

**ANGLO MEDICAL SCHEME  
MANAGED CARE PLAN  
ANNEXURE A2**

**CONTRIBUTIONS - Effective 1 January 2020**

**1 Basis of contributions payable**

- 1.1 The monthly contributions payable by a member in respect of himself/herself and each of his/her registered dependants, if any, is set out in Table A2.1 below.

**TABLE A2.1**

<b>Member</b>	<b>Adult Dependant</b>	<b>Child Dependant (see 1.3)</b>
<b>R4 945</b>	<b>R4 945</b>	<b>R1 145</b>

- 1.2 The total monthly contribution due by a member will be the sum of the contributions payable in respect of himself/herself and each of his/her registered dependants, if any.
- 1.3 As stated in the Rules of the Scheme, a member's child dependant is –
- 1.3.1 a dependant who is twenty-three years of age, or younger, on 1 January of the financial year for which contributions are raised;
- 1.3.2 a mentally and/or physically disabled dependant who is above twenty-three years of age but whom the Board has permitted to be a "child dependant"; or
- 1.3.3 a younger sibling of an orphaned child dependant who has been deemed to be a member in terms of Rule 6.3.4.2,

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provided that such younger sibling is twenty-three years of age, or younger.

**2 Contribution penalties for persons joining late in life (with effect from 1 April 2001)**

- 2.1 Contribution penalties may be applied to a late joiner who, at the date of application for membership or admission as a registered adult dependant, is 35 years of age or older.
- 2.2 Contribution penalties will not be applied to a late joiner who enjoyed coverage with one or more medical schemes as from a date preceding 1 April 2001 and who has not had a break in coverage exceeding three consecutive months since 1 April 2001.
- 2.3 Contribution penalties shall only be applied to that portion of the contribution related to the member and/or any adult dependant who qualifies for late joiner penalties.
- 2.4 Contribution penalties will be reduced if a late joiner can demonstrate a period of creditable coverage, that is, any period during which he/she was –
- 2.4.1 a member or a dependant of a medical scheme;
- 2.4.2 a member or a dependant of an entity doing the business of a medical scheme which, at the time of his/her membership of such entity, was exempt from the provisions of the Act;

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- 2.4.3 a uniformed employee of the South African National Defence Force, or a dependant of such employee, who received medical benefits from the South African National Defence Force; or
- 2.4.4 a member or a dependant of the Permanent Force Continuation Fund, but excluding any period of coverage as a dependant under the age of 21 years.
- 2.5 The contribution penalty to be applied to a late joiner shall be calculated by determining a specific penalty band applicable to him/her. A late joiner's penalty band is indicated by a specific number of years, calculated according to the following formula –

$$A = B - [35 + C]$$

Where –

- A* = the number of years (which will be used to determine the applicable penalty band)
- B* = the age of the late joiner at the time of his or her application for membership or admission as a registered adult dependant
- C* = the number of years of creditable coverage which can be demonstrated by the late joiner

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- 2.6 The different penalty bands, as well as the corresponding formulae for determining the contribution penalty to be applied to a late joiner, are set out in Table A2.2 below.

**TABLE A2.2**

<b>PENALTY BAND</b>	<b>CONTRIBUTION PENALTY TO BE APPLIED</b>
1 to 4 years	0.05 multiplied by the relevant contribution in Table A2.1
5 to 14 years	0.25 multiplied by the relevant contribution in Table A2.1
15 to 24 years	0.50 multiplied by the relevant contribution in Table A2.1
25+ years	0.75 multiplied by the relevant contribution in Table A2.1

- 2.7 Should a late joiner penalty already have been imposed, and evidence of creditable coverage is produced thereafter, the penalty shall be recalculated and the revised penalty shall be applied from that time onwards.
- 2.8 If, after reasonable effort, a late joiner is unable to obtain documentary proof of periods of creditable coverage, he/she may produce a sworn affidavit detailing any periods of creditable coverage.

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**3 Personal medical savings account (PMSA)**

3.1 Twenty-one percent of the member's monthly contribution shall be allocated to that member's savings in his/her personal medical savings account ("PMSA"). The amount to be allocated in respect of the member and each of his/her registered dependants, if any, is set out in Table A2.3 below.

Rule 3.1 amended 2015-10-01 and 2020-01-01

**TABLE A2.3**

<b>Member</b>	<b>Adult Dependant</b>	<b>Child Dependant (see 1.3)</b>
<b>R1 040</b>	<b>R1 040</b>	<b>R240</b>

3.2 The total monthly amount to be allocated to the PMSA will be the sum of the member's portion and the portions of each of his/her registered dependants, if any.

3.3 At the beginning of each financial year, the Scheme shall provide the member with an advance on his/her total savings for the year ("advance savings"). The member will have available for his/her use, an amount equal to the total savings that will have been allocated to his/her PMSA by the end of the financial year. The advance savings shall be available for the member's utilisation in respect of himself/herself and each of his/her registered dependants, if any, in accordance with paragraph 3.4.

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- 3.4 A member's savings in his/her PMSA may be utilised for the following specified costs—
- 3.4.1 the costs which are stipulated as being subject to “available savings in the member's PMSA” in paragraph 6 of Annexure B2;
  - 3.4.2 the costs of a relevant health service for which the Scheme is not liable in terms of paragraph 6 of Annexure B2 (including that portion of any cost which exceeds any limit specified in Annexure B2) provided that such service has been rendered by a registered health care provider, as contemplated in the Act.
- 3.5 A member's savings in his/her PMSA may not be utilised in respect of any of the co-payments for prescribed minimum benefits referred to in paragraph 6.1 of Annexure B2.
- 3.6 The advance savings shall be reduced to the extent that they are utilised in accordance with the provisions of paragraph 3.4. For the purposes of this Annexure A2 and paragraph 6 of Annexure B2, references to “available savings” in a member's PMSA shall, subject to 3.8 below, mean the balance of the member's advance savings, after they have been utilised for the specified costs referred to in 3.4.
- 3.7 The amount of the member's advance savings that is utilised in accordance with paragraph 3.4 shall be regarded as a debt owed by the

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member to the Scheme. The member's monthly portion that is allocated to his/her PMSA shall therefore be applied by the Scheme to offset any amount of advance savings that the member has utilised.

- 3.8 If, at the end of a calendar month, the member still has accumulated credit, after his/her debt has been satisfied in terms of paragraph 3.7, the accumulated credit shall earn interest, which shall be allocated to each member having an accumulated credit on a pro rata basis determined by the month end balances. Bank charges and investment management fees shall be offset against the interest earned prior to the pro rata allocation of interest. For investment purposes, the accumulated credit shall be treated as cash and shall attract a minimum rate of interest equal to the prevailing South African Reserve Bank repurchase rate (REPO rate) as published from time to time. For the purposes of paragraph 6 of Annexure B2, the available savings in that member's PMSA –

Rule 3.8 amended 2013-01-01

Rule 3.8 amended 2018-01-01 and 2020-01-01

3.8.1 shall be calculated, at the commencement of the next financial year, by adding the accumulated credit to the advance savings for that member for the next financial year;

3.8.2 shall be increased monthly by the amount of any interest that has accrued on accumulated credit.

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Any of the member's specified costs in the next financial year shall be paid firstly out of his/her accumulated credit and, once such accumulated credit has been exhausted, out of his/her advance savings for that year.

3.8.2 amended 2013-01-01

3.9 If a member elects to transfer to another of the Scheme's benefit options, in accordance with Rule 16.2, which does not provide for a PMSA -

3.9.1 if the member has remaining savings in his/her PMSA after they have been used to settle any debt owed to the Scheme, such savings shall be paid to the member by the Scheme within four months after the date of transfer to another benefit option (this payment will be subject to any tax directive issued by any tax authority in relation to the remaining savings); or

3.9.2 if the member's debt exceeds the member's savings at the date of transfer to another benefit option, the member shall pay the amount of such excess to the Scheme within thirty days of transfer to another benefit option.

3.10 The following shall apply on termination of membership –

3.10.1 if membership terminates for any reason other than death and the member provides written confirmation that he/she has not been admitted to another medical scheme, or has been



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admitted to another medical scheme but has chosen an option that does not provide for a PMSA –

- 3.10.1.1 if the member has remaining savings in his/her PMSA after they have been used to settle any debt (including contributions) owed to the Scheme, such savings shall be paid to the member by the Scheme within four months after the date of termination of membership (this payment will be subject to any tax directive issued by any tax authority in relation to the remaining savings); or
  - 3.10.1.2 if the member's debt exceeds the member's savings at the date of termination of membership, the member shall pay the amount of such excess to the Scheme within thirty days of the termination of membership; or
- 3.10.2 if membership terminates for any reason other than death and the member is admitted to another medical scheme that provides for a PMSA –
- 3.10.2.1 any of the member's remaining savings, after they have been used to settle any debt (including contributions) owed to the Scheme, will be transferred to the member's new medical scheme; or

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- 3.10.2.2 if the member's debt exceeds the member's savings at the date of termination of membership, the member shall pay the amount of such excess to the Scheme within thirty days of the termination of membership; or
- 3.10.3 if membership terminates as a result of a member's death –
- 3.10.3.1 and if the deceased member has a registered dependant who becomes a continuation member in terms of Rule 6.3 –
- 3.10.3.1.1 a PMSA shall be deemed to have been established in respect of the continuation member and the remaining savings of the deceased member, after satisfaction of his/her debt (including contributions) at the date of death, shall be allocated to the PMSA;
- 3.10.3.1.2 the available savings in the deceased member's PMSA at the date of such member's death shall be deemed to be the available savings of the continuation member's PMSA; or

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- 3.10.3.2 if the deceased member does not have a registered dependant who becomes a continuation member in terms of Rule 6.3, the provisions of paragraph 3.10.1.1 and 3.10.1.2 shall apply to the member's deceased estate.