



The First Five Years

What a child actually costs, what young parents usually get wrong, and the order to build protection in when everything is happening at once.

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Agent ID 1115217 · Agency KP100054 · MyVintej — Plan Wisely, Act Brilliantly

Nobody plans a family with a spreadsheet, and thank goodness. But the years when children arrive are also the years when a household's financial risk peaks — new dependants, a bigger home, one income sometimes pausing — and it usually happens exactly when parents are too busy and too tired to plan.

This article is the conversation I'd want to have with you over coffee before the baby arrives, or shortly after.

What it costs — the honest figures

Start with the delivery itself. In the Klang Valley, a normal delivery in a private hospital currently runs roughly **RM6,000 to RM10,000**, with tiers from about RM4,000 at basic private hospitals up to RM20,000 at premium ones. A **caesarean section costs meaningfully more — commonly RM12,000 to RM20,000+**, and can reach RM35,000 at the premium end. Since roughly one in four to one in three deliveries becomes a C-section, often unplanned, budgeting only for a normal delivery is optimistic.

Then come the years. AIA Malaysia's widely-cited estimate puts the total cost of raising a child in Malaysia — delivery through to university — at approximately **RM400,000 to RM1.1 million**. In the near term, registered daycare typically runs **RM1,000 to RM1,800 a month**, which for many young families is the single largest new expense after the mortgage.

RM6k–10k

normal delivery, private hospital (Klang Valley)

RM12k–20k+

caesarean section

RM400k–1.1m

total cost of raising one child to university (AIA estimate)

The mistake almost every young family makes

When a baby arrives, the instinct is immediate and touching: *insure the baby*. Parents ask me about child plans, education plans, savings for the little one — often within weeks of the birth.

It's the right love pointed at the wrong person first. A baby has no income to protect. The financial risk in that house sits entirely with the **two adults** whose earnings will fund the next twenty years. If something happens

to a parent, no child plan replaces the income that was going to pay for everything. So the order is: **protect the parents, then build for the child.**

The order that works

1. Medical cover for both parents (and the child, once eligible). 2. Critical illness and life cover on whoever earns — sized against years of income, not a round number. 3. An emergency fund of 3–6 months. 4. **Then** the education fund — with a premium waiver so it completes itself if a parent can't.

Why the exposure is highest right now

Young families are, statistically, among the least protected. The LIAM–UKM protection gap study found that a family of two adults and three children whose breadwinner has **no life insurance** would need about **RM723,000** to maintain their lifestyle for five years — and even those with both life and medical cover still faced an average gap of **RM553,000**. Layer on the RinggitPlus finding that **67% of Malaysians have three months or less** of emergency savings, and the picture is a household carrying its heaviest obligations on its thinnest cushion.

Mother and baby: the cover most people don't know exists

Pregnancy carries its own specific risks — pregnancy complications, congenital conditions, and the costs that follow. These are insurable, but they have **waiting periods**, which means the cover has to be in place well before conception or early in pregnancy to be useful. This is the single most time-sensitive item in this entire article: if you are planning a family, this conversation belongs *before* the pregnancy, not during it. My presentation *The Unbroken Lifeline: Mom & Baby Care* on MyVintej walks through how this protection works.

BUILDING IT PROPERLY

Protect the parents, then fund the child

For the parents: **PRUMillion Med 2.0** or **PRUValue Med** for hospitalisation, and **PRUMy Critical Care** for a lump sum on diagnosis — because a serious illness in a young family costs far more than the hospital bill. For the child's future: **PRUCash Enrich** (guaranteed annual payouts plus maturity benefit), **PRUCash Double Reward** (payouts doubling from year 6), or **PRUElite Flex** as a flexible income you can direct at school or university years. Critically, add the appropriate **premium waiver riders** — so if a parent dies or is disabled, the premiums are taken care of and the child's fund still completes. That single feature is what a bank account can never do.

Start small, start now

Young families are usually cash-tight, and I'd rather you begin with something sustainable than commit to something you'll surrender in three years. A modest, correctly-ordered plan started at 30 beats a perfect plan started at 40 — and premiums for both protection and savings are cheapest right now, when you are youngest and healthiest you will ever be again.

Try the **Education Cost Estimator** on my MyVintej page for a two-minute look at what your child's degree may cost, then bring the number to a Wealth Planning Cashflow session. We'll build the order together, sized to what your family can genuinely sustain.

Let's talk about your numbers

No pressure, no obligation — just a conversation about what you read here, or about your own numbers. Every article on MyVintej can become a conversation.

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Sources & further reading

- Malaysian maternity and delivery cost guides 2025/2026 (MalayMedical, iMoney, Alea, DEMC)
- AIA Malaysia — “The True Cost of Raising a Child in Malaysia” (RM400,000–RM1.1 million estimate)
- LIAM–Universiti Kebangsaan Malaysia — Protection Gap Study
- RinggitPlus Malaysian Financial Literacy Survey 2023
- Prudential Assurance Malaysia — PRUMillion Med 2.0, PRUValue Med, PRUMy Critical Care, PRUCash Enrich, PRUCash Double Reward, PRUElite Flex

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