

AIA Product Enhancements – July 2021 Adviser FAQs

Overview

Product Release 11.2

As part of our dream to be the healthiest and best protected nation in the world, we have an ongoing commitment to ensure our products are fit for purpose and meet our customers' needs.

From 23 July 2021, we'll be introducing enhancements across our AIA Living, Sovereign TotalCareMax (from 1 Feb 2001), ASB LSP (from 1 Feb 2001), closed AIA advised products (from June 2001), and health products (AIA / Sovereign Private Health, AIA Real Health, AIA Superior Health, AIA Superior Health 3, Absolute Health, MajorCare, Cancer Care, Cancer Treatment Benefit).

The table below summarises the enhancements by product and benefit category. Further details including product enhancement summaries and policy wordings will be available on the Adviser Resources Enhancement page.

	Passbacks to ex-Sovereign	Passbacks to ex-branch	Critical Conditions	Progressive Care	IP AV,IND, LOE	MIP	Business IP	Life	FP	AD	TPD	Health*	Cancer Care
Suspension of Cover/Premium Broadening coverage to provide the following additional conditions under which a customer can suspend cover for up to 12 months. The life assured: <ul style="list-style-type: none"> > goes on parental leave, or > goes on leave without pay for any reason, or > becomes unemployed or redundant, or > experiences at least a 20% reduction in pay (comparing the most recent payslip against a previous payslip from the same year), or > if self-employed, experiences a 30% reduction in revenue (by comparing one month's revenue against the same month for the previous year). 	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Suspension of Premium Name change to 'Suspension of Cover' to clarify the benefit.			✓	✓	-	-	-	✓	✓	✓	✓		



	Passbacks to ex-Sovereign	Passbacks to ex-branch	Critical Conditions	Progressive Care	IP AV,IND, LOE	MIP	Business IP	Life	FP	AD	TPD	Health*	Cancer Care
Cardiac Defibrillator Insertion Introduced new condition covered with partial payment.	✓	✓	✓	n/a (existing)									
Pacemaker Insertion Introduced new condition covered with partial payment.	✓	✓	✓	n/a (existing)									
Cerebral Aneurysm: Introduced new condition covered with partial payment.	✓	✓	✓	✓									
Benign Tumour: Extend Benign brain tumour to include benign spinal tumour.	✓	✓	✓	✓									
Carcinoma in Situ - Radical Surgery: Widen cover to include immunotherapy treatment.	✓	✓	✓	✓									
Aplastic Anaemia: Broadened cover to include peripheral blood stem cell transplantation as treatment method.	✓	✓	✓	✓									
Gross/Net Offset rules: Clarified wordings to reflect current offset practice: offset gross amount of ACC payments across IND/LOE & net ACC payments for AV	✓	n/a (clarification not required)			✓								
WINZ Offsets rules: Clarified wordings to communicate that WINZ is payments are not offset.	✓	n/a (clarification not required)			✓	✓							
Future Insurability – labelling change: Future Insurability Benefit was listed as an Optional benefit. Now updated to reflect actual functionality of the benefit. It is: • built-in where Optional Claims indexation benefit (OCIB) is not taken; • not available when OCIB is taken.	✓				✓								

	Passbacks to ex-Sovereign	Passbacks to ex-branch	Critical Conditions	Progressive Care	IP AV,IND, LOE	MIP	Business IP	Life	FP	AD	TPD	Health*	Cancer Care
Back to Work Payment Introduced built-in Back to Work Payment benefit to MIP.	✓	n/a (existing)				✓							
Home Care Benefit: Introduced built-in Home Care benefit that provides payments if the life assured requires full time care, to a max. of \$2,500/months over six months. Previously available under the Premier Cover Option.	✓	n/a (existing)			✓								
Home Modifications and equipment expenses Benefit: Extended cover from max. six times to max 12 times the monthly benefit.	✓	✓			✓	✓							
Recurrent Disablement Benefit: Extended cover of this benefit to include partial disability.	✓	✓			✓	✓	✓						



FAQs – Advisers

Will the enhancements be passed-back to existing AIA Living customers?

- > Yes, the enhancements will be passed back to existing customers holding benefits within this product range. Any enhancements will only apply if the claimable event occurs after the effective date of the enhancement (23 July 2021).

Will the enhancements also be passed-back to customers holding closed AIA and Sovereign products?

- > Yes, to ensure that cover for customers holding these closed products remain modern, we will continue to enhance these products where appropriate. This will be in line with our existing pass back rules where enhancements apply to:
 - Sovereign TotalCare, TotalCareMax and ASB Lifestyle Security plan (LSP) policies issued since February 2001
 - AIA Life, Income Protection, Total Permanent Disablement and Trauma products issued since January 2001
 - Suspension of Cover Enhancement: All AIA and Sovereign risk and health policies (including Private Health, AIA Real Health, Absolute Health, MajorCare, Superior Health, etc.) as well as ASB Easy Life and Living, ASB Flexilife, ASB MyLife.
- > To provide clarity to customers, the last versions of AIA Real and Sovereign TCM policy wordings will be updated with enhancements that have been approved for pass-back. These will be available over the coming weeks on the customer website (Past Products Page) and Adviser resources. Customers in these closed products will continue to be assessed against the latest version of the policy wordings they were issued.
- > Any enhancements will only apply if the claimable event occurs after the effective date of the enhancement (23 July 2021).

Will you be communicating with existing customers regarding the enhancements?

- > Details of the enhancements will be available to customers on the customer website.
- > We continue to work more generally around supporting customers' understanding of product enhancements as part of our overall customer communications strategy

What dates will the enhancement(s) take effect?

- > The benefit enhancements will be applicable to new claim events on or after 23rd July 2021.
- > Any claim events prior to 23rd July will be assessed on the policy wording applicable at the time.
- > If a customer requires further assistance regarding claim events prior to the 23rd July please direct them to the Claims Team.

Is there any impact on premiums because of these enhancements?

- > No pricing changes are planned at this time in relation to these enhancements.

Are there any other policy wording changes being implemented as part of this release?

Yes. AIA Vitality Premium Flex rules have been amended and this is reflected in the Umbrella, Private Health and Cancer Care wordings. All comms and collateral updates as part of this change will be advised separately.



Are any systems / collateral being updated to reflect the enhancements?

- > Yes. The following collateral will be updated to support the launch:
 - AIA Living Brochures
 - aia.co.nz site
 - Adviser resources website
 - Trauma Comparison Adviser Tool
 - Updated L&D Training Modules

Which launch materials are provided for these enhancements?

- > The following collateral will be created or updated to support launch:
 - FAQ's
 - Enhancement Summaries
 - L&D Training Modules

How will advisers hear about these enhancements?

- > Advisers will receive several comms in the weeks before launch via Adviser Connect and Bites as well as launch comms on/post launch date. These will include all relevant details as well as prompts to access the relevant links (Training Modules, Enhancement summaries). Conversations with their BDMs.

Under the Suspension of Cover benefit, are partial suspensions still allowed?

- > No, partial suspensions of a benefit are no longer possible. Customers must suspend the full sum assured under the individual benefit.

Are any products excluded from the Suspension of Cover enhancements?

- > Yes, only individual risk (including business policies) and health policies are eligible for premium suspension. Excluded are savings, investment, and traditional policies.

Will customers be able to reinstate their cover earlier than their nominated suspension period?

- > No, customers are not able to reinstate their cover before the end of the nominated suspension period.
- > The reason for this is that customers may detect a health issue and then immediately reinstate their cover in order to claim.

Is the Back to Work payment payable more than once?

- > No, the Back to Work payment is payable once for a life assured across all AIA policies. This benefit is being introduced to MIP and is currently available in IP Agreed Value, Indemnity, and LOE. Some customers may hold multiple policies which means they would have this benefit under their IP and MIP cover. If a customer qualifies for the Back to Work payment under more than one benefit, the Claims Manager should determine under which benefit this payment should be made in order to be more favourable to the customer.