

## Frequently Asked Questions

### **BNM Interim Measures on Medical Repricing**

#### **1. What are the BNM interim measures on medical repricing?**

Bank Negara Malaysia (BNM) and the insurance and takaful industry announced four (4) interim measures to assist policyholders / takaful participants in having continued access to their medical and health insurance / takaful (MHIT) coverage:

**i. Spreading of changes in premiums / contributions arising from medical claims inflation\***

Any changes in premiums / contributions effected in 2024 until 2026 will be spread over a minimum of three (3) years. With this, at least 80% of policyholders will see less than 10% in premium / contribution revisions and the remaining will see less than 20% in premium / contribution revisions.

**ii. Temporary pause in premium / contribution adjustments due to medical claims inflation\***

If you are aged 60 years and above, and are covered under the minimum plan, i.e., lowest room & board plan within your medical product, the premium / contribution adjustments will remain unchanged for one (1) policy / certificate year.

*\*This is not applicable to premium / contribution increases that may apply when the policyholder / takaful participant moves to a higher age band.*

**iii. Reinstatement of policy / certificate**

If you have surrendered / lapsed your medical plan in 2024 due to repricing, you may request to reinstate your policy / certificate and for the changes in premiums / contributions to be spread out without additional assessment of health conditions. If the reinstatement is from 1 January 2025 to 30 June 2025, we will waive the waiting period as well.

**iv. Alternative MHIT products**

If you do not wish to continue with the medical product that has been repriced, you may consider switching to an alternative medical product offered by us at the same or lower premium / contribution.

The subsequent FAQs will assist you in navigating these different scenarios and understanding which interim measures may be applicable to you as AIA customer.

## 2. How sustainable are these interim measures and how will they affect my premiums / contributions in the long run?

These interim measures only provide a temporary support. To ensure that medical insurance premiums do not rise significantly, broader healthcare reform and concerted actions from all stakeholders (BNM, insurance / Takaful operators, Ministry of Finance, Ministry of Health and private hospitals) are urgently needed. AIA is committed to playing a pro-active role and will implement cost containment initiatives to ensure our customers have access to accessible, affordable, and effective healthcare.

## 3. Am I eligible for the BNM interim measures?

Interim measures will apply for customers who have been repriced or are going to be repriced as listed below:

- A-Plus Health customers with their policy anniversary from 1 April 2024 onwards; and
- Medical plans listed below with a policy / certificate anniversary from 1 August 2024 onwards.

Conventional Standalone Medical Plans	Conventional Investment-Linked	Family Takaful Standalone Medical Plans	Takaful Investment-Linked
<ul style="list-style-type: none"> <li>• Medicovert Plus Rider</li> <li>• ExcelCare</li> <li>• ExcelCare Plus</li> <li>• AAA Care</li> <li>• Health Protector</li> <li>• Major Care</li> <li>• Major Medical</li> <li>• Individual Medical Plan</li> <li>• Health Plan (Cashless / Non cashless)</li> <li>• Medi Plus (Cashless / Non Cashless)</li> <li>• Medical Plan (Cashless / Non Cashless)</li> <li>• A-Life Med Regular</li> </ul>	<ul style="list-style-type: none"> <li>• Medicovert Plus Rider</li> <li>• ExcelCare</li> <li>• ExcelCare Plus</li> <li>• Major Care</li> <li>• UL Health Rider</li> <li>• UL MediPlus</li> <li>• Prime MediPlus</li> <li>• A-Plus Med</li> </ul>	<ul style="list-style-type: none"> <li>• A-Medik (Standalone)</li> <li>• A-Life Med Regular-i</li> <li>• A-Life Medik Famili</li> </ul>	<ul style="list-style-type: none"> <li>• A-Medik (Unit-Deducting Rider)</li> <li>• A-Plus Med-i</li> </ul>

## 4. How do these interim measures affect me as an AIA customer?

*Please note BNM interim measures are effective 1 January 2025.*

### A. For policies / certificates with repricing effective 1 January 2025 – The BNM interim measures will automatically apply:

The amount factoring in the interim measures has been updated. If your policy / certificate anniversary is within January 2025 to March 2025 and a higher amount was charged previously, the differences will be refunded to you. For more details on the refund process, please refer to Question 5.

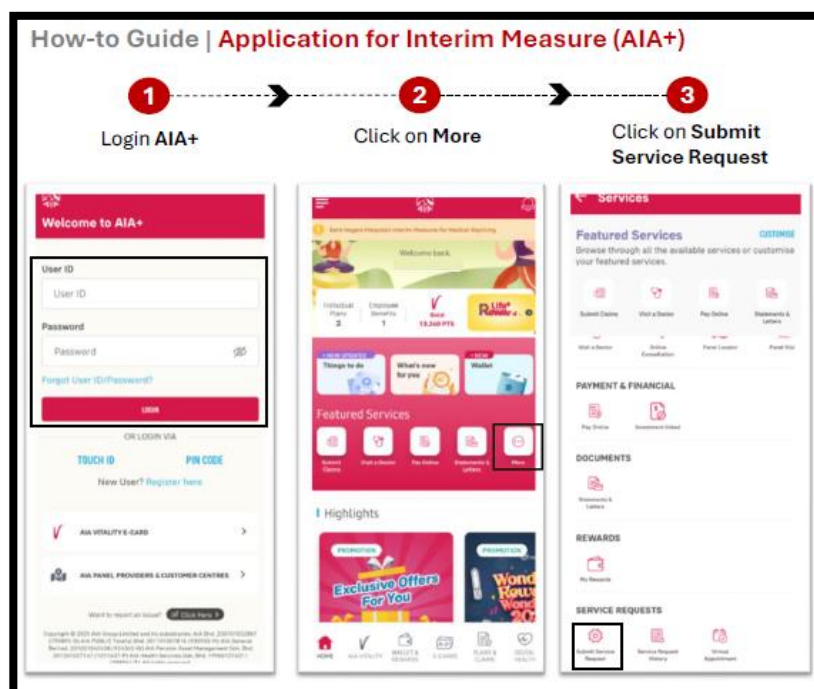
Rest assured, you will also receive the medical repricing letter which shows the revised amount as per the interim measures at least 30 days prior. However, if your policy / certificate anniversary is within January 2025 to March 2025, you will receive it by May 2025.

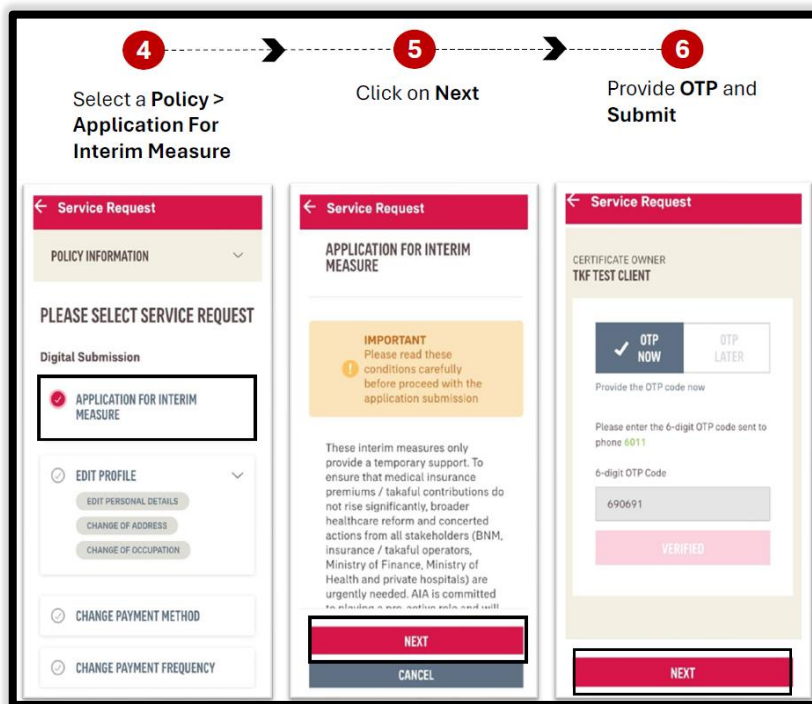
**Notes:**

- Amount here refers to the premium / contribution (for standalone medical plans) and Cost of Insurance (COI) / Tabarru' (for investment-linked plans).
- For investment-linked plans, there is no refund of premium / contribution, as they are invested into the account value to ensure a better sustainability.

**B. For policies / certificates that have been repriced before 1 January 2025 - The BNM interim measures will automatically apply on your next policy / certificate anniversary in 2025:**

You may apply for access to the interim measures from your next premium / certificate due date via AIA+ following the steps below:





The image displays three sequential mobile app screens for the 'Application For Interim Measure' process:

- Screen 4:** Titled 'Select a Policy > Application For Interim Measure'. It shows a 'Service Request' header, a 'POLICY INFORMATION' dropdown, and a section 'PLEASE SELECT SERVICE REQUEST' with 'Digital Submission' and 'APPLICATION FOR INTERIM MEASURE' (highlighted with a red box). Below are options for 'EDIT PROFILE', 'CHANGE OF ADDRESS', 'CHANGE OF OCCUPATION', 'CHANGE PAYMENT METHOD', and 'CHANGE PAYMENT FREQUENCY'.
- Screen 5:** Titled 'Click on Next'. It shows the 'APPLICATION FOR INTERIM MEASURE' header, an 'IMPORTANT' notice with a red box, and a detailed paragraph about interim measures. At the bottom, the 'NEXT' button is highlighted with a red box.
- Screen 6:** Titled 'Provide OTP and Submit'. It shows the 'CERTIFICATE OWNER TKF TEST CLIENT' header, an 'OTP NOW' button (highlighted with a red box), a field for the 6-digit OTP code (690691), and a 'VERIFIED' button. The 'NEXT' button at the bottom is also highlighted with a red box.

Alternatively, you may also reach out to your AIA Life Planner for assistance.

We will undertake to process your application in a speedy manner. Any application submitted after 5pm will be processed on the next working day.

## 5. How will the differences in my premium / contribution amount be refunded?

Due to a high volume of requests, the refund is expected to be completed by 31 May 2025. As the refund varies according to your payment method, you may refer to the following for more details:

- Standalone medical plans (with autopay facilities) – by 31 May 2025
- Standalone medical plans (with non-auto debit payment e.g., Cash, JomPay) – you will be contacted by 31 May 2025 to provide your necessary details for the refund. To expedite the refund, we recommend that you register your bank account details via AIA+
- Investment-linked Plan (ILP)\* – the difference will be credited into your account value by 31 May 2025.

\*For ILP, your premium / contribution will remain the same after you submit your request. If you want to reduce the premium / contribution, please reach out to us or your AIA Life Planner.



Rest assured, you will be notified via SMS / Email / AIA+ Push Notification when the refund is processed.

**6. Will the changes in my premiums / contributions be more than 10%, despite factoring in the interim measures?**

Your premium / contributions will increase due to two (2) factors:

- a) Age increase – For standalone medical plans, your premium / contributions will increase as you get older and move into a higher premium / contributions age band. This increase is not within the scope of BNM Interim Measures.
- b) Medical repricing - According to the objectives highlighted by the BNM Interim Measures, at least 80% of policyholders / takaful participants will experience yearly adjustments of less than 10%. Some adjustments however may be more than 10%, but rest assured it will not exceed 20%. The significant increase in healthcare costs in Malaysia, with medical inflation reaching 15% in 2024 has led to a need for such adjustments.

**7. What if I still can't afford to pay my premium / contribution despite spreading the premium / contribution increase over the next few years?**

You may consider switching to a plan with lower premium / contribution that still meets your medical coverage needs, for example, switching to a different product or lower plan, reduce your sum assured / covered or annual limit, if available.

Additionally, AIA offers SMART Option that provides similar coverage at lower premium / contribution. For more information on SMART Option, please refer to the "More about SMART Option" section below.

Please note that if you switch to a different medical product, there may be changes to your premiums / contributions, plan's benefits and a waiting period may apply.

We encourage customers who are facing affordability issues to speak to their AIA Life Planner to explore their options and review their medical coverage needs.

**8. I surrendered / lapsed my medical policy / certificate due to repricing. Am I able to reinstate my policy / certificate when these interim measures take place?**

If you have surrendered your medical policy / certificate or it has lapsed due to medical repricing that occurred from 1 April 2024 to 31 March 2025, you can



reinstate your policy / certificate without underwriting within one (1) year from the date of your surrendered / lapsed policy / certificate. This will be subject to paying the revised premium / contribution as per the interim measures. Thereafter, the reinstatement of your policy / certificate will be subject to underwriting again.

If the reinstatement is from 1 January 2025 to 30 June 2025, we will waive the waiting period as well.

## 9. Why is medical repricing necessary?

- Medical and health products are periodically repriced to reflect medical inflation and increase in utilisation.
- Healthcare costs in Malaysia have increased significantly, with medical cost inflation reaching 15% in 2024. This is not only higher than general inflation but also higher than the global and Asia Pacific average of 10%.
- As a result, this led to a need to adjust medical insurance premium materially upwards.
- To ensure medical insurance premium remains affordable for Malaysians, broader healthcare reform and concerted actions from all stakeholders (BNM, insurance / Takaful operators, Ministry of Finance, Ministry of Health and private hospitals) are urgently needed. AIA is committed to playing a pro-active role and implement cost containment initiatives to ensure our customers have access to accessible, affordable, and effective healthcare.

## 10. I have never made any claims, and I purchased my policy/participated in my certificate a long time ago. Why am I subjected to medical repricing?

All insurance / takaful plans, including medical insurance / takaful are based on the concept of risk pooling. This means that when you take up a medical plan, you join a larger group of customers who have similar risk characteristics or profiles as you. The premium / contribution that AIA collects from you and all other customers in the same group are pooled together to provide for future claims.

If claims paid from the pool become higher than expected, the insurance company / takaful operator will need to revise the medical premium / contribution to make sure that all customers in the group can continue to be covered in the long run. Any revision in premium / contribution will have to be conducted across the board regardless of whether you have made any claims before.

Some of our products comes with a Health Wallet feature. **The Health Wallet rewards you when you do not make a claim** and the rewards can be used for



Health Screening, Vaccination and other benefits. Please reach out to your AIA Life Planner to find out more.

### 11. Who can I contact to get more information on these measures?

Customers are encouraged to speak to their AIA Life Planner or to submit their query [here](#) or contact our dedicated **Medical Repricing Interim Measures Hotline: +603 2056 6733** (Mon - Thurs: 8:30am - 5:30pm / Friday: 8:30am - 4:30pm) for further assistance.

### Additional Information on BNM Interim Measures for 60 years old and above

### 12. I'm 60 years old and above – how do I know if I'm covered under the minimum plan i.e. the lowest room and board?

Please refer to the list of medical plans and their corresponding minimum plan below:

#### AIA Bhd.

Name of Medical Plan	Minimum Plan (Lowest Room & Board Plan)
MediCover Plus Rider	150
Excel Care	100
Excel Care Plus	100
AAA Care	100
Health Protector	100
Major Care	100
Major Medical	90
Individual Medical Plan (HS + MM)	90
Health Plan - Cashless	100
Health Plan - Non-Cashless	100
Medi Plus - Cashless	120
Medi Plus - Non-Cashless	120
Medical Plan - Cashless	100
Medical Plan - Non-Cashless	100
A-Life Med Regular	150
UL Health Rider	100
UL MediPlus	120
Prime MediPlus	120
A-Plus Med	100
A-Plus Health	150 (Deductible Option: RM300)



**AIA PUBLIC Takaful Bhd.**

<b>Name of Medical Plan</b>	<b>Minimum Plan (Lowest Room &amp; Board Plan)</b>
A-Life Med Regular-i	150
A-Life Medik Famili	150
A-Plus Med-i	100
A-Medik (standalone or unit deducting rider)	150

**13. I'm 60 years old and above – How does the one-year temporary pause affect me?**

If you are 60 years old and above, and are covered under the minimum plan, you are automatically eligible for the one-year temporary pause in medical revision. After the one-year temporary pause, you will have to pay the premium / contribution according to the interim measures.

The amount factoring in the interim measures has been updated, with the exception of policy / certificates with anniversary in 2024 – the amounts will be updated in April 2025. The differences in the amount charged will be refunded to you. For more details on the refund process, please refer to Question 5.

Rest assured, you will also receive the medical repricing letter which shows the revised amount as per interim measures at least 30 days prior. However, if your policy / certificate anniversary is within January 2025 to March 2025, you will receive it by May 2025.

*Notes:*

- *Amount here refers to the premium / contribution (for standalone medical plans) and Cost of Insurance (COI) / Tabarru' (for investment-linked plans).*
- *For investment-linked plans, there is no refund of premium / contribution, as they are invested into the account value to ensure a better sustainability.*

**More about SMART Option**

**14. What is SMART Option?**

SMART Option is AIA's value for money option that helps customers obtain quality healthcare at lower premium by offering a carefully curated journey





where customers can seek treatment from our SMART Medical Practitioners through our SMART Panel Providers. This covers a range of essential services including hospitalisation, outpatient treatments, consultations, and preventive care.

The SMART journey encourages policyholders / takaful participants to use medical insurance / takaful responsibly by visiting their SMART Clinics first for primary care followed by further medical treatment from hospitals if necessary.

AIA partners with 4027 SMART clinics and 94 SMART hospitals nationwide.

### 15. What are the benefits of SMART Option?

- Specially selected list of Panels of Clinics, Specialists and Hospitals
- Minimise Unnecessary Treatment Cost with the Right Treatment
- Affordable Premium / Contribution for Medical Coverage
- Right Treatment
- Tailored Journey via AIA+ for a hassle-free experience

### 16. Which medical plans / riders offer SMART Option?

SMART Option is available for the following medical plans:

<b><u>AIA Bhd.</u></b>	<b><u>AIA PUBLIC Takaful Bhd.</u></b>
<ul style="list-style-type: none"> <li>• Individual Medical Plan</li> <li>• Health Plan</li> <li>• Medical Plan</li> <li>• MediPlus</li> <li>• UL Health Rider</li> <li>• UL MediPlus</li> <li>• A-Life Med Regular</li> <li>• A-Plus Med</li> <li>• A-Plus Health</li> <li>• ExcelCare Plus (premium paying rider, unit deducting rider, standalone plan)</li> </ul>	<ul style="list-style-type: none"> <li>• A-Life Med Regular-i</li> <li>• A-Life Medik Famili</li> <li>• A-Plus Total Health</li> <li>• A-Plus Med-i</li> <li>• A-Plus Health-i</li> <li>• A-Medik (unit deducting rider, standalone plan)</li> </ul>

Customers who are interested in SMART Option can speak to their Life Planner to find out more.

### **17. How does SMART Option work?**

Similar to your current plan, customers who follow the curated journey ("SMART Journey") and seek treatment from our SMART Medical Practitioners through our SMART Panel Providers, will have to bear the current Deductible or Co-Insurance / Co-Takaful for their hospital admission and other ineligible expenses. The eligible expenses in excess of the Deductible / Co-Insurance / Co-Takaful will be borne by AIA, including the pre-hospitalisation costs of General Practitioners and Specialist (subject to hospital admission).

For more details on the SMART Journey, click [here](#).

If the customer chooses not to follow through the SMART Journey, they will be subjected to 20% Co-Insurance / Takaful (also known as the X SMART Co-Insurance / Takaful) in addition to the current Deductible, if any, up to RM20,000 for any one disability.

With SMART Option, AIA currently offers up to 20% discount on their premium / contribution / COI / Tabarru' compared to their current plan without SMART Option.

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