

**Notice No** : **MAS 117**  
**Issue Date** : **26 January 2004**

**Last revised on: 28 December 2015\***

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**TRAINING AND COMPETENCY REQUIREMENT: HEALTH INSURANCE**

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**Introduction**

1. This Notice is issued pursuant to sections 35TA and 64(2) of the Insurance Act (Cap. 142) [“the Act”] and—

- (a) applies to—
  - (i) a direct insurer;
  - (ii) a direct insurance broker;
  - (iii) an exempt direct insurance broker;
  - (iv) a licensed financial adviser; or
  - (v) an exempt financial adviser,

which carries on a business in relation to health insurance products, whether or not it carries on any other business; and

- (b) applies to—
  - (i) any person employed by or who act as an insurance agent for a direct insurer, other than a Trade Specific Agent;

[MAS 117 (Amendment) 2010, wef 11 Aug 2010]

- (ii) any person employed by or who act for a direct insurance broker or an exempt direct insurance broker; or
- (iii) any person employed by or who acts as an appointed representative for a licensed financial adviser or an exempt financial adviser,

[MAS 117 (Amendment) 2010, wef 26 Nov 2010]

who provides advice on or arranges contracts of insurance or both, in respect of health insurance products.

1A. This Notice sets out the following:

- (a) minimum examination requirements; and
- (b) continuing professional development (“CPD”) requirements in respect of shield plans.

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

## Definitions

2. For the purpose of this Notice—

“Agents’ Registration Board” means the board set up by the General Insurance Association of Singapore (“GIAS”) to register any general insurance agent acting for one or more licensed insurers carrying on general business;

[MAS 117 (Amendment) 2010, wef 11 Aug 2010]

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

“exempt financial adviser” means a person exempt from holding a financial adviser’s licence under section 23(1)(a) to (e) of the Financial Advisers Act (Cap. 110);

“exempt direct insurance broker” means a person exempt from registration as a direct insurance broker under section 35ZN(1)(a) to (ea) of the Act;

[MAS 117 (Amendment) 2010, wef 11 Aug 2010]

“health insurance product” means a life policy with accident and health benefits or an accident and health policy, but excludes such policy where accident and health benefits are paid out only—

- (a) in the event of an injury to, or disability of, the insured as a result of an accident;
- (b) in the event that the insured becomes total and permanently disabled;
- (c) on the death of the insured by accidental cause; or
- (d) on the occurrence of a combination of the events set out in (a) to (c);

[MAS 117 (Amendment) 2010, wef 11 Aug 2010]

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

“integrated shield plan” has the same meaning as in regulation 2 of the MediShield Life Scheme (Private Medical Insurance Scheme) Regulations;

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

“MediShield Life Scheme” means the Scheme established under section 3 of the MediShield Life Scheme Act 2015 (No. 4 of 2015);

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

“non-integrated shield plan” has the same meaning as in regulation 2 of the MediShield Life Scheme (Private Medical Insurance Scheme) Regulations;

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

“shield plan” means an integrated shield plan or non-integrated shield plan; and

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

“Trade Specific Agent” means an insurance agent for a direct general insurer who is —

- (a) not carrying on business in Singapore as his core business; and
- (b) registered with the Agents’ Registration Board pursuant to paragraph 6 of MAS Notice 211.

[MAS 117 (Amendment) 2010, wef 11 Aug 2010]

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

3. The expressions used in this Notice shall, except where expressly defined in this Notice or where the context otherwise requires, have the same respective meanings as in the Act.

## MINIMUM EXAMINATION REQUIREMENTS

### Requirements to pass the health insurance module

4. Any individual—

(a) who—

(i) is employed by or acts as an insurance agent for a direct insurer, other than a Trade Specific Agent;

[MAS 117 (Amendment) 2010, wef 11 Aug 2010]

(ii) is employed by or acts for a direct insurance broker or an exempt direct insurance broker; or

(iii) is employed by or acts as an appointed representative for a licensed financial adviser or an exempt financial adviser;

[MAS 117 (Amendment) 2010, wef 11 Aug 2010]

and

(b) who wishes to provide advice on or arrange contracts of insurance or both, in respect of health insurance products,

is required to pass the health insurance module conducted by the Singapore College of Insurance (SCI).

5. A direct insurer, a direct insurance broker, an exempt direct insurance broker, a licensed financial adviser or an exempt financial adviser shall ensure that any individual it employs or, where applicable, who acts as its insurance agent or appointed representative complies with the requirement in paragraph 4.

[MAS 117 (Amendment) 2010, wef 26 Nov 2010]

### Exclusion

6. Any individual—

(a) who, prior to 1 January 2002,—

(i) is employed by or acts as an insurance agent for a direct insurer; or

(ii) is employed by or acts for a direct insurance broker or an exempt direct insurance brokers;

and

- (b) who had been providing advice or arranging contracts of insurance or both, in respect of health insurance products that contain what is commonly known as critical illness benefit as the only accident and health benefits in the product,

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

is not required to comply with the requirement in paragraph 4 if he has completed a non-examinable course on critical illness insurance conducted by SCI or an approved in-house course covering SCI's syllabus on critical illness insurance by 1 July 2002.

7. Any individual—

- (a) who, —
  - (i) is employed by or acts as an insurance agent for a direct insurer;
  - (ii) is employed by or acts for a direct insurance broker or an exempt direct insurance brokers;
  - (iii) is employed by or acts as an appointed representative for a licensed financial adviser or an exempt financial adviser;

[MAS 117 (Amendment) 2004, wef 13 Feb 2004]

[MAS 117 (Amendment) 2010, wef 26 Nov 2010]

and

- (b) who provides advice on or arranges contracts of insurance or both, in respect of health insurance products that contain what are commonly known as critical illness benefit or hospital income benefit or both, as the only accident and health benefits in the product,

is not required to comply with the requirement in paragraph 4 if he has obtained passes in any of the following modules:

- (i) Certificate in General Insurance - Basic Insurance Concepts & Principles and Personal General Insurance;
- (ii) Capital Markets & Financial Advisory Services Module 9: Life Insurance and Investment-Linked Policies.

[MAS 117 (Amendment) 2004, wef 13 Feb 2004]

### **Additional requirements**

8. A direct insurer shall not accept any business in respect of any health insurance product from any individual whom it employs or who acts as its insurance agent and who has not complied with the requirement in paragraph 4 and does not fall under paragraph 6 or 7 of this Notice.

9. A direct insurance broker, an exempt direct insurance broker, a licensed financial adviser or an exempt financial adviser shall not pass on any business in respect of any health insurance product to an insurer if it is received from any individual whom it employs or, where applicable, who acts for it or act as its appointed representative, and who has not complied with the requirement in paragraph 4 and does not fall under paragraph 6 or 7 of this Notice.

[MAS 117 (Amendment) 2010, wef 26 Nov 2010]

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

### **CPD REQUIREMENTS IN RESPECT OF SHIELD PLANS**

#### **Minimum number of CPD training hours required**

9A. Any individual—

(a) who—

- (i) is employed by or acts as an insurance agent for a direct insurer, other than a Trade Specific Agent;
- (ii) is employed by or acts for a direct insurance broker or an exempt direct insurance broker; or
- (iii) is employed by or acts as an appointed representative for a licensed financial adviser or an exempt financial adviser;

and

(b) who wishes to provide advice on or arrange contracts of insurance or both, in respect of shield plans,

is required to complete a minimum of 2 hours of structured CPD training<sup>1</sup> on –

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<sup>1</sup> Structured CPD training includes lectures, conferences, workshops and courses, which have clear learning objectives and outcomes, and such learning objectives and outcomes are clearly documented and independently verified. Structured CPD training excludes activities that are part of the job scope of the

- (i) MediShield Life Scheme content;
- (ii) shield plan content; or
- (iii) a combination of MediShield Life Scheme content and shield plan content,

before the end of each calendar year.

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

### **Exclusion**

9B. Any individual—

- (a) who—
  - (i) is employed by or acts as an insurance agent for a direct insurer, other than a Trade Specific Agent;
  - (ii) is employed by or acts for a direct insurance broker or an exempt direct insurance broker; or
  - (iii) is employed by or acts as an appointed representative for a licensed financial adviser or an exempt financial adviser;

and

- (b) who wishes to provide advice on or arrange contracts of insurance or both, in respect of shield plans,

is not required to comply with the requirement in paragraph 9A,

- (i) for the calendar year that he passes the health insurance module conducted by SCI; or
- (ii) for the calendar year that he was appointed, if he was appointed anytime between 1 October and 31 December (both dates inclusive) of that calendar year.

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

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individual referred to in paragraph 9A such as carrying out research on products and services for clients but will include product seminars prior to the launch of new products and e-learning courses.

9C. A direct insurer, a direct insurance broker, an exempt direct insurance broker, a licensed financial adviser or an exempt financial adviser shall ensure that any individual it employs or, where applicable, who acts as its insurance agent or appointed representative complies with the requirements in paragraph 9A.

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

9D. A direct insurer, a direct insurance broker, an exempt direct insurance broker, a licensed financial adviser or an exempt financial adviser shall obtain, and retain for a period of 5 years from the date of the written records, written records and supporting documents that show that any individual which it employs or who acts as its insurance agent or appointed representative has complied with the requirements in paragraph 9A.

[MAS 117 (Amendment) 2015, wef 1 Jan 2016]

### **Contravention of requirements imposed**

10. Contravention of any requirement imposed under this Notice is an offence and attracts the penalty specified in section 55(2) of the Act.

### **Commencement and cancellation**

11. This Notice shall take effect on 26 January 2004. Notice MAS 117 on “Training and Competency Requirement: Health Insurance Module” dated 31 December 2002 is cancelled.

#### **\*Endnotes of History of Amendments**

1. MAS Notice 117 (Amendment) 2004 dated 13 February 2004 with effect from 13 February 2004
2. MAS Notice 117 (Amendment) 2010 dated 11 August 2010 with effect from 11 August 2010
3. MAS Notice 117 (Amendment) 2010 dated 26 November 2010 with effect from 26 November 2010
4. MAS Notice 117 (Amendment) 2015 dated 28 December 2015 with effect from 1 January 2016