



Reference : ITAP meeting

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Circular 12 of 2012: Feedback from the First Meeting of the Industry Technical Advisory Panel (ITAP)

The Industry Technical Advisory Panel convened its inaugural meeting on March 8, 2012. The meeting resulted in three key outcomes to kick start the work of the panel and these are;

- Agreement on the terms of reference of ITAP (attached as an annexure to this circular)
- Appointment of the chairperson/convenor of ITAP, and
- Discussion of projects for implementation during 2012/13.

Emile Stipp was elected as chairperson for ITAP and it was agreed that he would chair ITAP for the next two years.

The following projects were identified for possible implementation during 2012/2013:

- Managed Health Care Effectiveness
- Composite Scheme Risk Index
- Inflation factor estimates, contribution increases and standardisation of utilisation definitions
- Submission of Scheme Risk Measurement Data

A discussion also took place on the medical schemes solvency framework. This discussion was conducted at a preliminary level and it was resolved that the industry be invited to make brief submissions to the CMS advancing the rationale in support or against revising the existing solvency strategy. Accordingly, the industry is invited to make these short submissions to the Council before 31 May 2012. On receipt of these submissions the CMS will analyse them and formulate a position to be presented to the Department of Health.

Further details on the above issues will be included in the minutes that are also attached to this circular. Each project will be brainstormed and the sessions will be scheduled in due course.

Regarding the submission of the Scheme Risk Measurement data (previously named the REF submissions) the following was decided:

CMS will analyse the 2011 submissions and report back to ITAP in June 2012. Medical schemes must still maintain their systems for the collection of the data, but they must not submit any data for 2012 in 2012. The next submission for the full year of 2012 will be in April 2013. There will be a new weighting and count tables for 2012 and the schemes must take notice that the order of the disease for 2012 have changed. Details regarding the weighting and count tables, Entry and Verification Criteria and the submission of the 2012 grids will follow after the meeting of June 2012.

The Council is encouraged by the industry's participation in the ITAP and we look forward to your contributions further.



Thulani Matsebula
Head: Research and Monitoring
Council for Medical Schemes

Industry Technical Advisory Panel Terms of Reference

The Industry Technical Advisory Panel (ITAP) has been established as a successor to the Risk Equalisation Advisory Panel (RETAP). It is a forum created by the Council for Medical schemes for participation of all stakeholders involved in the medical schemes industry in clearly defined initiatives and investigations approved by the Registrar of Medical Schemes that will have a systemic impact on the industry.

Participants

Participation in ITAP is voluntary and open to any stakeholder in the medical schemes industry who has relevant technical expertise or specific interest in a research project identified by ITAP and who is willing to contribute time, expertise and data to the process.

Functions

The function of ITAP is to coordinate the stakeholder input for identified projects and to assist the Council for Medical schemes with application of the correct data standards and definitions, methodology, analysis and evaluation processes.

Projects

The Office of the Registrar will identify matters that have a systemic impact on the operations of the industry and table these at ITAP. Participants of ITAP can also propose projects for discussion. ITAP projects will be implemented in agreement between stakeholders and the Office of the Registrar.

Convenor

Participants in ITAP will from amongst themselves appoint an individual as convenor, to serve in this position for a -2 year period

The convenor will:

- ✓ convene and chair meetings of ITAP;
- ✓ liaise with the Office of the Registrar concerning the functions of ITAP; and
- ✓ coordinate processes for collection and collation of input, feedback, proposals and analyses from stakeholders for submission to the Office of the Registrar.

Conduct of business

ITAP will meet at least twice annually, or more regularly at the discretion of the convenor in consultation with the Office of the Registrar.

The participants in ITAP will determine their own procedures for the conduct of business within ITAP meetings. Reports submitted through the ITAP process will bear the names of the stakeholders who compiled or contributed to the report.

There will be ongoing cooperation, interaction and communication between the Office of the Registrar and ITAP in relation to matters under consideration through ITAP.

Minutes of the ITAP Meeting of 8 March 2012 held at the Council for Medical Schemes (10:00 - 12:00)

1. Introduction and welcome

Mr Emile Stipp (chairman of RETAP) opened the meeting and welcomed everyone.

2. Approval of minutes of meeting held on 24 January 2012

The minutes were circulated at the start of the meeting and the attendants were requested to read through and report if any errors or omissions were found.

3. Overview of meeting

3.1. Transition from RETAP to ITAP

Mr Emile Stipp reiterated the sentiment of continuing with the work done through RETAP concerning the collection of CDL data, how pertinent the implementation of a Risk Equalisation system is to the medical schemes industry and that the process of collecting and analysing the data should continue to ensure that there is evidence available for policy debates.

3.2. Participation in ITAP

Mr Emile Stipp gave a brief overview about the principle for participation in RETAP whereby only participants that submitted data were involved in the technical discussions, the data was only used for the purposes of its collection, confidentiality was maintained and only specific detailed information was made available in the form of reports.

He noted that with the broader scope of ITAP not only medical schemes and its administrators would participate, but also other stakeholders such as hospital groups (Netcare, Mediclinic present at the meeting). The representatives of these groups then shared their views on the value of participating in this forum. Ms Sarika Besesar (Mediclinic) indicated that they were keen on having a platform to raise issues regarding utilisation, definition problems, case mix, admission rates, length of stay and other issues, where data could be shared to analyse and establishing standards across stakeholders/industry.

There was general consensus with regards to standardisation of definitions and some concerns regarding duplication of projects with organisations and committees such as PHISC and HQA running with similar projects such as coding standardisation and quality measurement.

Questions were raised regarding the incorporation of the industry relevance in NHI into the terms of reference to which Mr Emile Stipp responded that the best way to keep the industry relevant in policy debates is to have data available as evidence to support or strengthen the industry's position on specific issues.

4. Discussion of Terms of Reference for ITAP

The changes to the Terms of Reference included the following:

Paragraph 1

- Industry and stakeholders should make reference to all stakeholders involved in the medical schemes industry
- Add "and investigations" to defined initiatives

Paragraph 2 – Participants

- No changes were made to the paragraph
- The Council for Medical Schemes (CMS) will be entitled to invite specific organisations, committees and individuals with specific skills and competencies to participate on specific projects.
- It was agreed that the CMS would send out an invitation to participate on projects to its distribution list as well as other institutions such as SAMA and HASA.

Paragraph 3 – Functions

- Add "data standards and definitions" between correct methodology
- The Council for Medical Schemes would be ultimately be tasked with publishing results from each project

Paragraph 4 – Projects

- No changes were made to the paragraph
- It was agreed that the choice of projects would be very important to ensure participation and that the CMS would have to communicate how data or results from projects would be used.

Paragraph 5 – Convenor

- It was agreed that the Convenor would serve a period of 2 years

Paragraph 6 – Conduct of Business

- No changes were made to the paragraph
- Suggestions were made to have the meetings run via video conferencing or teleconferences as some participants from other provinces might not have the available funds to travel to such meetings.

5. ITAP Chairperson

It was agreed that Mr Emile Stipp would serve as convenor and chairman for the next 2 years, whereby nominations for a new convenor and chairperson would be done in 2014.

6. Projects

6.1.Managed Health Care Effectiveness

Mr Danie Kolver gave a brief presentation regarding the proposed Managed Health Care effectiveness project.

It was agreed that the scope of the proposed project is very broad and a brainstorm session should be scheduled to narrow down the focus. Dr Brian Ruff highlighted the fact that the project would overlap with work already in progress through the HQA.

6.2.Composite Scheme Risk Index

Dr Boshoff Steenekamp gave a brief description of the Composite Risk Index project and its intention to assist CMS in identifying areas where regulation should focused on schemes.

It was agreed that a brainstorm session would be scheduled to discuss the danger signs that schemes use internally and compare to what the CMS has already identified.

6.3.Inflation Factor

Dr Anton de Villiers presented his results with regards to establishing the correct inflation factor to use in determining the scheme community rate for 2011. All participants were requested to submit their inflation estimates/actual to Anton.

Mr Emile Stipp suggested that the work done by Discovery with regards to medical inflation and defining of data should be presented at a project meeting, at which other participants are also welcome to present.

6.4.Submission of Scheme Risk Measurement Data

It was agreed that schemes would submit 12 months of data at a time that will be agreed upon at the next meeting where a report back on the 2011 submissions will be given; the Entry and Verification Criteria will also be discussed at the next meeting. CMS will send out a communication regarding the 2012 submissions.

6.5.Solvency Framework

Participants were requested to make submission to the CMS motivating for or against making any changes to the existing solvency regime. This invitation would be extended to the rest of the industry. The CMS would collate and analyse these submissions and make further representations to the Department of Health as necessary.

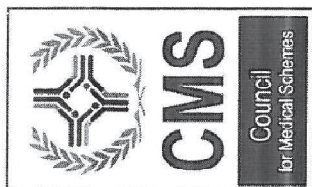
7. General

Concerns were raised regarding the scope of the proposed projects and it was agreed that the task team heading each project would prioritise at project level. Mr Thulani Matsebula highlighted the fact that some of the projects were included in the CMS 2012/2013 Operational plan and would

have the available resources to complete the projects in the given timeframes as per operation plans. Dr Anton de Villiers recommended that ITAP schedule their meeting for deciding on projects before the CMS operation planning session to ensure that the CMS included the proposed projects in its plans.

8. Closure

Meeting adjourned at 12:32.



ITAP MEETING
08 FEBRUARY 2012
ULWAZI

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