Man Chalks Up $85,000 in Hospital Bills, Left Helpless After AIA Rejected Claims

Description

When I last wrote about getting life vs. term insurance, and firing my insurance agent now that MAS has made it possible for me to buy direct, it caused quite a stir as the articles were being shared furiously to spread the word that Budget Babe doesnâ??t trust most financial advisors. Not surprisingly, I got quite a few hate mail from insurance agents after, but thatâ??s not going to stop me from writing on this topic because I think itâ??s important that all Singaporeans start to learn how to be smart (and not swayed) when it comes to buying their insurance.



If youâ??re keen to understand why, you may want to take a look at this piece I wrote for DrWealth on why the best financial advisor is ultimatelyâ?¦myself.

Now, donâ??t get me wrong. Iâ??m not saying I donâ??t work with any financial agents (I do, by the way), nor are all financial agents bad. But if you want to make sure youâ??re getting the right kind of insurance products for yourself, youâ??ll need to become financially literate and understand how these work.

The biggest mistake people make when buying their insurance is trusting their agents blindly, without bothering to read the T&Cs, exclusion clauses, or asking the questions they should be asking.

Most insurance agents will just highlight certain parts of the policy to you, but few spend enough time running through *every single important detail.*

Take a look at what happened recently to a friend of my friend. His 60-year-old father was diagnosed with pancreatic cancer, and only proceeded with the operation procedures AFTER receiving a verbal confirmation from their insurance agent that everything would be claimable up to 600k a year.

Note that the agent was the same person servicing this family from the start till the end. Yet this happened.

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Read the rest of the story below to find out more.

Names have been omitted to protect the familyâ??s privacy.



23 hrs · Singapore · Edited ·

This message serves more as an advisory than anything else. As most of my closer friends are probably aware, my dad is currently fighting a losing battle against stage four pancreatic cancer. The cancer has become life limiting and we are looking at anything from a couple of weeks to (hopefully) two months.

The cancer was first misdiagnosed by CGH to be late stage three gallbladder cancer, which is just as aggressive. We then decided to seek a second opinion with Dr Tan Yew Oo from Singapore Oncology Consultants(SOC) who subsequently referred us to a Hepatobiliary Specialist, Dr Tay Khoon Hean at Gleneagles, for 1, further investigation of the cancer, and 2, to explore the possibility of doing a Whipple's Procedure. After further investigation, my dad was confirmed to be suffering from Pancreatic Cancer.

Before any of the procedures were started, my dad checked with his insurance agent to see if he could do a claim for the procedure. Our agent committed that everything would be claimable up to 600k a year. For those in the business, you would know this translates to high premiums. However, when my dad tried to claim for the charges incurred, he found out he was unable to do so as he had previously signed an exclusion for his hepatobiliary system. This system includes many major organs such as your liver, gallbladder, biliary duct, so on so forth. We then found out that the exclusion was because my dad suffers from Hepatitis B, which concerns more of the liver than anything. The medical bill he had to foot came out to about S$85k and AIA refused to pay a single cent, even though their agent made a mistake by telling us that we would be able to claim fully. We have appealed repeatedly and this letter is the latest outcome. We also found out from my dad that all he was told when signing the exclusion was that he would be excluded coverage from all Hepatitis B treatments, without being made to fully understand this medical jargon that he was unknowingly not being covered for.

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This episode has left my family, or whatever soon to be left of my family, wondering how can insurance companies issue policies such as this and still be allowed to operate and collect money from us blatantly. Clearly the responsibility of understanding the contract now falls to us, the consumers, and AIA simply has to get us to sign on the dotted line, shake legs, and start collecting free money. Also, why were we not even paid a single cent even though we showed them evidence that their agent committed to us? Is this the current spirit of salesmanship? Regardless, my family and I are truly disappointed by the whole event and might be cancelling all our remaining policies with AIA, least we be let down by their "professionalism" again.

So at the end of this rant, three lessons to takeaway.

1. You might be insured but not necessarily protected.
2. Do your check-ups religiously. (My dad is only 60 btw)
3. Check your existing policies for exclusions and your parents' as well. They might not know what they have been told to sign.

Tl;dr : My critically ill dad got fucked over by AIA. Total medical damage S$85k, total claims awarded, S$0.00. Happened because he was told to sign an exclusion that wasn't explained clearly. Agent say can claim before he started treatment, in the end cannot claim.

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Hereâ??s AIAâ??s letter in full.



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AIA.COM.SG

Real change to health begins at AIAVitality.com.sg

Aug 11 2015

[redacted]

Hospitalisation Claim
Policy No. : [redacted]
Claim No: 000
Name of Covered Member : [redacted]

We have deliberated your appeal but regret to advise that we are unable to accede to your request to consider treatment on May 25 2015.

We note that the above named covered member was hospitalized for Head of Pancreas Neuroendocrine Tumour based from the medical report received form Dr Tay Khoon Hean Surgery . We regret to advise that there is no claim payable as the policy was issued with an Exclusion not covering any disorder relating to Hepatobiliary system.

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You are our valued customer and we hope you will understand that claims have to be administered in accordance with the contract provisions.

We trust you will understand that claim has to be administered in accordance to the terms and condition of the contract.

Please do not hesitate to contact our office at 1800-248-8000 or your Financial Services Consultant should you require further clarifications.

Thank you.

Yours faithfully

Claims Department

This letter does not require a signature

cc : ABDUL KARIM BIN ABDULLAH, SP-JAILANI-JASBEERSINGH (A4)
SGP / SSSO482 / Gspclm03 / ZSCLCCD / HS / 0007

Lesson learnt?

Never simply trust what your agent tells you.

Make sure you know what youâ??re buying and what youâ??re entitled to. Donâ??t be afraid to ask the hard questions about claiming procedures, coverage in different situations, etc.

Remember, the best financial advisor is ultimately **yourself.**
Category

1. Insurance