UPDATED 22nd November 2020

A MEDICAL DILEMMA.

TO TOP UP OR NOT TO TOP UP?

NEED HELP DECIDING WITH WHO TO GO WITH AND WHAT PLAN TO TAKE?

WE'VE GOT YOU COVERED!
CHECK OUT THE PAGE 16 FOR MORE ON HOW WE CAN HELP YOU CUT THROUGH THE NOISE!

MYPFUND

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DISCLAIMER:

The data and opinions in this document are purley from our interpretation of the resources found on the various websites of the insurance providers, the CPA Flexible benefits booklet and the BUPA Care Plus booklet. They are for REFERENCE ONLY and should NOT be used to make any final decisions. Please ensure you do your own homework and verify any information you may want to use. We do not take any responsibility for any incorrect data. This document is purely for INFORMATIONAL purposes only.

THE DILEMMA:

The CX Flexible Medical Plan provides a limited and basic medical cover for both minor and major medical events. The plans out-patient coverage is limited to a mere $12,000 per year. If you encounter a costly consultation and treatment on a layover, this limit may easily be wiped out, leaving you with no coverage for the remainder of the year. More pressingly though, for In-Patient care, the plan is limited to a set annual limitation per disability (treatment/operation) - often falling short of the typically higher major and complex operations in Hong Kong. The plan only covers limited cancer treatments, and maternity is covered only if a catastrophic events occurs.

You must understand that **your medical coverage is limited**. We advise you to take careful consideration as to whether or not it is sufficient for you and your family. Unless you have the adequate funds to carry the medical cost over and above the annual limit, the Flexible plan may leave many employees with only one option: that being, to top up!

Conveniently, CX does offer a top-up plan through BUPX. **But is that top-up plan enough?** We compare BUPX Plus to a private medical aid provider and also give you some insights into choosing medical aid - **giving you the power to make the best choice for you and your family.**

"It is imperative that you understand that your medical coverage is limited"

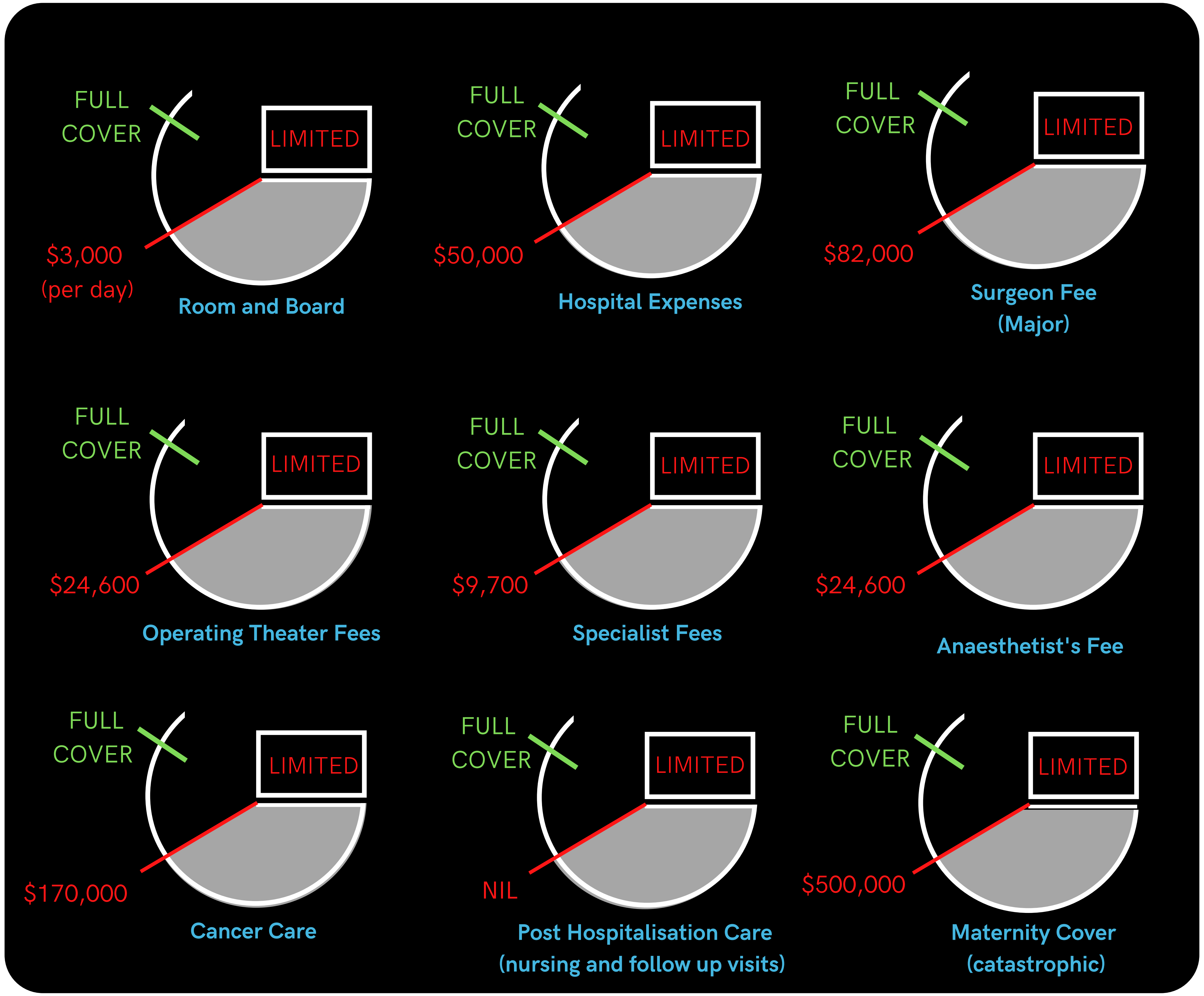
Need help deciding what to do? Jump to our last page for details on how we can help.

THE RAW DATA

Looking at the gauges on the right, it's easy to see that CX's plan is mostly limited across many items. Whilst one could argue that these limitations may be enough to cover a range of operations at a private hospital, the same argument cannot be made for the more life-threatening and complex procedures and treatments that may arise at any time.

Furthermore, the basic plan does not cover pre or post hospitalisation costs - an expense that can add up to a substantial amount. The limitations applied to cancer treatments are also hugely under-covered. These costs can and do, accumulate into the millions. Although FWD's plan was used here as a comparison, it is worth noting that many other insurance plans have far more cover than the basic CPA plans. This is simply to illustrate the CPA limitations and the importance of considering your own private cover.

Based on the CPA First Officer plan.
FWD private plan used as comparison.



Private Insurance — CPA Flexible Benefits —

DISABILITY	COST	FULLY COVERED BY CPA BASIC PLAN?
CORONARY ARTERY BYPASS SURGERY	$400,000 -$600,000	✗
ANGIOPLASTY (ARTERIOL SURGERY)	$100,000-$300,000	✗
FRACTURE SURGERY	$134,388 - $153,198	✓
BREAST LUMP EXCISION	$79,935 - $152,484	✓
LAPAROSCOPIC CHOLECYSTECTOMY REMOVAL (GALLBLADDER REMOVAL)	$122,610 - $183,227	✓
LIGIMENT RECONSTRUCTION	$108,000- $111,800	✓
CANCER TREATMENT (TARGET THERAPY)	$400,000 - $2.4 million	✗
COLON CANCER (COLONOSCOPY)	$410,000 - $550,000	✗

Data retrieved from a range of private hospitals in Hong Kong. Costs include all fees (hospital fees, surgeon fees, medication, room and board etc.). Fees are based on average costs published by the various hospitals in Hong Kong

Looking at the average costs of some of the more serious conditions. It's quite clear that further coverage is needed. Although the CPA Flexible Benefits Scheme fully covers some disabilities, many are not. This list is not exhaustive, meaning the may be many more treatments and operations that are not fully covered.

As far as how much cover you need is concerned, this is very much a personal question. Variations such as age, pre-existing conditions, family considerations, and lifestyle all come into play. What is fixed, though, is that insurance companies don't always offer the same cover.

On the surface, many insurance companies look similar in their offerings. The true details lie in the exclusions, lifetime limits and claims frequencies.

So what are the costs and how much cover do you need?

We want to remind you that it is imperative to consider looking further into the details provided. Getting the right cover is vital to you and your family.

Whilst there are some good deals on offer and many group-type insurance plans, they may limit your cover. Looking at some private plans is a good idea as there is often more coverage and added benefits to these insurance plans.

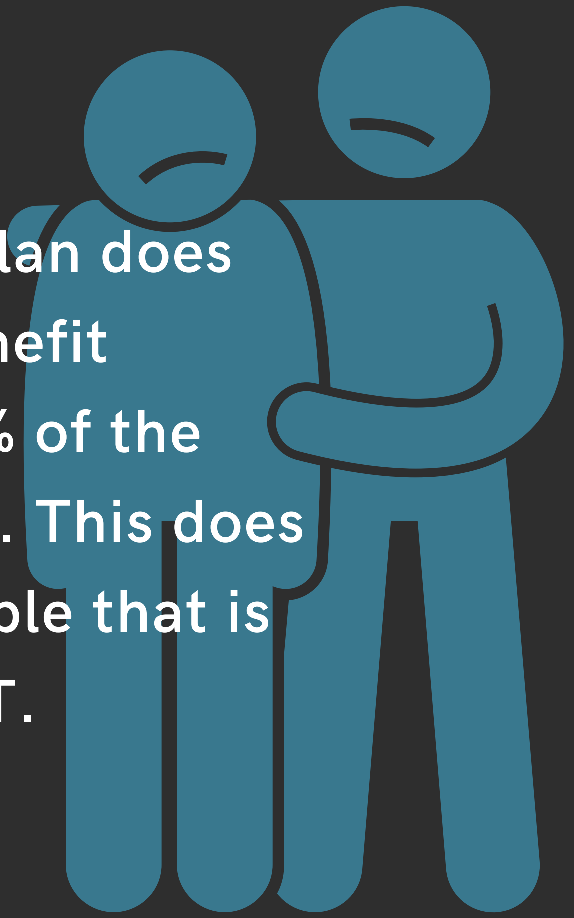
On the next page, we look at the BUPX Top Up Plan offer. Its shortfalls and claim schedule.

BUPX CARE PLUS DOWNFALL:

20%

Of the costs are passed on to YOU!

Below we look at the claim schedule between the BUPX Top-Up plan and another private medical aid provider. This is **purely to compare the difference** between the company offer versus your own private option. It stands to illustrate that the optional BUPX plan may not be enough OR that it leaves you with too high of a deductible cost

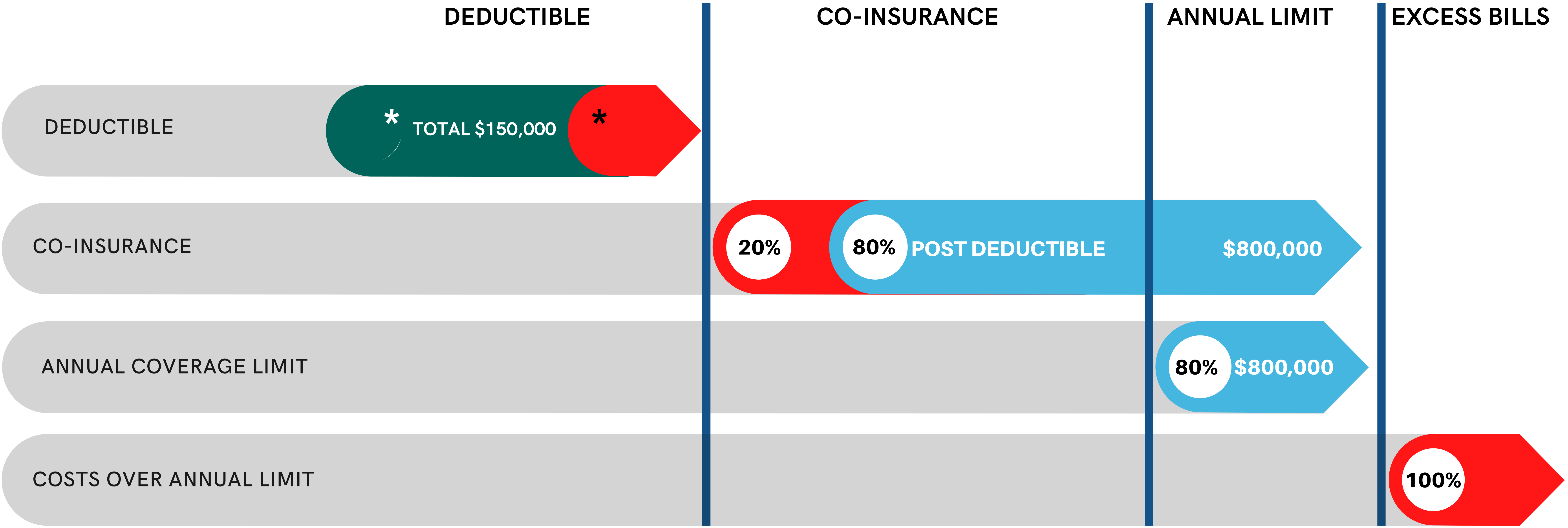


The Bupx Plus Medical Plan does provide an increased benefit allowance, however, 20% of the costs are past on to you!. This does not include the *deductible that is required to be met FIRST.

* A deductible is a specified amount that you need to pay first (out of your own pocket), before the insurance company will start providing their cover. We speak about deductibles later.

BUPX PLUS (TOP UP) PLAN CLAIM SCHEDULE

Based on the highest Private plan (Class 3,6,9,12) First Officer



COSTS CX ARE RESPONSIBLE FOR

* Cathay's limits count towards this. Any amounts over the various limits, - under $150k - you are responsible for.

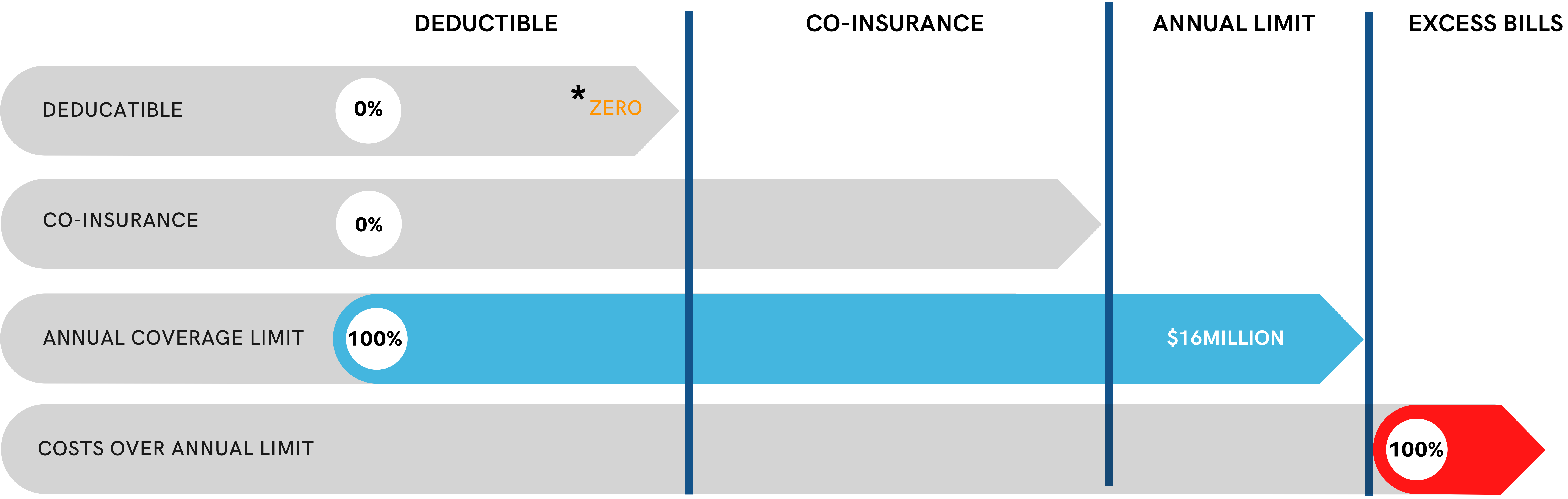
COSTS YOU ARE RESPONSIBLE FOR

* With the deductible being so high, there may be costs that you incur as a result of the CPA limits not being sufficent.

COSTS BUPX ARE RESPONSIBLE FOR

PRIVATE TOP UP PLAN CLAIM SCHEDULE

Based on highest Private plan ($0 deductible option)



COSTS CX ARE RESPONSIBLE FOR

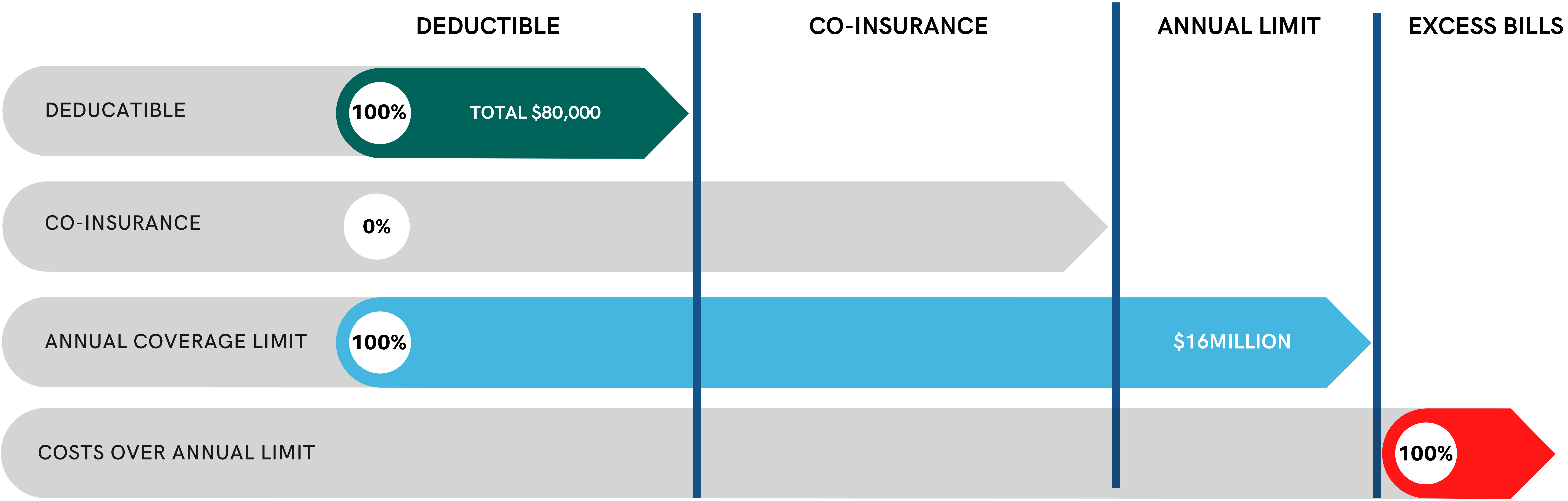
COSTS YOU ARE RESPONSIBLE FOR

COSTS INSURER IS RESPONSIBLE FOR

* There are lower/cheaper premium options that do include deductibles. This is based on a zero deductible premium plan

PRIVATE TOP UP PLAN CLAIM SCHEDULE

Based on highest Private plan (highest deductible option - $80,000)



COSTS CX ARE RESPONSIBLE FOR

COSTS YOU ARE RESPONSIBLE FOR

The far lower deductible with many private insurers almost guarantees that the CPA will cover this duductible.

COSTS INSURER IS RESPONSIBLE FOR

SO SHOULD I TOP UP AND WITH WHO?

Looking at the limits provided by the CX's flexible scheme, it is clear that a top-up of some sorts is required. If you choose not to, you may be woefully under-covered in the event of a serious operation or medical condition. By comparing the claim schedule between the BUPX Plus top-up plan and another private medical aid insurers, one can clearly see a winner - private. But, as with anything, it does come at a cost. No deductibles mean you do have to pay a higher premium - certainly higher than the Optional BUPX top-up or other group medical plans.

So going with the cheaper group medical plans seem logical, right? Not necessarily! Although the private plans are often more expensive, there is a way to reduce their premiums down to even less than the group cover.

How? Simple! Choose a plan with a deductible! But why on earth would you subject yourself to paying a deductible? The answer: you don't! Private medical aid plans don't care where the money comes from for a deductible. CX's contributions to your bill from the basic flexible plan all count towards the deductible and, typically, is more than enough!

This means that highly comprehensive, specialised and tailored private plans are now within the same annual premium range as those from group medical aids. Hopefully, our breakdown to follow, will help you get over the hurdle of understanding what to chose.

The next page illustrates how CX's basic plan allows you more choice within the same budget.

"Going with the cheaper group medical plans seem logical, right? Not necessarily!"

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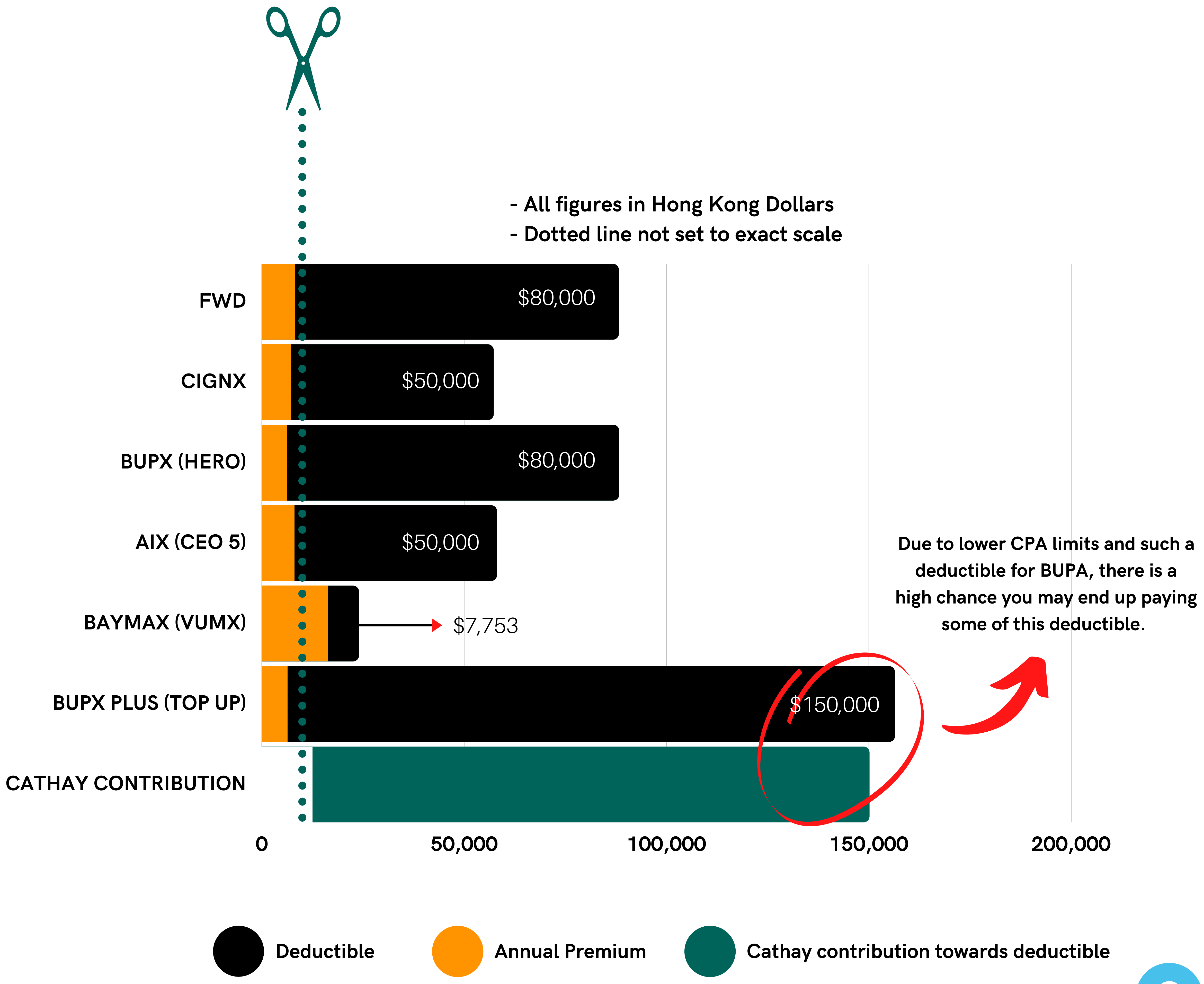
Premium + ~~Deductible~~ Comparison

Based on the highest coverage plan:
Male aged 37, non-smoker

SO WHAT DOES THIS MEAN?

The contributions from the CPA basic plan are recognised and counted towards the deductible needed for many medical aid plans - meaning you're not out of pocket for that cost. This allows you access to far more comprehensive medical aid plans out there, whilst still providing you with competitive premiums. Group plans such as April (through the HKAOA) and Vumi (through BAYMAC) offer affordable premiums, often with no deductible either. However, they may not give you all the cover needed and do require an appropriate membership.



Premium comparison

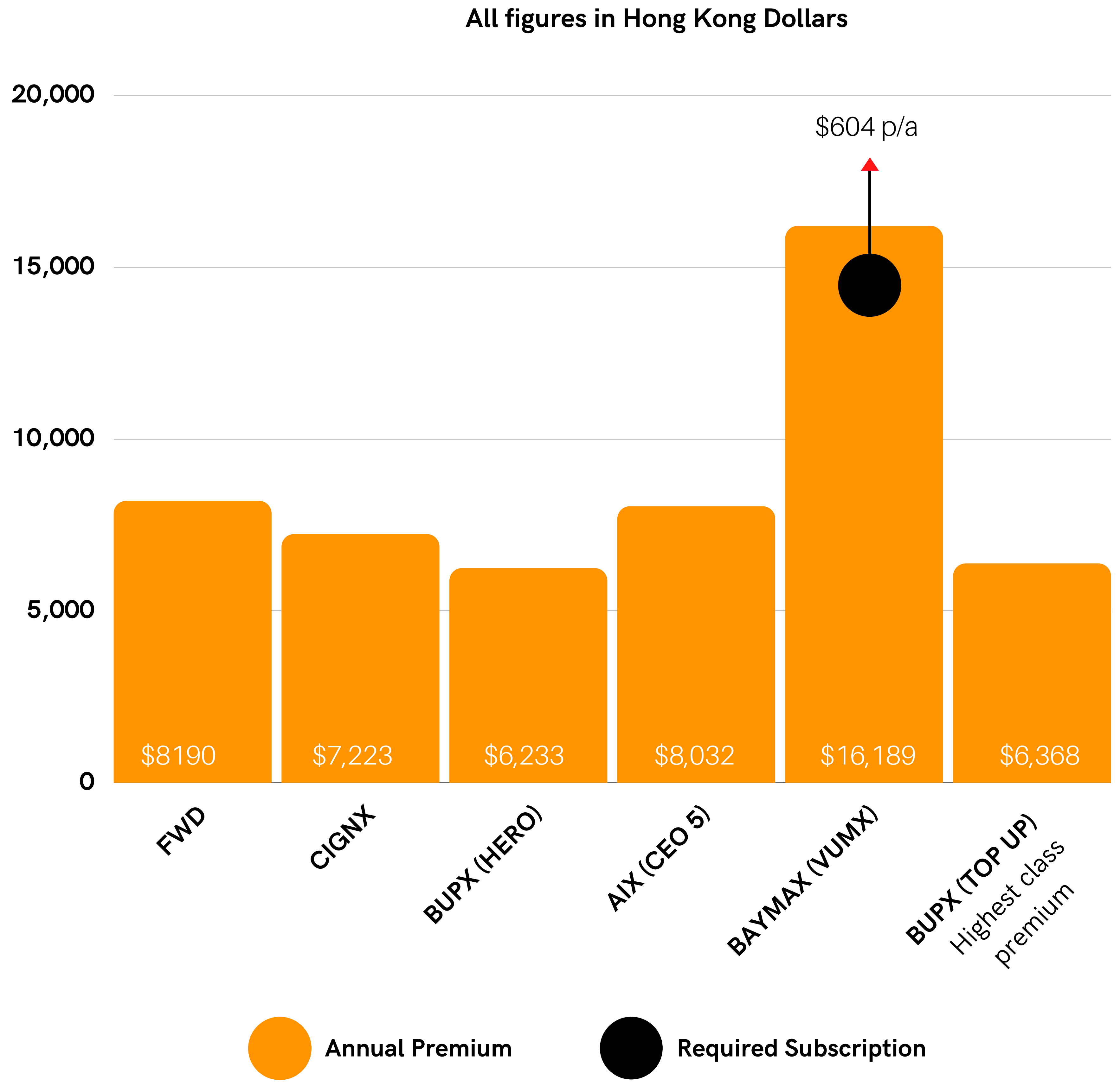
Based on the highest coverage plan with a deductible:
Male aged 37, non-smoker.

You get what you pay for... Right?

It's important to note that just because a premium is higher, it does not mean that you are getting the best cover! Exclusions and limits vary widely with every medical aid provider.

What we recommend is that you think carefully about what items you need to be covered. There are often plans that include items that won't be used at all. You can easily over-insure yourself as a result. For example, you may just want to cover for Cancer-related items. Getting a full medical aid is probably not the best option then - going with a plan specifically aimed at Cancer is cheaper and less restrictive.

Importantly too, with our incomes being reduced, we must pay attention to saving our pennies - but we should also be careful not to short change ourselves in the event of a claim.



Please ensure you make reference to the individual insurance provider premium tables. These figures may or may not be fully accurate. The premiums are purely from our interpretation of the data provided to us by the insurers. We have tried to obtain as much accurate data as possible

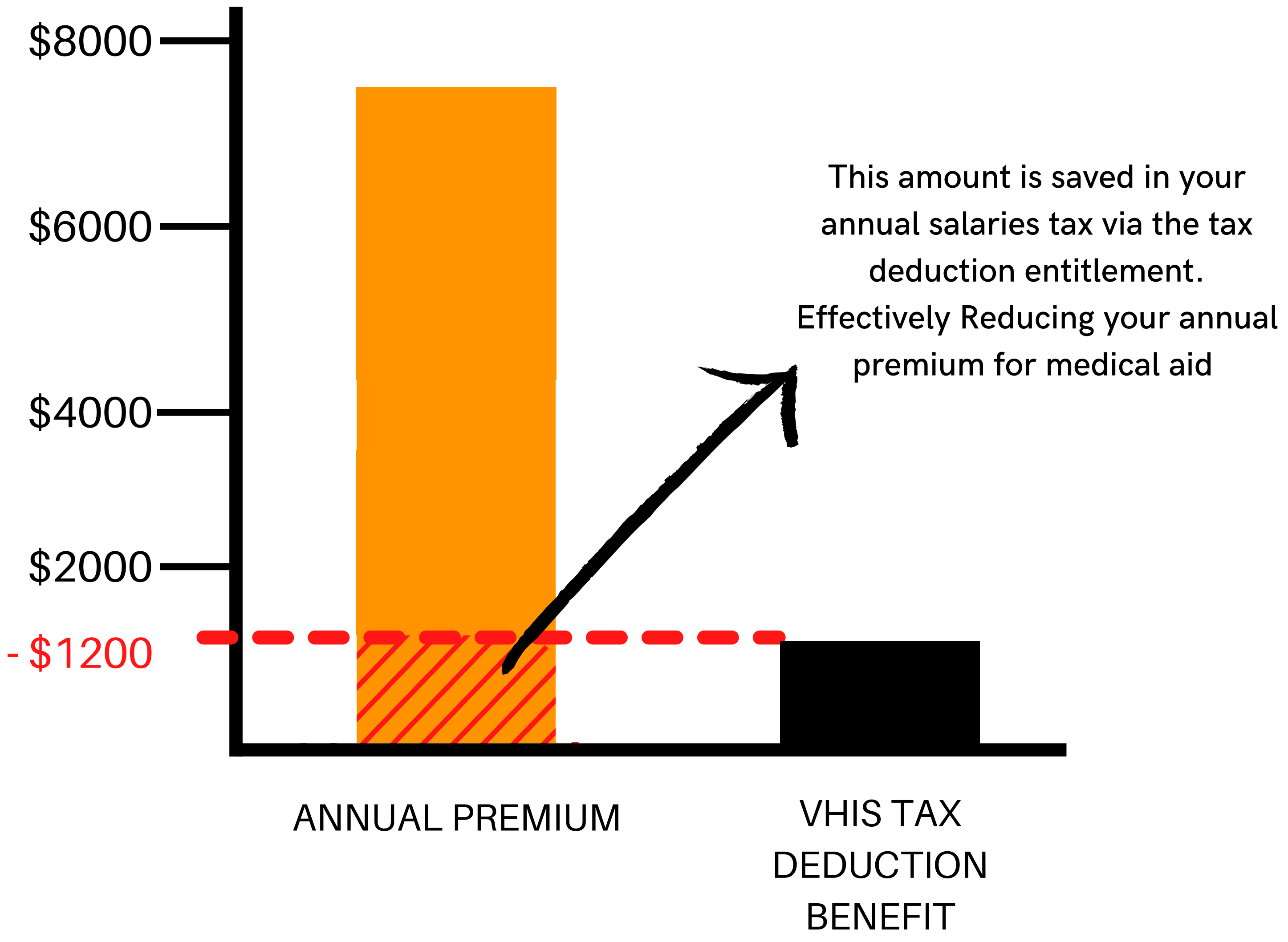
VHIS - A WAY TO A CHEAPER MEDICAL AID

There is a government scheme called the VHIS (Voluntary Health Insurance Scheme). The scheme allows clients to claim their annual premiums towards a tax deduction (up to a cap of $8,000).

In short, you pay less tax each year and, indirectly, offset your medical aid premium each year. This equates to a savings of approximately $1200 on an annual premium that is $8,000 or more. (based on 15% tax).

The added benefit to this program is that you can deduct $8,000 per policyholder per year. So a family of 4 of could save you up to $2,200 per year. See the table to the right for an example.

Almost all Hong Kong medical aid providers offer a VHIS plan. Unfortunately, the likes of BAYMAX and the BUPX Plus (Top-Up) and some other group medical aids plans DO NOT offer this advantage. A full list of plans and provider can be found via the link on the next page.



	ANNUAL PREMIUMS PAID	TAX DEDUCTION	TAX SAVING
TAX PAYER	$6,000	$6,000	$900
SPOUSE	$5,500	$5,500	$825
SON	$1,500	$1,500	$225
DAUGHTER	$1,500	$1,500	$225
TOTAL	**$14,500**	**$14,500**	**$2,200**

自願醫保計劃 Voluntary Health Insurance Scheme

LOOK AFTER YOUR PENNIES!

Some questions that could save you money!

Do you really need a private ward? Could Semi-Private be worth considering? Premiums are substantially lower with semi-private and ward options.

Is a full high-end premium plan worth it? You may be potentially over-insuring yourself. What about flexi plans? They often provide good coverage that will supplement the CPA medical well, whilst keeping your costs down.

Have you looked at the VHIS plans? The government have given you access to cheaper medical aid - use it to your advantage! Click the SEARCH ICON to the right for a full list of government VHIS approved plans.

Right now, many of us will be needing to watch and take care of our pennies! At the same time, though, we do need to ensure that we take proper care of our medical needs. Inevitably, money will need to be spent, but you need not unnecessarily pay more either. Although premium and high-end plans are used in this document for comparisons, it does not mean they are the only or best option.

This may be the first time you are getting medical aid and, you be unsure as to what systems are in place to assist you - such as the governmental VHIS scheme (which helps lower your medical aid premiums), and other medical aid plans that offer lower coverage but could give you more protection over the BUPX Plus top-up plans - such as Flexi plans. Considerations such as choosing a semi-private or ward options can also significantly reduce your premiums each year.

Ultimately, by being smart about your choices, you can save money and still ensure you are covered. If you need help understanding the various schemes and options available to you, contact us via and we'll be happy to help, and guide you - our contact details are on the last page!

7 THINGS TO CONSIDER

Some of the more important points to consider when selecting a plan

1
Coverage Area

Do you really need global coverage?
Electing Asia can be cheaper and is likely where you'll have most of your treatments anyway.
Asia Also includes countries like such as New Zealand & Australia.
USA coverage can increase premiums drastically! Many plans do not include the USA. If needed, be sure to ask if it is included.

2
Increased Premiums

How often and by how much does the medical aid provider increase its premiums?

There are many great deals going now, but for how long? Many providers increase their premiums drastically each year. Providers such as FWD have not chnaged their premiums for 5 years in a row.

3
Exclusions

These can vary drastically and may leave you without cover if you do not carefully go over the list of exclusions. Better plans will often have a very small exclusion list.

Pre-existing conditions are often not covered. You must ensure your pre-existing conditions will be covered.

4
Second opinions

Having a second opinion is vital! 87% of clients try to avoid surgery when they can.

Having a second opinion can give you that addition insight and give you peace of mind in making the right decsion. FWD, AIA and BAYMAC all offer a second opinion service.

5
Deductibles

Zero deductible plan can be highly expensive. Consider the benefit you have where CX will cover this expense via its various limits from the flexible plan.

Choosing a plan with a deductible can lower your premiums and open up more extensive options to you.

6
Cash pay-outs

When hospitalised. this is an added extra bonus that is paid out to you for each day you are in hospital.

With salaries now heavily based on productivity pay, this cash pay out can help ease the loss of productivity pay due to your unfitness. Given the new situation, this benefit is worth considering.

7
Organ transplants

Car accidents can often lead to organ failures. This item is often overlooked by many. Many insurance plans DO NOT cover organ transplants or bone marrow transplants.

This can be one of the more expensive operations out there leaving you with unnecessary financial strain.

Benefits to getting your own private medical aid.

NEED HELP DECIDING WHO TO GO WITH AND WHAT PLAN TO TAKE?

WE'VE GOT YOU COVERED!
CHECK OUT THE NEXT PAGE FOR MORE INFO ON HOW WE CAN HELP YOU

- Specialised/Targeted cover
- Full coverage
- No Co-Pay
- Retainable for life
- Wider network of doctors and specialists

HOW WE CAN HELP YOU!

ACCESS YOUR NEEDS AND BUDGET

FIND THE BEST FIT FROM ALL INSURANCE COMPANIES IN HONG KONG

SET UP ANY VHIS SCHEME IN HONG KONG

ASSIST WITH ANY FUTURE FINANCIAL AND MEDICAL AID NEEDS

There are A LOT of insurance providers, varying plans, additional options and fine print. Trying to pour over all of this can be overwhelming, stressful and confusing.

That's why we're here to help!
By filling out our short questionnaire, we can assess your needs and understand your budget constraints: allowing us to help pair you up with the best medical aid plan for you and your family. We're linked to every medical insurer in Hong Kong and can help provide you with a solution.

TAKE SURVEY

CLICK HERE TO TAKE A QUICK SURVEY AND WE'LL GET RIGHT ONTO FINDING THE BEST MATCH FOR YOU!

CONTACT DETAILS ON THE NEXT PAGE

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For questions or how we can help you!

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