1. ________ ward of a public hospital does **NOT** receive subsidy from the Singapore Government.
   A. Class A  
   B. Class B1 
   C. Class B2 
   D. Class C  

2. Which one of the following is **NOT** a strategic objective of the “Healthcare 2020” Masterplan put together by the Ministry of Health?
   A. It is to ensure affordability of healthcare.  
   B. It is to enhance the quality of healthcare.  
   C. It is to transfer the healthcare cost to the insurers. 
   D. It is to enhance accessibility to healthcare services. 

3. Medical Expense Insurance is also known as _________ Insurance.
   A. Critical Illness 
   B. Disability Income 
   C. Hospital and Surgical 
   D. Hospital Cash (Income) 

4. Under a typical Medical Expense Insurance policy, **hospital miscellaneous expenses** which refer to services and supplies (other than room and board and general nursing care) provided during a hospital stay will usually include charges for:
   A. short-stay ward  
   B. operating room 
   C. intensive care unit 
   D. surgical implant and prosthesis  

5. Which one of the following regarding Medical Expense Insurance is **TRUE**?
   A. The coverage and limits are standardised across insurers.  
   B. It is usually attached as a rider to a Term Insurance policy. 
   C. It can be extended to cover the immediate family members of the insured. 
   D. The insured has limited choice of the hospital and ward type when he is hospitalised.
6. _______ limit is the maximum amount payable for any one disability as specified in a typical Medical Expense Insurance policy.
   A. Event  
   B. Period  
   C. Annual  
   D. Lifetime

7. Mr Goh bought a family coverage plan of his Medical Expense Insurance policy. The application was submitted at the same time. A family discount of 5% was given by the insurer.

   The premiums payable were as follows:
   (i) Mr Goh: $150  
   (ii) Mr Goh’s spouse: $170  
   (iii) Mr Goh’s son: $120  
   (iv) Mr Goh’s daughter: $140

   Calculate the total premium payable by Mr Goh.
   A. $150  
   B. $304  
   C. $551  
   D. $580

8. Which one of the following is NOT a characteristic of Group Insurance?
   A. It is cost effective.  
   B. It is experience rated.  
   C. A master contract is issued.  
   D. It requires full underwriting.

9. One advantage of a contributory Group Insurance plan is that the employer:
   A. has greater control over the benefit structure  
   B. has lower cost of administrative work involved  
   C. pays only part of the costs to provide the benefits  
   D. does not need to monitor regular payroll deduction

10. Under a typical Disability Income Insurance policy, where Total Disability is defined as “the insured’s inability to perform any gainful occupation or a similar occupation for which the insured is reasonably suited by reason of education, training or experience”, this refers to _______ disability.
    A. severity  
    B. any occupation  
    C. own occupation  
    D. modified own occupation
11. Which one of the following is NOT a factor for underwriting consideration by an insurer of Disability Income Insurance?
   A. Benefit amount.
   B. Insured’s occupation.
   C. Deferred/elimination period.
   D. Limitation of disability benefit.

12. A type of Long-Term Care Insurance that pays a benefit when the insured incurs costs for home care and satisfies the benefit trigger is the __________ policy.
   A. fee-based
   B. service-based
   C. benefit-based
   D. disability-based

13. Which one of the following statements regarding Long-Term Care Insurance is FALSE?
   A. There is cash value or paid-up value at any time.
   B. It can be issued as a rider or a stand-alone basis.
   C. Its premiums are level throughout the policy term.
   D. It is usually issued on a guaranteed renewable basis.

14. Before the policy owner of a typical Critical Illness (CI) Insurance policy can be eligible to claim the benefit amount, certain eligible criteria must be met. Which one of the following is NOT an eligible criterion?
   A. The policy must be in force.
   B. The life insured must be above a certain age.
   C. The critical illness must be one that is covered.
   D. The critical illness must meet its specified definition.

15. In a typical Critical Illness Insurance policy, the term, malignant tumour, under the standard definition of “Major Cancers” will include:
   A. sarcoma
   B. carcinoma-in-situ
   C. non-invasive tumour
   D. pre-malignant tumour
16. A common feature of a Critical Illness (CI) Insurance is that:
   A. it acquires a cash value immediately
   B. its guaranteed premium is fixed at entry age
   C. it pays a lump sum upon diagnosis of an insured critical illness
   D. there is restriction on the usage of the CI Insurance benefit payable

17. Which one of the following circumstances will allow Mr Lim, the policy owner of a Travel Insurance policy, to claim for medical expense benefits while he is overseas?
   A. Aesthetic surgery performed in Seoul.
   B. Routine health check-up conducted in New York.
   C. Emergency accidental dental treatment in London.
   D. Death resulting from a civil commotion in Bangkok.

18. Which one of the following statements BEST describes a Group Dental Care Insurance policy?
   A. It usually includes a Limitation Clause.
   B. It is usually issued on a contributory basis.
   C. It usually excludes pre-existing dental conditions.
   D. It usually covers replacement of broken dentures.

19. Mrs Ang bought a Whole Life insurance policy for a sum assured of S$300,000 when she was 28 years old. She added on a 30% accelerated critical illness rider to the insurance policy.

   10 years later, she successfully claimed for the critical illness benefit. Owing to the illness, she passed away 15 years later.

   Assuming that there are no bonuses in the insurance policy, calculate the amount payable upon Mrs Ang's demise.
   A. S$90,000
   B. S$150,000
   C. S$210,000
   D. S$300,000

20. ______________ Model Health Maintenance Organisation (HMO) is NOT a traditional HMO, but being common nowadays.
   A. Staff
   B. Mixed
   C. Group
   D. Network
21. A / An __________ Model Health Maintenance Organisation has the greatest cost control, but its members have the lowest degree of choice of providers.
   A. Staff  
   B. Group  
   C. Network  
   D. Independent Practitioners Association

22. The healthcare financing philosophy of Singapore is **NOT** based on the:
   A. co-payment by individuals  
   B. individual medical savings accounts  
   C. risk-pooling for catastrophic illnesses  
   D. Government’s full subsidies of services

23. Being a CPF member, Mr Boo can use his Medisave savings to pay for the medical expenses incurred by his __________ who is a Singapore Citizen.
   A. godparent  
   B. grandparent  
   C. parent-in-law  
   D. foster parent

24. Which one of the following statements **BEST** describes the Basic Healthcare Sum (BHS) of a CPF member?
   A. The BHS is formerly known as the Medisave Minimum Sum.  
   B. Any amount above the BHS will always flow to the CPF member’s Ordinary Account.  
   C. The yearly BHS adjustment will apply only to a CPF member who is below the age of 65 years.  
   D. The amount in the Medisave Account up to the BHS can be withdrawn as cash from the age of 55 years.

25. A CPF member aged of ________ years **CANNOT** use his Medisave savings for colonoscopy screening.
   A. 45  
   B. 50  
   C. 55  
   D. 60
26. Subject to the specified withdrawal limits, a CPF member can use his Medisave savings to pay for the premiums of:

A. Hospital Cash Insurance  
B. Critical Illness Insurance  
C. ElderShield Supplement  
D. Integrated Shield Plan Rider

27. Which one of the following statements regarding MediShield Life is **FALSE**?

A. It is sized for all treatments in private hospitals.  
B. It has replaced MediShield scheme since 1 November 2015.  
C. It automatically covers all Citizens and Permanent Residents of Singapore.  
D. It is a basic healthcare insurance scheme in line with the principle of universal coverage.

28. Mr Lee, aged 45 years, purchased a Medical Insurance policy with the following breakdown in the policy premium:

(i) MediShield Life component = S$1,000  
(ii) Integrated Shield Plan by private insurer = S$700

Calculate the amount of premium payable by cash.

A. S$100  
B. S$700  
C. S$1,000  
D. S$1,700

29. Mr Yeo is a Central Provident Fund (CPF) member and is 65 years old as of 1 January 2017. Which of the following advice to be given to Mr Yeo on the Basic Healthcare Sum (BHS) is **TRUE**?

A. Amounts above the BHS will flow to Mr Yeo’s Medisave Account.  
B. The amount required for Mr Yeo’s BHS will not change for the rest of his life.  
C. Amounts up to the BHS can be withdrawn as cash by Mr Yeo as he has reached 65 years old.  
D. The BHS is designed for Mr Yeo to pay off any outstanding housing loan he still has at age 65 years old.
30. Mr Law and Mrs Law are a young Singaporean married couple. They have been experiencing difficulties in conceiving their first baby and wish to explore the possibility of using their Medisave to pay for the Assisted Conception Procedure (ACP) treatments. They consulted a specialist who will perform the procedure locally, and the expected cost of such ACP treatment is S$25,000. Which one of the following options is TRUE?

They may use their Medisave:

A. to pay for the expected cost of S$25,000 for the ACP treatments
B. up to a lifetime limit of S$15,000 per patient to pay for the ACP treatments
C. up to a lifetime limit of S$10,000 per patient to pay for the ACP treatments
D. up to a lifetime limit of S$12,500 per patient to pay for the ACP treatments

31. Mr Tan has heard of the Medishield Life Scheme which came into effect in November 2015. He is also covered under an Integrated Shield Plan (IP). Mr Tan has some concerns about both covers as he is suffering from some pre-existing conditions. Which one of the following statements is CORRECT?

A. IP covers all pre-existing conditions, while Medishield Life does not cover such conditions.
B. Medishield Life covers all pre-existing conditions, while IP may not cover such conditions.
C. Both Medishield Life and IP cover all pre-existing conditions, but the premium for Medishield Life is higher.
D. Both Medishield Life and IP cover all pre-existing conditions, but there are sub-limits applicable in Medishield Life.

32. Mr Ng is a 40-year-old working Singaporean adult. He joined the Eldershield scheme on 1 October 2008. Should Mr Ng require long-term care during his old age resulting from a disability, he will receive a cash payout of _______ under the Eldershield scheme.

A. S$300 per month for a maximum of 60 months
B. S$300 per month for a maximum of 72 months
C. S$400 per month for a maximum of 60 months
D. S$400 per month for a maximum of 72 months

33. Mr Ong is a 65-year-old Singaporean concerned about paying his medical expenses in the event of suffering from any severe disability. However, he was not eligible to join the Eldershield scheme when it was launched in September 2002 because he had pre-existing disability. If Mr Ong suffers a severe disability and assuming that his per capita household income is S$2,000, he will qualify to receive a payout of ____________ under the Interim Disability Assistance Programme for the Elderly.

A. S$150 per month for up to 72 months
B. S$150 per month for up to 60 months
C. S$250 per month for up to 72 months
D. S$250 per month for up to 60 months
34. Set up by the Government in April 1993, ____________ is an endowment fund to assist needy Singaporeans who face financial difficulties with their healthcare bills.

A. Medifund
B. MediShield Life Fund
C. Community Health Assist Scheme
D. Pioneer Generation Disability Assistance Scheme

35. Mr Osman is a 35-year-old Singaporean. He was admitted to a public hospital on 1 December 2015 for a duration of 3 days during which he underwent an appendix surgery. The total claimable amount under Medishield Life for Mr Osman’s surgery was S$3,000, with a deductible of S$1,500.

The co-insurance payable by Mr Osman under Medishield Life is:

A. 3%
B. 5%
C. 10%
D. 15%

36. Ms Ang is a 40-year-old Singaporean who joined the ElderShield scheme and became disabled resulting solely from an accident in the first 60 days of coverage.

Which one of the following statements regarding the payment of Ms Ang’s ElderShield benefits is TRUE?

A. The insurer will pay the benefits, as there is no waiting period.
B. The insurer will pay the benefits, as the waiting period does not apply.
C. The insurer will pay the benefits, as the disability occurred after the waiting period of 30 days.
D. The insurer will terminate the policy and refund all premiums paid, as the disability occurred within the waiting period of 90 days.

37. One of the purposes of the Insuring Clause in a typical Health Insurance policy serves to:

A. restrict the coverage to the country where the policy is issued
B. set forth the conditions under which the benefits are payable
C. determine the rights of both the insured and the insurer in the contract
D. state that the policy shall not be in force, unless the premium is paid
38. A type of Health Insurance contract that gives the insurer the right to refuse to renew is the ________ policy.
   A. non-renewable
   B. annually renewable
   C. optionally renewable
   D. guaranteed renewable

39. A policy owner who has just bought a Critical Illness Insurance policy, with built-in death benefits payable, wishes to make a nomination of beneficiaries, such that he still retains the policy ownership and is free to change, add or remove them without their consent. Which one of the following nominations should he make?
   A. Trust Nomination.
   B. Revocable Nomination.
   C. Irrevocable Nomination.
   D. Recoverable Nomination.

40. Which one of the following is NOT a key factor used by the insurer in the premium computation of a Health Insurance product?
   A. Investment income.
   B. Mortality experience.
   C. Scope of benefits covered.
   D. Modes of premium payment.

41. Health Insurance underwriting is concerned primarily with:
   A. morality
   B. morbidity
   C. persistency
   D. level of attrition

42. If Mr Tan states in his Critical Illness Insurance proposal form that he is receiving treatment for high blood pressure, the underwriter will MOST LIKELY require a/an:
   A. financial report
   B. blood profile analysis
   C. attending physician’s statement
   D. supplementary lifestyle questionnaire
43. In underwriting most types of Health Insurance policies, the proposer’s _________ is NOT a key consideration by an underwriter.
   A. age
   B. avocation
   C. occupation
   D. financial situation

44. The size and stability of the proposer’s earnings will be an important factor for the underwriting of _________ Insurance.
   A. Long-Term Care
   B. Hospital Income
   C. Medical Expense
   D. Disability Income

45. Notice No: MAS 120 comprises both mandatory requirements and best practice standards on the disclosure of information and provision of advice to policy owners for:
   A. life policies only
   B. accident and health (A&H) policies only
   C. A&H policies and life policies that provide A&H benefits
   D. A&H policies, Investment-Linked policies and Universal Life policies

46. For the purpose of Notice No: MAS 120, the definition of an accident and health insurance intermediary includes a:
   A. captive insurer
   B. direct reinsurer
   C. direct insurance broker
   D. direct reinsurance broker

47. Under Notice No: MAS 120, Part I of the Mandatory Requirements states that no direct insurer shall use the word “Shield” in the name, description or title of any accident and health policy issued by the insurer, unless that policy is a _________ policy.
   A. Medisave-approved
   B. Medifund-approved
   C. MediShield-approved
   D. MediShield Life-approved
48. Under Notice No: MAS 120, if a prospective client refuses to accept an Accident and Health (A&H) product recommended by his insurance broker, but requests to buy another type of A&H product instead, the insurance broker should:

A. get the client to sign a disclaimer form, before going ahead with his request
B. ignore the client’s request and file a report with the insurer to whom the insurance broker is representing
C. go ahead with the client’s request, but document his decision and inform him that he is responsible to ensure that the product selected is suitable
D. request the client to seek the advice of another insurance broker, to make sure that the product is most suitable for him

49. Under Notice No: MAS 120, an Accident and Health Insurance intermediary that is involved in providing advice on Health Insurance policies to policy owners does NOT need to:

A. conduct needs analysis
B. perform criminal due diligence
C. perform “Know-Your-Client” analysis
D. conduct a proper documentation and record keeping exercise

50. As a Financial Adviser Representative (FA Rep), which one of the following situations will be considered as needs selling?

A. The FA Rep’s relationship with the prospective client depends on how well the client likes his product.
B. The FA Rep helps the prospective client to uncover his needs and recommend suitable solutions for him.
C. The FA Rep creates the pressure to buy, and the prospective client does not understand why he has to buy the product.
D. The FA Rep assumes that the prospective client needs his product, and as such, he makes a detailed recommendation to the prospective client.
## Answers to Mock Paper

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