



NEWSFLASH

SEPTEMBER 2011

Scheme Statistics:

Avg increase:	8.9%
No of members:	1 019 419
Avg age:	31.6
Solvency:	24.7%
GCR rating:	AA+
Level of change:	Low

*PSG Konsult Corporate
'PSGK Corporate' is part
of the PSG Konsult
Group - one of the
largest independent
financial services
providers in South Africa
today and focused on
serving the SME,
institutional and public
sector markets.*

IN THIS ISSUE

- Discovery Health 2012
- Major Changes
- Vitality Update
- MSU details

Discovery Health 2012

Discovery Health has announced an average weighted increase of 8.9% across all plans and all family sizes. This increase is attributed to the following factors:

- **The prices of medical goods and services** – price inflation is the base cost driver of contribution increases and is determined by the tariffs that individual schemes negotiate with healthcare providers (between 5% - 7%)
- **Changes in the demographic profile and benefit utilisation** – For every year a medical scheme ages, claims costs increase by about 2% - 3% a year, above price inflation. If this trend continues, the difference in claims costs will accelerate. Advances in medical technology and treatment protocols also drive increased benefit utilisation and improved outcomes, which impact all medical schemes and contribute an additional 1% to 2% to contribution increases
- **Reserve funding and solvency requirements** – schemes are obliged to hold 25% of total contributions in reserve as a statutory requirement. Current reserve levels are almost R7 billion at Discovery Health, which underpins the strong financial position of the scheme.

Major Changes

Below is a summary of the major Discovery Health changes for 2012, (further details on each change follow below):

- Introduction of the new Allied and Therapeutic Benefit
- Upgraded online tools to maximise value obtained from the medical scheme
- Review of adult dependant eligibility criteria
- Closure of the Foundation Plan
- Keycare changes – Hospital Network changes, extending the Keycare Day Surgery list of procedures, changes to the casualty benefit and additional new exclusions added
- MedSaver benefit – potential 25% cashback on certain over-the counter medication
- Vitality Enhancements.

Allied and Therapeutic Benefit

The Allied Health Benefits on the **Executive, Comprehensive and Priority Plans** will now include enhanced cover for nursing and psychiatric treatments, provides more flexible cover across different medical disciplines and unlimited cover for serious conditions.

For those members who do exceed their benefit, the **Allied and Therapeutic Extender Benefit** is introduced to provide unlimited cover for a list of allied healthcare services, including physiotherapy, to members who meet the clinical entry criteria.

Online Tool Upgrades

The Advisor tools will be extended from the current MaPS Advisor (which allows members to locate health professionals who have contracted to charge the Discovery Health Rate), to also incorporate a Hospital Advisor (which calculates if a member has full cover for a hospital procedure), a Med Advisor (provides information regarding medication, pharmacies, devices and medical equipment) and a Benefit Advisor (which allows members to manage day-to-day expenses by showing how close they are to reaching their day-to-day limits).

In addition, the HospitalXpress tool will permit members to do online pre-admissions and provide the tools to authorise admissions and confirm cover.



Review of adult dependant eligibility criteria

The intention of the adult dependant contribution is to provide the family unit with cover at an appropriate and affordable rate. To ensure that there is a fair and consistent application of the adult dependant rate, and to minimise the risk to the Scheme, Discovery Health will be implementing an adult dependant eligibility verification process for other family members. They may remain on the policy of the principal member, but should they not fulfil the eligibility requirements they will **no longer be eligible for the adult dependant rate**, unless they are considered spouses, ex-spouses, full-time students up to the age of 25 or disabled children.

Foundation Core Plan

The Foundation Core Plan **will be closed from 2012**. Current Foundation Core members will be **contacted by PSG Konsult Corporate** advising them of alternative plan options best suited to their needs.

Keycare changes for 2012

- Hospital Network Changes: The Moot Hospital has been removed from the network and the Clinix Phalaborwa Private Hospital has been added to the network
- Casualty Benefit: Members will now have access to all casualty units that are located within a Keycare network hospital and will now be charged **a single, flat amount of R185**
- Extended Keycare Day Surgery list of procedures: Discovery has expanded the list for the defined minor procedures which may be safely performed in a day-care facility. Members will be guided to these facilities by their chosen GP or approved Specialist
- Exclusions: The list of exclusions will now include arthroscopy and the removal of varicose veins and bunions.

MedSaver benefit

- From January 2012, Discovery Health members will qualify for up to 25% cash back on all over-the-counter schedule 1 and 2 medicines purchased from any Clicks store countrywide. This benefit will need to be activated online.

Vitality Enhancements

Refining the key Vitality benefits in three ways:

1. To encourage members to further improve their health through regular exercise, Vitality will be increasing the minimum number of gym visits needed from 24 to 36 visits in a rolling 12 month period with effect from 1 April 2012. For the members who do not meet the required minimum number of visits, the monthly gym membership saving will reduce from 80% to 50%. The savings will be increased once they reach 36 visits in a rolling 12 month period.
2. Vitality is increasing the number of points members earn for achieving health results that are in the healthy range. This change is aimed at motivating members to not only learn about their health status, but also to take active steps to improve it and achieve the target health outcomes. Members will earn 2,500 points for completing the Vitality Check. This will be significantly boosted up to 14,000 points if their results are in the healthy range.
3. The Pick n' Pay smart shopper Multiplier for DiscoveryCard holders will replace the current DiscoveryCard Pick n' Pay cash benefit. The Pick n' Pay smart shopper programme offers Pick n' Pay shoppers 1 point for every R1 spent at Pick n Pay -with the introduction of the smart shopper Multiplier, DiscoveryCard holders can earn up to 10 times this amount, based on their Vitality status, equivalent to 10% of their qualifying spend.

4. Vitality has introduced the HealthyLiving™ to accelerate behavioural change in other areas of wellness - this benefit builds on the success of the HealthyFood™ benefit and comprises the following:



- HealthyFood™
- HealthyCare™ - in partnership with Clicks. Vitality members save up to 25% on products purchased in the HealthyCare™ range
- HealthyGear™ - in partnership with Totalsports and Adidas – Vitality members save up to 25% on all Adidas products purchased.

The above benefits are subject to activation.

Please note that Vitality members with a DiscoveryCard can choose to have their HealthyFood™, HealthyCare™ and HealthyGear™ cash back paid into their Medical Savings Booster or their InvestBooster™ on a Rand for Rand basis.

PSGKC MEMBER SUPPORT UNIT ('MSU')

As a valued client of PSG Konsult Corporate you have access to a dedicated team of healthcare consultants who will assist you with your medical scheme queries. These consultants are employed by PSG Konsult Corporate, which means that they have your best interest at heart at all times. Once you have made contact with the MSU, they will take full responsibility for your query and will see it through to conclusion, whilst providing you with feedback every 2 working days by phone, e-mail or sms.

Share call telephone number: 0860 100 296

E-mail: msu@psgkcorporate.co.za

Office hours are Mondays to Fridays, 08h00 to 17h00, excluding public holidays

In order to ensure that your query is resolved in the most efficient manner, we recommend that you follow your medical scheme's query process as a first resort, especially when requesting savings balances and/or submitting claims.

The MSU consultants will assist you with the following:

- Option selection
- General queries on benefits and contributions
- General membership queries
- Assistance with the addition and removal of dependants
- Chronic medication application process and queries
- Oncology registration
- Escalated claim queries
- General queries on rewards programs and contributions.



The MSU is staffed by trained and accredited employees with the relevant medical scheme experience and can assist you in 7 of the 11 official languages.

We look forward to a successful Year-End Renewals process that is focused on smarter outcomes and on a personalised service focus, which is unique for each PSGK Corporate client and member. We look forward to seeing you soon!