

REGULATORY UPDATE

Date: 28th March 2024
Territory: United Arab Emirates
Subject: Notification of Delays in Policy Activation

We are writing hereby to inform that activation of all insurance policies in general and medical policies in particular have been witnessing delays in on-boarding and activating processes. This is due to the following reasons:

A. ICP Mandate

In respect of the recent mandate by the UAE Central Bank (Notice No. CBUAE/BIS/2024/304) concerning the electronic uploading of medical insurance policies, which states that it is mandatory to upload the medical insurance policies to the Federal Authority for Identity, Citizenship, Customs & Port Security (ICP) as per ICP letter No. 12/9/40009 dated 21/12/2023.

As the system being used is quite new and is still on the testing period, upload failures and numerous re-uploading are quite common.

This is impeding the linking of the medical insurance to the members' Emirates ID and to the Immigration system and is delaying the employers to process their visa renewals or issuance.

Since this is a regulator system, insurance companies are unable to control the process and commit to a proper timeline of the completion of the process.

Nevertheless, the non-linking does not mean non-coverage for the members. Coverage is available on pay & claim basis until the linking is finalized.

B. Increased anti-money laundering process

On February 23, 2024, the Financial Action Task Force ("FATF") removed the United Arab Emirates ("UAE") from its list of jurisdictions under increased monitoring (the "Grey List"). Since UAE has committed and started to undertake multiple key reforms to improve its overall anti-money laundering and combating the financing of terrorism ("AML/CFT") compliance framework.

This came as increased efforts have been exercised by the UAE Central Bank on insurance companies to request additional documents and to scrutinize thoroughly each document submitted by clients during the on-boarding process which caused an increased delay in the on-boarding processing time and triggered queries from insurers for additional documents.

What are we doing to sort these delays?

1. We have increased the number of our support staff.
2. We have started renewals earlier.
3. We are coordinating closely with insurers and visiting their premises more often to pressurize the activation of cards.
4. We are reviewing the compliance and on-boarding documents thoroughly to reduce the chances of rejection by insurers.
5. We are arranging Guarantees of Payment for members seeking serious medical interventions.

When the delays will be over?

We estimate that these matters will be solved within the coming 2 to 4 months.

Whilst we are employing all efforts to ensure that policies are issued and renewed on time, we humbly seek your understanding and support during the next few months.

Rest assured that there will be no changes to our level of service, pro-activeness, and communication during these times.

We remain at your disposal for further clarifications.

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