



ADVISER



# COVERING CHILDHOOD

Information on our Trauma and Health insurance  
options for children

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HEALTHIER, LONGER,  
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# Why insure children?

## AIA can help parents protect their loved ones by creating future financial certainty

We understand that it's hard for parents to think about something happening to their children, for a parent their child's health and wellbeing is everything.

Future planning is so important to make sure families are protected in case the unexpected happens. We're here to help you build a plan with your client that provides them financial certainty, by considering the impacts a sick or injured child can have on the family.

In this document we have outlined our insurance products for children, illustrating how each benefit can support a family's various needs and help them to find the right insurance combination.

## Cover options for children

It's important to consider the needs of both parents and children to ensure you recommend the right options to match those needs.

Having both Trauma and Health insurance can work well together for a family with children. Health insurance can cover medical bills such as surgery and specialist appointments. In addition, Trauma insurance pays out a lump sum in the event of a serious illness or injury that can provide much needed financial support to the family.

### There are two ways children can be covered

1

#### Covering children under their parents' insurance

- Trauma: built-in and optional benefits
  - Works as foundational financial support should a child suffer a serious illness or injury
  - Option to convert both the built-in and optional children's benefits to either standalone Trauma or accelerated Trauma (with an equal amount of life cover)
- Health: child can be insured under their parents' health insurance

2

#### Standalone insurance for children

- Trauma and Health options
- The child is the life assured on the policy, providing them with comprehensive cover
- Parents or legal guardians are the policy owner until child is 16 years old
- Cover can continue through to adulthood

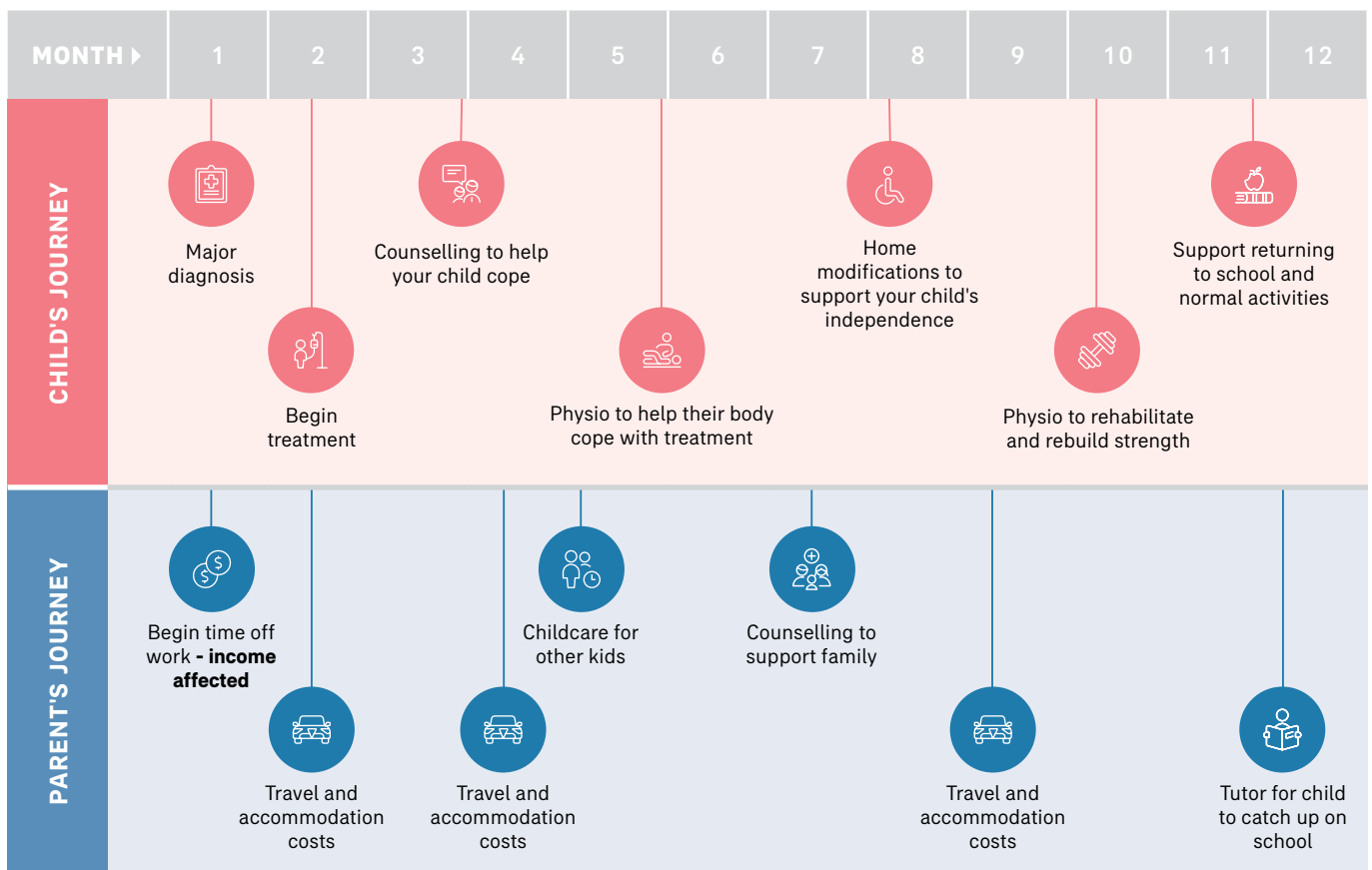
# Costs a family could face

This example illustrates the potential family experience that may unfold following a child being diagnosed with a critical illness, such as Leukaemia.

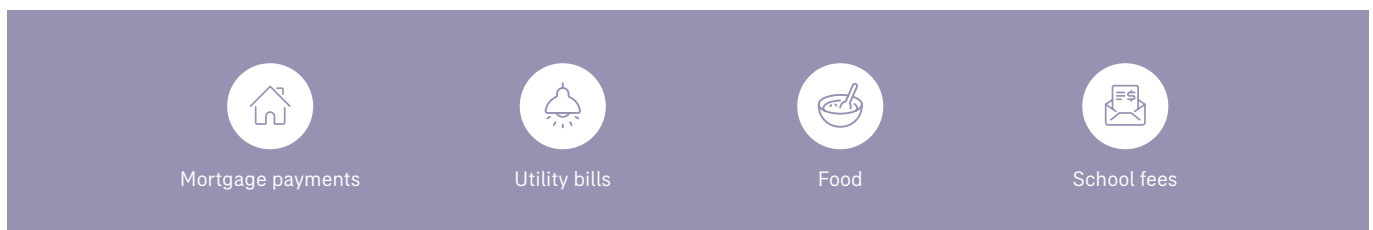
There can be many unexpected costs the family may not have considered, in addition to their expected, regular household costs.

Having standalone insurance for children can help parents support the whole family through a difficult time and allows them to take time off work to be there for their child.

## UNEXPECTED EXPENSES



## EXPECTED EXPENSES



# 1 Cover for children included in their parents' Trauma Insurance

A comparison of options for children up to 21 years old

PARENTS' BUILT-IN & OPTIONAL TRAUMA INSURANCE BENEFITS			
Benefit Name	Built-in Children's Trauma Benefit	Built-in Newborn Children's Benefit	Optional Children's and Maternity Benefit
	This helps families tackle the financial burden of facing a serious illness or injury covered under the policy, allowing parents to choose to take time off to be with them, or cover other finances.	A financial boost to help cover the initial costs of a child being born with a challenging covered condition.	Increased financial support when a child faces a serious illness or injury covered under the policy. Can become more beneficial as a family grows.
Availability	<b>Automatically included with:</b> <ul style="list-style-type: none"> <li>Progressive Care</li> <li>Critical Conditions</li> </ul>		<b>Optional to add on:</b> <ul style="list-style-type: none"> <li>Progressive Care</li> <li>Critical Conditions</li> </ul>
Min and Max Sum Assured	Lower of \$50,000 or 50% of the sum assured across all Trauma Benefit policies for the life assured.		Lower of \$75,000 or 50% of the Critical Conditions sum assured.
Number of children covered	Covers multiple children and is payable for events while the child is aged from three months up to their 21st birthday. AIA will pay a maximum of one claim per child under either this benefit or the Newborn Children's Benefit across all AIA policies.	Cover provided for any biological child as long as the life assured has had the policy for at least 12 months before the child is born with an applicable condition. AIA will pay a maximum of one claim per child under either this or the Children's Trauma Benefit across all AIA policies.	Covers up to 10 children, and is payable for applicable covered conditions while the child is aged from three months up to their 21st birthday.
Covered conditions Summary only. See policy documents for full details.	<b>Progressive Care:</b> <ul style="list-style-type: none"> <li>Same medical conditions as standalone Progressive Care - but only for severity levels 1, 2 and 3 and not including the Optional Total Permanent Disablement condition.</li> <li>No multiple payments for worsening or unrelated conditions.</li> </ul> <b>Critical Conditions:</b> <ul style="list-style-type: none"> <li>Same medical conditions as standalone Critical Conditions.</li> <li>Partial payments only apply for carcinoma in-situ and angioplasty (less than three vessels).</li> </ul>	<b>If a biological child of the life assured suffers one of the following conditions and survives for thirty days after birth:</b> <ul style="list-style-type: none"> <li>Cleft Palate</li> <li>Down's Syndrome</li> <li>Spina Bifida</li> <li>Total blindness</li> <li>Absence of one or more limbs</li> <li>Tetralogy of Fallot</li> <li>Transposition of Great Vessels</li> <li>Deafness</li> </ul>	<b>Progressive Care:</b> <ul style="list-style-type: none"> <li>Same medical conditions as standalone Progressive Care except the Optional Total Permanent Disablement condition, which is not covered under this benefit.</li> <li>No multiple payments for worsening or unrelated conditions.</li> </ul> <b>Critical Conditions:</b> <ul style="list-style-type: none"> <li>Same medical conditions as standalone Critical Conditions.</li> <li>Partial payments only apply for angioplasty (less than three vessels) and carcinoma in-situ.</li> </ul> <b>For both:</b> Includes three additional benefits: <ol style="list-style-type: none"> <li>Children's Critical Conditions Benefit</li> <li>Pregnancy Complications Benefit</li> <li>Children's Congenital Conditions Benefit</li> </ol>
Underwriting	No details of child or medical underwriting required.		Child not underwritten, but must provide the below for each child: <ul style="list-style-type: none"> <li>Name</li> <li>Gender</li> <li>Date of birth</li> </ul>
Treatment of congenital and pre-existing conditions	General exclusion applies for any congenital and pre-existing conditions.	As listed above under 'Covered conditions'	General exclusion applies for pre-existing conditions and any congenital conditions not expressly covered by a benefit in the policy.
Options as children become 16 years old	Children of a life assured remain covered up to their 21st birthday.	N.A.	<ul style="list-style-type: none"> <li>Children of a life assured remain covered up to their 21st birthday.</li> <li>At 21 years old children are eligible to apply for standalone Progressive Care or Critical Conditions and can receive a maximum of \$50,000 cover with no underwriting (they can apply for more cover but it will follow the standard underwriting process).</li> </ul>
Pricing	N.A.	N.A.	\$12.78/month

Summary only. Please note that other exclusions apply and stand-down periods apply. See policy documents for full details.

## 2 Standalone insurance options for children

A comparison of options for children up to 16 years old

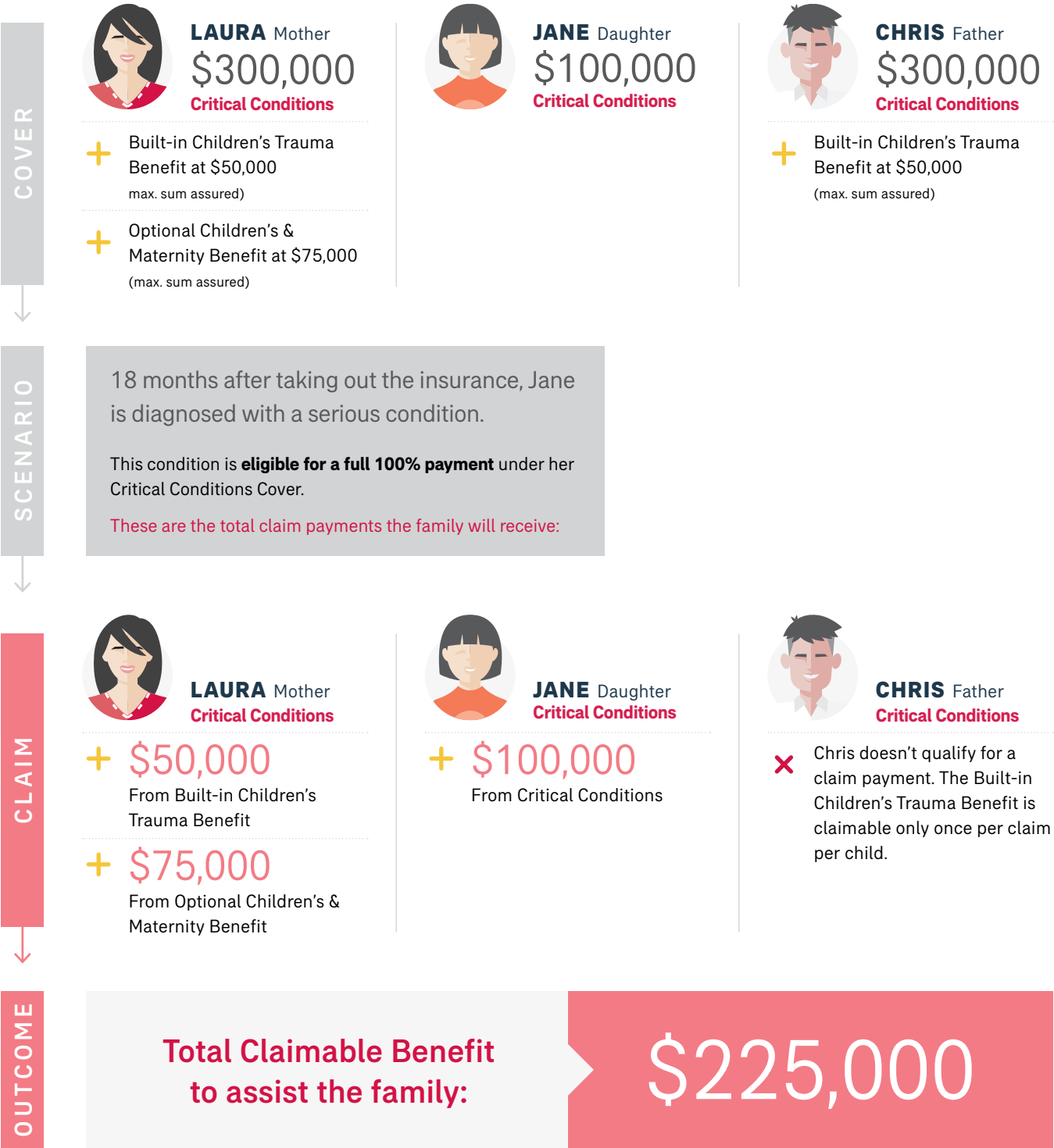
Benefit Name	STANDALONE TRAUMA INSURANCE		STANDALONE HEALTH INSURANCE	
	Progressive Care	Critical Conditions	Private Health	Cancer Care
<b>What does it do?</b>	Financial support if a child is seriously ill or injured with a covered condition. In these times they need their parents by their side, which can often mean time off work and extra pressure on family finances. Trauma insurance for children gives parents financial flexibility to be with them in their time of need.		Comprehensive health cover for a range of conditions to cover medical costs big or small, from grommets to major surgery or cancer treatment.	Specialised health insurance that helps cover costs associated with cancer diagnosis, treatment and recovery.
<b>Availability</b>	<ul style="list-style-type: none"> <li>Available from three months</li> <li>No expiry - policy continues through into adulthood</li> <li>From three months to 15 years the policy must be owned by a parent or legal guardian. From 16 years old a child can own their own policy.</li> </ul>		<ul style="list-style-type: none"> <li>Available from birth</li> <li>No expiry - policy continues through into adulthood</li> <li>For ages 0-15 years the policy must be owned by a parent or legal guardian. From 16 years old a child can own their own policy.</li> </ul>	
<b>Min and Max Sum Assured</b>	\$250,000 per child from three months to age 15. From age 16 higher sums assured are available.		Varied depending on condition as per benefits covered below.	
<b>Number of children covered</b>	One child per policy		Covers multiple children (up to 10)	
<b>Covered conditions</b> Summary only. See policy documents for full details.	<ul style="list-style-type: none"> <li>Covers 70 medical conditions across the below five categories:               <ol style="list-style-type: none"> <li>Cancer</li> <li>Heart &amp; Arteries</li> <li>Brain &amp; Nerves</li> <li>Loss of Function</li> <li>Other health events</li> </ol> </li> <li>Claim payments for various stages of severity across the above five categories.</li> <li>Multiple payments available for worsening or unrelated conditions.</li> </ul>	<ul style="list-style-type: none"> <li>Covers 50 medical conditions for full payment and 15 for partial payment depending on severity.</li> <li>Typically only a single payment made.</li> </ul>	<ul style="list-style-type: none"> <li>Unlimited surgical benefit</li> <li>Up to \$500,000 of Cancer Treatment cover</li> <li>Overseas treatment options</li> <li>Outpatient treatment and minor surgery</li> <li>\$2,500 Mental Health Support Benefit to cover cost of psychologists, psychiatric consultation or counselling following surgery or cancer treatment</li> <li>Option to add Private Health Plus benefit that provides further cover for specialists fees, diagnostic tests and health screening (Private Health only)</li> </ul> <p>AIA Cancer Care provides cover for cancer conditions only.</p>	
<b>Underwriting</b>	Standard underwriting		Automatic acceptance from birth to 3 months old. After 3 months, standard underwriting applies.	
<b>Treatment of Congenital Conditions</b>	No general exclusion. Underwriting may apply loadings or exclusions on a case by case basis.		General exclusion applies for pre-existing conditions and any congenital conditions not expressly covered by a benefit in the policy.	
<b>Options as children become 16 years old</b>	<ul style="list-style-type: none"> <li>A child can own their own policy from age 16</li> <li>More built-in benefits become available (Special Events Increase Facility, and Future Insurability Benefit)</li> <li>Optional benefits can be applied for</li> <li>Level premium structure options are available (10 year Level, and To Age 65 Level)</li> </ul>		From the age of 16 a child can transfer the ownership of the policy to their own name.	
<b>Pricing</b>	Flat rate pricing for three months-21: \$1.05/month per \$10,000 sum assured for Progressive Care; \$1.26/month per \$10,000 sum assured for Critical Conditions.		Subject to quote	

Summary only. Please note that other exclusions apply and stand-down periods apply. See policy documents for full details.

# Here's how AIA's Trauma products can work together for a family

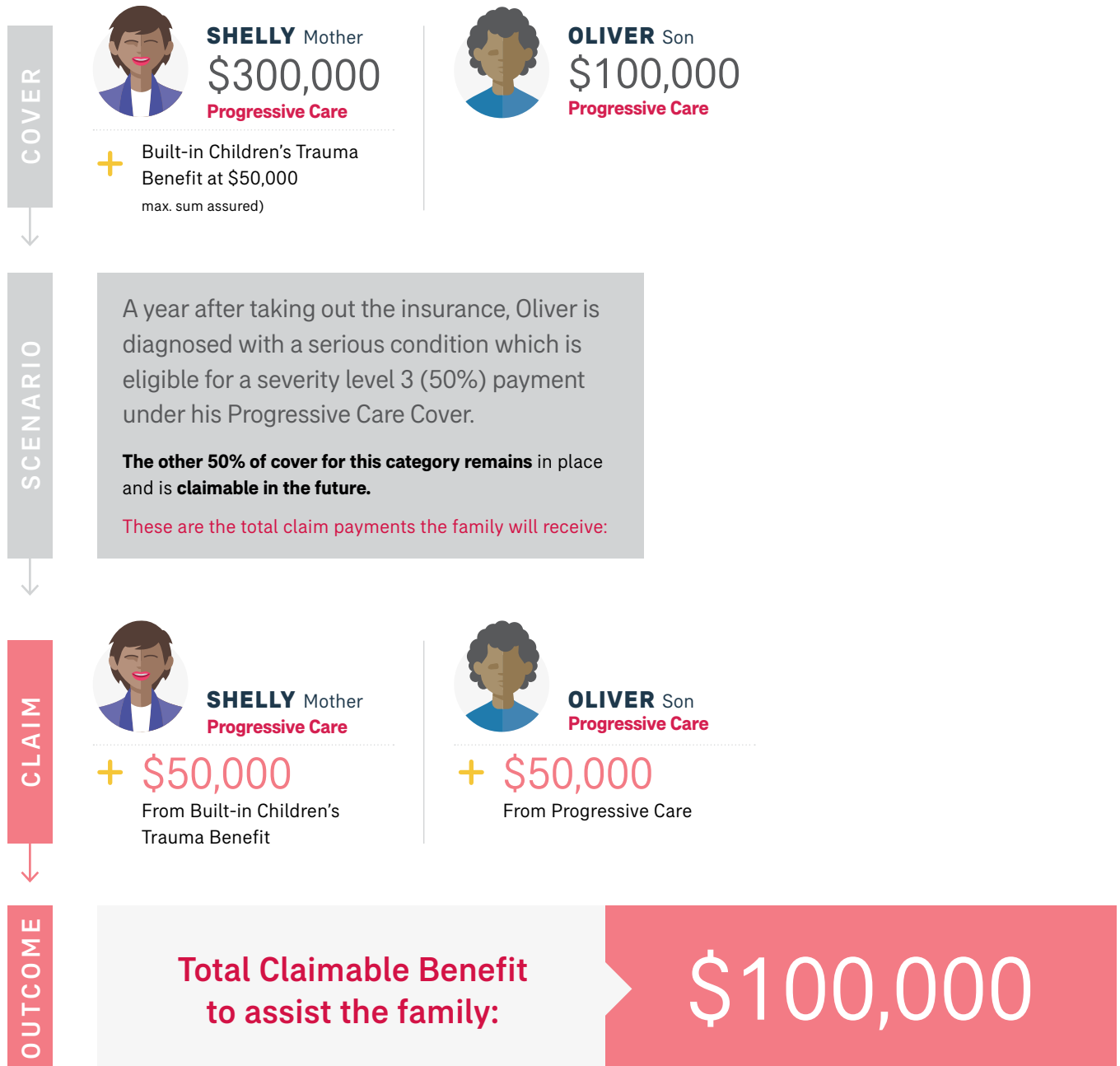
## 1 Meet the Jones Family

Laura and Chris Jones both have Critical Conditions insurance with AIA. They have also taken out standalone Critical Conditions insurance for their six-year old daughter Jane.



## 2 Meet the Smith Family

Shelly Smith has standalone Progressive Care insurance with AIA. She has also taken out standalone Progressive Care insurance for her four-year old son Oliver.



If Oliver did not have standalone cover, the \$50,000 claimable by Shelly under her built-in children's trauma benefit may not be enough to cover expected costs associated with Oliver's illness. In particular, a potential loss of Shelly's income should she need to look after Oliver could lead to financial hardship.



AIA Vitality is our personalised, science-backed health and wellbeing programme that supports you every day to make healthier lifestyle choices. It helps you understand your current state of health, provides tools to improve it and offers great incentives to keep you motivated on your journey. The life assured under any eligible AIA policy can take out an AIA Vitality membership.

[aiavitality.co.nz](https://aiavitality.co.nz)



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Monday - Friday, 8.30am - 5.30pm

## Disclaimer

Other things you should know: the availability of insurance cover is subject to your application being approved. All applications are subject to individual consideration. Special conditions, exclusions and premium loadings may apply. This insurance is underwritten by AIA New Zealand Limited ('AIA'). For full details of the products and benefits offered by AIA, please refer to the policy document(s) which are available from AIA. The information contained in this publication is general in nature and is not intended as advice. It may not be relevant to individual circumstances and before making any insurance decision, you should consult a professional Adviser.

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