

# MEDI BRIEF

AUGUST 2018

## National Health Insurance

At the end of June, Health Minister Aaron Motsoaledi gazetted two bills for public comment: The National Health Insurance Bill (NHI) and the Medical Schemes Amendment Bill. These are the first regulatory changes towards reaching the overall goal of delivering Universal Health Care (UHC) to all South Africans as set out in the National Development Plan (NDP).

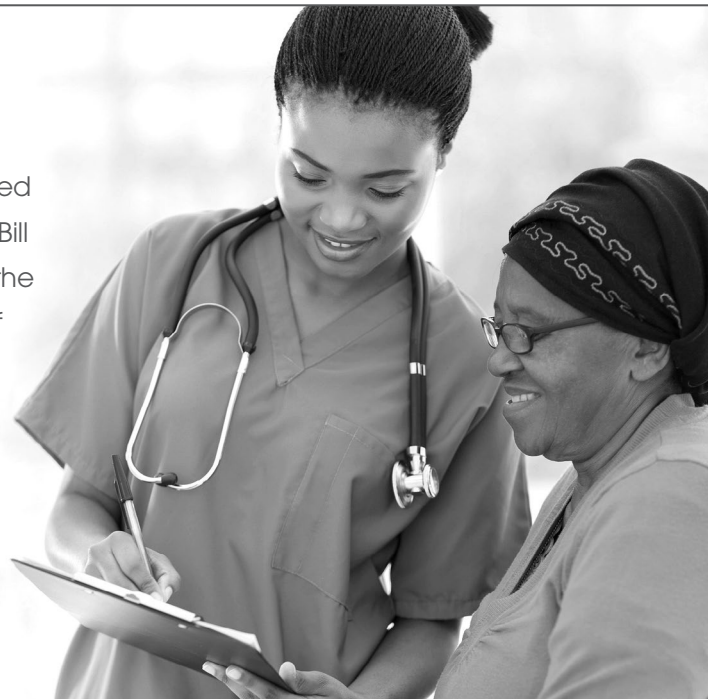
The aim is, as per the NDP vision, that by 2030, and once the NHI is fully implemented, all citizens will be entitled to and able to access healthcare free of charge at the point of service. The NHI Bill established the NHI Fund as an entity and intends, by 2022, to fund limited specified healthcare services for public sector patients, establish committees and start to align the medical scheme industry to enable the introduction of NHI.

You may have read strong headlines in the media; many are vague and confusing and not all are factually correct. The two Bills are complex giving rise to many questions and, if passed in their current format, will have far-reaching implications.

### How the proposed changes would affect you

Please remember that both Bills are only proposals at this stage. From what we understand today, here are a few of the most important proposed changes for you as a member:

- It will be compulsory for all SA citizens and permanent residents to register with the NHI Fund and to contribute, it appears, according to ability. It is currently unclear how contributions will be collected. You may also remain a member of AMS. Treasury will fund the NHI Fund from general revenues, and medical schemes will continue to collect contributions from members as they have always done.
- NHI will fund 'comprehensive service benefits', while medical schemes will fund 'other' benefits. Neither benefit package has been defined. The design of the benefits will take place over the next few years. In this early phase, the NHI Fund will be used to pay for priority services needed by the most vulnerable groups of people. During this period, your AMS benefits will not change beyond the normal annual adjustments and the Scheme will continue to pay claims according to the Rules.



- NHI will be the single purchaser and financier of public health services. From this statement, it appears that the public sector and medical schemes will continue to operate alongside one another, with schemes offering the 'other' benefits not provided by the NHI. It is unlikely that this will require any benefit changes for medical schemes for at least the next 5 years.
- Immediate beneficiaries of NHI, the vulnerable groups, and eventually all citizens, will be able to access healthcare services at an NHI-accredited health establishment, which will include both public and private providers. They will be required to register with an accredited GP of their choice, similar to the current scheme network arrangements. Hospital and specialist services will not be funded unless a GP referral is first obtained, except in cases of emergency treatment. Reference to the GP-to-specialist referral procedure is not contained in the Medical Schemes Amendment Bill. It will not affect medical scheme members in the near future, unless schemes choose to add it to their rules.
- The Medical Schemes Amendment Bill starts to address the principles contained in the NHI Bill. It is proposed that the main-member contributions will be income based. Beneficiaries between 18 and 30 years may not pay more than 40% of an adult rate and children under 18 years may not pay more than 20% of the adult rate. Medical schemes will not implement this in 2019, but, although unlikely, it may come into effect in 2020.

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- The definition of a dependant has been widened to include distant relatives and people dependent on the principal member. Clarification is required on this proposal as it has far-reaching consequences on underwriting and contribution rates.
- The Bill looks to widen the regulations to include the current exemptions given to certain schemes to discount member contributions where Designated Service Providers (DSP) have been contracted at discounted rates.

The two draft bills contain many other proposals, including the accreditation and payment of service providers, changes on how medical schemes will be run and governed, and the role of brokers.

**Where are we now and when will this all be finalised?**

None of these proposed changes is law yet. They are currently published for public comment with a submission deadline of the end of September 2018. After this period, the bills need to be revised by the National Department of Health and then tabled at the National Economic Development and Labour

Council (Nedlac). This process could take at least 6 months. Thereafter the bills would go through a parliamentary process, which would take another 3–6 months. It is not anticipated that these Bills will be passed before the end of 2019, at the earliest, with implementation unlikely before 2021.

The next phase, from 2022–2026, will then be dedicated to further strengthening the health system, to mobilising additional resources and to start contracting healthcare services from private providers. In the meantime, other pieces of legislation will also have to be passed by Parliament in order for the NHI Bill to become an Act.

We will, of course, keep you updated regarding the development of NHI and its possible effect on medical schemes in general or the Anglo Medical Scheme in particular. In the meantime, you can find more background information, as well as the two draft bills, on [www.angloms.co.za](http://www.angloms.co.za) > My Scheme > Industry overview > NHI.

## Thank you for your feedback! Results of our digital communication survey

We recently asked you, our members, for your opinion on digital Scheme communication. We sent a survey to all the members that had provided us with their email addresses – which is 70% of our membership.

As always, your response was fantastic! We appreciate your interest and engagement. Every one of your comments was read as your suggestions often enable us to provide you with a better service. In many cases your feedback has resulted in real improvements.

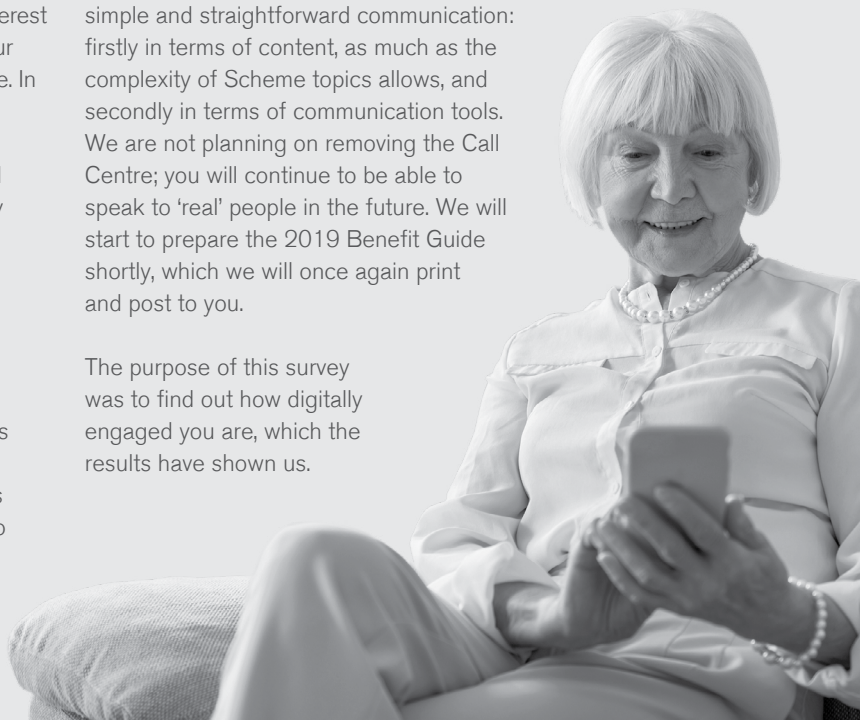
Overall, the results of the survey show that you are satisfied with the current Scheme communication. We received many compliments regarding Scheme communication in general, as well as for the Call Centre and administration.

While one would assume that memberships with a higher average age such as ours, would not be as ‘digitally fit or interested’ as younger generations; this is clearly not the case for us! The average age of the survey respondents was 64 years! We even received 200 responses from members aged between 80 and 97 years! Over 76% of the recipients confirmed using apps on a smartphone and are clearly up to date with today’s communication tools. Some commented that they don’t feel that they are computer literate enough or would not have the right equipment, but all of you answered this mobile survey on either a computer, tablet

or phone. In terms of communication tools our membership is well equipped; the only thing that might be lacking in some cases is tech-confidence.

But we heard you. We will continue to aim for clear, simple and straightforward communication: firstly in terms of content, as much as the complexity of Scheme topics allows, and secondly in terms of communication tools. We are not planning on removing the Call Centre; you will continue to be able to speak to ‘real’ people in the future. We will start to prepare the 2019 Benefit Guide shortly, which we will once again print and post to you.

The purpose of this survey was to find out how digitally engaged you are, which the results have shown us.



Visit [www.angloms.co.za](http://www.angloms.co.za) to learn more about your Scheme and benefits.

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**Member Queries:**

**Value Care Plan:** 0861 665 665, [anglo@primecure.co.za](mailto:anglo@primecure.co.za)

**Standard and Managed Care Plan:** 0860 222 633, [member@angloms.co.za](mailto:member@angloms.co.za)

**Claims:** [claims@angloms.co.za](mailto:claims@angloms.co.za)