

AIA PRIORITY PROTECTION

HELPING YOUR CLIENTS MANAGE THEIR PREMIUMS

For Advisers

February 2023



HEALTHIER, LONGER,
BETTER LIVES

At AIA Australia (AIAA), our purpose is to make a difference. We do this by providing your clients with certainty and financial security and supporting them when they need us most.

We understand that the current economic conditions continue to be challenging for your clients. Below you'll find information to support your client conversations with options to manage the cost of their Priority Protection premiums and address any affordability concerns that may arise.

Making Policy Changes

There are a number of policy changes that you could make to help your clients retain their valuable life insurance, along with the option to review the sum insured or monthly benefits. The information below outlines some of these options and the potential premium savings for your clients. You can review your client's specific situation in the policy renewal report available on the [adviser site](#).

Income Protection alterations (Closed to New Business Series)

The below options apply to legacy Priority Protection Income Protection and do not apply for our current on-sale Income Protection CORE.

| Option | Premium saving |
|---|----------------|
| Change from To Age 65* to 5 year benefit period | 20% - 45% |
| Change from Agreed Value to Indemnity | up to 15% |
| Change from 30 days to 90 days waiting period | 20% - 50% |
| Change from Smoker to Non-smoker | up to 20% |
| Remove sum insured indexation | up to 7% |
| Change premium frequency to semi-annual or annual | up to 8% |
| Remove Claim Escalation rider | up to 15% |
| Remove PLUS Optional rider | up to 20% |
| Remove Advantage Optional rider | up to 5% |

Disclaimer: These premium saving percentages are calculated based on To Age 65, age 35-60, stepped, 30 days waiting period and no AIA Vitality membership attached.

* To age 65 means to the policy anniversary prior to the life insured turning 65.

Lump Sum alterations

| Option | Premium saving |
|---|----------------|
| Change TPD definition from Own to Any Occupation | Up to 35% |
| Replace Double TPD with TPD | Up to 45% |
| Convert Crisis Recovery to Crisis Extension | Up to 35% |
| Replace Double Crisis Recovery with Crisis Recovery | Up to 30% |
| Remove Crisis Reinstatement | Up to 7% |
| Remove Crisis Buy Back | Up to 6% |
| Remove TPD Buy Back | Up to 6% |

Disclaimer: The above premium saving percentages are based on premium of the benefit being altered and are calculated based on age 35-60, stepped and no AIA Vitality membership attached.

The above options are examples only and may not apply to your client. You can request a quote specific to your client's situation from AIAA.

The premium saving percentages are indicative only and will depend on a range of factors and may vary from policy to policy.

Taking Advantage of Discounts and Rewards

AIA VITALITY

AIA Vitality is our science-backed wellbeing program that helps clients improve their health and rewards them for it.

When AIA Vitality is attached to your clients' cover, it means the **premium discount** they receive **flexes up or down** depending on how they maintain their AIA Vitality Status.

| Status | Bronze | Silver | Gold | Platinum |
|-------------------|--------|--------|-------|----------|
| Initial Discount* | 17.5% | 17.5% | 17.5% | 17.5% |
| Premium Flex | -2.5% | -1.25% | -0.0% | +1.0%^ |

* Note: the initial discount is only applied once, from the first premium due date after the member has joined AIA Vitality. AIA reserves the right to adjust the discount at any time. The discount may also increase time to time as part of a campaign.

^ Maximum 20% discount p.a.

‘-’ means the discount is eroded each year by this amount

PLUS, AIA Vitality members can earn rewards of up to \$760 in e-gift cards or cashback for making healthier choices. They also have access to up to 50% off gym memberships, up to 50% cashback on eligible (domestic and international) Virgin Australia flights and more.

See how the AIA Vitality discounts work [here](#).



BUNDLED DISCOUNT

If your client has a Lump Sum and Income Protection policy with AIAA, they may be eligible to receive a Bundled discount of up to 10% on their Lump Sum premiums. If they don't have an Income Protection policy included, they may be eligible for a Lump Sum Bundled discount of 4% on their lump sum premiums.



AIA HEALTH CLIENTS

Clients who take out AIA Health can receive an additional 5% discount on their life insurance premiums.



For full details about the availability of the discounts, see the Adviser Guide – Section C.



AIA Reporting Tools to Assist with Client Conversations

Propensity to Lapse reporting

Available from your CDM, this report leverages predictive modelling to identify which of your clients have a high likelihood of lapsing. This tool can help you take a proactive and targeted approach to manage policy renewals with your clients.

Policy Renewal report

Download this report which gives you a snapshot of your clients who have an annual renewal in the next three months. The report shows you what the new premium will be, any changes in discounts such as AIA Vitality, and the premium impact if you change the waiting period, remove CPI increase or add AIA Health.

You can access the report at [Adviser Site > Policy Search-Reports > PP Premium Renewal Report](#).

To find out more, please contact a member of our Client Development team on 1800 033 490.

