

APPENDIX 2
Frequently Asked Questions (FAQs)

NO	QUESTIONS	ANSWERS
FAQ for Interim Measures introduced by BNM		
1.	What are the interim measures introduced by Bank Negara Malaysia (BNM) for medical plans?	<p>The interim measures for medical plans, announced by BNM, aim to alleviate the immediate financial impact on your policy and help preserve your medical plan coverage.</p> <p>The measures include:</p> <ul style="list-style-type: none"> • Spreading of increase in insurance charges/premiums over a minimum of three years. • Offering a one-year deferment period from policy anniversary (a temporary pause in insurance charge and premium adjustments due to medical claims inflation) for eligible policyholders. • Allowing reinstatement of coverage for policyholders who have surrendered or lapsed their policies due to previous medical repricing in 2024. • Providing an alternative Medical and Health Insurance/Takaful (MHIT) product. • Setting up a dedicated support hotline to assist policyholders. <p>These interim measures will take effect from 1 January 2025.</p>
2.	How will my medical plan be impacted by the interim measures?	<p>We understand that changes to your insurance charges can be concerning. To ease this burden, the increase will be spread over the next five years.</p> <p>If you are aged 60 and above and enrolled in the lowest plan, you will be entitled to a one-year deferment before any increase takes effect, giving you more time to adjust.</p>
3.	Am I eligible for the one-year deferment period?	<p>To qualify for the one-year deferment period, effective 1 January 2025, you must be at least 60 years old and enrolled in the lowest medical plan.</p> <p>This measure is specifically designed to protect the most vulnerable customers, ensuring that those who need coverage the most are prioritised.</p> <p>If you are not on the lowest medical plan, you may consider downgrading your plan to become eligible for the deferment period.</p>
4.	Are the repricing adjustments guaranteed and fixed?	<p>Your financial security is important, and while we work to maintain consistency, future reviews may still be necessary.</p> <p>The repricing adjustments from the fourth year onward will be subject to review and revision, depending on the effectiveness of various containment measures to be implemented.</p>
5.	Can I switch back to the original plan if I recently change to another medical plan due to medical repricing?	<p>Yes, we understand that changes can be difficult. If you recently switched to a different medical plan due to repricing, you have the option to reinstate your original plan within one year from the effective date of change.</p> <p>Upon your reinstatement request, you will be advised on the policy reinstatement cost and procedures. In the event you wish to proceed for policy reinstatement, you will need to complete the form "Reinstatement Request Slip" and remit full reinstatement cost and surrender value (if applicable).</p> <p>Criteria are as below:</p> <ul style="list-style-type: none"> • Your medical plan experienced repricing, with the policy anniversary falling between 1st June 2024 and 31st December 2024. • Your medical plan has lapsed, surrendered, downgraded or switched or took over to another medical plan within 1st June 2024 to 28th February 2025.

		<ul style="list-style-type: none"> Your request of reinstatement or reversal to original plan are within 1 year from the event date of your medical plan lapsed, surrendered, downgraded or switched or took over. <p>Any policies are not meeting the criteria above are NOT ELIGIBLE for this interim measure. In other words, customer will be required to go through normal underwriting as per current process.</p> <p>Please reach out to your wealth planner or our Zurich branch for further assistance.</p>
6.	Am I entitled to reimburse my medical claims bills incurred during my medical plan lapse or surrender period?	You are not entitled to reimburse your medical claim bills incurred during the period when your medical plan was lapsed or surrendered.
7.	Are the staggering/spreading measures applicable for all type of increase in insurance charges or premium?	<p>No, the interim measures introduced by BNM is only applicable to medical repricing related and not applicable for other reasons that resulted to increase in insurance charge or premium for example, shifting to higher age band.</p> <p>Other scenarios include poor fund performance, partial withdrawal and premium holiday which affects the sustainability of the policy.</p>
8.	How sustainable are the insurance charge based on interim measures and how will they affect my premium in the long run?	<p>While staggering insurance charge increases provide immediate relief to policyholders, the reality is that the insurance charge rates will require material adjustments in the near future unless systemic changes are implemented across the healthcare ecosystem.</p> <p>Hence, we recommend that you continue to review your policy sustainability in the annual statement that we shared with you on a yearly basis to ensure continued policy coverage.</p>
9.	What if I am unable to afford my premium even after spreading the increase over the next few years?	If you are experiencing difficulty with affordability, we recommend reaching out to your Wealth Planner. They can guide you through different options, including the possibility of switching to a more budget-friendly plan that still meets your medical needs.

General FAQ				
10.	Do I need to pay a different premium amount after the revision?	Your investment-linked policy's fund value may be insufficient to pay for your insurance charges in the later years. Hence, we strongly encourage you to review your premium from time to time to ensure your policy is sustainable until maturity.		
11.	What are the factors that may impact my fund value?	<p>The following may result in your fund value being insufficient to sustain your policy:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> ✓ Exercising premium pause ✓ Revision of insurance charge and/or other charges ✓ Partial or early withdrawal </td> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> ✓ Unfavorable investment return experience ✓ Addition of rider(s) ✓ Increase in insurance coverage </td> </tr> </table>	<ul style="list-style-type: none"> ✓ Exercising premium pause ✓ Revision of insurance charge and/or other charges ✓ Partial or early withdrawal 	<ul style="list-style-type: none"> ✓ Unfavorable investment return experience ✓ Addition of rider(s) ✓ Increase in insurance coverage
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12.	I just received my annual statement in 2025, what is the recommended action?	<p>When you receive your annual statement in 2025, you should review if the suggested premiums in the annual statement and sustainability period matches your insurance needs and affordability. We strongly encourage you to pay more than the suggested new regular premium and perform a single premium top-up (if applicable) so that your policy will have enough fund value to cover the higher insurance charges in the longer term.</p> <p>We recommend that you continue to review your policy sustainability in the annual statement that we shared with you on a yearly basis to ensure continued policy coverage.</p>		