

## Updates and Frequently Asked Questions (FAQ) on Interim Measures for Premium Repricing



December 26, 2024

### Bank Negara Malaysia (BNM) Interim Measures on Premium Repricing

We are supportive of Bank Negara Malaysia's (BNM) recently announced interim measures for premium repricing and will provide further details starting January 15, 2025. These interim measures aim to assist our policyholders by spreading the increased premiums over a minimum period of three (3) years, ensuring that our customers can continue to afford their protection while accessing the medical care they need.

We hope these FAQs address your concerns. If your specific question is not covered in this FAQ and the FAQ prepared by LIAM ([FAQ-Interim-Relief-Measures.pdf](#)), we kindly ask for your patience and understanding as we work diligently to implement the interim measures. Further updates will be provided starting January 15, 2025.

### Frequently Asked Questions (FAQs)

#### 1. How will the recent interim measures on premium repricing announced by Bank Negara Malaysia (BNM) affect my policy?

The interim measures apply to policyholders affected by premium repricing between August 1, 2024 and December 31, 2026. Please refer to the following scenarios for more details:

#### Scenario 1: Premium Repricing Effective from August 1, 2024 until December 31, 2024

- If your premium was repriced from August 1, 2024, please continue to pay the new premium amount as indicated in the notice you received to ensure your medical coverage remains uninterrupted. You can apply for interim measures starting January 15, 2025. Once approved, these will take effect on your next premium due date, providing potential adjustments in line with the interim guidelines.

#### Scenario 2: Premium Repricing Effective from January 1, 2025 until December 31, 2026

- If you have received a premium repricing letter from us for 2025, please proceed with the revised premium payment to ensure your medical coverage remains active. We appreciate your patience and understanding as we work to implement the interim measures announced by Bank Negara Malaysia (BNM). Until our systems are fully updated, we will temporarily continue charging the revised premium or Cost of Insurance as indicated in your premium repricing letter. Rest assured, we are committed to making the necessary adjustments in

accordance with the interim measures, which will take effect on January 1, 2025. We will keep you informed of any updates via email or letter, so you are always up to date with the latest changes.

- If you haven't yet received a notification about premium repricing, we kindly ask for your patience and understanding as we work to implement the interim measures announced by Bank Negara Malaysia (BNM). During this transition period, you will still receive a premium repricing letter in advance, which will include a revised premium or Cost of Insurance amount that does not yet reflect the new interim measures. To ensure your medical coverage remains active, please continue to pay the revised premium amount as indicated in your premium repricing letter. Rest assured, we are committed to making the necessary adjustments in line with the interim measures, which will take effect on January 1, 2025. We will keep you updated on these changes via email or letter, so you can stay informed about any developments.

2. Based on the recent announcement by Bank Negara Malaysia (BNM), it is stated that the annual premium increase should be capped at less than 10%. Given this guideline, is it possible for me to negotiate a lower percentage increase on my annual premium?

The guideline set by Bank Negara Malaysia (BNM) ensures that the annual premium increase remains below 10% to help manage costs for policyholders. These increases are determined through actual analysis on the premium adjustment factors to ensure sustainability of the insurance coverage for all policyholders. Although negotiating the percentage increase itself may not be possible and individual circumstances vary, we encourage you to reach out to your servicing agent. They can review your policy with you and explore any potential adjustments or solutions that may better suit your financial needs.

3. Given the potential increase in premiums that may become unaffordable, what alternative options do I have to ensure continued access to necessary medical care, aside from maintaining my current medical plan?

We understand the importance of maintaining long-term medical coverage, and we recognise that financial circumstances can vary at different stages of life.

With the recent announcement of interim premium repricing measures by Bank Negara Malaysia (BNM), we aim to ease the financial burden by distributing the premium increase over three years, rather than implementing a one-time adjustment. This approach provides you with more flexibility in managing the premium changes.

However, if the premiums remain unaffordable, we have several options for you:

- **Opt for a Plan with a Co-payment Option:** Sharing some of the costs can lower your premium.
- **Switch to a Lower Plan:** This option can reduce your premium by offering less coverage.
- **Adjust or Reduce Your Policy Benefits:** Tailor your policy to better match your financial situation.

We encourage you to consult with your servicing agent or our Customer Service officer to explore these options. It's essential for us to understand your current financial situation and healthcare needs to provide the best possible solution.

**4. Will my policy benefits be affected by the staggered premium increase over three years?**

No, your policy benefits will not be affected by the staggered premium during this interim measure period. The interim measures are designed to help manage the financial impact of premium adjustments without altering the coverage or benefits of your policy. You will continue to receive the same level of benefits as outlined in your original policy terms.

**5. Will there be further premium increases after the interim measures?**

While the current interim measures aim to spread the premium increase over a three-year period to ease the adjustment process for our customers, any further premium changes after this period will depend on various factors. These may include changes in healthcare costs, advancements in medical technology, claims trends, and economic conditions. We are committed to keeping our policyholders informed and will provide advance notice of any future changes to premium rates. Our goal is to ensure transparency and continue providing you with reliable and comprehensive coverage.

**6. As a policyholder over 60 years old, how can I determine if I am eligible for a one-year pause on premium adjustments based on my current insurance plan?**

We are committed to supporting our policyholders over the age of 60. If you are covered under the minimum plan of your current insurance product, including any deductible options, you may be eligible for a one-year deferral of the planned premium or Cost of Insurance increase and this temporary pause is designed to ease the financial impact.

Please note, however, that this pause does not apply to premium increases that occur as a result of moving into a higher age band.

We appreciate your patience and understanding as we work to implement these interim measures, as announced by Bank Negara Malaysia (BNM). Until our systems are updated, we will temporarily continue charging the revised premium or Cost of Insurance as indicated in your premium repricing letter.

If you have any questions or need further assistance, please do not hesitate to contact our Customer Service team or your servicing agent.