

# Picking the right insurance policy

Health insurance is vital these days with the proliferation of illnesses and diseases of modern day living. Still, many people may be unaware of the need to invest in a medical plan. Prudential Assurance Malaysia Bhd's chief executive officer Charlie Oropeza gives us an overview of insurance matters and also elaborates on Prudential's recently launched **PRUhealth** policy and what it has to offer.

## In your opinion, how much should a person set aside for medical insurance annually?

The amount can vary from one individual to the other. There is really no fixed rule. It depends on a number of factors: for example, your financial ability and circumstances at that time, your age and health condition and the type of medical or health plans you are buying or have bought.

Our advice to customers is to start from an amount they are comfortable with and top up as they become more financially sufficient. Bear in mind that buying an insurance plan is a long-term commitment, so it is important that the plan you sign up for is what you can afford and meets your needs.

## Why is it important for those who are already covered by their employer's group health insurance to still have private medical plans?

Many people do not realise that their employer-provided medical plans are not portable and cover will terminate the moment they change jobs or become unemployed from the company for whatever reasons. Furthermore, such medical schemes generally do not give you the flexibility to choose the types of coverage that you want and best suit your needs. They may not be sufficient as well because of the low claim limits.

## Prudential recently launched a new medical plan called **PRUhealth** that gives out No Claims Bonus annually. Can you explain how this works?

**PRUhealth** is a unique medical rider that has been designed to encourage you to stay healthy. It pays out No Claims Bonus (NCB) each year if you have not submitted a claim for that year.

The bonus mechanism works on the basis that if you make a claim, you will not receive any NCB the following year. But we will pay you the NCB for subsequent years as long as no claims are made. The NCB will be automatically converted to additional units which will be invested into your investment-linked fund(s) to help increase the value of your policy. The amount of bonus paid will depend on the plan that you choose.

## Can you give examples of the premiums for a 30-year-old customer?

Let's assume the 30-year-old customer is healthy and wants to purchase the **PRUhealth** plan 200



(the benefits include Hospital Daily Room & Board for RM200, an overall annual limit of RM75K with a Lifetime limit of RM750K and an annual NCB of RM300), with coverage expiring at age 70. The individual will be looking at paying RM1,032 per year. One thing to note is that the premiums for **PRUhealth** are levelled, which means the customer will be paying the same premium throughout the policy term.

## How do I qualify for this plan?

**PRUhealth** is available to anyone between 1 and 70 years old. You can take up this plan when you purchase Prudential's **PRUlink assurance plan** or **PRUlink education plan**.

## What are the benefits covered by **PRUhealth**? Are there any exclusions?

**PRUhealth** covers hospitalisation, surgeries and outpatient treatment expenses due to sickness or accidents. Like all hospital and surgical plans, it does not cover pre-existing conditions, HIV leading to AIDS, elective surgery other than medically necessary, psychiatric disorders, congenital abnormalities, hospitalisation for investigatory purposes, any routine physical check-up and so on.

## Will **PRUhealth** pay for medical expenses due to A(H1N1)?

Our company will cover hospitalisation expenses arising from A(H1N1) and its related conditions. This applies to all our existing medical plans, including **PRUhealth**.

## Does **PRUhealth** cover medical treatment incurred abroad?

If a customer receives medical treatment overseas, we will pay for the benefits specified under his/her plan according to the costs of treatment that would be reasonably charged by a hospital in Malaysia. No benefit will be paid if the customer resides overseas for more than 90 days per trip.