

Friends Provident International research shows there is still confusion between health and critical illness insurance

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For the third year running Friends Provident International (FPI) has commissioned YouGov to undertake research into life insurance trends in the UAE.

Overall the research shows that more people in the UAE are taking responsibility for protecting their family's future. For example, compared with a year ago, take up of critical illness insurance has increased by one third among the female population, and 24 per cent of the 396 women surveyed claimed to have this cover in place (18 per cent in 2016). The increase in take up of critical illness insurance among the male population is much lower and has grown by just one percent to 25 per cent over the same period.

However, 40 per cent of the respondents claiming to have critical illness insurance in place said it was provided by their employer, an increase in the 38 per cent of respondents to last year's survey who said the same.

Chris Divito, Managing Director, Middle East and Africa at FPI said: "It is worrying that the number of respondents claiming to have critical illness insurance, and indicating that it is provided by their employer, has increased in the last year. I am concerned they may be confusing their mandatory health insurance with critical illness insurance, which is not something typically provided by an employer as part of a benefits package. These are two completely different types of insurance and these people may not be as well protected as they might think."

Health insurance is designed to cover medical expenses only, and will cover these expenses as they arise. The amounts payable are strictly correlated with the cost of actual medical treatment. Health insurance does not usually provide for long-term recuperation, therapy or home-care services should they be required. On the other hand, the proceeds of critical illness insurance can be used in any way the policyholder chooses, depending on their particular circumstances.

Chris Divito commented:

"People should consider critical illness insurance as a vital addition to their mandatory health insurance – especially if they have a family who would be impacted financially if they became seriously ill. While health insurance will take care of medical bills in the short term and get you back on your feet, it will not replace earnings that may be lost as a result of a serious illness, any long term care or any modifications that may be required to your home to help you cope with the ongoing impact of a serious illness.

People should speak with a financial adviser to check they are adequately protected in the event of serious illness or accident. An adviser will be able to discuss the options and if necessary arrange suitable cover."

Ends

This is the second in a series of releases covering the research findings.

Research undertaken by YouGov between 23 and 30 August 2017 – total number of respondents 1006

2016 research undertaken by YouGov between 3 and 10 August 2016 – total number of respondents 503

Journalists requiring further information should contact:

Siobhan Graham Hill +Knowlton Strategies +9715 6501 7099
siobhan.graham@hkstrategies.com

Tim Hughes Brand, Marketing and Communications Manager +9714 436 2883
Friends Provident International
tim.hughes@fpinternational.com

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Notes to Editors

About Friends Provident International

Friends Provident International (FPI) provides life assurance, pensions and investment products in Asia, the Middle East, the United Kingdom – and other selected markets – and is part of the Aviva Group.

We have over 35 years' international experience, offices in Hong Kong, Singapore, the United Arab Emirates and the Isle of Man, and more than 500 staff worldwide.

See www.fpinternational.com for further information on Friends Provident International.

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- In the UK we are the leading insurer serving one in every four households and have strong businesses in selected markets in Europe, Asia and Canada. Our shares are listed on the London Stock Exchange and we are a member of the FTSE100 index.
- Aviva's asset management business, Aviva Investors, provides asset management services to both Aviva and external clients, and currently manages over £245 billion in assets.
- Aviva helps people save for the future and manage the risks of everyday life; we paid out £24.6 billion in benefits and claims in 2014.
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IMPORTANT INFORMATION

Friends Provident International is a trading name of Friends Provident International Limited and Aviva Group PLC (for business conducted outside the United Kingdom).

Friends Provident International Limited

Registered and Head Office: Royal Court, Castletown, Isle of Man, British Isles, IM9 1RA.

Incorporated company limited by shares. Registered in the Isle of Man, number 11494.

Authorised by the Isle of Man Insurance and Pensions Authority.

Provider of life assurance and investment products.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Authorised by the Office of the Commissioner of Insurance to conduct long-term insurance business in Hong Kong.

Registered in the United Arab Emirates as an Insurance Company (Registration No. 76).

Registered with the Ministry of Economy as a foreign company (Registration No. 2013): Registration date 18 April 2007.

Authorised by the United Arab Emirates Insurance Authority to conduct life assurance and funds accumulation operations.

Registered in Singapore No. F06835G.

Licensed by the Monetary Authority of Singapore to conduct life insurance business in Singapore.

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