



## END-OF-LIFE PLANNING

By Cheong Tien Fook Sky

Sitting on a fine sandy beach, it seemed all my senses were immersed and drawn at the same time to nature's simple treats. The cold draft of wind breezing past and crushing waves pounding along the shoreline seemed like a symphony. I sat captive, sipping away from a glass of cold ice margarita. Meanwhile, nature's authentic performance isn't letting up but spreading across now, into the distant horizons. I see the shining blue sea merge so well and seamlessly with a picturesque sky, draped in brilliant streaks of orange and blue. And then, perfection meets its pinnacle, when the wand slowly comes down, with the beauty of a blazing, setting sun. And, all at once, my attention turns to one moment in time. As the adage goes, 夕阳无限好, 只是近黄昏 (within the unlimited beauties of the sunset, there lies the dusk).

Sounds pensive? Perhaps. And poetic? Hmm.. well, but to be sure, I'd like to think I'm just another happy pebble on the beach, that's a part of an amazing natural orchestra. As a financial practitioner, this statement is sublime because it has relevance to so many different areas of life. I found it meaningful to code this with a particular phase of life : Retirement days can be enjoyable, however, it is also one step closer to the end of a journey. In an instance, those pages turned back in time. Wave after wave, a flood of difficult and painful memories streamed in.

It was the sunset of another moment in time. In such a setting, I began to pen this down. However trying that was, I was moved by a feeling of necessity to do so.



## TWO WORDS

It was in the autumn days of 2016, when I was introduced to the term; Palliative Care. My father was an end stage cancer patient. He had just completed a surgery to mend his torn intestine. As a result of his medical condition, he needed assistance, for most of his daily activities. Then, during a family discussion with the medical professional in the hospital, there was a suggestion of transferring him to a hospice centre. This was so that he could be provided with necessary palliative care. Quite honestly, this was all new to me, then. But like a picture that told a thousand words, my dad's life descended down to two of them, towards the end of that journey.

I discovered that unlike community hospital services, which are covered by Integrated Shield Plans (ISP), even though the terms and benefits may vary one from the other, the cost of palliative care isn't covered, by most insurers. In view of the exclusion from most ISPs as well as the financial implications that may follow, I felt impressed upon to take some focus on the cost of staying in a hospice and share some thoughts relating to end of life planning.

## PALLIATIVE CARE

To begin, let's examine the purpose and what this service means. "Palliative care aims to improve the quality of life of patients with life-limiting illness and their families through the prevention and relief of suffering. IHPCS serves end-of-life patients who cannot be cared for at home and require inpatient care. These patients may be admitted for terminal care or a trial of treatment. IHPCS is available in inpatient hospices as well as most community Hospitals". (Ref 1)

## COST AND SUBSIDY

With regards to costs, here are some information drawn from HealthHub;

1) The estimated cost of a hospice stay in Singapore is about \$7,000 per month. This is cost before means-tested subsidies (Reference 2)

2) Means testing takes into consideration of either;

- Gross income of the person needing care, his/her spouse and all family members living in the same household; and
- Total number of family members living in the same household or
- Annual value of place of residence for household with no income (Ref 3)

## WHERE

The circumstances that unfolded then, are forever etched in memory.

Long after dusk had set in, I set out to know more about end of life planning. Whilst treading this path, I discovered a lot of financial planning revolve around "When a person completes his or her journey".

This ever remains necessary. However, more often than not, not much has been said about "Where", this journey ends and if financial provisions were made in those situations. For where we leave, matters. And it may not be within our control.



## CASE STUDY

Let's keep this in view as we talk about a family of four, comprising a husband and wife, living with one set of retired parents. Assuming the couple earns a monthly gross income of \$5,000 each, this will work out to a household per capital income of \$2,500. Should any one of the retired parents be warded into a hospice centre, the subsidy rate is 20% for a Singapore Citizen. This leaves a balance of \$5,600 of the bill to be paid each month. Even though part of the cost is reduced after subsidy, not knowing how many months this may go on at the hospice, both the emotional impact and uncertain financial outcome, can cause untold pain and distress.

## MEDISHIELD LIFE AND TERMINAL ILLNESS COVERAGE

In this perspective I was heartened to hear, for the benefit of hospice patients and their families, enhancements in Medishield Life has been extended to include palliative care services with effect from 1 April this year. The payout (per day) range between \$250 & \$350, for General and Specialist Palliative Care services, respectively. These are helpful steps and certainly reassuring to patients and their loved ones.

In going beyond this, I'd like to highlight the lumpsum payout from a terminal insurance coverage of a life insurance or critical illness policy can provide another source of hospice funding, and that way, help strengthen end of life planning. It'll never take away the huge emotional strain nor can it perfect that one final bond between a beloved one and their family, but it does assure, they need never worry about anything else in those precious moments, no matter where that takes place, when the sun goes down.

Reference:

1. Ministry Of Health: <https://www.moh.gov.sg/home/our-healthcare-system/healthcare-services-and-facilities/inpatient-hospice-palliative-care-service>
2. HealthHub: <https://www.healthhub.sg/live-healthy/125/inpatienthospicecareaic>
3. HealthHub: [https://www.healthhub.sg/a-z/costs-and-financing/11/subsidies\\_intermediate\\_long\\_term\\_care](https://www.healthhub.sg/a-z/costs-and-financing/11/subsidies_intermediate_long_term_care)



**Cheong Tien Fook Sky is a licensed financial practitioner and an active IFPAS member. He holds the ChFC®/S designation.**