



FOR IMMEDIATE RELEASE

**ERROR IN MEANS-TEST SYSTEM;
RECTIFICATION OF HEALTHCARE SUBSIDIES IN PROGRESS**

Arising from an error in the computer system administered by NCS Pte Ltd (NCS) to calculate means-test results, about 7,700 (or about 17% of) individuals whose Community Health Assist Scheme (CHAS) card applications and renewals were processed from 18 September to 10 October 2018 received inaccurate healthcare and intermediate and long term care subsidies¹. The means-test and subsidy tiers for all affected individuals have been corrected by 16 February 2019.

2. No proactive action is required on the part of the affected persons at this point. The Ministry of Health (MOH) is working closely with healthcare service providers and scheme administrators to reach out to them. About 1,300 individuals who received lower subsidies will have the difference reimbursed to them. Another 6,400 individuals received higher subsidies due to the error but will not need to return the additional subsidies disbursed.

Error Due to Software Version Issue on a Server

3. The means-test system calculates the healthcare subsidies which individuals are eligible for, based on their income information. Healthcare subsidies are means-tested so that greater financial support is extended to lower income households.

4. The first case of discrepancy in the means-test results of a CHAS cardholder was detected by the CHAS processing team on 24 September 2018 and NCS was alerted immediately. The issue was initially attributed to intermittent network connection problems. Five more cases were subsequently detected between 9 October and 2 November 2018, and a more thorough investigation was initiated.

5. In late November, NCS traced the root cause of the discrepancies to a software version issue on a server² used by the means-test system when it was migrated to another government data centre in September. This resulted in the means-test results being computed without the requisite income information. NCS further discovered that their deployment team had in fact fixed the software version issue earlier on 10 October 2018 in response to an unrelated slow performance issue. This stopped further cases of errors but it did not correct the means-test results that had been generated from 18 September to 10 October 2018.

¹ The affected subsidies are for Community Health Assistance Scheme (CHAS); specialist outpatient clinic (SOC) and drug subsidies at public healthcare institutions; MediShield Life premium subsidies; subsidies and grants for intermediate and long term care services (such as community hospitals, nursing homes, disability homes, day and home care) and disability assistance schemes.

² One of the files in one production server was not the correct version.

Affected Persons Will Be Informed; Reimbursement to Be Arranged

6. From December, MOH worked with NCS to establish the extent of the impact, including the correct subsidy tiers for each individual under the different services and schemes. This was to determine who could have received higher or lower subsidies than what they were eligible for.
7. The final assessment was completed on 14 January 2019, and MOH worked with grant scheme administrators and healthcare institutions to finalise the remedial action plans, including how affected individuals will be informed and reimbursed.
8. The correct subsidy tiers of all affected individuals were restored by 16 February 2019. Service providers and scheme administrators will now progressively inform the affected individuals and arrange for reimbursements where applicable. We expect all the affected individuals to be informed by mid-March 2019.
9. Please refer to **Annex A** for the detailed chronology and **Annex B** for the remedial action plan.

Actions to Prevent Recurrence

10. NCS has acknowledged the error, and has taken further remedial action by tightening the system deployment processes. Additional safeguards have been put in place to prevent any recurrence of such incidents. NCS has reiterated its commitment to being held to the highest standards as a service provider.
11. MOH takes a serious view of the incident, and has worked with NCS on appropriate remedial measures. MOH will work with NCS on measures to prevent such errors in the future.

MINISTRY OF HEALTH
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FOLLOW-UP WITH AFFECTED INDIVIDUALS

Community Health Assist Scheme (CHAS)

The Agency for Integrated Care (AIC) will be sending out letters to affected CHAS cardholders outlining the actions required, including how reimbursements (if any) can be arranged.

Individuals who are eligible for a CHAS card of a higher subsidy tier can expect to receive the correct CHAS cards in March 2019. In the interim period before they receive their new card, they can check their updated CHAS status at the MyCHAS portal (www.chas.sg). If the updated status in MyCHAS differs from their existing card tier, individuals can request CHAS clinics to look up their subsidy status through the clinic's IT system so that appropriate subsidies can be given.

Any higher CHAS subsidy status resulting from this error will be honoured for the remaining validity period of the CHAS card. For example, an individual who had previously received a Blue CHAS card due to the error, but who should have received an Orange CHAS card, may continue to receive CHAS Blue benefits for the rest of the duration of the card's validity period.

Specialist Outpatient Clinic and Drug Subsidies at Public Healthcare Institutions

Public healthcare institutions will reach out directly to any affected patients who should have received higher subsidies to arrange for reimbursement.

MediShield Life

Policyholders who received lower subsidies than what they are eligible for will have their subsidies automatically adjusted. Those who received more will not need to return the excess subsidies, but their subsidy eligibility will be reviewed based on the correct means-test results at their next policy renewal. MOH will inform those affected.

Subsidies and Grants for Intermediate/ Long Term Care and Disability Assistance

Public, private and voluntary welfare organisations that provide subsidised intermediate and long-term care services will reach out to their affected clients to inform them of changes to their subsidy tiers and arrange for reimbursements, if any.

AIC and administrators of respective disability assistance schemes will also be contacting individuals currently receiving grants such as the Foreign Domestic Worker Grant (FDWG) and the Interim Disability Assistance Programme for the Elderly (IDAPE).

- Affected IDAPE and FDWG recipients will receive any back payment due to them together with their updated correct payouts.
- Affected beneficiaries of the Seniors' Mobility and Enabling Fund will be contacted by the institutions that had administered the subsidies on arrangements for reimbursement, if any.