



**COUNCIL FOR MEDICAL SCHEMES**

**Private Bag X34, HATFIELD, 0028  
Hadefields Block E, 1267 Pretorius Street, HATFIELD**

**Phone: +27 (0) 12 431-0500**

**Fax: +27 (0) 12 430-7644**

**[Http://www.medicalschemes.com](http://www.medicalschemes.com)**

**To:  
All medical schemes, administrators, health  
care provider organizations and other  
interested parties**

Telephone: 012 431 0507 / 033 701 1693

Fax: 012 430 7644 / 033 701 1695

Enquiries: Stephen Harrison

Date: 16 May 2005

## **CIRCULAR 18 OF 2005**

### **National Health Reference Price List: Draft changes for Version 2.06**

1. It is our intention to release a new version of the National Health Reference Price List (NHRPL) on **Tuesday 24 May 2005**, with changes to take effect on **Wednesday 1 June 2005**.
2. The changes which we intend to make in Version 2.06 are described in this circular. Comments are invited on these changes by no later than close of business on **Friday 20 May 2005** – after which we will finalise the changes for the new version taking into account any comments received.
3. **Medical Practitioner's Schedule**

#### **a. Modifier 0017**

The existing wording has created confusion, as in 2005 GP consultations received a rand conversion factor (RCF) which was different to the general consultative services RCF of R9.20. The stated NHRPL value of R69.00 is in fact correct as modifier 0075 should correctly be 7.5 units X general consultative services RCF. The descriptor of the code has therefore been amended to read:

0017	Injections administered by practitioners: When desensitisation, intravenous, intramuscular or subcutaneous injections are administered by the practitioner him-/herself to patients who attend the consulting rooms, a first injection forms part of the consultation/visit and only all subsequent injections for the same condition should be charged at 7.50 consultative services units using modifier 0017 to reflect the amount (not chargeable together with a consultation item)
------	--

#### **b. Materials and Consumables Codes**

There have been ongoing industry concerns about the implementability of the structure of the materials codes – specifically the separate code provided for dispensing cost of medicines; and the fact that inadequate accommodation is made for different rules that may apply to Schedule

Chairperson: Prof. Nicky Padayachee Vice-Chairperson: Ms Gando Matyumza Chief Executive & Registrar: Patrick Masobe

0 and Schedule 1 medicines, on the one hand, and other scheduled medicines on the other. The following revised structure has therefore been proposed to provide for a more rational approach to these codes.

<b>II.</b>	<b>Medicine, material, supplies and equipment</b>
<b>II.a</b>	<b>Medicine codes</b>
<b>II.a.1</b>	<b>Dispensing of medicine by licensed dispensing medical practitioners</b>
0193	<b>Medical practitioners that are licensed to dispense: Dispensing cost for Schedule 0 or unscheduled medicine:</b> Charge for registered Schedule 0 or unscheduled medicine, identified by the appropriate medicine Nappi code, dispensed according to the Single Exit Price (SEP) or wholesale price PLUS dispensing cost at R26,00 for medicine with a cost of R100,00 or more (VAT inclusive), or 26% for medicine costing less than R100,00 (VAT inclusive) PLUS VAT on the 26%/R26,00.
0197	<b>Medical practitioners that are licensed to dispense: Dispensing cost for Schedule 1 and higher medicine.</b> Charge for Schedule 1 and higher dispensed medicine, identified by the appropriate medicine Nappi code, according to the Single Exit Price (SEP) PLUS the dispensing cost of R16,00 for medicine with a cost of R100,00 or more (VAT inclusive), or 16% for medicine costing less than R100,00 (VAT inclusive) PLUS VAT on the 16%/R16,00.
<b>II.a.2</b>	<b>Once-off administration of medicine used during a consultation</b>
0195	<b>Once-off administration of Schedule 0 or unscheduled medicine (Medical practitioners with or without dispensing licenses):</b> This item provides for Schedule 0 or unscheduled medicine used during a consultation, viz, once-off administration of medicine, or special medicine used during treatment. Charge for medicine used, identified by the appropriate medicine Nappi code, according to the Single Exit Price (SEP) PLUS handling fee of R26,00 for medicine with a cost of R100,00 or more, or 26% for medicine costing less than R100,00 PLUS VAT on the 26%/R26,00
0198	<b>Once-off administration of Schedule 1 and higher medicine during a consultation:</b> This item provides for medicine used during a consultation, viz, once-off administration of medicine, or special medicine used during a consultation. Charge for medicine used, identified by the appropriate medicine Nappi code, according to the Single Exit Price (SEP) PLUS R16,00 for medicine with a cost of R100,00 or more, or 16% for medicine costing less than R100,00 PLUS VAT on the 16%/R16,00.
<b>II.a.3</b>	<b>Cost of chemotherapy drugs</b>
0212	<b>Cost of chemotherapy drugs:</b> Charge for chemotherapy drugs used during treatment, identified by the appropriate medicine Nappi code, at cost price PLUS R16,00 for medicine with a cost of R100,00 and more (VAT inclusive), or 16% for medicine costing less than R100,00 (VAT inclusive) PLUS VAT on the full amount.
<b>II.b</b>	<b>Material codes</b>
<b>II.b.1</b>	<b>Prosthesis and/or internal fixation</b>
0200	<b>Prosthesis and/or internal fixation:</b> Charge for prosthesis and/or internal fixation, identified by the appropriate surgical and material Nappi code, at cost price PLUS a handling fee of 26% (up to a maximum of R26,00) PLUS VAT calculated on the full amount.
<b>II.b.2</b>	<b>Cost of material used during a consultation</b>
0201	<b>Cost of material used during a consultation:</b> Charge for material, identified by the appropriate surgical and material Nappi code, at cost price PLUS a handling fee of 26% (up to a maximum of R26,00) PLUS VAT calculated on the full amount.
<b>II.c</b>	<b>Setting of sterile tray</b>
0202	<b>Setting of sterile tray:</b> A fee of 10,00 clinical procedure units may be charged for the setting of a sterile tray where a sterile procedure is performed in the rooms. Cost of stitching material, if applicable, shall be charged for according to item 0201, as appropriate
<b>II.d</b>	<b>Own equipment used in treatment</b>
5930	Surgical laser apparatus: Hire fee for own equipment
5932	Candella laser apparatus: Hire fee for own equipment (Rates by arrangement with the scheme concerned)

Chairperson: Prof. Nicky Padayachee Vice-Chairperson: Ms Gando Matyumza Chief Executive & Registrar: Patrick Masobe

#### 4. Ambulance Services

At present, codes for transportation of blood and blood products are provided only under the private hospitals schedule, despite the fact that a separate BHF practice type ("003") has been created for "Accredited Blood and Blood Product Couriers." We intend to include a new set of codes for this practice type under the ambulance services schedule, restricted to providers with a "003" practice type. However, given the limited supplier market at present, it is not possible to determine an average cost base on which to determine reference prices. These codes will therefore be zero-rated until market conditions change. Medical schemes must therefore take a decision whether to pay suppliers in terms of the new codes, and prices must be determined by arrangement between supplier and individual funder. The new zero-rated codes in the ambulance services schedule are as follows:

7	<b>BLOOD TRANSPORTATION</b>
	<b>Items in this section on blood transportation are only chargeable by providers with a "003" practice number (Accredited Blood and Blood Product Couriers)</b>
700	<b>Routine "compat" collection:</b> Collection of patient's blood compat by courier from hospital/clinic at a regular predetermined collection time. Compat to be taken to blood bank for cross match.
710	<b>Routine blood/blood product collection:</b> Collection of cross-matched blood/blood product by courier from blood bank at a regular pre-determined collection time. Blood/blood product to be taken to hospital/clinic for patient.
720	<b>Non-routine "compat" collection:</b> Collection of blood compat by courier from hospital/clinic, on a non-routine basis, i.e. where required for clinical reasons to make the collection at any time other than a regular predetermined collection time. Compat to be taken to blood bank for cross-match.
730	<b>Non-routine blood/blood product collection:</b> Collection of cross-matched or ordered blood/blood product by courier from blood bank, on a non-routine basis, i.e. where required for clinical reasons to make the collection at any time other than a regular predetermined collection time. Blood/blood product to be taken to hospital/clinic for patient.
740	<b>Long distance:</b> Additional per km fee for collections further than 50km. This fee applies only to those kilometres in excess of 50 km. Supporting documentation required, illustrating distance traveled.

#### 5. Chiropractors

##### a. Rule 003

Prior notification was given of an error in the wording of rule 003, which should have made reference to three, rather than two diagnostic procedures. This has now been corrected. Rule 003 now reads:

003	A maximum of three diagnostic procedures may be charged at the same consultation or visit.  Diagnostic procedures include physical examination, neurological examination, orthopaedic examination, ergonomical analysis, postural analysis and radiological examination
-----	---

## **b. X-Ray films**

In the last version change, X-ray films were specifically included under the materials code (100). This continued to create problems because many medical schemes have an automatic "NAPPI code required" rule for this code, and X-rays do not have NAPPI codes. We therefore intend to create a separate code 110 for X-rays. The consumables section will now read as follows:

<b>5</b>	<b>Consumables</b>
	<p>The amount charged in respect of medicines and scheduled substances shall not exceed the limits prescribed in the Regulations Relating to a Transparent Pricing System for Medicines and Scheduled Substances, dated 30 April 2004, made in terms of the Medicines and Related Substances Act, 1965 (Act No 101 of 1965).</p> <p>In relation to all other materials, items are to be charged (exclusive of VAT) at net acquisition price plus -</p> <p>* 26% of the net acquisition price where the net acquisition price of that material is less than one hundred rands; and</p> <p>* a maximum of twenty six rands where the net acquisition price of that material is greater than or equal to one hundred rands.</p>
100	Medication / material: Charge for medication or material, identified by the appropriate Nappi code.
110	X-Ray films

## **6. Biokinetics**

Prior notification was given of an error in the wording of rule 003, which should have made reference to three, rather than two diagnostic procedures. This has now been corrected. Rule 003 now reads:

003	<p>A maximum of three diagnostic procedures may be charged at the same consultation or visit.</p> <p>Diagnostic procedures include the full range of diagnostic and evaluation procedures within the scope of practice of the biokineticist, including for example: anthropometric / body composition assessments, ergological testing evaluations and perceptual motor evaluation.</p>
-----	---

## **7. Occupational and Art Therapy**

In the merger of the two schedules, a value for code 401 was inadvertently omitted in respect of art therapists. This was a technical error which has now been rectified. Code 401 now has the VAT inclusive (VAT exclusive) values of R42.50 (R37.30) for both occupational therapists and art therapists.

## **8. Registered Nurses in Private Practice and Nursing Agencies**

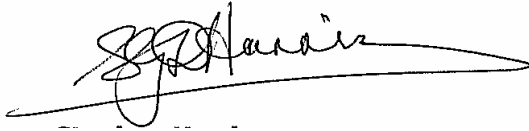
Due to amendments to the Medicines and Related Substances Control Act, 101 of 1965, reference to a section 22A(12) permit should now refer to a section 22A(15) permit. This affects rule 09 and item 454 of the nursing schedule, and these items will be amended accordingly. Section 22A(15) of Act 101 of 1965 reads as follows:

Chairperson: Prof. Nicky Padayachee Vice-Chairperson: Ms Gando Matyumza Chief Executive & Registrar: Patrick Masobe

A STATUTORY BODY ESTABLISHED IN TERMS OF THE MEDICAL SCHEMES ACT, 1998 (ACT 131 OF 1998)

"(15) Notwithstanding anything to the contrary contained in this section, the Director-General may, after consultation with the Interim Pharmacy Council of South Africa as referred to in section 2 of the Pharmacy Act, 1974 (Act 53 of 1974), issue a permit to any person or organisation performing a health service, authorising such person or organisation to acquire, possess, use or supply any specified Schedule 1, Schedule 2, Schedule 3, Schedule 4 or Schedule 5 substance, and such permit shall be subject to such conditions as the Director-General may determine."

Sincerely

A handwritten signature in black ink, appearing to read 'S. Harrison', with a long horizontal flourish extending to the right.

**Stephen Harrison**  
**SENIOR SPECIALIST: POLICY AND SPECIAL PROJECTS**