

MEDIA RELEASE

MINISTRY OF COMMUNITY DEVELOPMENT, YOUTH AND SPORTS

BABY BONUS EXPANDED TO COVER MEDICAL EXPENSES **Parents to pay less cash for their children's medical needs**

Parents will soon be able to pay less cash for their children's medical expenses. From 1 May 2007, they will be able use their Baby Bonus savings to pay for their children's medical bills. There will be no restriction on the amount of Baby Bonus savings that parents can use for their children's medical expenses.

2 The Ministry of Community Development, Youth and Sports (MCYS) will be inviting healthcare institutions to register as Approved Institutions so that their patients can benefit from this enhancement. These will include hospitals, polyclinics, medical clinics and dental clinics governed under the Private Hospitals and Medical Clinics (PHMC) Act. These institutions are encouraged to allow all types of medical-related fees to be paid from the Baby Bonus account. They will need to set up a GIRO facility for parents to make such payments.

3 Currently, funds in the Baby Bonus account can be used to pay for fees at child care centres, kindergartens and special education schools, and NCSS-registered early intervention centres. The Baby Bonus savings may also be used to purchase medical insurance under the MediShield or Medisave-approved private integrated plans.

4 Announcing the latest expansion on the use Baby Bonus savings, Minister for Community Development, Youth and Sports, Dr Vivian Balakrishnan said, "Some parents have told me that they would like to use the Baby Bonus savings for their children's immunization and other medical bills. We considered their feedback and decided to amend the scheme. I hope that this will lighten the load on parents, and hopefully encourage them to have more children."

5 Members of the public may visit the Baby Bonus website at: <http://www.babybonus.gov.sg> or call the Baby Bonus Hotline at 1800-253-7707 for more information on the Baby Bonus Scheme.

Date of release : 10 February 2007