Overview of Medical Coverage Considerations

Components of Medical Cover

Medical Aid	Strictly Regulated Cover for Medical Expenses – Hospitalisation, Treatment, Medicines, etc.
Gap Cover	Supplementary Insurance to Cover Medical Aid Shortfalls & Co-Payments
Medical Insurance	Affordable, Structured Medical Benefits Often Focused on Day-to-Day Cover

Medical Aid

Components of Medical Aid

Component	Description		Options
Risk (Major Medical) “Hospital Cover”	- Covers hospital admissions, surgeries, specialist procedures, oncology, etc - Paid from Risk Pool	Choice Between	➢ Any Hospital ➢ Network Hospitals
Chronic	27 PMB Conditions which all schemes must cover. Higher plans may include additional conditions	Choice Between	➢ Any Provider ➢ Associated Providers ➢ State
Day to Day	GP Visits, Dentistry, Optometry, Medication, etc	Choice Between	➢ Self-Funded ➢ Medical Savings ➢ Capitation/Network Based

Medical Aid

Prescribed Minimum Benefits

A legally mandated set of benefits that all medical schemes must cover

- Emergency Care
- 271 Medical Conditions
- 27 Chronic Conditions

Advantages of Medical Aid

- Comprehensive Hospital Cover
- Regulated – With Consumer Protection
- PMBs Guarantee Minimum Level of Care
- Tax Credits (Rebates)

Deficiencies of Medical Aid

- High Cost – Schemes Must Cover PMB
- Shortfalls Between Scheme Tariffs & Providers
- Day-to-Day Cover Limited Unless Comprehensive Plan
- Exclusions, Waiting Periods & Penalties May Apply

Gap Cover

Gap Cover Overview

Works alongside medical aid to cover in-hospital shortfalls, co-payments, and certain limits not fully covered

- Hospital-related Shortfalls
- Co-Payments
- Benefit Sub-Limits (Oncology, etc)

Advantages of Gap Cover

- Financial Protection & Risk Mitigation
- Affordable Benefit
- Flexibility - Vital for all Medical Aid Members
- Discounts & Better Terms for Groups

Deficiencies of Gap Cover

- Cannot Function as a Standalone Benefit
- Cover has Max Annual Benefit Limits
- Complexity to Ensure Gap Matches Medical Aid
- Exclusions, Waiting Periods & Penalties May Apply

Medical Insurance (Health4Me)

Medical Insurance Overview

- Doesn't have to cover PMBs – Able to provide affordable benefits focussing on Day-to-Day Cover
- GP Visits, Dentistry, Optometry
- Acute & Chronic Medication
- Pathology, Radiology & Specialists

Advantages of Medical Insurance

- Affordable Compared to Medical Aids
- Removes Burden of Out-of-Pocket Expenses
- Can be Standalone or as Enhancement to Medical Aid
- Discounts & Better Terms for Groups

Deficiencies of Medical Insurance

- Not a Substitute to Medical Aid
- Limited Hospitalisation Benefits
- Network-Based Providers (GP, Dentist, Optometrist)
- Exclusions & Waiting Periods May Apply

Proposed Benefits & Considerations

	Product	Description	Cost
Medical Aid	**Momentum Medical Aid: Evolve Option** ***Option Upgrades Allowed within 30 days of life-changing event/diagnosis***	Major Medical Cover at the Evolve Network of Private Hospitals - designed for individuals •Unlimited Private Hospitalisation •Specialised Procedures/Treatments - in and out of hospital •MRI & CT Scans - in and out of hospital •Extensive Oncology Benefit •Preventative Care	•Main Member: R1 847 p/m •Adult Dependent: R1 847 p/m •Child: R1 847 p/m
	Momentum Medical Aid: Custom Option - Associated Hospital Network ***Option Upgrades Allowed within 30 days of life-changing event/diagnosis***	Major Medical Cover at the Associated Network of Private Hospitals - designed for families •Unlimited Private Hospitalisation •Specialised Procedures/Treatments - in and out of hospital •MRI & CT Scans - in and out of hospital •Extensive Oncology Benefit •Preventative Care	•Main Member: R2 353 p/m •Adult Dependent: R1 780 p/m •Child: R834 p/m
Gap Cover	**TRA - Absolute Cover Plus**	<u>TRA's Flagship Gap Cover Option</u> •In and out-of-hospital shortfalls covered up to 700% •Unlimited in-network co-payments up to annual limit of R210 580 • 2 out-of-network penalty co-payments per annum, up to combined limit of R16 800 • Additional benefits outlined in full proposal	**Voluntary Acceptance** •R558 per family (Standard Rate: R620 p/m) **Compulsory Acceptance** •R434 per family (Standard Rate: R620 p/m) ***Indicative Discounted Rates Based on Similar Group Demographics***
	TRA - Super Cover Plus	<u>TRA's Mid-range Gap Cover Option</u> •In and out-of-hospital shortfalls covered up to 700% •In-network co-payments up to annual limit of R63 000 • 1 out-of-network penalty co-payment per annum, up to limit of R5 250 • Additional benefits outlined in full proposal	**Voluntary Acceptance** •R348 per family (Standard Rate: R380 p/m) **Compulsory Acceptance** •R266 per family (Standard Rate: R380 p/m) ***Indicative Discounted Rates Based on Similar Group Demographics***

Proposed Benefits & Considerations

	Product	Description	Cost
Day-to-Day and Accident/Emergency Benefits	**Health4Me Gold Day-to-Day Benefit**	Extensive network day-to-day benefits offered for employer groups. Employees can either be on a medical aid or have no cover •**GP Benefits:** Unlimited access to network GPs (pre-authorisation applies after 3 visits per year) •**Pathology & Radiology:** Unlimited basic pathology and black-and-white x-rays when linked to a network GP or Hello Doctor referral •**Specialist Consultations**: Coverage for up to 2 visits per year, capped at R2,700 •**Chronic Care:** Includes treatment for 27 chronic conditions such as hypertension and diabetes •**Acute Medication**: In accordance with the medication formulary •**Basic Dentistry and Optometry:** Routine care for oral health and vision needs •**Preventative Services:** Annual flu vaccinations, COVID-19 screening, and health assessments •**Employee Assistance Program:** Counselling and support services, including trauma, legal advice, and financial guidance	**Voluntary/Standard Rates** •Employee: R362 p/m •Spouse: R362 p/m •Child: R181 p/m
	Health4Me Accident and Emergency Cover (Optional)	An optional Major Medical Event Benefit that can be taken together with the day-to-day benefit **Accident Cover** •Casualty Benefit up to R30 000 per event •In-Hosptial Benefit up to R1 500 000 per event - at a private hospital. **Emergency Cover (Heart Attack or Stroke)** •Casualty Benefit up to R30 000 per event •In-Hosptial Benefit up to R500 000 per event - at a private hospital	**Voluntary/Standard Rates** •Employee: R120 p/m •Spouse: R120 p/m •Child: R69 p/m

Advantages of Group Membership

Product	Advantage
Medical Aid	Legislation prohibits preferential/discounted pricing for group medical plans - with the main advantage being in the underwriting and administration, when compared to individual membership A compulsory medical aid group offers the following benefits •**Guaranteed Acceptance** - members will not be subject to individual underwriting, waiting periods, exclusions or late-joiner penalties •**Dedicated Support** - an account manager is appointed to the group & members have access to Trulogic's administrators •**Reduced Admin Burden** - support from the scheme, as well as from Trulogic, ensures a positive experience
Gap Cover	As a short-term insurance product, gap covers are permitted to offer additional benefits to groups, when compared to individuals: •**Discounted premiums** •**Guaranteed Acceptance** •**Underwriting Concessions** - No Waiting Periods or Exclusions
Health4Me	Health4Me also offers additional benefits to larger/compulsory employer groups: •**Discounted Premiums** - Subject to Quotation •**Underwriting Concessions** - No Waiting Periods or Exclusions

Practical Application of Possible Scenarios

Scenario	Practical Application & Benefit to Members	Cost - Employee Only
Scenario 1 Employee joins the full-suite of benefits: •Medical Aid •Gap Cover •Health4Me day-to-day benefit	• **Medical Aid** would provide cover for major (and minor) medical events in-and-out of hospital at private providers - without underwriting •**Gap Cover** would provide for co-payments & shortfalls that arise between medical aid & specialist rates - at discounted premiums •**Health4Me** - would negate the need for additional savings and provide extensive day-to-day cover	• Medical Aid (Evolve): R1 847 • Gap Cover (Absolute Cover Plus): R434 •Health4Me (Voluntary): R362 **Total:** **R2 643 p/m**
Scenario 2 Employee remains on their current medical aid, but joins the group: •Gap Cover •Health4Me day-to-day benefit (to replace savings)	•**Gap Cover** - Member will still benefit from the discounted rates and underwriting concessions offered to the group, regardless of their medical aid •**Health4Me** - The majority of plans include a savings component to fund day-to-day medical expenses. By joining the H4M benefit, members can remove the savings from their plan and access extensive benefits at a relatively negligible contribution	• Gap Cover (Absolute Cover Plus): R434 • Health4Me (Voluntary): R362 **Total:** **R796 p/m**
Scenario 3 Employee remains on their current medical aid with the medical savings component, but joins the group: •Gap Cover	•**Gap Cover** - As noted in Scenario 2, the member will still benefit from the discounted rates and underwriting concessions offered to the group, regardless of their medical aid	• Gap Cover (Absolute Cover Plus): R434 **Total:** **R434 p/m**
Scenario 4 Employee does not join the medical aid or gap cover and only joins the group: •Health4Me day-to-day benefit •Optional Accident & Emergency Cover	•**Health4Me Day-to-Day** - Provides members access to private medical care, negating the need to use State facilities •**Accident & Emergency Cover** - Provides private hospital care for qualifying events	• Health4Me (Voluntary): R362 • Accident & Emergency Cover: R120 **Total:** **R482 p/m**