings from Japan and Germany, a single, universal assessment to provide pre-approval and auto-inclusion into eligible Government and Community schemes will reduce the administrative burden and mental load for both the care recipient and their families. It will also enable faster access to the right support, empowering the care recipient and their families to focus on recovery and rehabilitation.

While it is acknowledged that AIC is currently working on providing a more seamless care journey for seniors and their caregivers by enhancing coordination with care providers as of the second half of 2024⁶³, there is still a need to further define the level of care and support required for the elderly, across the care continuum.



Notes:

⁶³ Enhancing Preventive Health and Aged Care | Ministry of Health

RECOMMENDATION #5



6.6 Cushion the impact of the “cliff effect” and ensure inclusive and equitable support across Long-Term Care schemes and services in Singapore

Beyond CareShield Life, it is important to address the cliff effect when reviewing the Long-Term Care financing model.

Different AV thresholds apply to government-funded schemes and subsidised services, as highlighted in Section 5.3. It is recommended to adjust the AV threshold for Long-Term Care schemes and services to S\$31,000, in line with the benchmark applied to general social support schemes and CareShield Life.

This change will extend coverage to more than three in four residential properties, including all HDB households and a portion of the lower-value private properties. Aligning these thresholds for Long-Term Care would ensure that more families, particularly those just above the current cut-offs, and who meet other prevailing criteria of the scheme(s), receive the support they need.





7 Conclusion

As Singapore transitions into a ‘super-aged’ society, it is timely to consider the evolving ecosystem of care and make recommendations for CareShield Life and Long-Term Care scheme. This will ensure its relevance in meeting the caregiving needs of families.

Through our engagement with various stakeholders, we gained a deeper appreciation of the difficult trade-offs faced by policymakers. CareShield Life operates as a risk-pooling scheme. This means that for a policyholder to receive higher payout, everyone else must pay more. That would mean higher premiums for everyone. Yet, affordability remains a critical feature of any national insurance program to ensure broad coverage against the risk of severe disability.

Another perspective we hear from the ground is whether the payouts are sufficient. This is a challenging question. What is “enough” depends largely on individual care needs and expenses. However, we lack sufficient data on the most common combinations of ADL disabilities among current and future CareShield Life claimants, as well as the associated costs they face because of these disabilities. This is why we believe that it is important to define a standard basket of Long-Term Care needs for the severely disabled. Such a framework can become a meaningful reference point for discussing how the care expenses should be met – whether through CareShield Life payouts, Long-Term Care grants or subsidies, MediSave Savings, or personal contributions.

Policyholders of MediShield Life understand the purpose why this national insurance scheme exists – to protect policyholders against large hospitalisation bills. It performs a well-defined function that is widely understood and accepted. In contrast, there is less clarity on the core “job to be done” by CareShield Life. This gap motivated our research, and we hope our findings and recommendations will help families better prepare for the realities of Long-Term Care .

More can be done to help the public understand how CareShield Life fits within the broader system of Long-Term Care financing.

Through this position paper, our aim is to look at the decisive steps that could take us towards a path of greater inclusion as we transition into a super-aged society. Readers can keep this broad objective in mind as they consider the recommendations that this paper has laid out for CareShield Life and Long-Term Care Schemes. Ultimately, basic social protection should remain affordable and accessible to those who need it.





8 Methodology

This paper draws upon existing research and primary insights gathered from a closed-door roundtable session comprising representation across Public and Private sectors, Healthcare and Non-Profit Professionals and Academia.

8.1 Secondary research

Existing literature from local (Singapore) and global sources were reviewed and analysed, including scholarly articles, industry reports and credible online resources. Where available, quantitative data was sourced from primary data owners who have made their data available for public use. All references used have been cited accordingly.

8.2 Roundtable insights

To supplement the secondary research, a closed-door roundtable was held with subject matter experts and practitioners on the topics that have been discussed in this paper. The session presented an opportunity for an exchange of ideas which were incorporated into the recommendations that have been put forward.

8.3 Limitations

Given the nature of the topic at hand, it is acknowledged that further primary data collection is required to understand the degree of impact of the challenges cited, and to rigorously assess the viability of the proposed recommendations.

Areas identified for future research include:

- Exploring the type of interventions that are effective in mitigating functional decline among elderly populations across the care-continuum
- Identifying caregiving needs and requirements that correspond to the health and wellbeing among older adults





9 Acknowledgements

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We would like to express our sincere thanks to the Ministry of Health, Ministry of Manpower, and Ministry of Social and Family Development, as well as the participants of the C4W Roundtable held on 16 June 2025, representing the private, healthcare, community, and academic sectors. We are grateful for their insights and expertise and have incorporated relevant feedback into this paper.

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About LEAP201

Leap201 is a Singapore-registered philanthropic organisation committed to uplifting communities at the bottom of the socio-economic pyramid across Southeast Asia. It adopts a venture philanthropy approach by providing social loans to social enterprises in the region. In Singapore, Leap201 catalyse research, pilot programmes, and policy advocacy to improve the lives of families facing social or health vulnerabilities.

WEBSITE

<https://www.leap201.org/>

LINKEDIN

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About KPMG

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10 Appendices

Appendix A: List of Long-term Care Schemes and Services

Financing Framework	Scheme	AV Threshold (as of August 2025)
Subsidies, Grants, Government Assistance Schemes, and Safety Nets	Long-Term Care Subsidies for Institutional and Community Care	≤\$21,000 for households without income
	Home Caregiving Grant (HCG)	≤\$21,000 for households without income
	Pioneer Generation Disability Assistance Scheme (PioneerDAS)	Other criteria apply
	Seniors' Mobility and Enabling Fund (SMF)	≤\$21,000 for households without income
	Assistive Technology Fund (ATF)	≤\$21,000 for households without income
	Equipment Rental Scheme (ERS)	≤\$21,000 for households without income
	Enhancement for Active Seniors (EASE)	Other criteria apply; scheme is currently targeted at flat owners with plans to extend this to private property owners
	Enabling Transport Subsidy (ETS)	≤\$21,000 for households without income
	Taxi Subsidy Scheme (TSS)	≤\$21,000 for households without income
	Caregiver Training Grant (CTG)	Other criteria apply; applicant may qualify as long as they are the primary caregiver of the care recipient (65 years old or older) and meet the requirements outlined on AIC's website
	Migrant Domestic Worker Levy Concession	Other criteria apply
	ElderFund	Other criteria apply
	Interim Disability Assistance Programme for the Elderly (IDAPE)	≤\$21,000 for households without income
	MediFund	Other criteria apply
ComCare Long-Term Assistance	Other criteria apply	

Financing Framework	Scheme	AV Threshold (as of August 2025)
Insurance	CareShield Life	≤\$31,000 to be eligible for premium subsidies
	ElderShield	Other criteria apply
	Home Protection Scheme (HPS)	Other criteria apply
	Dependants' Protection Scheme (DPS)	Other criteria apply
Personal and Healthcare Savings	MediSave Care	Other criteria apply
	Withdrawal of CPF Savings on Reduced Life Expectancy	Other criteria apply
	Matched Retirement Savings Scheme (MRSS)	≤\$21,000 in AV, in addition to other criteria
	Matched MediSave Scheme (MMSS)	≤\$21,000 in AV, in addition to other criteria
	Special Needs Savings Scheme (SNSS)	Other criteria apply

Source: CPFIB, AIC, SG Enable, SupportGoWhere
 Note: the list of schemes was referenced from the recent CareShield Life 2025 Review Council Report



10 Appendices

Appendix B: Types of LTCL benefits in Japan

Support / Care Level	Services designated/supervised by prefectures	Services designated/supervised by municipalities
Persons requiring Long-Term Care (Long-Term Care levels 1 to 5)	<p>Nursing care prevention services</p> <ul style="list-style-type: none"> • Nursing care preventive home-visit care • Nursing care preventive home-visit bathing care • Nursing care preventive home-visit nursing care • Nursing care preventive home-visit rehabilitation • Nursing care preventive management guidance for in-home care • Nursing care preventive commuting care • Nursing care preventive commuting rehabilitation service • Nursing care preventive short-term stay at a care facility • Nursing care preventive medical care service through a short-term stay • Nursing care preventive daily life care for elderly in specific facilities • Lending nursing care preventive welfare instruments • Sales of specific nursing care preventive welfare instruments 	<p>Nursing care prevention support</p> <p>Community-based nursing care prevention services</p> <ul style="list-style-type: none"> • Nursing care preventive small-sized multifunctional in-home care • Nursing care preventive commuting care for elderly with dementia • Nursing care preventive daily life care in communal living
Persons requiring support (Support levels 1 to 2)	<p>In-home Services</p> <ul style="list-style-type: none"> • Home-visit care • Home-visit bathing service • Home-visit nursing care • Home-visit rehabilitation • Management guidance for in-home care • Commuting for care • Commuting rehabilitation service • Short-term stay at a care facility • Medical care service through a short-term stay • Daily life care for elderly in specific facilities • Lending welfare instruments • Sales of specific welfare instruments <p>In-home care support</p> <p>Facility services</p> <ul style="list-style-type: none"> • Welfare facilities for the elderly requiring Long-Term Care • Health care facilities for the elderly requiring Long-Term Care • Sanatorium type medical care facilities for the elderly requiring care 	<p>Community-based services</p> <ul style="list-style-type: none"> • Night time home-visit care • Commuting care for elderly with dementia • Small-sized multifunctional in-home care • Daily life care in communal living for elderly with dementia • Community-based daily life care for elderly in community-based specific facility • Community-based daily life care for elderly in welfare facilities for the elderly requiring Long-Term Care

Note: Home modification benefits may also be rendered if required.
Source: Long-term Care Insurance in Japan | Ministry of Health, Labour and Welfare



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