

AIA Private Health \$10,000 Excess

Adviser FAQs

17 April 2025

What's changing?

We are introducing a new excess option of \$10,000 to AIA Private Health. This will be in addition to the existing options of \$0, \$250, \$500, \$750, \$1,000, \$2,000 and \$4,000.

The \$10,000 excess will be introduced with a premium discount of 77% of the base (\$0 excess) Private Health rate.

When will the new excess option be available?

The option will be available to new AIA Private Health applications and existing AIA Private Health customers from 17 April 2025.

Why is AIA introducing a new excess option?

We regularly receive feedback from the market requesting AIA to introduce higher excess options as this provides your customers with additional options to manage affordability of their health insurance premiums. While the majority of AIA Private Health policy holders have an excess of \$1,000 or less, we have seen a steady increase in customers selecting higher options.

This new excess option will provide:

- an additional option for your existing customers, particularly those looking to reduce their premiums and who can afford a higher level of self-insurance.
- an option for your customers who hold health insurance with another provider who are looking to top-up certain aspects of their cover.

What are the pricing implications of this new excess option?

Introducing the new excess level will have no effect on the current Private Health rates. Customers who select the new \$10,000 excess will have premiums reduced by a discount of 77% relative to \$0 excess rate.

The table below shows the discounts applicable to AIA Private Health as at 17 April 2025.

Please note that excess discounts are regularly reviewed and may be adjusted at any time.

Excess (\$)	0	250	500	750	1,000	2,000	4,000	10,000
Premium Discount	0%	15%	24%	30%	40%	55%	70%	77%

Can customers get further discounts by adding AIA Vitality?

Yes, customers can get a discount of up to 20% by becoming a Vitality member and actively engaging with the Programme (refer to the [Vitality Premium Flex](#) rules for further information.) The Vitality discount is applied to the premium after the excess discount.

Will the new excess be available on AIA Private Health Plus?

No, Private Health Plus will not have the new excess option. It will continue to provide the current excess options: Nil and \$250

Will the new excess be available on AIA Cancer Care?

No, AIA Cancer Care will not have the new excess option at this stage.



Will the new excess option be available on closed AIA and Sovereign health products?

No, this option will not be available on closed health products.

Customers who hold closed products which were fully underwritten and who wish to utilise the \$10,000 excess can replace their existing policy to AIA Private Health (HC19) without additional underwriting by following the existing health policy replacement process.

What about the \$10,000 excess option on AIA Real?

AIA Real Health has a \$10,000 excess option and existing customers on AIA Real Health will be able to continue selecting this option.

How do customers select the new excess option?

For new applications you can select this option as part of the application process.

For existing customers, the existing rules and requirements for a change in excess will apply.

Are there any consequences to customers increasing their excess?

Customers can change their excess amount at any time to any available option. It is important to note that while they can increase their excess without underwriting, any reduction may require underwriting or additional medical assessments, even if reducing to a previously applied excess.

What if a customer has an application in progress and wants to select the new excess option?

After 17 April 2025, for applications that have been submitted but not yet had the policy issued, you will be able to amend these to select the new excess option.

What if there are multiple lives insured on a policy. Do they all need to have the same excess?

For AIA Private Health, if there are multiple lives insured on a policy, each can select a different excess option as best suits them. The discount for each life assured will depend on the excess selected for them.

Is there any change to how the \$10,000 excess option works compared to other options?

No, this excess option will be applied to claims in the same manner as other excess options. As with all excess options it will be waived where stated in the policy wordings.

The excess is applied per life assured and is payable each policy year. At the start of each policy year the excess resets to its full amount and the customer will be required to pay this amount towards any further claims. This applies even if the claim is in relation to a related claim in the previous policy year, except where it is due to a related surgery occurring within 3 months of the initial surgery.

Should a customer lodge a claim if the treatment is less than \$10,000?

Yes, regardless of their excess amount we recommend customers still lodge a claim for a procedure or treatment as it may be relevant to future claims. We will assess the claim as per the applicable claims process.

- **If it is the first claim during a policy year:**

- If the claim is accepted, but the claim amount payable is less than the excess, we will advise the customer that due to their excess no amount is payable by AIA. However, the amount of the claim will be deducted from any subsequent excess payments due within the same policy year for that life assured.

For example: If the customer has the \$10,000 excess and lodges a claim for \$4,000 then we will advise that they will need to pay the full \$4,000 however their excess will be reduced to \$6,000 for the remainder of the policy year.

- **For the second or subsequent claims in the same policy year:**

- If the claim is accepted, we will calculate the amount payable after deducting the remaining excess to be paid for the policy year for that life assured.



For example: Following the first claim the customer lodges a claim for \$13,000. They will be required to pay the remaining excess amount of \$6,000 and we will pay the remaining \$7,000. No further excess payments will be required for the remainder of the policy year.

Will AIA be advising customers directly of this new excess?

AIA will not be communicating this change to customers directly as part of the launch. However, we may include information about excesses in an upcoming wider communication to customers. We will update all relevant marketing materials and the AIA website to reflect this new excess option.

We suggest you discuss with clients as part of your usual policy reviews and affordability conversation.

