AMS ANGLO MEDICAL SCHEME

MEDIBRIEF

JUNE 2017

AGM report

The Scheme's 48th Annual General Meeting (AGM) took place on 24 May 2017 in Johannesburg

Colleen Elliott, the Chairman, reported that the Scheme, once again, performed reasonably well under difficult economic and political circumstances. The Scheme did not have to reduce benefits or increase contributions in excess of the market, despite the above average medical cost inflation in South Africa, as well as unexpected global challenges impacting on global economic markets.

The 2016 financial results were presented. The report of the Board of Trustees, the report of the Auditors and the Financial Statements were taken as read and were adopted.

The Chairman took the audience through the membership report and Trustee fees. The meeting also elected the members of the Disputes Committee for the ensuing year: Prof. Cas Badenhorst, Carol Dixon and Genene Barnard. The Chairman thanked the outgoing members of the Disputes Committee for their availability in the previous term.

The members present at the meeting agreed to the re-appointment of KPMG as the Scheme's auditor for the ensuing year.

The changes to the Board of Trustees were noted. Dave Barber and Dr Frank Fox, both member-elected Trustees, retired in 2016 and were replaced by Alternate Trustees, David Abramowitz and Mary Farrell. Matthew Welz, employer-appointed Trustee, resigned and was replaced by Bridget van der Bijl. The Principal Officer announced that the Vice Chairman, Darren Ghavalas, will be stepping down after the conclusion of the AGM and will be emigrating later in the year.

The Chairman thanked the outgoing Trustees and expressed special thanks to Marcelle Graham for 22 years of dedicated service to the Scheme and her active participation in numerous Committees. The Chairman specifically mentioned that Marcelle always ensured the Board never forgot the member in all its deliberations.

A second note of thanks was extended to Dave Barber, the Scheme's previous Chairman, who played a significant role in establishing and implementing the Long-Term Funding and Investment strategies, both of which have served the Scheme well through difficult times, as well as steering the Scheme through the change in administration, ensuring the operational success we benefit from today.

The Chairman also thanked Dr Frank Fox who served on the Board and the Ex Gratia Committee for 5 years, providing the medical knowledge that is so essential to the Scheme and further stated that Darren Ghavalas, Vice Chairman of the Scheme, Chairman of the Management Committee and member of the Investment Committee, has added enormous value to the Scheme since his appointment in 2010 and will be sorely missed. Lastly, she thanked Matthew Welz who, in his short tenure, added a sharpness of thinking to the Board, particularly on legal matters before resigning from Anglo Operations to take up an opportunity in Cape Town.

Question and Answers from the AGM

Q: Why is there a widening gap between what healthcare providers charge and what the Scheme reimburses members? Are members receiving less benefits? What can we do about it?

A: The Scheme Reimbursement Rate (SRR) was set in the early 80s and was then closely aligned to what providers charged. In about 2003, the Competition Commission prevented schemes from negotiating rates with providers and encouraged providers to set their own rates. These days, the short supply of doctors has allowed them to increase their fees at a faster rate than the average scheme can increase its contributions. Specialists charge on average anything from 300% to 800% of the SRR.

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To control healthcare provider fees, the 'major administrators' are negotiating rates with provider groups on behalf of their schemes, so as to implement network rates where possible. Members of schemes with network arrangements would then be covered in full when using network providers. The AMS Board of Trustees analyses and debates network arrangements on an annual basis before taking decisions on benefits and contributions for the following year.

To date, participation in specialist network arrangements has been too expensive to consider. The GP network, however, was identified as financially beneficial for the Managed Care Plan and therefore implemented in 2016.

Q: Why does the Scheme not take full advantage of all the products offered by our administrator Discovery Health instead of using third-party providers at an additional cost to the Scheme, particularly medicine management?

A: All products are reviewed annually. These products are considered should the Scheme determine them to be of value. The existing third-party (MediKredit) providing medicine management, was retained during the migration process to our new administrator (Discovery Health) to ensure continuation of services, accurate information transfer, as well as expert medicine management as proven during previous administration. However, this does not mean it will never change. Third-parties are regularly reviewed so as to ensure value and cost are assessed against comparators within the industry.

Organ Donation – the gift of life

There are approximately 4 300 South African adults and children awaiting a life-saving organ or cornea transplant. Statistics show that less than 0.2% of South Africans are organ donors. In an article, written by Mthunzi Mbatha, he states that the stock standard excuse for not donating an organ is that "it is not done in my culture" and concludes that he thinks a culture of giving is worth considering.

How and when can organs/tissue be donated?

You have two types of organ donations. Solid organs like your heart, lungs, liver, kidneys and pancreas can be donated once you have been declared dead, but you would still have to be on a ventilator in a hospital. The second type is tissue donation such as bone, skin, corneas and heart valves. Tissue retrieval can still take place several hours and even days after your death. A family member needs to phone the Organ Donor Foundation who will coordinate all aspects of the transplant if you are a registered donor. You can save up to 7 lives by donating your solid organs and 50 lives by donating tissue. Remember, you can also save a life by donating an organ whilst still alive.

What are the steps if you decide to become an organ donor?

Step 1
Contact the Organ Donor Foundation of South Africa (ODF). The ODF is a national non-profit organisation addressing the critical shortage of organ and tissue donors in South Africa through awareness and educational campaigns. Visit the website on: www.odf.org.za. You can either register online or call the toll free line on 0800 22 66 11. Bone SA is also a partner and a non-profit company (NPC), dealing with the distribution of bone related allografts. Visit the website on: www.bonesa.org.za.

Step 2
Get a bracelet/necklace/disk confirming that you are an organ donor. Contact Medic Alert on (021) 425 7328/0861 112 979 or Elixir Medical Shields on 0861 115 178.

Questions you might have

Can I donate an organ if I have an existing medical condition?
This would not prevent you from becoming an organ/tissue donor, however, the type of organs/tissue to be transplanted will be established at your time of death.

Do I have to undergo medical tests to register as a donor?
No. Medical tests will only be carried out at the time of death.

Can I request to donate specific organs or tissue?
Yes. Be sure to inform your loved ones of your wishes.

How to ensure that your wishes are carried out
Ask your family to inform all healthcare professionals involved in your care of your wishes. Make sure to wear your bracelet, necklace or disk.

Consider being an organ donor. By donating your organs you are leaving a piece of you as a true gift of life to somebody else.

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