

GMS Flash Alert

Immigration Edition

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Singapore - Updates on COMPASS Framework and S Pass/Work Permit Medical Insurance

Singapore's Ministry of Manpower (MOM) issued further updates for the Complementarity Assessment Framework (COMPASS),¹ the points-based Employment Pass (EP) evaluation system which will take effect for new EP applications from 1 September 2023, and for renewal EP applications from 1 September 2024. This system enables a holistic approach to evaluating an applicant's suitability and complementarity to Singapore's talent market needs and provides a clearer path and structure for employers around workforce planning.

WHY THIS MATTERS

The updates for the top-tier schools list and bonus criteria lend more clarity on how MOM will implement the COMPASS framework for EP applications from September of this year.

Separately, the enhanced medical insurance for S Pass and Work Permit holders would benefit not only these groups of employees, but also afford more protection for employers amid rising medical costs.

UPDATES on COMPASS Framework

The updates fall into three main categories:

(1) Release of the list of top-tier educational institutions under COMPASS Criterion 2 (Qualifications)

The top-tier list is further classified into:

- a. Group A – 20 points are awarded for degrees from all faculties, and
- b. Group B – 20 points are awarded only for degrees from specific faculties.

The next update is to be released in March 2024, to take effect from September 2024.

(2) Release of the Shortage Occupation List (SOL) under COMPASS Criterion 5 (Skills Bonus)

The inaugural list contains 27 occupations across six industries/sectors. EP applicants filling an SOL occupation receive 20 bonus points on COMPASS.

From 1 September 2023, employers applying for EP candidates who are in Infocomm Technology SOL occupations may opt to apply for an EP for five years, if they meet the [eligibility criteria](#).

The MOM also announced that it will be publishing an Employer SOL Guide to help employers understand the additional requirements for EP applicants who require the SOL Bonus points to pass COMPASS. The guide will provide information on job descriptions and duties, eligible job titles to be selected in the EP application form, and additional documents required for verification checks.

(3) Release of the eligible programmes for COMPASS Criterion 6 (Strategic Economic Priorities Bonus, or SEP Bonus)

Applicants can receive 10 bonus points if their hiring companies participate in one of the eligible programmes run by the named sector agencies. Qualifying companies will be notified by MOM from end-July 2023.

S Pass / Work Permit Medical Insurance

The MOM will also enhance the medical insurance coverage for S Pass and Work Permit holders.² The MOM has [published the details](#), and the enhancements will be implemented in two stages:

- 1) From 1 July 2023, the minimum required coverage for each S Pass or Work Permit holder will increase to SGD 60,000 per year (from the current SGD 15,000 per year). Employers will be required to co-pay 25 percent (and insurers will co-pay 75 percent) for claim amounts above the first SGD 15,000. Employers can make co-pay arrangements with their S Pass or Work Permit holders for medical bills provided all these conditions are met: a) the co-pay amount is reasonable and does not exceed 10 percent of the worker's fixed monthly salary; b) the duration of the co-payment does not exceed six months (for every two years of employment); and c) the co-payment option is explicitly in the employment contract or collective agreement and has the employee's full consent.
- 2) From 1 July 2025, the MOM will roll out additional enhancements: a) standardisation of allowable exclusion clauses; b) introduction of age-differentiated premiums for those aged 50 and below, and those aged above 50; and c) requirement for insurers to reimburse hospitals directly upon the admissibility of the claim.

Finally, employers are reminded of the next round of increases for minimum salaries and foreign worker levies in September 2023.³

KPMG INSIGHTS

With the release of these latest updates, more pieces for the COMPASS framework have fallen into place. Companies should leverage their MyMOM Workforce Insights tool for the benchmarking information made available by MOM to assist with their workforce planning and hiring decisions.

As COMPASS will also apply to renewals from 1 September 2024, employers should also assess how these changes will impact their existing work pass holders.

FOOTNOTES:

- 1 Full details of the updates are available [here](#).
- 2 See the MOM press release [here](#).
- 3 See [GMS Flash Alert 2022-056](#), 15 March 2022.

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Contact us

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