

2023

Claims Report – Hong Kong



2023 Claims Case Overview

Prompt and promising claims payment to support customers' health journey

FWD strives to provide comprehensive insurance cover by continuously launching innovative insurance products and services. Aiming at supporting customers' health from prevention to recovery, we adopted technology in order to streamline our claims process. The outcome can be reflected in claims results.



High successful claims rate and reimbursement rate of Voluntary Health Insurance Scheme plans reflects sufficient protection is provided to customers

Full cover plans¹
reimbursement rate:

99%²

Customers' health awareness raised after the pandemic. It also brings along their increased demand on insurance coverage. FWD responds by launching its first Voluntary Health Insurance Scheme ("VHIS") products in 2019, followed by a couple of full cover VHIS plans to cater for market demand in the next few years. Apart from the various deductible options to cater for different customer needs; the products also provide full cover¹ on medical expenses incurred for hospitalisation and surgery with no itemised benefit limits to restrict its reimbursement amount. Customers could thus have more promising financial support when they are in need, it is reflected in the high reimbursement rate in 2023.

Highlights

Claims applications^{3,4} processed: 51,679

Clean cases⁵

- Number of cases: 41,987 (82% of total claims cases)
- Average processing time: 2 days (similar to that of last year/ 41% faster than 2019 before the pandemic)

Claims results are a lot greater than before the pandemic

Death⁶, critical illness, medical⁷ and personal accident claims

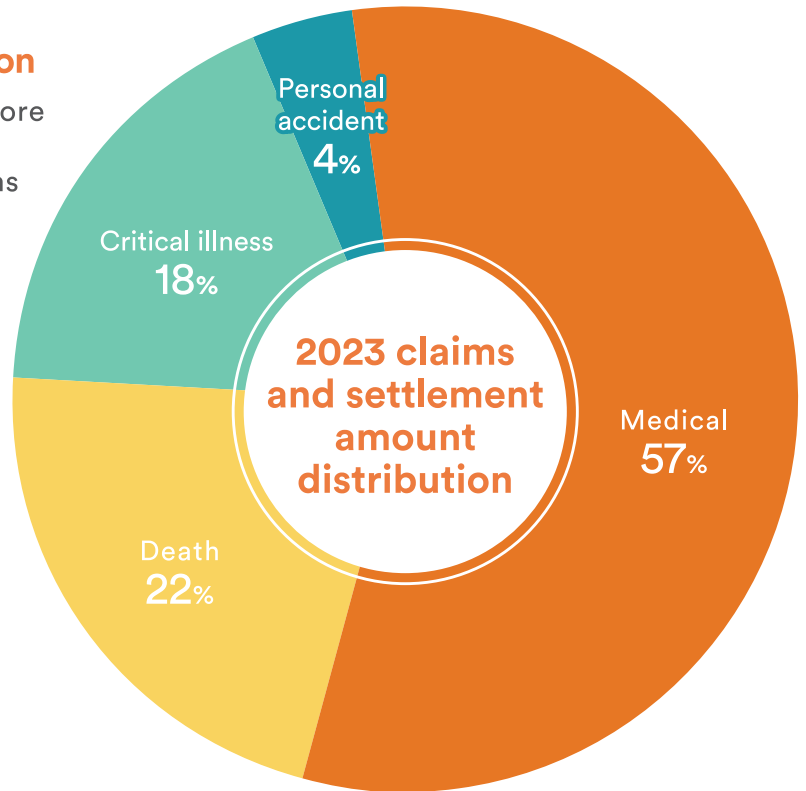
- Claims cases paid: 43,802 (↑18% versus last year/ ↑171% versus before the 2019 pandemic)
- Total claims settlement amount: HK\$1.1 billion (↓6% versus last year/↑94% versus 2019 before the pandemic)

Increasing trend of total settlement amount reflects great need on protection

The total settlement amount in 2023 is 94% more than that of 2019 before the pandemic, out of which the settlement amount of medical claims constitutes 57%.

Trend of total settlement amount

Year	Settlement Amount (Million HK\$)
2023	1,106
2022	1,180
2021	780
2020	580
2019	570



2023 claims cases and settlement amount distribution

Category	Claims cases paid	Amount (HKD)	Average settlement amount per case (HKD)
Death	409	240 million	588,463
Critical illness	395	194 million	490,767
Medical	23,223	630 million	27,082
Personal Accident	19,775	43 million	2,178
Total	43,802	1,106 million	

¹ Full cover plans include the following VHIS plans that are underwritten by FWD Life Insurance Company (Bermuda) Limited (incorporated in Bermuda with limited liability) (VHIS provider registration number: 00036):

-vPrime Medical Plan (VHIS Plan Certification Number: F00045), vTheOne Medical Plan (VHIS Plan Certification Number: F00067), vBooster Medical Plan (VHIS Plan Certification Number: F00069) and vPrime Signature Medical Plan (VHIS Plan Certification Number: F00070): full cover shall mean no itemized benefit sublimit, the actual amount of eligible expenses and other expenses charged after deducting the remaining deductible (if any) and is subject to the annual benefit limit. Full cover applies to selected benefit items only, while other benefit items are not fully covered and are subject to respective benefit item's limits.

-vCANSurance Medical Plan (VHIS Plan Certification Number: F00051): full cover/ full coverage shall mean no itemized benefit sublimit, the actual amount of eligible expenses and other expenses charged is subject to the aggregate limit per disability per policy year. Full cover/ full coverage applies to selected benefit items only, while other benefit items are not fully covered and are subject to respective benefit item's limits.

For the details of benefits and key product risks, please refer to the product brochure; and for exact terms and conditions and the full list of exclusions, please refer to the policy provisions of the plan.

² Includes cases of first claim with FWD only and disregard deductibles.

³ This report only calculates the cases received and settled in 2023.

⁴ Includes death, critical illness, medical and personal accident claims application.

⁵ Clean claims cases mean all required documents and information are provided for consideration of claims decision.

⁶ Death claims cases include death claims due to accident or critical illnesses.

⁷ Critical illness claims include Crisis Claims and Special Disease Claims handled in 2022.

⁸ Medical claims cases only include claims related to indemnity hospital insurance plans and voluntary health insurance scheme plans.

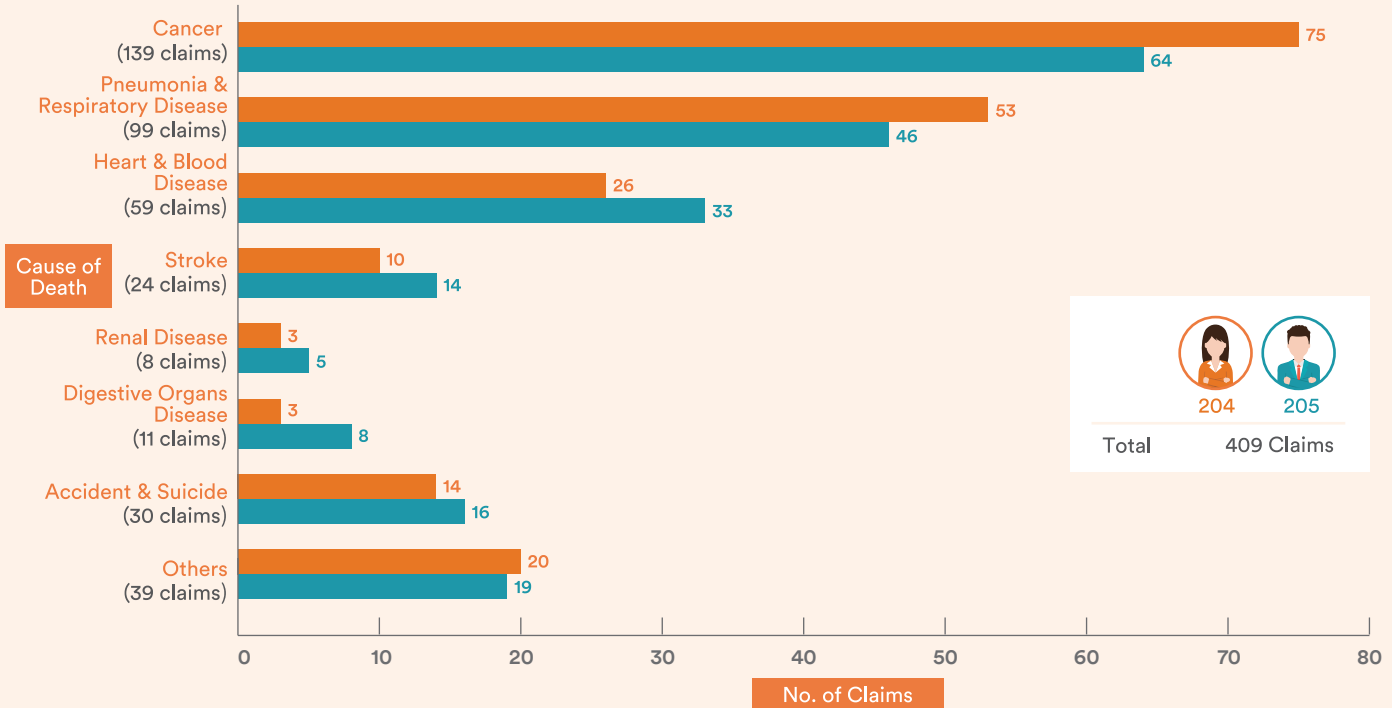
⁹ Personal accident claims cases include accidental death and dismemberment and personal accident claims.

2023 Claims Report – Death Claims Statistics

High death claim payout reflects increasing protection needs

- **Claim cases paid:** 409 (↓8% versus last year/ ↑28% versus 2019 before the pandemic)
- **Total settlement amount:** HK\$240 million (↓43% versus last year/ ↑22% versus before the 2019 pandemic)
- **Average settlement amount per case:** HK\$588,463 (↓38% versus last year/↓5% versus before the 2019 pandemic)

Cause of Death

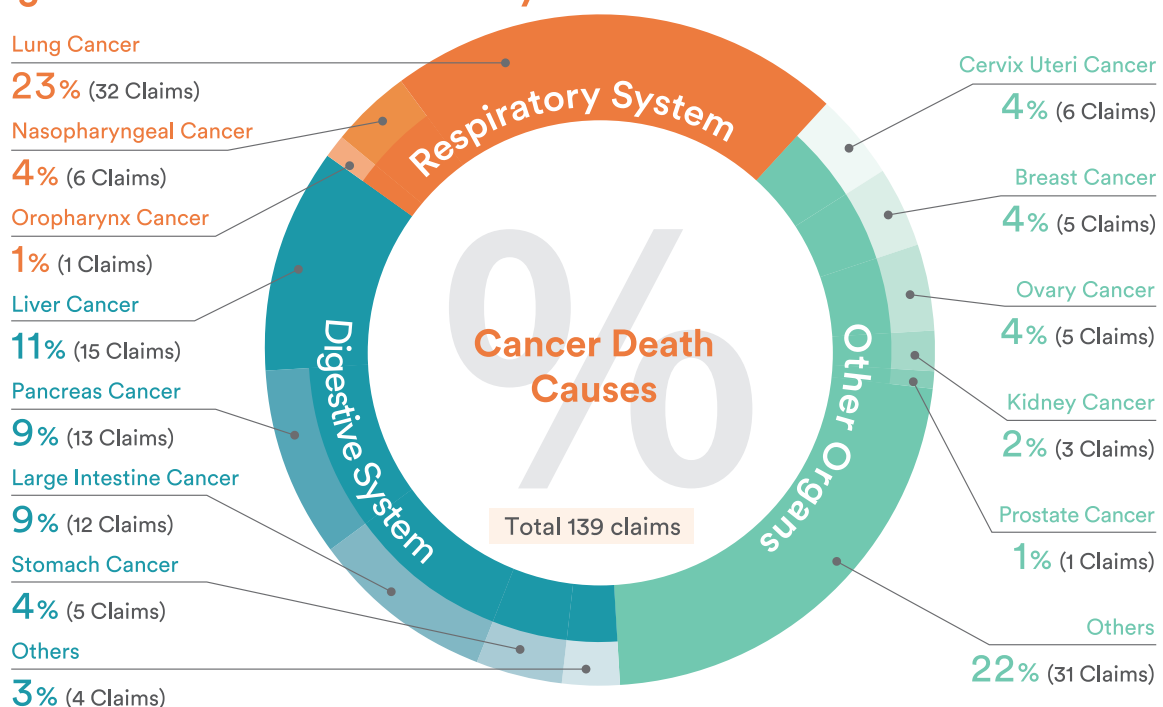


Cancer continues to be one of the leading causes of death

- Top 5 causes of death due to sickness were Cancer, Pneumonia & Respiratory Disease, Heart & Blood Disease, Stroke, Accident and suicide.

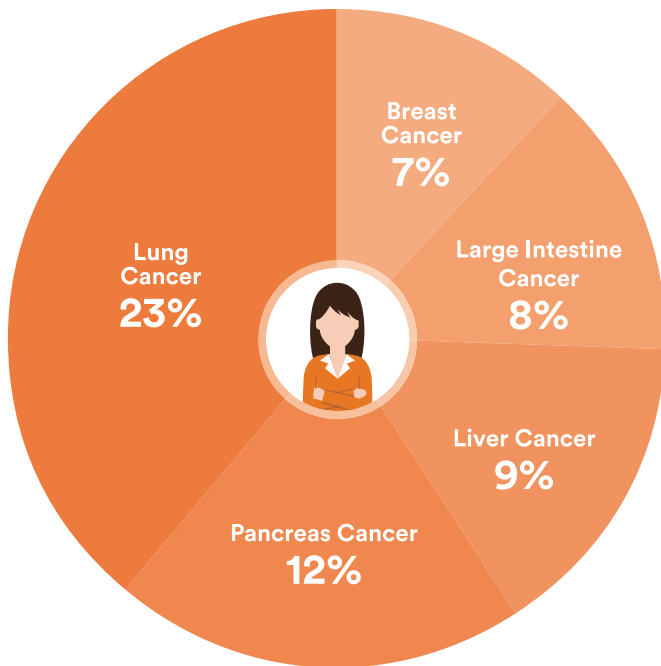
Note: 528 policies were involved in the above-mentioned death claims cases.

Percentage of Death Claims Caused by Cancer

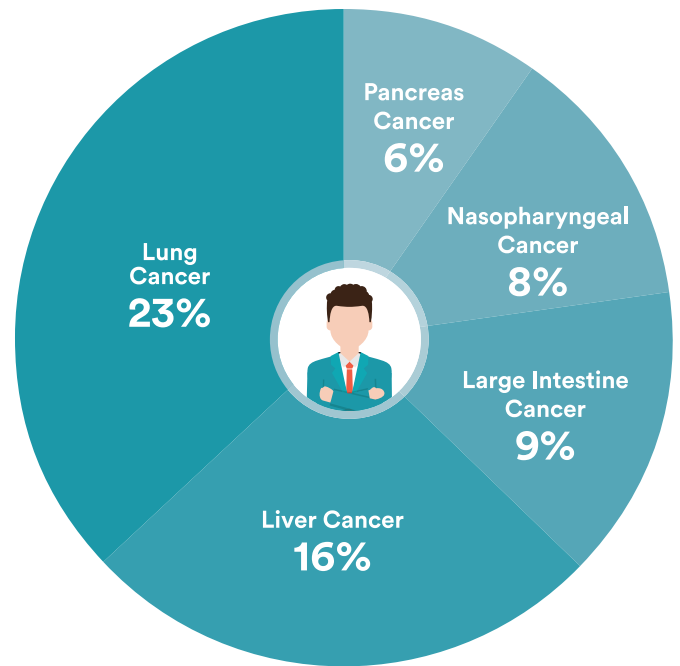


- No. of Cancer cases in 2023 is 139, equivalent to 34% of total number of death cases. Top 5 Cancer death cases constitute 56% of total number of Cancer death cases. Lung Cancer is the top killer, which constitutes 23% of total Cancer death cases.

Top Five Cancers Causing Death



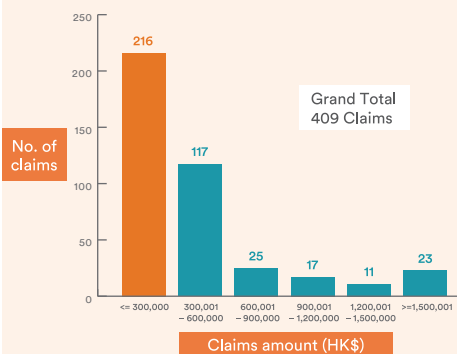
Female



Male

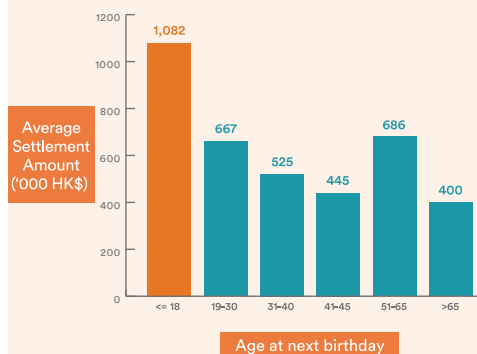
- No. of female Cancer death cases is slightly higher than that of male; and constitutes 54% of total Cancer death cases
- Top 5 female Cancer death cases constitute 59% of total female Cancer death cases
- Top 5 male Cancer death cases constitute 63% of total male Cancer death cases

Claims Amount

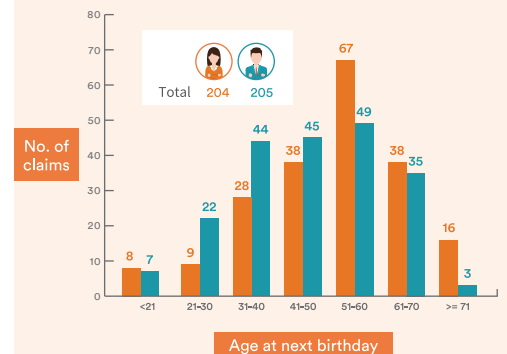


- The highest number of the death claims per insured fell under the claim amount of less than or equal to HK\$300,000

Average Settlement Amount



Age Group and Gender



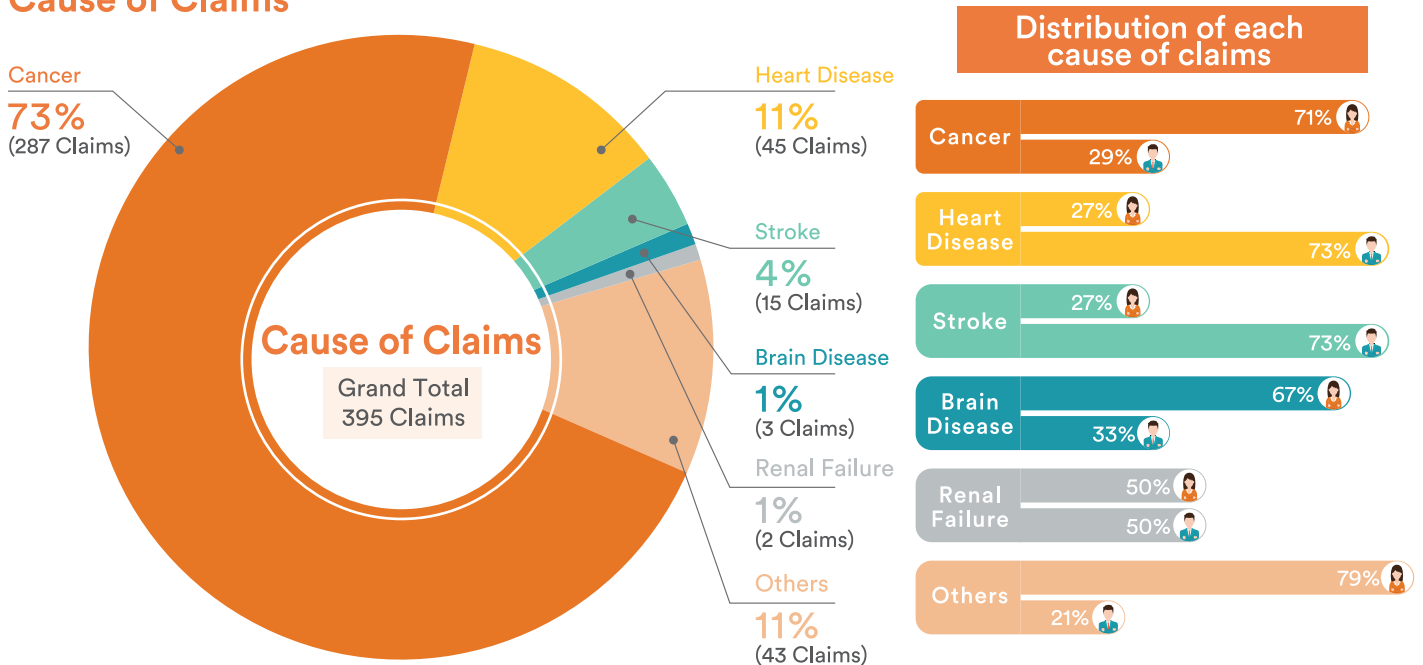
- Male cases were higher than that of female
- The age group that has the highest number of death claims: age 51-60 for both gender

2023 Claims Report – Critical Illness Claims Statistics[^]

Provides financial relief to patients of critical illnesses, allowing them to focus on treatment

- **Claim cases paid:** 395 (↓2% versus last year/ ↑30% versus 2019 before the pandemic)
- **Total settlement amount:** HK\$193 million(↓2% versus last year/ ↑37% versus 2019 before the pandemic)
- **Average settlement amount per case:** HK\$490,767 (similar to that of last year/↑5% versus 2019 before the pandemic)

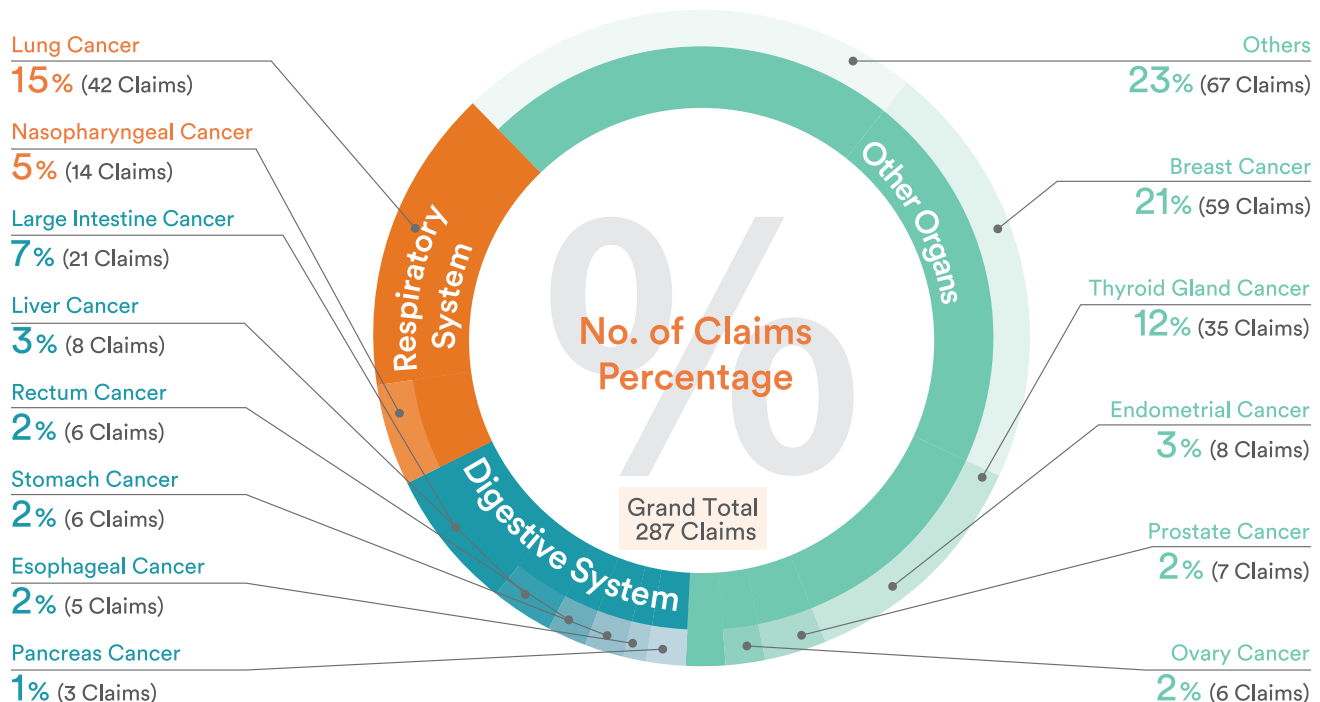
Cause of Claims



- 88% of Critical Illness Claims is caused by big 3 critical illnesses (i.e. Cancer, Heart Disease and Stroke), 73% is caused by Cancer.
- Among the big 3 critical illnesses, female constitutes 71% of total Cancer claims cases; male constitutes 73% of Heart Disease and Stroke claims cases each.

Note: 444 policies were involved in the above-mentioned critical illness claims cases.

Percentage of Critical Illness Claims Caused by Cancer



- No. of Cancer cases in 2023 is 287, equivalent to 73% of total number of critical illness claims cases.
- Top 5 Cancer claims cases include Breast Cancer, Lung Cancer, Thyroid Gland Cancer, Large Intestine Cancer and Nasopharyngeal Cancer and constitute 60% of total number of Cancer claims cases. Breast Cancer is on the top of the list, constitutes 21% of total Cancer claims cases.

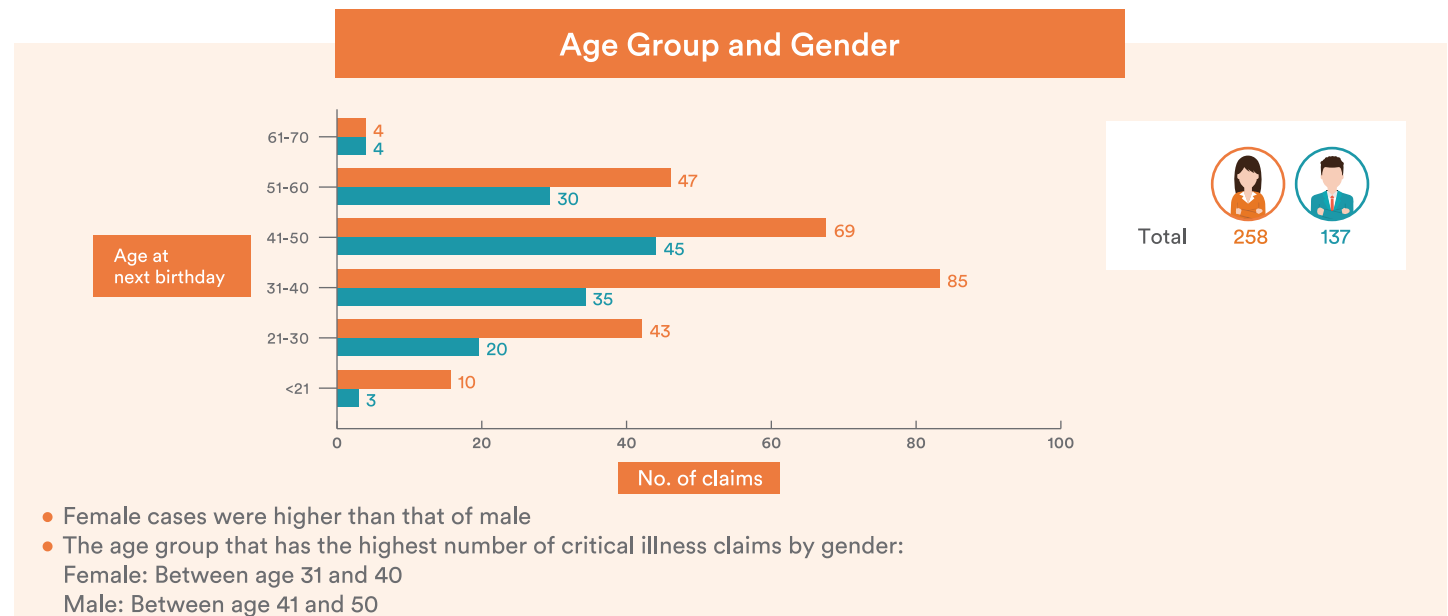
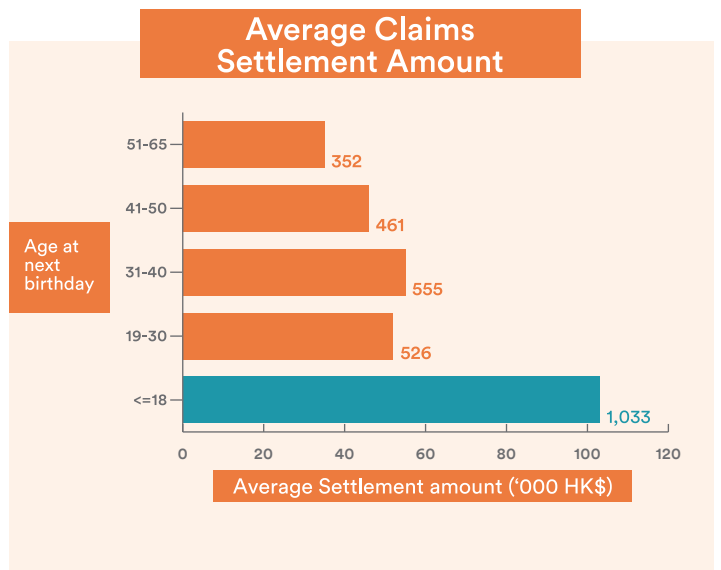
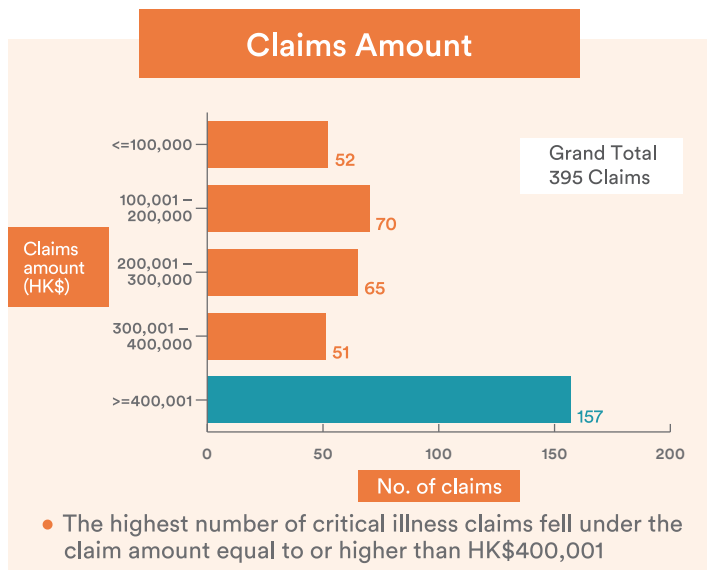
Top Five Cancer Causes of Critical Illness Claims

Critical illness claims cover various age groups

Female			
Cancer Causes	Percentage of total female cancer cases	Age group with highest number of cases	Percentage of respective Cancer cause
Breast Cancer	28%	41-50	32%
Thyroid Gland Cancer	15%	31-40	40%
Lung Cancer	14%	41-50	38%
Large Intestine Cancer	5%	51-65	50%
Endometrial Cancer	3%	31-40	57%

Male			
Cancer Causes	Percentage of total male cancer cases	Age group with highest number of cases	Percentage of respective Cancer cause
Lung Cancer	16%	41-50	31%
Large Intestine Cancer	12%	41-50	30%
Nasopharyngeal Cancer	11%	41-50	44%
Prostate Cancer	9%	51-65	57%
Thyroid Gland Cancer	6%	19-30	60%

- No. of female Cancer death cases is higher than that of male; and constitutes 71% of total Cancer cases
- Top 5 female Cancer cases constitute 66% of total female Cancer cases
- Top 5 male Cancer cases constitute 54% of total male Cancer cases



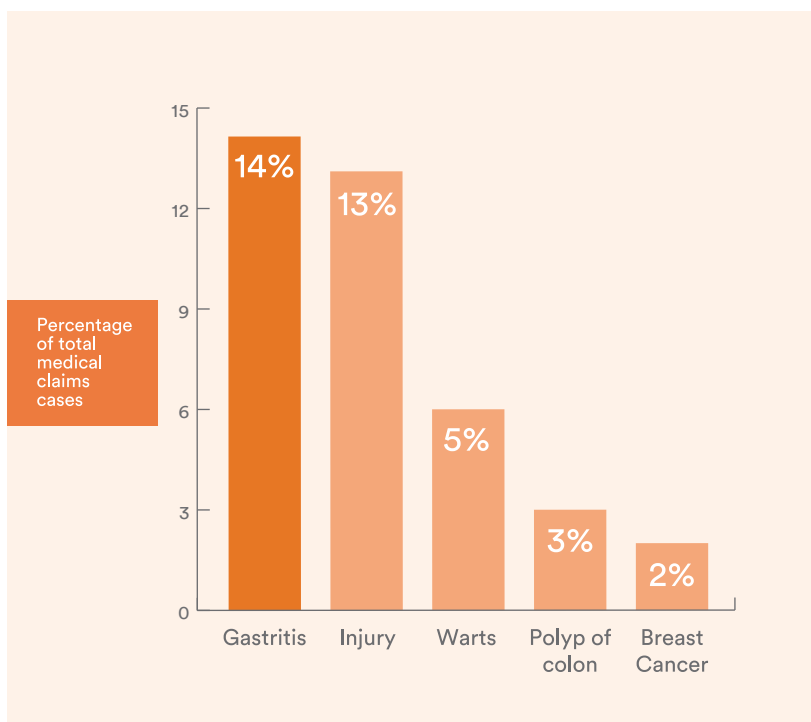
^ Critical Illness Claims include Crisis Claims and Special Disease Claims handled in 2023.

2022 Claims Report – Medical Claims Statistics

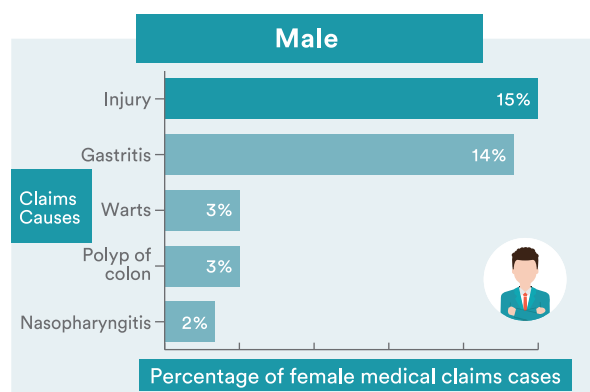
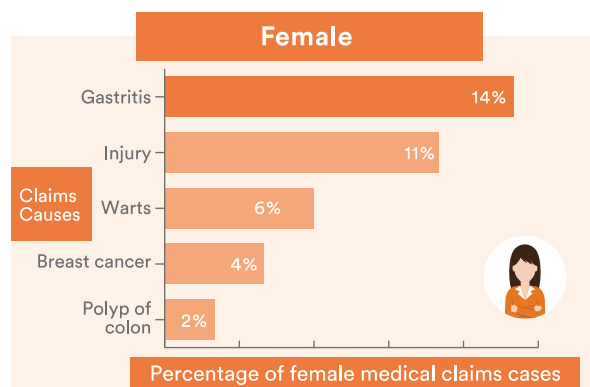
The number of cases and total settlement amount of reimbursement based medical claims have drastically increase when compared to the period before the pandemic in 2019. This trend likely reflects increased customer awareness on insurance due to the pandemic. This also demonstrates FWD’s capability to handle the increased claims and provide financial support via claims.

- **Claim cases paid:** 23,223 (↑27% versus last year/↑151% versus before the 2019 pandemic)
- **Total settlement amount:** HK\$628 million (↑23% versus last year/ ↑191% versus before the 2019 pandemic)
- **Average settlement amount per case:** HK\$27,082 (↓3% versus last year/↑16% versus before the 2019 pandemic)

Top Five Claims Causes

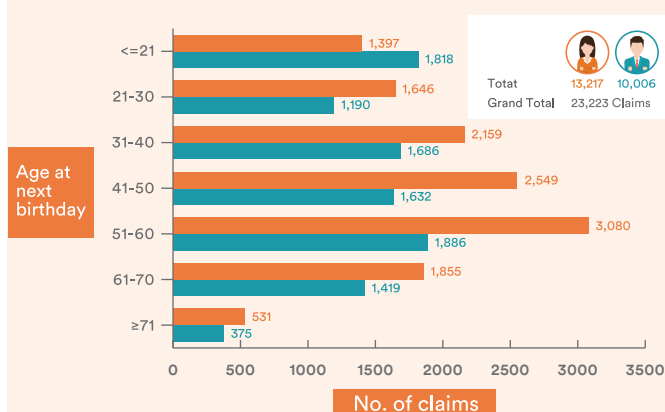


- Top 5 claims causes constitute 37% of total medical claims cases.



- Top 5 claims cause for both genders constitute 37% of total medical claims cases of the respective gender

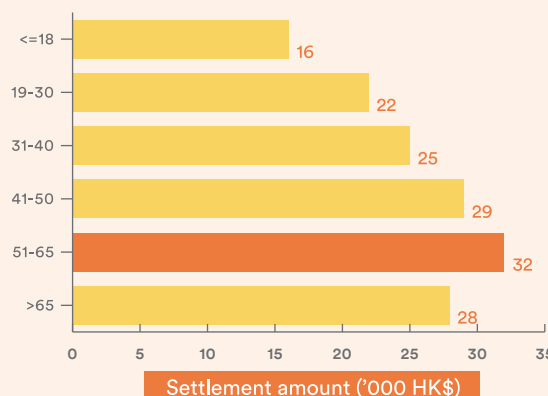
Age Group & Gender



- The age group that has the highest number of medical claims: Between age 51 and 60 for both gender
- From the statistics, 43% of medical claims were male, while 57% of medical claims were female

Note: 15,264 policies were involved in the above-mentioned medical claims cases.

Average Claims Settlement Amount

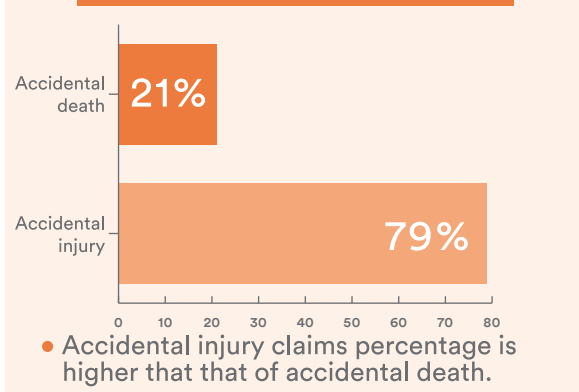


2023 Personal Accident Claims Statistics

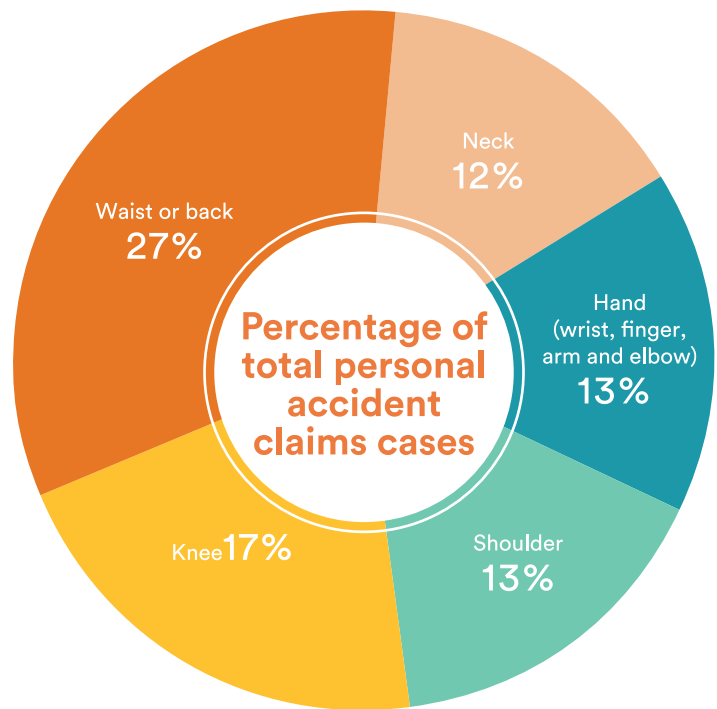
Prompt personal accident claims payouts made to customers to help them cope with impacts on their physical well-being and daily living.

- **Claim cases paid:** 19,775 (↑10% versus last year/↑216% versus before the 2019 pandemic)
- **Total settlement amount:** HK\$40 million (↑20% versus last year/↑160% versus before the 2019 pandemic)
- **Average settlement amount per case:**
 - Accidental death: HK\$371,992 (↓73% versus last year/↓7% versus before the 2019 pandemic)
 - Accidental injury: HK\$2,178 (↑9% versus last year/↑40% versus before the 2019 pandemic)

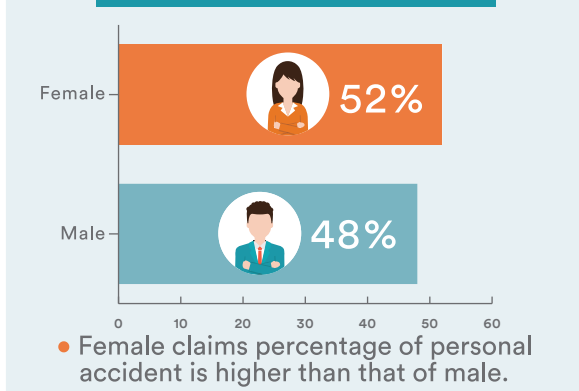
Settlement Amount Distribution



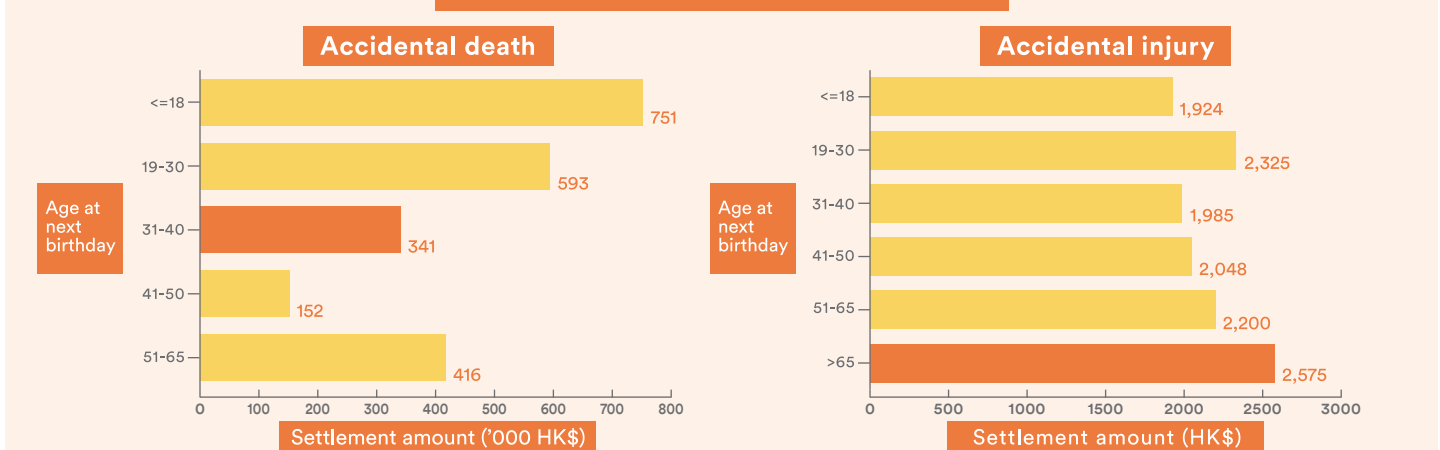
Top 5 Injury Locations



By Gender Claims Percentage



Average Claims Settlement Amount



Note: Above-mentioned personal accident claims cases include accidental death, accidental death and dismemberment; and personal accident claims. 6,940 policies were involved in the above-mentioned personal accident claims cases.

Remarks:

1. This report is made according to the claims record of FWD Life Insurance Company (Bermuda) Limited (Incorporated in Bermuda with limited liability) ("FWD") between 1 January and 31 December 2023 reflecting the benefits payable for the claims. The claims amount is calculated based on the actual amount paid.
2. Due to rounding of decimal places, the total percentage may be slightly higher or lower than 100%.
3. For policies in US\$, the exchange rate for the claims amount in this report is US\$1 to HK\$7.8.

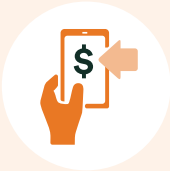
Case 1: Exceptional care and claims support go above and beyond expectations



Protection planning prepares us for significant and unforeseen events. Ms. Chiu purchased FWD's Crisis XDefender Supreme in August 2019 with initial sum insured HK\$500,000.



In December 2023, Ms. Chiu experienced chest pain and shortness of breath and decided to seek medical attention at a hospital. She was admitted on the same day and underwent a coronary angiogram, which revealed that her left circumflex artery was 90% blocked, her left anterior descending artery was 60% blocked and her right coronary artery was 80% blocked. Subsequently, Ms. Chiu was scheduled to undergo a coronary angioplasty.



Upon receiving Ms. Chiu's claim for the Special Disease Benefit related to her surgery, FWD's claims department promptly reviewed the surgical report and found that the procedure had corrected three blocked coronary arteries, meeting the criteria for both the Special Disease Benefit and the critical illness definition within the policy for other serious coronary artery diseases. As a result, the claims department took the initiative to increase the benefit payout from the original Special Disease Benefit (20% of the initial sum insured) to the Critical Illness Benefit (100% of the current sum insured). Ms. Chiu expressed great satisfaction with such considerate arrangement, showcasing FWD's exceptional dedication to ensure her financial security during a challenging time.



FWD's Word

Life is full of uncertainties, and a suitable health insurance can not only bring peace of mind but also enhance resilience in the face of adversity. FWD understands that customers may have concerns about their health and financial well-being in times of medical challenges. That is why our dedicated claims department works diligently to proactively assess each case and address every aspect of customer's needs. At FWD, we strive to anticipate and meet customer needs even before they arise, aiming to provide a seamless and worry-free claims experience during difficult times.

Case 2: Reclaim your unique voice to unlock the power of communication



Our voices are unique signatures that shape our identity. Unfortunately, losing the ability to speak can bring numerous challenges to daily life. Mr. Mok, a customer who purchased FWD's Crisis XDefender Supreme with initial sum insured of HK\$300,000 in 2017, experienced this firsthand.



In October 2023, Mr. Mok noticed a lump on the left side of his neck. After seeking medical attention and undergoing examinations, he was diagnosed with a left submandibular mass, which was eventually identified as salivary duct carcinoma that had spread to the lymph nodes. In January of the following year, Mr. Mok submitted a claim for critical illness benefit to FWD and received a total of HK\$300,000 claim payment.



Upon the successful approval of his critical illness claim, FWD's claims ambassador invited Mr. Mok to participate in the FWD Care recovery plan in early 2024, with the aim of accompanying him on his road to recovery for the six-month service period. Learning that Mr. Mok would lose his ability to speak after the upcoming surgery to remove the salivary duct, the FWD Care Recovery Nurse arranged for him to receive the free support service, "Vocofy AI Cantonese voice reconstruction technology", available under the FWD Care recovery plan. By utilizing artificial intelligence technology, the service helped Mr. Mok record his voice prior to the surgery, preserving his unique tone and manner of speaking. After the surgery, through the use of artificial intelligence algorithms and deep learning, the stored voice files were used to simulate Mr. Mok's speech patterns before he lost his voice. With the assistance of a mobile application, Mr. Mok can now continue communicating with others in his own distinctive style, overcoming the barriers brought about by his loss of speaking ability.



Mr. Mok could never imagine that beyond the financial support he received, FWD would accompany him through his recovery journey, allowing him to communicate with his family using his own voice and tone. This remarkable support significantly minimizes the obstacles he would have faced in his daily life.



FWD's Word

In today's world, technology is constantly transforming our lives. FWD, with a customer-centric approach, remains committed to providing comprehensive health protection and bringing innovative solutions such as artificial intelligence and digital platforms with third party service providers. These solutions help patients overcome challenges, regain the joy and confidence in communication and enhance their resilience in adversity. By actively seeking and integrating the latest technology, FWD aims at opening up a path of recovery filled with resilience hope, and infinite possibilities for customers.

Since the launch of FWD Care recovery plan ('the Plan') in 2021, FWD has been dedicated to upgrading its offerings. At the beginning of 2024, the innovative Vocofy AI Cantonese voice reconstruction technology was introduced as one of the support services of the Plan, benefiting eligible customers who are in need and suitable for this service.

The Plan provides more than 10 support services, which are assessed and arranged by Recovery Nurses during a 6-month service period and tailored to meet individual needs and preferences of eligible customers. In 2023, the top 5 most frequently used support services accounted for 90% of total usage, including:



Support service	Usage percentage
Chinese medicine practitioner consultation	34%
Transportation service to attend medical appointment	30%
Physiotherapist consultation	16%
Dietician consultation	6%
Clinical psychologist consultation	4%

- Notes:
1. FWD Care recovery plan ("the Plan") is provided in Hong Kong only. It is not a part of the policy or benefit item under the policy provisions of designated individual life insurance products. Services under the Plan are provided by third party service providers, FWD will not be responsible for or liable to any service provided by these third-party service providers under the Plan. For details of the Plan, please visit <https://www.fwd.com.hk/en/fwd-care/fwd-care-recovery-plan/>.
 2. Vocofy AI Cantonese voice reconstruction technology is provided by Vocofy AI Limited ("Vocofy AI"). FWD will not be responsible for or liable to any services provided by Vocofy AI.
 3. If eligible customers choose to use Vocofy AI Cantonese voice reconstruction technology, they can only use the Recovery Nurse service during the remaining service period of the Plan. If eligible customers intend to use the other support services under the Plan, they have to pay the relevant service charges to the third-party service providers.
 4. The Recovery Nurse and third-party service providers have the sole discretion in deciding the types and frequency of support services on a case-by-case basis.

Case 3: Efficient claims redefined with straight-through processing facility



Accidents can strike unexpectedly, leaving behind physical and financial consequences that can be overwhelming. That's why individuals like Mr. Ho are choosing to take proactive measures to protect themselves. By purchasing a personal accident insurance rider from FWD, Mr. Ho ensured that he had an effective safety net in place to cover unforeseen incidents.



One unfortunate day, Mr. Ho experienced a sprained back injury that left him in pain and in need of immediate treatment. Seeking relief, he decided to visit a Chinese bonesetter. After receiving the necessary treatment, Mr. Ho wasted no time in utilizing FWD's eServices mobile application for a seamless claim submission. Through a few simple steps on his smartphone, he uploaded the necessary documents to complete the submission of claims application.



In a matter of seconds, Mr. Ho received a notification on his phone, indicating that his claim had been successfully processed. To his amazement, the message also informed him that the claim payment had been transferred directly to his designated bank account using the Faster Payment System (FPS) – all within merely 42 seconds, demonstrating FWD's commitment to leveraging technology to bring its customers a smooth and efficient claims experience.



FWD's Word

At FWD, we prioritize our customer experience. By leveraging technology and automation, FWD's straight-through processing facility eliminates unnecessary delays and manual processes, resulting in a smoother and more efficient claims experience to alleviate the financial burden for customers.

For the convenience of customers, FWD offers multiple claims payment methods. In 2023, among customers who submitted claims applications through the straight-through processing facility, 87% opted to receive claims payments via FPS.

For the convenience of customers, FWD offers multiple claims payment methods. In 2023, among customers who submitted claims applications through the straight-through processing facility, **87%** opted to receive claims payments via FPS.

Important notes: The claims cases above are for reference only. Please note all claims cases are assessed on a case by case basis.

Disclaimer:

The insurance products mentioned are underwritten by FWD Life Insurance Company (Bermuda) Limited (Incorporated in Bermuda with limited liability).

The above does not contain the full terms and conditions of the relevant insurance plan. For full terms and conditions, details and key product risk of the relevant insurance plan, please refer to relevant product brochure and policy documents. Before applying for any insurance products, customers should confirm the product(s) is/ are suitable for their insurance needs and objectives.

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