

Personal Accident Insurance

Personal accident (PA) insurance is an annual policy which gives you 24-hour worldwide insurance protection against injuries, disabilities or death caused by accidents.

You can either take a PA policy for yourself or on the life of another person, e.g. your spouse. Policies can also be issued to cover group of individuals e.g. a group policy on your family or a group policy taken by an employer on its employees.

What is covered in a PA policy?

The types of cover vary from insurance company to insurance company but usually includes:

- Accidental death;
- Permanent total or partial disablement;
- Temporary total or partial disablement;
- Medical expenses;
- Corrective surgery
- Hospitalisation benefits; and
- Funeral expenses

However, your standard PA policy usually DOES NOT cover death, disability or injury due to:

- War;
- Terrorism;
- Suicide and insanity;
- Self-inflicted injury;
- AIDS;
- Provoke murder or assault;
- Childbirth, pregnancy or miscarriage;
- Dangerous sports; and
- Operating or riding a two-wheel motor vehicle, e.g. motorcycle

What other exclusions are there in a PA policy?

You may not be able to obtain a PA policy if you are a:

- Policeman/military personnel or other law enforcement officer;
- Diver;
- Pilot or crew member;
- Aircraft tester;
- Racing driver;
- Seaman and sea fisherman; or
- Professional sport person.

Some PA policies also set the age limits on the insured.

Note: Some of the above exclusions can be covered on payment of additional premiums.

What do you need to know when buying a PA policy?

Scale of benefits

This refers to the amount the insurance company will pay for certain types of claims, such as for loss of a limb, sight, hearing, etc. due to injury. For example, the scale of benefits may state that you will receive 10% of the sum insured for loss of an index finger.

Naming a beneficiary

You need to name a person as beneficiary to receive the money paid under the policy. This can be made at the time when you apply for a PA policy or at any time after the policy issued. You should also tell the person that you have named him as beneficiary of your PA policy.

Multiple insurance

This term means you have more than one PA policy. If you do, upon your death or disablement, you or your beneficiary (as the case may be) will be paid under each policy you bought. However, for certain claims, such as medical expenses, you may claim from only one PA policy. If what you claimed is more than what is payable to you under the PA policy, you may claim the difference from the second policy and so on. However, you cannot claim more than the total amount of medical expenses that you have paid.

You must declare any other PA policy which you bought in the proposal form. If you are buying extra PA cover from other insurance companies, you also need to tell your insurance companies (if any) about it.

Duty of disclosure

You must state fully all facts that are important in the application form, e.g. your health, occupation, number of policies that you owned. This is to enable your insurance company to consider your application properly. If you fail to state these facts, your insurance company may reject your claim.

Once you are covered, you will need to update your insurance company if you change your occupation as this will affect your risk profile.

What you must know about payment of premium?

- Your premium should be received by your insurance company within 60 days from the effective date of the policy. If not, your policy is automatically cancelled but you will still need to pay your insurance company premium for the 60 days during which your policy is effective.
- You should ensure that your cheque is issued to your insurance company if you pay through an agent. Otherwise, try to pay your premium directly to your insurance company.
- You should ask for a receipt for the premium paid and contact your insurance company if you have not received the policy one month after the date of purchase.



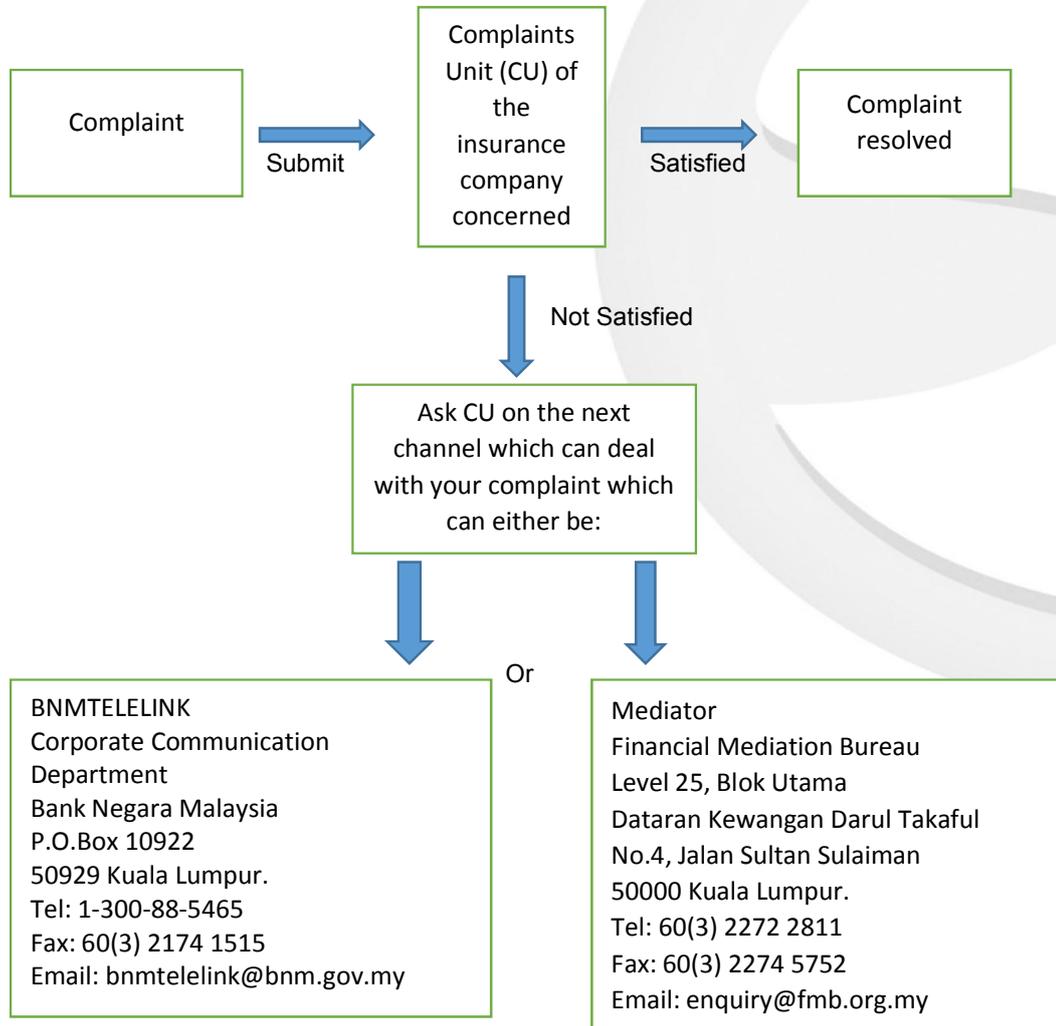
How to make a claim?

- **Death claim**
 - Make a police report and give a written notice to the insurance company as soon as possible.
 - Submit a claim form (submitted by the beneficiary) together with relevant documents, such as the death certificate and burial permit. If no one has been named as beneficiary, the dependants of the deceased or the administrator of the deceased's estate can submit the claim.

- **Injury claim**
 - Give written notice of injury to your insurance company within the time line stated in your policy.
 - Submit your claim form together with relevant documents such as the medical report and hospital expenses receipts.
 - Your insurance company will pay your claim if the treatment is received or diagnosis is made within the stated time frame of the date of accident.

- **Group policy claim**
 - If you have a group of PA policy at work, your employer will have to submit the claim to the insurance company.
 - The insurance company will pay the claim to your employer who will decide the sum to be given to you or your family. Therefore, it is advisable for you to buy a separate PA policy to better protect your own interest.

How to make a complaint and complaint channels available:



www.insuranceinfo.com.my



insuranceinfo guides are available at all insurance companies and takaful operators.

A consumer education programme by:



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA



Malaysian Takaful Association



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