

MEDI BRIEF

OCTOBER 2016

2017 Contribution increases

The good news is that benefits on all plans remain unchanged and our contribution increases are market related.

So why the higher increases this year?

The September MediBrief provided insight into the significant increase in healthcare costs. Total claims paid by the Scheme increased by 11% year-on-year, with hospital and specialist costs increasing the most. Overall medicine costs increased by 11.7% per beneficiary, largely due to high oncology costs, the 2.5% increase in the number of medicines used per patient and the 4.8% increase in the Single Exit Price (SEP) added to the higher year-on-year costs.

How can we manage and reduce healthcare costs?

- The Scheme offers a patient advocacy programme, assisting members to plan, compare and save costs. Always ask your healthcare provider for an estimated cost of a procedure and then speak to a Call Centre agent on how to reduce your out-of-pocket expenses and extend your benefits.
- The Scheme benefits from our administrator's 'buying power'. Through the Discovery administration, hospital costs are already tightly managed and rates are negotiated aggressively.
- Many procedures don't need to be done in hospital, but could take place in a day clinic, offering routine procedures at much more competitive prices. You will find more information about day clinics in the next issues of MediBrief.
- Many services could be provided by GPs instead of specialists. Always consult your GP as the first port of call.

AMS contributions remain competitive in 2017

The Scheme plans to subsidise member contributions for the next 30 years. In 2017, R150 million of reserve money will be used to meet the shortfall between claims payments and contributions. Benefit limits and the Scheme Reimbursement Rate (SRR) will increase by 6% on the Managed Care and Standard Care Plans. Even with money utilised from the reserves, contributions for the Standard and Managed Care Plans need to be increased by 11.5% to keep pace with claims costs. The Value Care Plan has experienced lower claims and contributions will only be increased by 6.8%.

2017 Contributions* per plan

Plan	2016	2017	Difference in Rand
Value Care Plan			
Main member total	R700	R750	R50
Adult dependant total	R700	R750	R50
Child dependant total	R175	R185	R10
Standard Care Plan			
Main member total	R1 845	R2 060	R215
Adult dependant total	R1 845	R2 060	R215
Child dependant total	R555	R620	R65
Managed Care Plan			
Main member total	R3 405	R3 800	R395
Adult dependant total	R3 405	R3 800	R395
Child dependant total	R785	R880	R95
Main member savings	R790	R950	R160
Adult dependant savings	R790	R950	R160
Child dependant savings	R185	R220	R35

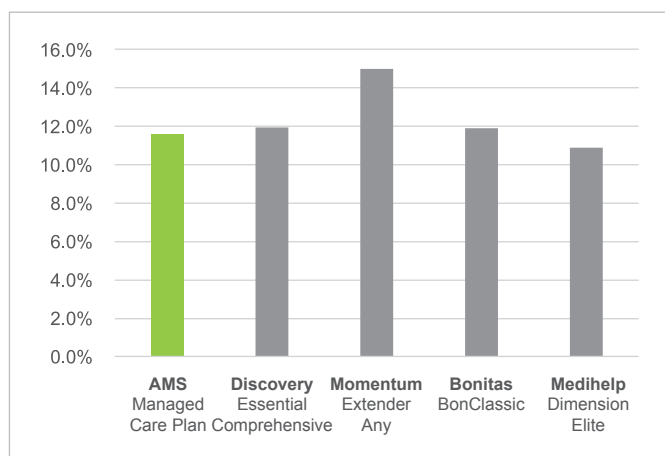
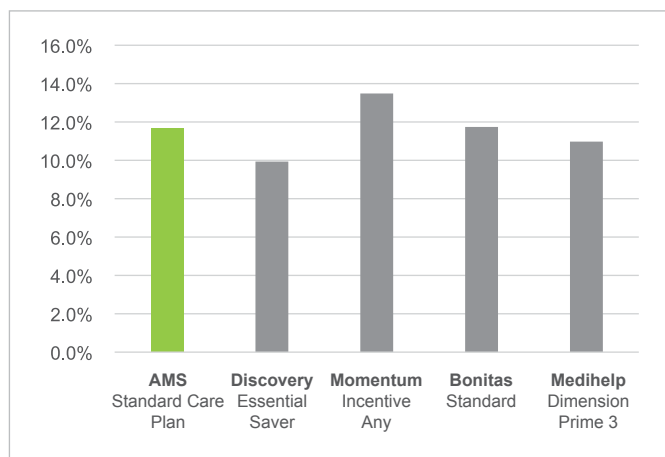
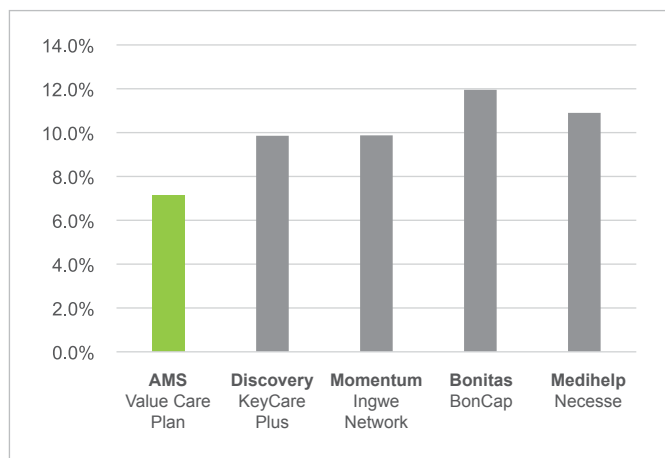
* Subject to approval from the Council for Medical Schemes

PLAN CHANGES: If your health needs or income have changed and you are considering changing plans for the coming year, you may do so at the end of the year. We urge you to speak to one of our Client Liaison Officers (CLOs) or your Paypoint Consultant for advice. Your plan change form is included in the back of the Benefit Guide and must be handed to your employer or past employer before 31 December. Direct-paying members must submit their forms to the Scheme.

The 2017 percentage increases are in line with the industry, as shown in the graphs below. As the current Anglo Medical Scheme benefits are about 15% richer than these products, you still pay less for more.

Your contribution increase compared to other schemes

Increases in percentage for the main member



Payment of your contributions

Contributions for membership of the Anglo Medical Scheme are due monthly in arrears. Some pensioners are responsible for their contribution payments (in part or in full). When Scheme members retire, they will receive a letter from the administrator, asking them to complete the relevant debit order forms to ensure monthly payment of the contributions.

Occasionally, debit orders are returned and pensioners defaulted on payment. The Scheme has started a debt collection process whereby defaulting members are notified by SMS, letter and a call from the administrator. Some members still do not respond and consequently membership is suspended according to the Scheme Rules. The Rules stipulate that if no response is received within 90 days, membership will be suspended and thereafter terminated, due to non-payment of contributions. The Scheme Rules do not allow pensioner members to take up membership on the Scheme once membership has been terminated. It is therefore vital for individual paying members, and members responsible for paying a portion of their contribution, to ensure payment is made in the required time to guarantee continued membership.

Pensioner members: It is very important to understand your plan choice and the financial impact when retiring, as your company subsidy will determine the portion of the contribution that you will be liable for. Upon retirement, please discuss this with your HR department and the Client Liaison Officer in your region. Please note that you as the member are responsible to ensure that your payments are up to date, regardless of any employer liability.

Incorrect claims payments

Some members had certain claims paid erroneously, which were not benefits covered by the Scheme. If you were affected you would have seen the following reason code on your statement: *"We have paid your GP consultation fee from the Insured Network Benefit as you have run out of funds in your Medical Savings"*. You will not be held liable for this incorrect payment, but need to take note that this will not be covered in future.

Payment to the value of R605 was made for a Vitality Premier Corporate Wellness Check for some members, (different from the Vitality Check covered by the Scheme to the value of R170). Please note that you will not be held liable for this incorrect payment but be aware that this will not be covered in future.

Visit www.angloms.co.za to learn more about your Scheme and benefits.

Find all previous MediBrief editions in the Info Centre > MediBrief Archive.

Member Queries:

Value Care Plan: 0861 665 665, anglo@primecure.co.za

Standard and Managed Care Plan: 0860 222 633, member@angloms.co.za

Claims: claims@angloms.co.za