Underwriting Alert

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The Power of We

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Wouldn't it be easy if you were kept up to date?

Welcome to the third edition of AIA Australia's Underwriting Alert – AIA Australia's newsletter which keeps you up to date about our Underwriting initiatives and topics of interest. In this edition we farewell Karen Janes, who moves on to a new and exciting role within AIA Australia. My name is Ted Kapourelakos, and I will be filling her shoes as the new Underwriting Manager. I've worked at AIA Australia for five years (predominantly in the Claims Department) and have notched up 10 years in the insurance industry. I look forward to building upon Karen's success and continuing her commitment to putting the customer first and enhancing our service to you.

We have prepared a bumper edition of Underwriting Alert for you this quarter – jammed packed with information about insurance and underwriting as well as some bios and profiles about the team at AIA Australia who are here to support you. We've also included some resources to help make it easier for you to do business with us.

In response to your feedback, this quarter we announce the introduction of Income Protection cover for farmers. We also introduce you to our Chief Medical Officer, Dr Pramodh Nathaniel, who joined our team last year. Pramodh will contribute a regular medical feature in each Underwriting Alert to help you understand more about various medical conditions that affect our customers. In this issue he shares his knowledge on Obstructive Sleep Apnoea (OSA), which is an increasingly common medical issue facing the Underwriting team.

We are also pleased to give you details on a recent update to our Medical Underwriting limits. And finally in this edition we have included a synopsis on the results of the 2009 Taylor Intermediaries Study conducted by Beaton Research late last year, where AIA Australia outperformed the competition, scoring exceptionally well in the Strategic Performance Analysis (SPA) Satisfaction Index.

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As always, we welcome any feedback you may have regarding the newsletter. If you have a request or a suggestion for particular content, please email us at au.talk2us@aia.com or speak to an Underwriter in your state.

Ted Kapourelakos
Manager, Retail Underwriting
AIA Australia

Farewell from Karen Janes

Firstly I would like to extend my congratulations to Ted Kapourelakos on his new role at AIA Australia as Underwriting Manager. I'm sure he'll find the role as challenging and rewarding as I have over the past two and a half years.

I am pleased to report I am still at AIA Australia and have taken on a new role as Head of the Adviser Contact team. This team is a 'one stop shop' for financial advisers. We offer an electronic service via phone and email, allowing us the ability to respond quickly to advisers' questions.

I have thoroughly enjoyed my time as Underwriting Manager. It has been an absolute pleasure to deal with the advisers, as well the Underwriting team around Australia.

Upgrade to Medical Underwriting Limits – Life and Total & Permanent Disablement (TPD)

AIA Australia is pleased to announce that after a review of our Medical Underwriting Limits for Life and TPD by Swiss Re we have upgraded the following definition:

If Life and Total & Permanent Disablement Stand Alone or Buy-back is purchased together, the higher sum insured will apply.

The new limit is effective as of 14 March 2010.

Our materials have been updated to reflect this change. Please view the flyer here or visit the Underwriting page on the Adviser Site to download a copy.

Income Protection for farmers

At AIA Australia, when our clients speak, we listen. So in response to your feedback, we are pleased to announce that we now offer Income Protection cover for farmers.

Listed below are the conditions and eligibility criteria for this benefit:

- minimum 30 day waiting period
- maximum 5 year benefit period
- minimum 5 year's experience in operating a farm
- indemnity only
- no optional benefits or business expenses are available
- no cover available for shearers, drovers, musters, jackaroos, aerial crop dusting and agri pilots
- no cover available for family members or farm owners (unless they have a significant shareholding and ownership rights in the farm)
- maximum sum insured of $5,000 per month
- financials are required on all applications

We look forward to working with you and supporting you in offering Income Protection to your farming clients.

Welcome Pramodh Nathaniel – AIA Australia Chief Medical Officer

We are pleased to introduce our new inhouse Chief Medical Officer (CMO), Dr Pramodh Nathaniel who joined AIA Australia in August 2009. Pramodh's medical expertise offers many benefits to the Underwriting team, and also you the adviser, as it allows us to make decisions on difficult medical cases inhouse, without the delay of seeking advice from external sources.

Pramodh's educational background includes Honours degrees in Science (Melbourne University) and Medicine (Sydney University) as well as post-graduate academic studies and qualifications in Public Health, Tropical Medicine, Aviation Medicine, Aeromedical Evacuations, Occupational Health and Travel Medicine.

Pramodh has gained an impressive range of experience from emergency initiatives and clinics, to working in travel and executive heath. He also serves as a Clinical Supervisor within the Victorian Government WorkHealth Program and is the Managing Director of a Registered Training Organisation providing online postgraduate healthcare education and international healthcare consultancy services.

Pramodh is a valuable addition to the team at AIA Australia and we hope you have the opportunity to meet him in the coming year.

Meet the team

Here at AIA Australia, we're all about people. This month we would like you to meet our NSW Underwriting team, which continues to expand and go from strength to strength.

Headed by Simon Andrew, this highly-experienced team has built success on the strength of their relationships with all of their stakeholders and their commitment to offering industry-leading service.

Simon Andrew – Team Leader & Senior Underwriter

Simon heads up our Underwriting team and contributes an impressive 17 years' experience in life insurance. Simon joined the AIA Australia team five years ago and under his stewardship the team is currently achieving 99% turnaround times. He fosters strong relationships with advisers and has earned a reputation in the industry for his sharp decision-making skills.

Richard Rodwell – Senior Underwriter

An industry veteran, Richard has notched up 30 years' experience in the life insurance industry. He has held tenure as Chief Underwriter at both ANZ Life and as Senior Manager at Commonwealth Life. Richard is a committee member of the Australian Life Underwriters and Claims Association (ALUCA), and is a generous mentor to the Underwriting team, passing on his extensive industry knowledge.

Michael Reimer – Senior Underwriter

Michael began his career in the insurance industry in a New Business role with AMP in 1994 before moving into underwriting in 1998. In 2002 he started at Westpac/BT where he further developed his underwriting experience, which led to his appointment as Executive Underwriter in 2006. In 2007 Michael returned to AMP as Principal Underwriter for the Victoria/Tasmania team before joining the AIA Australia team in November 2008. Now he currently holds the position of Senior Underwriter and has a strong technical background which he has achieved over the many years he has worked in underwriting.

Amy Axtens – Underwriter

Amy has worked in the insurance industry for eight years. Amy started working in administrative roles before moving into an Underwriting role at AIA Australia in January 2008. With a background in nursing, Amy provides valuable expertise on a range of medical conditions, and continues to develop her underwriting skills with the guidance and support of more senior members of the team.

L–R: Michael Reimer, Richard Rodwell, Simon Andrew, Amy Axtens.

Medical Feature – Obstructive Sleep Apnoea (OSA)

In this edition, Dr Pramodh Nathaniel discusses the increasingly prevalent medical condition, Obstructive Sleep Apnoea (OSA).

OSA occurs when the airflow is absent or nearly absent but the effort of breathing still persists. It is caused by the physical obstruction or near obstruction of the upper airway (the oropharynx).

The dangers and risks

OSA is associated with a range of medical conditions including several cardiovascular diseases including; systemic and pulmonary hypertension, heart attacks and strokes. In addition, the resulting daytime fatigue and sleepiness poses the risk of accidents while driving or operating heavy machinery.

What are the causes of OSA?

Obesity is thought to contribute to an estimated 70% of OSA cases. Other factors that contribute to the development of OSA include loss of muscular tone of the upper airways (due to alcohol and some medications), anatomical factors (e.g. a short neck), and abnormal dentition (teeth) causing crowding of the oropharynx area.

Symptoms

The signs and symptoms include:

- daytime sleepiness
- awakening with a sensation of choking or gasping
- poor sleep quality
- lack of concentration
- headaches
- decreased libido

Treatment

OSA can be treated in several ways and non-invasive methods are usually successful. Special mouthguards are used to pull the lower jaw forward to prevent crowding of the oropharynx, while CPAP (continuous positive airway pressure) forcibly pushes air through the oropharynx thereby preventing the collapse. However the CPAP mask needed for this treatment can be uncomfortable and compliance for both treatment options can be low, approximately 50%. Surgery is reserved for cases which have failed the above treatments and have a similar success rate of 50% after one year.

How OSA impacts Underwriting

New research shows that severe OSA sufferers appear to have an increased risk of dying from 'all-causes' (death from any cause) of between three and six times, compared with those who do not have OSA or who have mild OSA.

For Underwriting purposes we can say:

- Increased sleepiness causes increased motor vehicle accidents
- OSA is strongly associated with traditional insurance risk factors such as obesity, high blood pressure, diabetes, heart attacks, Syndrome X and increased cholesterol
- Overuse of alcohol is also associated with both OSA and mortality
- Nocturnal death is increased
- Measuring daytime sleepiness may be a better marker of response of treatment than a repeat sleep study

The co-morbid conditions that often accompany or cause OSA are at least as important as the sleep apnoea itself.

For more information about OSA, speak to an Underwriter in your state, or visit www.lungfoundation.com.au

Taylor Report – AIA Australia outperforms the competition

AIA Australia has recorded the highest satisfaction score of **87.0**, in the recent 2009 Taylor Intermediaries Study, by Beaton Research, finishing ahead of AXA and Macquarie Life. Importantly, AIA Australia was one of only three companies to record a **5 star rating**. Specifically AIA Australia performed exceptionally well in the Strategic Performance Analysis (SPA) Satisfaction Index.

A total of 1028 telephone interviews were conducted across Australia in September 2009, covering advisers from all states. All interviews were conducted by appointment following nominations given by various life insurers. Using a scale of 1–7, each respondent scored the performance of their main suppliers across a wide range of performance criteria.

Our high rating was largely based on the fact that we performed well across the more important Quality Performance Functions (QPF's) as identified by the advisers who write business with AIA Australia.

AIA Australia **ranked first** in the following categories:

- Access to Underwriters
- Underwriting Decisions
- Underwriting Communication
- Underwriting Speed
- Quotation Software
- Staff Competence (Call Centre)
- Staff Courtesy and Helpfulness (Call Centre)
- Product Pricing (Life Risk)
- Product Range (Life Risk)
- Product Description (Life Risk)
- Customer Communication Effectiveness
- Online Transactions
- Customer Focus
- BDM Value
- Website Navigation
- Website Usefulness
- Overall Performance

Other areas that AIA Australia rated highly include:

- Claims Attitude
- Timeliness Processing Applications
- Staff Competence / Knowledge
- Problem Resolution Speed (Call Centre)
- Product Design
- Timeliness Policy Issue
- Staff Courtesy and Helpfulness
- BDM Knowledge
- Partnership Relationship
- BDM Relationship
- BDM Availability
- Technical Support
- Commission Administration
- Adviser Product Information

It's great to see our team's hard work and commitment to service being acknowledged, and receiving recognition by the industry and by the advisers with whom we work.

Source: 2009 Taylor Intermediaries Study, by Beaton Research

Contact Us

If you would like to hear more about any of AIA Australia's Underwriting initiatives, please don't hesitate to contact our team.

Click here to contact an Underwriter in your state.

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