



SMARTCARE OPTIMUM

A Premium Health Plan with the Widest Coverage

	Page
Average Life Expectancy	3
Top 5 Killers in Malaysia	4
→ Coronary Heart Disease	5
→ Respiratory Diseases	6
→ Infectious Diseases	7
→ Cancer	8
→ Diseases of Digestive System	9
→ Hypertension	10
→ Diabetes	11
→ Haze Effects on Health	12
Rising Medical Fees	13-14
Affording Good Healthcare	15
Pros & Cons of Public Healthcare	16
Importance of Health Insurance	17-18
Unique Selling Points for SmartCare Optimum	19
Affordability of AXA's SCO & its plans	20-22
Potential Objections	23-24

Average Life Expectancy at Birth



Life expectancy for both genders have increased by 3 years over the period of 1990 - 2012

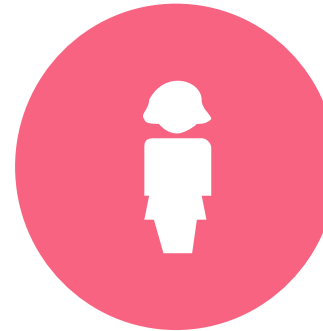
Average Life
Expectancy

72



Average Life
Expectancy

76



(from 68 years in 1990)

(from 73 years in 1990)



Health risks are also **greater**, with an average of
10 years of life spent with illnesses / disabilities

Source:
MoH Malaysia; World Health Organisation



The top 5 diseases account for more than **78% deaths** in Malaysia



Coronary Heart Disease

24.7%

This is the no. 1 killer in Malaysia, in both men and women, since year 2010



Respiratory Diseases

21.7%

Include lung diseases, asthma, bronchitis and emphysema, which may be worsen by air pollution, smoke and chemicals



Infectious Diseases

13.7%

Dengue, Hep A, Hep E, Malaria, JE, etc. caused by various external factors



Cancer

13.6%

Mainly caused by environmental factors such as unhealthy lifestyle, cases of cancer have increased tremendously over the years



Diseases of Digestive System

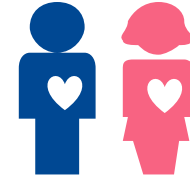
4.9%

Include liver damage, stomach, gallbladder, etc., mainly due to unhealthy lifestyle and excessive alcohol consumption

1 in **every 4**
women died of a heart attack



Men
and
women
of all
ages
are **at risk**



Many people think that it is generally a man's problem, but women are equally exposed to the risk of getting heart disease

~**RM60K***

required for a heart bypass procedure to be done in a private healthcare



Number of heart disease patients have been on an increasing trend for the past

20-30 years

And such grim statistics are unlikely to improve in the coming years due to rising trend of risk factors (such as obesity & poor lifestyle habits)

300million



people worldwide suffer from Asthma, with **180,000** deaths reported annually

Affects people of all ages, but often begins in childhood

Triggered by key risk factors such as smoke & allergens



>50%*

of Asthma patients have poor control over their conditions and an average of 40% of them required emergency hospital treatment

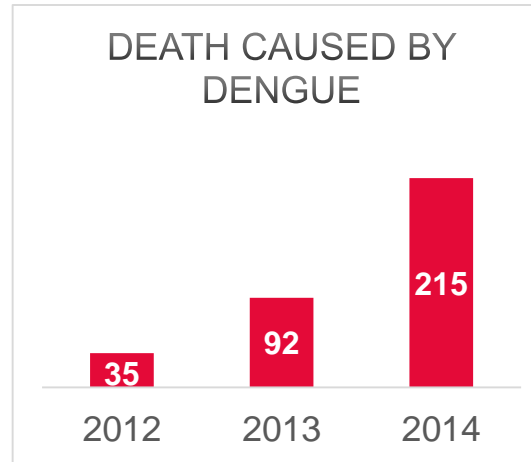
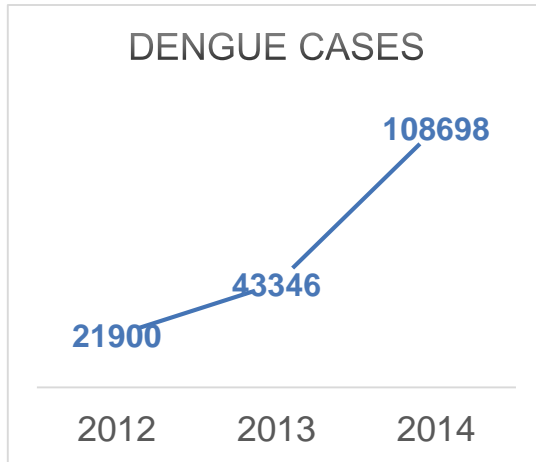


There is NO CURE to Asthma but merely

life-long, on-going

treatments to prevent severe Asthma attacks

Source:
Global Initiative for Asthma
* Recognise Asthma and Link to Symptoms and Experience survey



The **increasing numbers** of dengue cases in Malaysia have raised national concerns, and to-date there is no specific cure / treatment for dengue fever

Constant risk, with no lifelong immunity



Lifelong immunity is only for the type of virus contracted and subsequent infections (up to 3 other different types of virus) increases risk of severe complications

Duration from the first sign of symptoms

4 to 6 weeks

to recover from the fatigue caused by dengue fever



> 21,000



Malaysians are diagnosed with cancer every year

200

different types of cancer

Affecting both men and women

45%

55%



5 YEARS

Full recovery time for an average patient



~RM50K

average patient's treatment costs, and may go up to

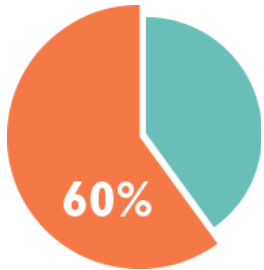
RM460K*



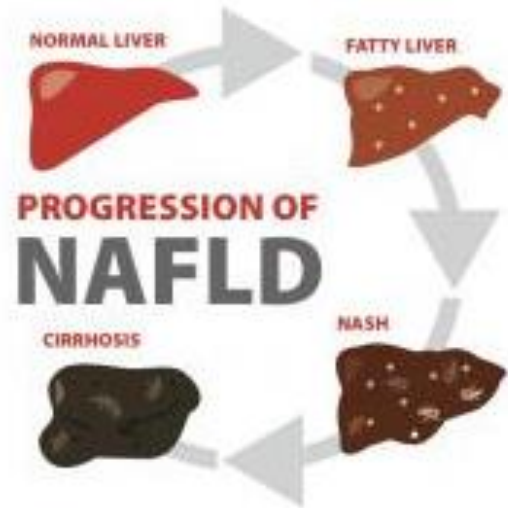
Source:
www.makna.org.my

* AXA's internal data

> **60%***



Malaysians are at risk of dying due to fatty liver (which can develop into chronic liver diseases)



40s & 50s

Most patients are diagnosed when they are in their 40s & 50s



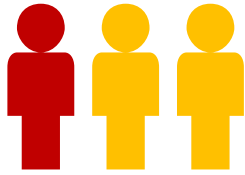
Long-term

complications such as cirrhosis, liver failure, hepatocellular carcinoma (HCC) may entail, and as a result, increase in the number of deaths caused by liver diseases

Source:

* <http://www.thesundaily.my/news/1051748>

1 in 3 adults



- suffer from hypertension
- are not aware that they have hypertension
- undergoing treatment but cannot keep it under 140/90

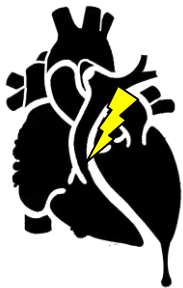
3x more likely to die from a heart disease



4x more likely to die from a stroke

Higher risk of

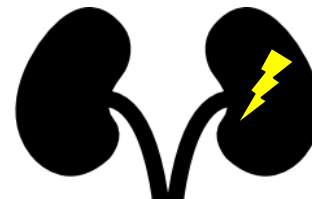
Heart diseases



Stroke



Kidney failure



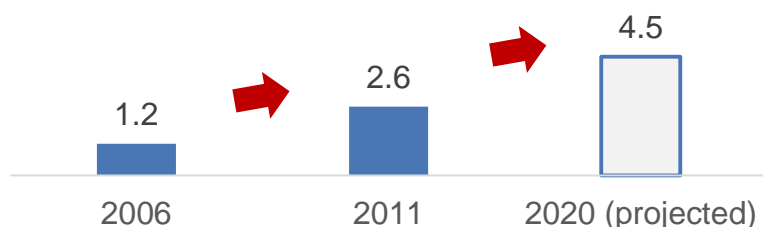
Vision loss



Source:
National Health & Morbidity Survey 2011

Growing number of diabetes patients

Number of adults plagued by diabetes
(in million)



No Cure

Only life-long treatment
– medications and
injections



Amongst the top 10
countries in the world in
terms of percentage of
healthcare budget spent on
diabetes

TOP 10



~RM2.4bil

Equivalent to 16% of national
healthcare budget in 2010 is
spent on diabetes, with 53%
of Malaysians estimated to be
undiagnosed

Source:
National Health & Morbidity Survey 2011
Global Healthcare Expenditure on Diabetes for 2010 and 2030

> **110,000***



Deaths annually, from
pollution-related illnesses
stemming from haze

3_x more likely to experience
disastrous
consequences



Short term exposure to haze: Likely to suffer

1. Respiratory Diseases
2. Skin Irritations
3. Eyes Irritations
4. Heart Disease

Effect of long term seasonal exposure to haze:

1. Higher risk of cardiovascular effects
(such as heart attacks)
2. Reduced lungs development
3. Chronic respiratory diseases
4. Brain Damage

Source:

* www.greenpeace.org

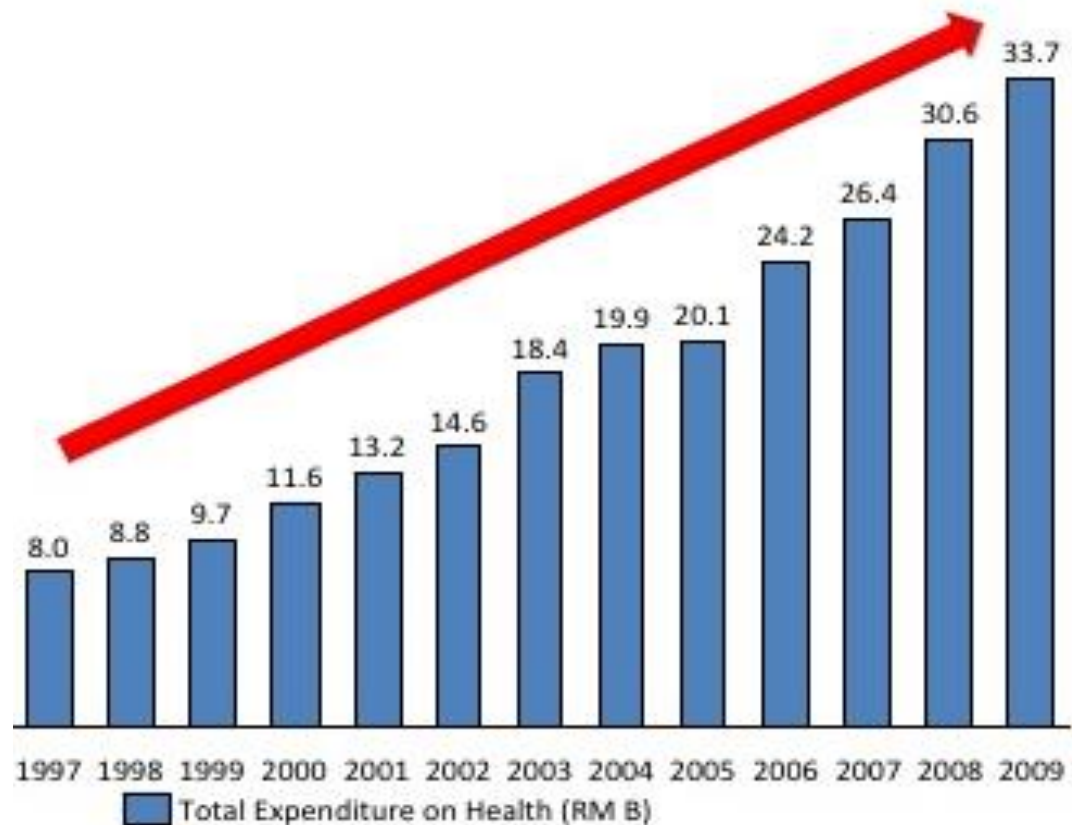
<http://hpb.gov.sg/>

It is a well-known fact that medical fees are on the rise...



Malaysian healthcare spending continues to grow at a fast rate

Expenditure growth is about 11 % on average per year over the past 12 years

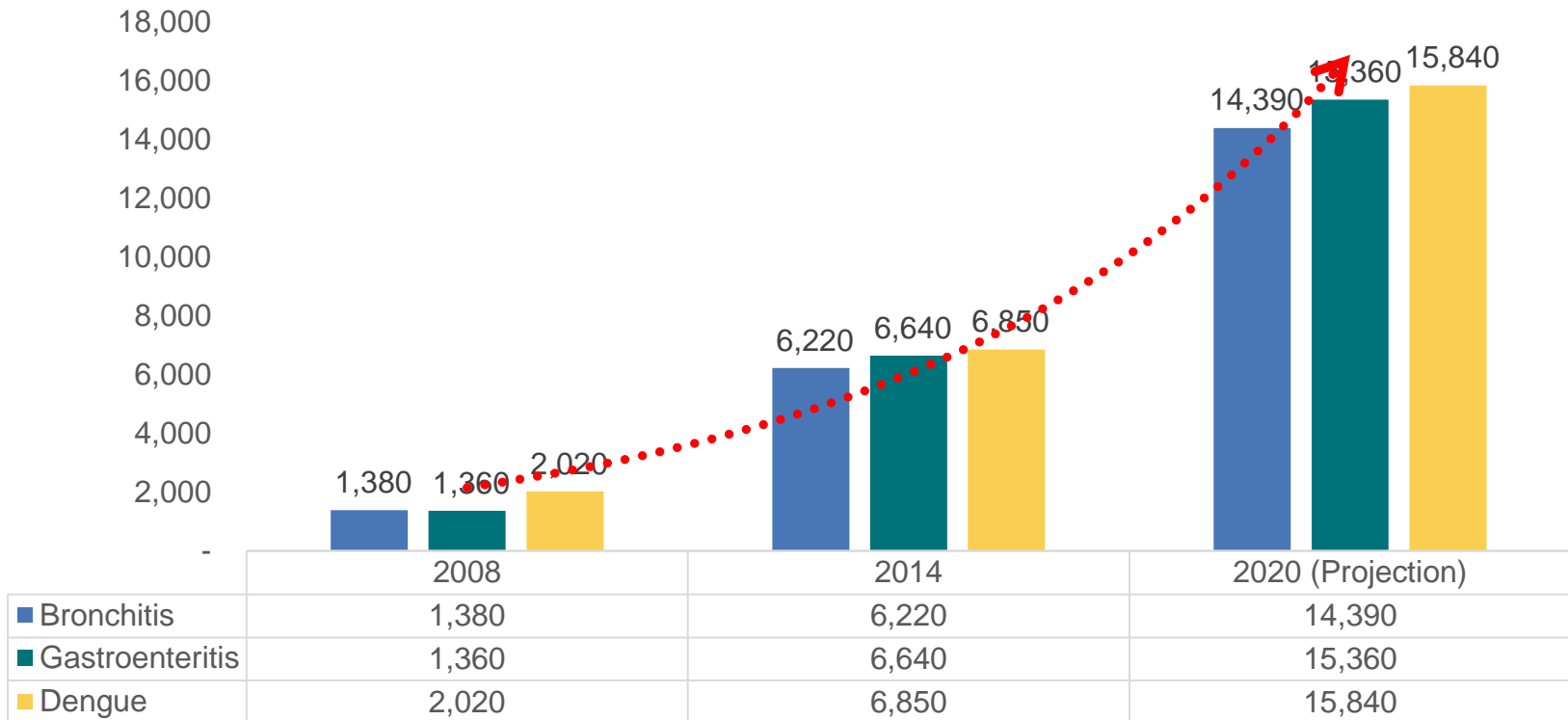


...with the expectation that the inflation rate will be much higher in the future



Future health spending is expected to **increase at a much higher level of growth than in the past**

Average cost per admission (RM)



* Projection for 2020 is based on average of 15% inflation rate per annum. Actual medical cost and inflation rate may vary



Can you afford good healthcare?



Medical fees can turn into a **heavy burden** if there was no proper financial planning

79.9%*

The out-of-pocket (OOP) health expenditure in Malaysia (Worldbank data for year 2013)

2nd leading cause for applicants seeking debt management assistance from the Credit Counselling and Debt Management Agency (AKPK) – **incurred high medical expenses**

64%

of respondents of The Future of Retirement Survey mentioned that they have fears of **not having enough money** for good healthcare as they enter retirement

* OOP = 79.9% of private expenditure on health. The remaining 20.1% is covered by other means (such as medical insurance)





Public Hospitals

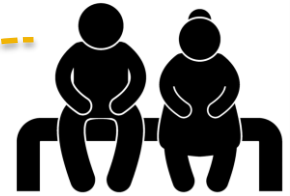
✓ Affordable – subsidised by government

- × **Longer waiting time** due to high traffic in the hospitals
- × **Priorities** given to very severe / emergency cases
- × **Less personalised attention** from doctors due to high volume of patients
- × **Less comfort** as compared to private hospitals

- Are you **willing to wait** when the first signs of illnesses appear?
- Do you have **enough \$\$** for private healthcare?
- How long can you **sustain** (medical treatment and daily living) with your own savings?

If 'medical fees' is affordable, would you prefer to go to a private or public hospital?

Health insurance is a **necessity** across all ages, a “need” to preserve health without jeopardising your financials



Protection Needs

Primary

Secondary

Optional

Why is Health Insurance important for you?



Protects your health

A viable plan to provide needed funds for medical bills in the unfortunate event where one falls ill / gets injured



Protects your income & savings

A sudden, hefty medical bill may drastically reduce one's savings or may even leave him/her in debt. With an adequate health plan, you need not worry about medical bills eating up your funds



Protects your loved ones

May risk affecting the comfort of living of your loved ones as a result of the unexpected medical bills, leaving them helpless when the breadwinner endures morbidity

People do not usually think about getting one's health insured, until they are sick and have to put up with the hefty medical bills

Don't wait until it is too late for you to opt for the viable option in preserving your health!

A premium health plan with the widest coverage that concentrate on the bills whilst you concentrate on getting better

- **Wider protection** and **flexibility** from four different plans with coverage up to RM500,000¹
- Covers for:
 - ✓ Inpatient Hospitalization
 - ✓ Pre- & Post-hospitalization
 - ✓ Daycare Procedures
 - ✓ Outpatient Accidental & Emergency Treatment
 - ✓ Outpatient Kidney Treatment
 - ✓ Outpatient Cancer Treatment
- Protection (guaranteed renewal) **up to age 100**² with **no lifetime limit**³
- **Cashless Admission** facilities
- Deductible Options - where you pay the first RM7,500, RM10,000, RM15,000 or RM20,000 of your hospitalization bills and get **premium discount up to 50%**
- **24 hour assistance** on medical referrals and travel information
- 24 hour **telephone medical consultation**
- **No loading / exclusions** upon renewal if claim is made in prior year

1. Annual limit


2. Provided if the insured was already a member on his/her 59th birthday

3. Applicable to section A & B on Table of Benefits (exclude special benefits)

AXA provides one of the most affordable healthcare plan



Based on the scenario for a 35-years old male with highest annual limit plan

Company	Plan (R&B)	Annual Limit (RM)	Lifetime Limit	Premium Rate (RM)	Premium per RM1k coverage
	500	500,000	∞	1,227.00	2.45
Competitor A	500	260,000	∞	1,845.00	7.10
Competitor B	500	1,000,000	1.0mil	5,520.00	5.52
Competitor C	500	300,000	∞	1,274.00	4.25
Competitor D	400	200,000	1.6mil	851.00	4.21
Competitor E	350	150,000	1.5mil	1,140.00	7.60



PLANS	PLAN 1	PLAN 2	PLAN 3	PLAN 4
OVERALL ANNUAL LIMIT (for Section A & B only)	RM500,000	RM200,000	RM100,000	RM50,000
SECTION A: IN-PATIENT & DAYCARE SURGICAL PROCEDURE (per disability)				
Room & Board, daily maximum (Room Category)	RM500 (Basic Suite)	RM350 (Standard Single Bed)	RM180 (Double bedded)	RM100 (Four Bedded)
Total number of days	150 days	120 days	120 days	120 days
Intensive Care Unit, daily maximum Total number of days	Full reimbursement 60 days			
Ambulance Fees	Full Reimbursement		RM350	RM350
Insured Child's Daily Guardian Benefit (for child below 15 years old, up to 60 days)	Full Reimbursement		Not Applicable	
Prescription Drugs	Full Reimbursement			
Nursing, Theatre Consumables & other Ancillary Charges	Full Reimbursement			
Surgeon's Fees Anaesthetist's Fees Diagnostic Procedures & Physiotherapy Physician Fees, one visit per day Specialist Fees, one visit per day	Full Reimbursement subject to Overall Annual Limit provided the charges are within the recommendations of the Malaysian Medical Association Guidelines and Reasonable and Customary charges			
Operating Theatre	Full Reimbursement			
Daily Government Hospital Cash Allowance Total number of days	RM100 150days	RM100 120days	RM100 120days	RM100 120days

SECTION B: OUT-PATIENT TREATMENT (per disability)

Consultation & Diagnostic Procedures within 31 days before hospital confinement	RM5,500	RM3,500	RM2,500	RM1,500
Post-Hospitalisation Care & Physiotherapy Treatment within 31 days from hospital discharge	RM5,500	RM3,500	RM2,500	RM1,500
Accident & Emergency Treatment within 31 days from the date of the accident	Full reimbursement			

SECTION C: SPECIAL BENEFITS (additional limit on top of the annual limit)

Out-patient Kidney Dialysis, lifetime maximum	RM150,000	RM100,000	RM40,000	RM30,000
Out-patient Cancer Treatment, lifetime maximum	RM150,000	RM100,000	RM40,000	RM30,000
Accidental Death	RM3,000	RM3,000	RM3,000	RM3,000
International Emergency Medical Evacuation and Repatriation, per annual maximum	RM500,000	RM50,000	RM50,000	RM50,000

SECTION D: TOP UP BENEFITS WITH ADDITIONAL PREMIUM

Post-Hospitalisation Care & Physiotherapy Treatment (additional limit starting from the 32 nd day within 60 days after hospital discharge), per disability	RM5,500	RM3,500	RM2,500	RM1,500
Home Nursing Care up to 180 days, lifetime maximum	RM6,000	RM5,000	RM4,000	RM3,000
Out-patient Kidney Dialysis, additional lifetime maximum limit	RM130,000	RM110,000	RM90,000	RM60,000
Out-patient Cancer Treatment, additional lifetime maximum limit	RM250,000	RM200,000	RM150,000	RM110,000

Statement: My employer has already provided health insurance coverage for my dependents and I



➔ Sufficiency

- ➔ Is the health insurance provided by your current employer sufficient?
- ➔ What coverage terms and limitations are there in your employer's health insurance policy?

➔ Leaving your current job

- ➔ If you change jobs, will your next company's health insurance plan be better or worse?
- ➔ With the recent economy downturn, many companies have taken measures to cut jobs / optimise their manpower, will the company's health insurance continue to cover the leavers?

➔ Absent from work due to prolonged illness

- ➔ Suppose that a person is diagnosed with an illness that requires him / her to be away from work for a prolonged period of time to seek medical treatment, how long will the company continue to employ and provide for the health insurance?

➔ Protection after retirement

- ➔ Up to what age will your company's health insurance cover you?
- ➔ Upon retirement at the age of 55 or 60, who is going to cover for the medical costs? Will your secondary income (if you have, from investments, etc.) or savings be able to cover for your daily living and during unfortunate events?
- ➔ How willing are you to pay for hefty medical bills with your own money?



Statement: I don't need health insurance...



A. Because I have already bought a health insurance plan

➔ Sufficiency

- ➔ Is your current health insurance coverage sufficient to protect you for a lifetime?
- ➔ What coverage terms and limitations are there in your current health insurance policy?
- ➔ With the current high inflation on medical costs, how do you determine whether your health insurance is able to protect you for a lifetime?

B. Because I have enough money to pay for medical treatment

➔ Sufficiency and opportunity cost

- ➔ With the current high inflation on medical costs, how do you ensure that you have enough money to pay for your medical bills in the future?
- ➔ Would you rather spend your own savings, at the cost of you and your family's enjoyment? Or let health insurance take care of your bills with affordable premiums?

