



CIRCULAR

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Reference : Prescribed minimum benefits (PMBs)
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Circular 10 of 2013: Funding of PMBs from personal medical savings accounts when members are discharged from hospital

Conduct of medical schemes

The Council for Medical Schemes (CMS) has received several complaints from beneficiaries of medical schemes indicating that their respective medical schemes refuse to pay for medicine and appliances needed by these beneficiaries relating to a prescribed minimum benefit (PMB) condition upon their discharge from hospital. Some medical schemes pay for these benefits from the member's personal medical savings account. The CMS, regulator and ombudsman for the medical schemes industry, has validated and confirmed that some medical schemes behave in this way.

Medical schemes are hereby reminded that the legal provisions for the treatment of PMB conditions include all aspects of care, i.e. acute and chronic medications, medical and surgical supplies, and in- and out-of-hospital care, amongst others. In addition, Regulation 10(6) of the Medical Schemes Act 131 of 1998 prohibits medical schemes from paying the costs of a PMB from personal medical savings accounts.

Payment for PMBs, which include benefits for medicines and other items upon discharge from hospital, must be in accordance with the requirements of the Medical Schemes Act, which makes provision for the use of designated service providers (DSPs) and the application of managed care protocols and formularies. Such managed care interventions must be evidence-based, cost-effective, and designed in consideration of affordability.

PMB funding should include medicines and/or other items deemed clinically necessary in the treatment and care of a PMB condition for both in- and out-of-hospital. Limitations and exceptions should be in accordance with the published Regulations only and be documented as such within the protocols and formularies.

Schemes are accordingly reminded to:

1. fund items provided upon discharge from hospital after receiving treatment for a PMB condition, as PMBs, and from the correct funds;
2. refrain from withholding funding for the treatment of PMB conditions for a discharged patient where the condition requires continued treatment; and
3. refrain from funding the treatment of PMB conditions from personal medical savings accounts.

Schemes are advised that complaints by beneficiaries in respect of the above matter will be treated by the CMS as contraventions of the Medical Schemes Act.

Providers and ICD-10 codes

All healthcare providers, including non-diagnosing providers such as pathologists, radiologists, and pharmacists, are urged to include International Classification of Diseases – 10th Revision (ICD-10) codes on all bills to ensure that schemes are able to process and pay for PMB services from the appropriate benefit.



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