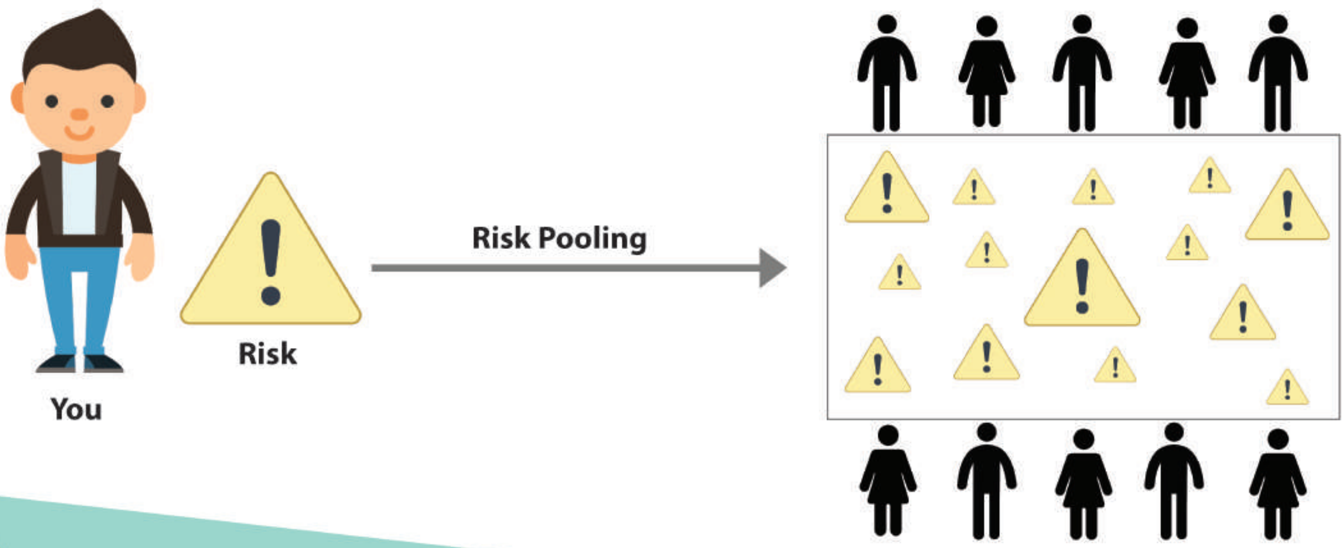
The entire insurance & takaful industry runs on the concept of risk pooling

What's that?

Simply put, it is the equal sharing of financial risks among a large number of people contributing to a common pool.

The funds will then be used to pay for all or part of the medical costs for members of the pool.



Persatuan Insurans Hayat Malaysia
Life Insurance Association of Malaysia

PIAM

MALAYSIAN TAKAFUL ASSOCIATION

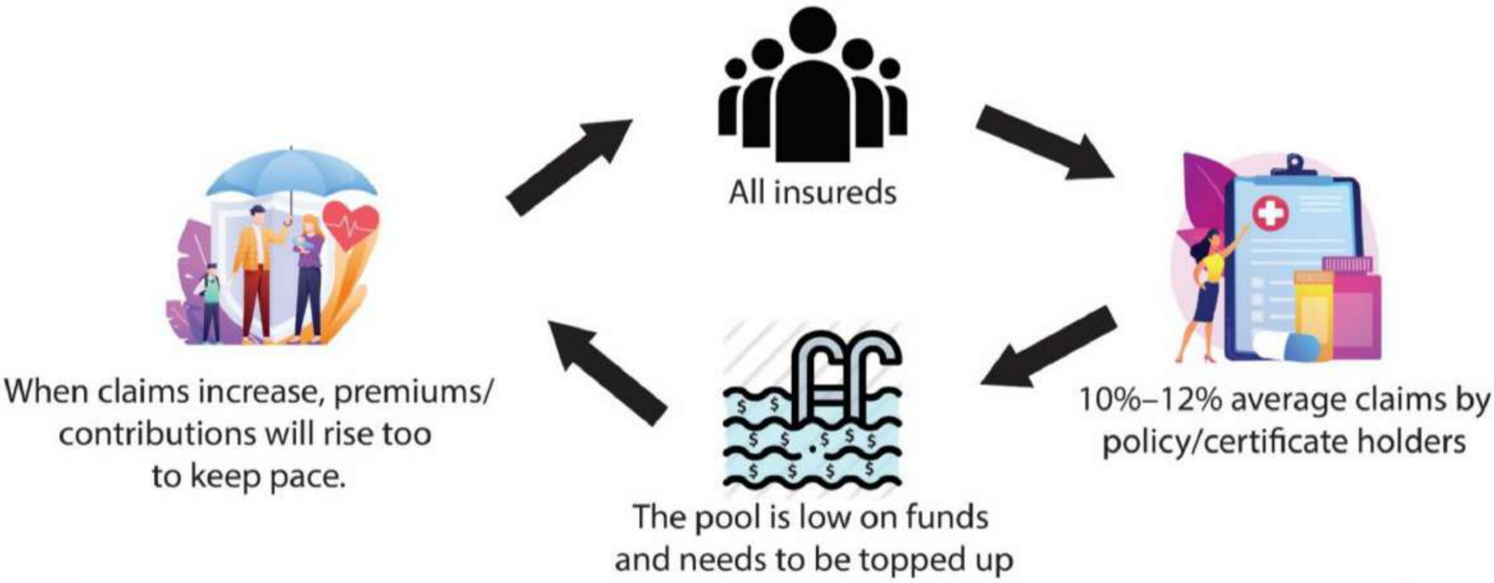
DOES A BIGGER POOL MEAN CHEAPER PREMIUMS/CONTRIBUTIONS?

Not necessarily…

So, how does it work?

The key determining factor for premiums/contributions is the average healthcare cost of the policy/certificate holders in the pool.

Typically, about 10%-12% policy/certificate holders make hospitalisation claims.



I have not made any claims yet I'm paying higher premiums/contributions. Why?

Policy/certificate holders should take into consideration that even if they haven't made any claims yet, there may come a time when their insurance policy will work to their advantage.

Because life is unpredictable...

Don’t want to pay the higher new insurance premium/takaful contribution?

1. There are several options offered by different insurers to manage the cost.

2. Lower your premium by Converting it to a cost-sharing plan.

3. You may review and alter your policy/certificate benefits to suit your situation.

But

Bear in mind that any changes to your coverage will have an impact on your protection.