

To all members of medical schemes administered by Discovery

Dear member

South Africans are increasingly concerned about the slow rollout of the national vaccination programme. I am reaching out, following yesterday's Cabinet update, to give you an update of the progress made and describe our plans at Discovery to ensure our members and clients are vaccinated at speed and scale.

The complexity countries like ours face is pronounced: as you know, there is a global shortage of vaccine supply, in the face of unprecedented demand. Pharmaceutical manufacturers globally are still not allowing private players to procure vaccines directly; and if they did – these vaccines will still be required to be registered centrally via national regulatory structures. The bottom line is that in this supply-constrained environment, rollout still has to be led by the State, with strong collaboration from the private sector.

We are acutely aware of our responsibility in ensuring the rollout is successful for our members - and all South Africans. We are flat out doing what we can; and as per my prior commitment to keep you informed, I want to lay out the issues for you so you know what to expect.

What is a successful rollout and what would it take?

We have undertaken a considerable amount of actuarial and epidemiological modelling, and the implications are clear: we should aim to vaccinate all high-risk groups, including people over the age of 60 years and people living with multiple co-morbidities as quickly as possible. The Cabinet plan aims to achieve this, including essential workers, by latest October 2021, and we will push hard collectively as a combined public and private sector distribution initiative, to achieve this sooner; with the balance of the population targeted by February 2022 latest. This would reach the targeted population (herd) immunity threshold of 29 million adults vaccinated in South Africa, before year end, with meaningful positive health and economic outcomes, and avoiding many unnecessary COVID-related deaths.

Achieving these objectives requires procuring sufficient vaccines as a country to vaccinate more than the targeted 29 million adults in total (number of adults required to reach herd immunity threshold), in fact aspiring to reach more than 37 million adults, broken down as per below:

- 1.5 million healthcare workers by the end of April
- 14 million adults during May to September- the elderly and those with co-morbidities plus various groups of essential workers identified as central to sustaining the economy
- 22 million during October to February 2022 - the balance of the adult population

In order to achieve the desired outcomes, South Africa must vaccinate 250 000 to 300 000 people per day. We are working with Business for SA and the Department of Health (DoH) to ensure that capacity is in place, with the private sector to be included in the vaccination roll out from May as confirmed in the Cabinet plan, and are confident that it is feasible and achievable.

Assuming adequate supply of vaccines, can we vaccinate our members at the rate required as part of the national rollout?

Discovery is ready to vaccinate Scheme members in high volumes, when supply of vaccines becomes available from the Department of Health (DoH).

We have segmented and stratified all administered Scheme members, identifying those at highest risk who will be prioritised. Our segmentation approach is aligned to the national prioritisation framework, as guided by the Ministerial Advisory Committee comprising the leading virologists and vaccinologists. Simply, this means that we know exactly who should receive vaccine first, and will communicate quickly with all of you, to confirm your place in the roll out, contingent on vaccine supply to our country.

Following detailed research of best practice mass vaccination models around the world, we have made a significant investment in our own Mass Vaccination Programme (MVP). We are deploying in excess of 200 people and spending significant capital to achieve this.

We plan to vaccinate three million adult Discovery beneficiaries, quickly and efficiently in a complex operational project at scale. All 550,000 individuals identified as high-risk members will be vaccinated within a few weeks of commencing the Mass Vaccination Project, subject to vaccine supply. We will be ready to go live on 1 May, guided by the Cabinet's date of private sector vaccination commencement, and if supply allows - our program would have capability to efficiently achieve 40 000 to 50 000 vaccinations per day.

Discovery's campaign is supported by more than 20 large-scale vaccination centres. We are currently hiring and training hundreds of new staff to achieve this.

We are also developing a dedicated digital portal to assist with the vaccination programme end-to-end, ensuring a seamless member experience. It will work support the Department of Health's National Electronic Vaccine Distribution System (EVDS) and allow for booking, appointment management, identification on arrival, tracking and reminders for second doses, and follow-up. We will track any adverse effects, which are likely to be few and far between, and support members through the process ensuring an efficient process.

How is the country progressing on procurement of vaccines?

Despite the complexity and frustrating delays, the progress is good. The country has secured 31 million doses of vaccines in total, sufficient to vaccinate approximately 21 million people (some vaccines require double doses). This comprises 11 million doses of the J&J vaccine and 20 million doses of the Pfizer-BioNTech vaccine, both highly effective and suitable. In addition, there are a further possible 20 million doses of the J&J vaccine and 10 million doses of the Pfizer-BioNTech vaccine that are being

negotiated. This would be sufficient to cover all 40 million adults in South Africa, exceeding the 29 million person population (herd) immunity target.

However, the central issue is the fact that the bulk of the vaccines only land in the country from June onward, given the global shortage of vaccines for the second quarter of the year, hampering the goal of vaccinating the high-risk by July. The delivery schedules are not yet finalised but we are supporting Government by engaging around the clock with global manufacturers to free up stock that can be fast-tracked for Q2. We are hopeful more can be done.

What can you expect, and what must you do?

We expect that we will see an acceleration in the vaccine rollout from late April. If we can secure more vaccines in Q2 then getting through the high-risk groups by late June could be a reality. I will update you on the Q2 vaccine availability as soon as there are developments.

Closer to the go-live date, we will let you know how to register for a vaccine on our portal, when you become eligible for a vaccine. This will guide you step by step through the process. You do not have to do anything now.

While the above Mass Vaccination Program (MVP) is a massive operational undertaking, and not without execution risk, I hope it assures you that we are doing whatever we can to support an accelerated national roll out, and are investing heavily to protect our members and clients once supply from the DoH becomes available.

Until then, I urge you to continue to wear a mask and avoid large gatherings over the upcoming religious holidays – we must avoid a third wave to keep you and your loved ones safe.

Sincerely,

Adrian Gore
Group Chief Executive