

# Insurer Pass Back Rules and Policy Terms

This document is intended for information purposes only. The information has been collected in collaboration with insurers and includes references to external resources where available. Where any conflict arises, the insurer should be contacted directly for final judgement. Where no pass back wording exists insurers may occasionally pass back via policy endorsement. To check if this has occurred, please refer to the policy document the client has.

A pass back is a built-in benefit which guarantees that when an improvement is made, it is automatically applied to existing policies, without an increase in premium. Where we state, 'No pass back in policy wording,' it is still possible that the insurer would assess a claim based on the latest definitions, however this is not guaranteed by the policy wording.

Company	Approach to upgrades/enhancements
<b>AA Life</b> Underwritten by Asteron Life	For Life Cover, on 5 August 2019, AA Life passed back an increase in the Funeral Support benefit from \$10,000 to \$15,000.
<b>Accuro</b>	No pass back in policy wording.
<b>AIA</b> (Includes Sovereign)	<p>Where applicable, future enhancements will continue to be applied to the following products:</p> <ul style="list-style-type: none"> <li>• <b>AIA Living</b> (current) products will continue to receive upgrades as per when they are released - Life, Income Protection, Total Permanent Disablement and Trauma products issued since 1 June 2001.</li> <li>• <b>Sovereign TotalCare and TotalCareMax</b> policies issued since 1 February 2001 (i.e. TCM policies are equal to the most recent AIA Living policy).</li> <li>• <b>ASB Lifestyle Security Plan</b> policies issued since 1 February 2001.</li> <li>• <b>AIA Absolute Health and MajorCare</b> do not receive automatic passbacks and is subject to individual consideration.</li> <li>• <b>AIA Superior Health/Superior Health 3</b> Do not fall under the scope of the Enhancement Pass-Back benefit. AIA has implemented enhancements to these products over time, most recently in 2022 and 2024. Enhancements apply to new claimable events that occur after applicable implementation dates</li> </ul> <p><b>Does AIA apply pass backs to Sovereign products?</b></p> <p>AIA have chosen to align the pass back benefits across their major product ranges to ensure that existing AIA and Sovereign customers receive a consistent experience at claim time regardless of product range. These changes will also mean that existing products will continue to remain modern as they continue to enhance the AIA Living range.</p> <ul style="list-style-type: none"> <li>• Extended the "Guaranteed Pass Back of Benefit Enhancements" provision to AIA risk customers holding policies issued since 1 June 2001.</li> <li>• Widened the "Guaranteed Pass Back of Benefit Enhancements" clause in the existing AIA risk product range to require AIA to pass back enhancements in cases where there are immediate premium impacts. This is effective from 5 August 2019.</li> </ul> <p>The term used in Sovereign TCM and ASB LSP (issued before 5 August 2019) is 'Guaranteed Enhancement Benefit', AIA Real (Risk) and AIA Real (Health) used the term, 'Guaranteed Pass Back of Benefit Enhancements' and 'Guaranteed terms and conditions and future upgrades' respectively.</p>

	<p><b>How does AIA decide which enhancement will be applied to past products?</b></p> <p>AIA aims to continue passing back future enhancements to existing AIA risk customers (policies issued since 1 June 2001) and existing Sovereign risk customers (policies issued since February 2001) under the following approach:</p> <ul style="list-style-type: none"> <li>• Future enhancements to these products will be based on enhancements to the AIA Living product range.</li> <li>• Enhancements to benefits common to AIA Living and these past products will be applied to the past products.</li> <li>• The introduction of new built-in benefits to AIA Living will be introduced to these past products.</li> <li>• Enhancements to benefits in AIA Living that are different to past products will be given individual consideration at AIA's discretion.</li> <li>• Pass Backs will not apply for certain enhancements e.g., introduction of new optional benefits.</li> </ul> <p><a href="https://www.aia.co.nz/en/help-support/past-product-information.html">https://www.aia.co.nz/en/help-support/past-product-information.html</a></p>
<p><b>ANZ Bank</b></p> <p>Underwritten by Chubb Life</p>	<p>No pass back in policy wording.</p>
<p><b>AMI</b></p> <p>Managed by Aon and Underwritten by AIA</p>	<p>Future enhancements to these past products will be based on enhancements to the AIA Living product range:</p> <ul style="list-style-type: none"> <li>• Enhancements to benefits common to AIA Living and these past products will be applied;</li> <li>• The introduction of new built-in benefits to AIA Living will be applied to these products; and</li> <li>• Enhancements to an existing benefit not common to AIA Living and these past products will be given individual consideration at AIA's discretion.</li> </ul> <p><a href="https://www.aia.co.nz/en/help-support/past-product-information.html">https://www.aia.co.nz/en/help-support/past-product-information.html</a></p>
<p><b>ASB Bank</b></p> <p>Underwritten by AIA</p>	<p>Future enhancements to these past products will be based on enhancements to the AIA Living product range:</p> <ul style="list-style-type: none"> <li>• Enhancements to benefits common to AIA Living and these past products will be applied;</li> <li>• The introduction of new built-in benefits to AIA Living will be applied to these products; and</li> <li>• Enhancements to an existing benefit not common to AIA Living and these past products will be given individual consideration at AIA's discretion.</li> </ul> <p><a href="https://www.aia.co.nz/en/help-support/past-product-information.html">https://www.aia.co.nz/en/help-support/past-product-information.html</a></p>
<p><b>Asteron Life</b></p>	<p>The following product series include the Guarantee of Upgrade benefit:</p> <ul style="list-style-type: none"> <li>• <b>SmartLife series:</b> August 2004 to July 2013 (included SmartLife, SmartLife Max, SmartLiving, Income Protection, and SmartBusiness)</li> <li>• <b>Personal insurance / Business insurance:</b> August 2013 to now</li> </ul> <p>Enhancements that do not carry any cost to the customer are passed back, unless the client is experiencing a pre-existing condition at the time an improvement is made.</p> <p><b>Smartplan</b> (February 1997 to July 2004) did NOT have a Guarantee of Upgrade.</p> <p>On 21/09/2017, Trauma definitions were aligned with the latest medical practices and seven new conditions were added (changes carried an additional cost).</p> <p>On 16/04/2010, clients could apply for an improved Heart Attack definition for an increased premium and without additional underwriting.</p>

<b>AXA</b> AMP RPP Legacy	The Concord Risk Protection Plan 11 November 1997 Trauma wording was passed back to previous versions of trauma on 01 August 1998 and applied on these legacy products: <i>OPUS term, Original Gold line, Gold line 3, Easy Choice, Linksave, Whole of Life</i> .
<b>Booster</b>	The Policy Upgrade benefit was introduced for the SmartCover products, effective 01/07/2025
<b>BNZ Life</b> Underwritten by Partners Life	<p>Partners Life has advised they intend to release formalized pass back rules regarding the BNZ policies, under the 4.2 Guaranteed Upgrade of Future Benefits feature.</p> <p>Note that with respect to pass backs, Partners Life would specify which product(s) these relate to, and at present the rationale for any pass backs that may be applied to former BNZ policies would be to align some of the terms and conditions with similar (like-for-like) products already part of the Partners Protection Plan – in other words, they likely won't be applying enhancements for the same reasons they would for their current on-sale products.</p> <p><a href="https://www.partnerslife.co.nz/loancare-lifecare-business-heritage-and-loancare-upgrades">https://www.partnerslife.co.nz/loancare-lifecare-business-heritage-and-loancare-upgrades</a></p>
<b>Chubb Life (Adviser)</b> Previously OnePath/Cigna	<ul style="list-style-type: none"> <li>• <b>Assurance Extra and Business Assurance</b> The Policy Enhancement Benefit is offered under these product suites which passes back enhancements (as per the policy wordings) to policies issued on or after 1 May 2004.</li> <li>• <b>Agribusiness Extra and Business Extra</b> The Policy Enhancement Benefit is not offered under these product suites and enhancements are only passed back when specifically stated.</li> </ul> <p>Some policy enhancements were by different insurers and/or when Chubb Life operated under previous names, however these enhancements remain current.</p> <p>Enhancements will only apply to new illnesses, injuries, or conditions.</p> <p><a href="https://www.chubb.com/nz-en/policy-enhancements.html">https://www.chubb.com/nz-en/policy-enhancements.html</a></p>
<b>Chubb Life (Direct)</b> Previously OnePath/Cigna	No pass back in policy wording.
<b>Co-operative Life</b>	No pass back in policy wording.
<b>Countdown</b> Underwritten by Chubb Life Closed for new business	No pass back in policy wording.
<b>Fidelity Life</b>	<p>Policy wording upgrades apply to Platinum Plus, Platinum Plus Level Term and Mortgage Protector, Lumley, and Protection plan policies sold on or after 1 April 2001, provided the customer was not suffering from a pre-existing condition at the date the upgrade is made.</p> <p>This excludes the 23 November 2023 enhancements which only apply to Platinum Plus, Platinum Plus Level Term and Mortgage Protector products.</p>
<b>MAS (Medical Assurance Society)</b>	Applies the new wording, but also allows members to select their original wording at time of claim, if it's more beneficial. This is to ensure that a member is not inadvertently disadvantaged by a wording change.
<b>Momentum Life</b>	No pass back in policy wording.

<b>National Bank</b> Underwritten by Chubb Life Closed for new business	No pass back in policy wording.
<b>nib</b> (ex-Kiwibank)	<ul style="list-style-type: none"> <li>• <b>nib Ultimate Health</b> has no pass back in policy wording.</li> <li>• <b>nib Ultimate Health Max</b> passes back to inception.</li> <li>• <b>nib Ultimate Life &amp; Living</b> passes back to inception.</li> <li>• <b>nib Life &amp; Living</b> has no pass back in policy wording. Can change cover definitions, add, or remove medical conditions covered and change whether medical conditions are high or low severity within Trauma.</li> </ul>
<b>OnePath Major Medical Cover</b> Managed by nib since 2016	Enhancement pass back applies to relevant policies issued on or after 1 May 2004 to 1 December 2015 only.
<b>Partners Life</b>	All Partners Protection and Business Protection Plans pass back to inception.
<b>Pinnacle Life</b>	Pinnacle Life introduced a new "Pass back of changes" benefit in October 2024, this will apply to policies issued after this date.
<b>PPS Mutual</b>	PPS Mutual includes a Policy Upgrade Benefit.
<b>Resolution Life</b> (ex-AMP Lifetrack)	Applies pass backs to all customers with the same cover-type back to product inception.
<b>Resolution Life</b> (ex-AMP RPP)	Applies pass backs to all customers with the same cover-type back to product inception.
<b>SBS</b> Underwritten by Southsure	No pass back in policy wording.
<b>Southern Cross</b>	No pass back in policy wording.  Southern Cross would assess claims based on the latest wordings to benefit their members. If a retrospective claim is received for a benefit no longer offered, but the event date of the claim pre-dates the benefit removal effective date, Southern Cross may apply the original wordings at issue.
<b>Tower Medical</b> Managed by nib since 2012	No pass back in policy wording.
<b>Unimed</b>	No pass back in policy wording.
<b>Westpac</b> Underwritten by Fidelity Life	The Guaranteed Enhancement Benefit was introduced for Term Cover and Gold Term Cover on 1 August 2014. Term Cover was withdrawn on 29 April 2025.  Life Protect was launched on 30 April 2025 and includes a Policy Wording Upgrades benefit.

## Appendix: Guaranteed Wording vs Upgrade Policy Wording

### Guaranteed wordings

This is most important in Health Cover and this is because of the ongoing advancements made in the healthcare sector. Having Guaranteed Wordings means that benefits cannot be removed or altered in a way that is detrimental to the client.

e.g. a procedure that may have been considered 'major' 10 years ago can now be done simpler and with less cost too – if we had guaranteed wording they would never be able to remove or restrict cover to the simpler (less costly) procedure, but they can enhance the definition, so now the client would have more options but they can't take away any– this secures cover for the lifetime of the policy. Guaranteed wording prevents insurers downgrading, and/or restricting access in their definitions, it ensures that a policy can only be upgraded (never downgraded) – this is an advantage especially if you're getting these enhancements with no additional cost.

### Upgrade Policy Wordings

This is more about enhancements/improvements and guarantees that when an improvement is made, it is automatically applied to existing policies, without an increase in premium. This means that if, at any time in the future, a change is made to a section of the policy under which you are covered, and that change is favorable to you as a client, then the enhanced section will automatically be applied to the policy.