

Close to 50% of Cancer Patients in Malaysia Experience Financial Catastrophe¹

Cancer coverage can play a major role in lessening patients' financial burden while contributing to better medical outcomes

KUALA LUMPUR, 28 October 2015 – If there is one disease that many Malaysians fear, it is cancer. Their fears are not unfounded – in 2012, there were over 37,400 new cases of cancer and 21,700 cancer deaths in Malaysia², with one in four Malaysians expected to be diagnosed with cancer before age 75³. Many have witnessed family or friends battle the disease – some pull through, while others do not. In addition to the physical and emotional toll it takes on the family, there is also significant financial risks that come with battling the disease. The ASEAN Costs in Oncology (ACTION) study by the George Institute for Global Health underscores the financial impact of cancer, highlighting that **45% of cancer patients suffered from financial catastrophe one year after diagnosis, while 11% did not make it past the first year.**

The ACTION study, which is the first research of this kind to be conducted in Southeast Asia, pinpoints the cause of the economic hardship⁴ faced by cancer patients in Malaysia – **out-of-pocket expenses**. In fact, just one year following diagnosis and treatment:-

- 46 percent of cancer patients had used up their personal savings
- 39 percent could not pay for medication
- 35 percent could not pay for medical consultation fees or tests
- 22 percent could not pay for rent or mortgage
- 19 percent had to discontinue treatment

¹ Financial catastrophe is defined as more than 30% of household income spent on out-of-pocket expenses for cancer treatment

² Source: The ACTION (ASEAN Costs in Oncology) study, the George Institute for Global Health

³ Source: National Cancer Society of Malaysia [www.cancer.org.my]

⁴ Economic hardship is defined as the inability to make necessary household payments such as housing costs, energy, food and healthcare costs.

At a panel discussion held by AIA Bhd. called Cancer's Hidden Price Tag: Financial Preparedness Equals Better Outcomes, Dr. Muhammad Azrif Ahmad Annuar, consultant oncologist at Prince Court Medical Centre, weighs in on these statistics, "Over the last 20 years, significant advances have been made in the treatment of both common and rare cancers, leading to longer patient survival and improved quality of life. This progress is reflected in every area of cancer care namely prevention, screening, chemotherapy, targeted therapies, surgery, radiation therapy, and supportive care for side effects. Unfortunately, in Malaysia, many patients tend to have their cancers detected late, making it difficult for them to obtain optimal treatment at the earliest opportunity. Cost is the other major factor that hinders effective treatment methods."

The combination of late detection and treatment costs are, in fact, the biggest economic concerns among the lower-income segment and under-insured – the two groups that make up 66 percent of cancer patients in Malaysia suffering from financial catastrophe.

Dr. Myralini S. Thesan, Medical Advisor of AIA Health Services elaborates, "Cancer is the third leading cause of premature death in Malaysia⁵. Many of those deaths would be avoidable if there were more efforts to step up early detection and increased awareness about strengthening financial protection. Currently, only 22 percent of Malaysians have medical insurance or critical illness insurance⁶. This leaves a large segment of the population at risk of facing financial catastrophe if diagnosed with cancer."

As it stands, 10.3 percent of Malaysians risk dying from cancer before age 75, and new incidences are being reported daily. In fact, the incidences of cancer is expected to rise to 56,932 new cases by 2025 if no action is taken⁷.

Thomas Wong, Chief Marketing Office of AIA Bhd. said that the ACTION study was significant because it showed that a cancer diagnosis in Malaysia appeared to be associated with substantial financial loss and premature death. "The findings by George Institute point to the fact that health insurance is the most visible means of minimising the out-of-pocket costs of treatment, offsetting the risk of catastrophic expenditure owing to illness and encouraging patients to comply with ongoing treatment," he explained.

⁵ Source: National Cancer Society [www.cancer.org.my]

⁶ Source: Life Insurance Association of Malaysia

⁷ Source: International Agency for Research on Cancer (IARC) Globocan of the World Health Organisation

Underscoring the role insurers play in making sure more Malaysians are financially prepared to confront this kind of risk, Wong said that cancer coverage has also evolved to be more targeted and needs-specific.

“It used to be that medical plans adopted a one-size-fits-all approach even though the incidences of certain diseases were much higher than others. The 36 critical illnesses plan is one such example. However, insurers are now seeing the need to design more focused products based on the concerns of people at their different life stages. This makes providing comprehensive protection against one particular disease such as cancer more relevant for the consumer,” he explains.

Targeted and need-specific products also means that more Malaysians will have access to medical protection plans. AIA’s latest A-Life *Cancer360* plan, for example, uses cancer-based underwriting parameters that only takes into account a person’s risk relating to cancer rather than their entire medical history.

The panel discussion organised by AIA is timely as it coincides with breast cancer awareness month and leads up to testicular cancer awareness month in November. The company has also developed a campaign called *Touching Him and Her*, calling on Malaysians to perform self-examinations to detect early signs of those cancers. Malaysians can visit www.TouchingHimAndHer.com.my to learn how to perform self-checks for breast and testicular cancer.

“We want Malaysians to know that early detection saves lives,” says Wong. “The survival rate for breast and ovarian cancers can be as high as 90%, while the survival rate for early-stage lung cancer is 70%. Treatment costs for early detection is also considerably lower; when detected at a more advanced stage, a combination of treatments may be required thus further driving up the cost of treatment. As such, it is important that we all take charge of our health to enable us to detect diseases early in order to enjoy better medical outcomes.”

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About AIA Bhd.

AIA Bhd. is a leading insurer in Malaysia, where we have been privileged to do business since 1948. We offer a suite of high-quality products including Protection, Health, Personal Accident, General Insurance, Employee Benefits, Retirement and Family Takaful solutions to meet our customers’ protection and financial security needs at every life stage. Through our wide and diverse distribution footprint which comprises a 14,000-strong Life Planner force, our exclusive

bank partner's branches nationwide as well as corporate sales teams and brokers, we give our customers the choice of deciding how, when and where they connect with us.

Part of the AIA Group, the largest independent publicly listed pan-Asian life insurance group, AIA Bhd. has the financial strength, experience, service centre network and a well-trained team of more than 2,000 staff to serve our 3 million customers nationwide. As at 31 May 2015, AIA Bhd.'s total asset worth was RM47 billion, with a paid-up capital of RM767 million.

About AIA

AIA Group Limited and its subsidiaries (collectively "AIA" or the "Group") comprise the largest independent publicly listed pan-Asian life insurance group. It has a presence in 18 markets in Asia-Pacific – wholly-owned branches and subsidiaries in Hong Kong, Thailand, Singapore, Malaysia, China, Korea, the Philippines, Australia, Indonesia, Taiwan, Vietnam, New Zealand, Macau, Brunei, a 97 per cent subsidiary in Sri Lanka, a 26 per cent joint venture in India and representative offices in Myanmar and Cambodia.

The business that is now AIA was first established in Shanghai over 90 years ago. It is a market leader in the Asia-Pacific region (ex-Japan) based on life insurance premiums and holds leading positions across the majority of its markets. It had total assets of US\$172 billion as of 31 May 2015.

AIA meets the long-term savings and protection needs of individuals by offering a range of products and services including life insurance, accident and health insurance and savings plans. The Group also provides employee benefits, credit life and pension services to corporate clients. Through an extensive network of agents, partners and employees across Asia-Pacific, AIA serves the holders of more than 29 million individual policies and over 16 million participating members of group insurance schemes.

AIA Group Limited is listed on the Main Board of The Stock Exchange of Hong Kong Limited under the stock code "1299" with American Depositary Receipts (Level 1) traded on the over-the-counter market (ticker symbol: "AAGIY").

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