

## **DAP queries 80pct insurance hike for foreign students**

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**By Koh Jun Lin**

A DAP parliamentarian is querying an almost 80 percent increase in medical insurance premiums for foreign students since 2008.

Serdang MP Ong Kian Ming said the premiums should have been much lower because the payments are channelled directly from the Education Malaysia Global Services (EMGS) to the insurance company, AXA-Affin.

EMGS was set up in 2012 as a one-stop shop to facilitate all the requirements of foreign students in Malaysia, whereas AXA-Affin is the sole provider of medical insurance for foreign students since February this year.

Ong said with a centralised pool of applicants and without the need to pay commissions to insurance agents, the prices ought to be much lower than the current RM500 per year for a 'Silver Plan', up from the RM280 per year for similar coverage by the same company in 2008.

"It could be due to higher costs, but then our inflation rate is only three percent. It cannot increase by 80 percent," he told a press conference today.

Previously, EMGS chief executive officer (CEO) Mohd Yazid Abd Hamid said AXA-Affin was given a four year contract to provide insurance services for foreign students because it was the lowest bidder, with the next lower bidder offering 50 percent higher prices.

"If the difference was about 10 percent, then that wouldn't have been a problem - students may go for the higher package for their own personal reasons.

"But a 50 to 100 percent difference? For the same coverage? No way can we present this to the students," the online news portal FreeMalaysiaToday quoted him as saying on Aug 27 in response to Ong's previous accusation of setting up a monopoly.

Yazid also defended its decision of allowing the Qualitas group of clinics to form 47 of its 62 panel clinics, saying that the group is the largest primary healthcare provider in Malaysia and has the resources to offer the best services.

However, Ong is not satisfied with these explanations and urged the Malaysian

Competition Commission (MyCC) to investigate EMGS' open tender process and find out why the winning bidder's price is 80 percent higher than what it offer in 2008.

He also reiterated his urging to investigate EMGS for violations in the Competitions Act and whether it had benefited from giving AXA-Affin a monopoly.

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