



PRESS RELEASE

Reference: CMS advice on choosing right scheme
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Press Release 15 of 2015: CMS provides advice on choosing a medical scheme and benefit option for 2016

Prospective and current medical scheme members are encouraged to choose wisely when selecting the right scheme and benefit options for 2016 says the Council for Medical Schemes (CMS), regulator of the medical schemes industry.

It is that time of the year where current medical scheme members via their principal member have to choose to either stay on the current benefit option or move to another option by the end of November or early December (according to the rules of most schemes). Many people also consider joining a medical scheme as their need for private healthcare increases.

Mr Daniel Lehutjo, Acting Chief Executive Officer and Registrar of the CMS, advises people to review their healthcare claims record and current state of health. "Price is not the only determining factor. We advise people to look at their current and future healthcare needs to help inform the decision to either continue with or move on to another option. We also advise those young and active people to join a medical scheme before they become older and sicker," said Lehutjo.

Lehutjo provided these handy tips for scheme members to consider:

- Read the material schemes send on the important changes to options for next year.
- If you are unsure, call the scheme to explain any changes, limits, benefits and other relevant information.
- Elect according to your healthcare needs and what you can afford.
- You may make use of an agent or broker (intermediary). Remember it is not compulsory to use a broker, but if you do, ensure that he/she has been accredited by the CMS and that your selection of a scheme and benefit option is based on informed consent.

- Familiarise yourself with any network arrangements a particular benefit option might have. This is designed to save you and the scheme money in the long run.
- Determine how close Designated Service Providers (DSP's) are to your home and/or place of work as well as what co-payments are applicable for the voluntary non-use of these service providers.
- No restrictions, co-payments, waiting periods or exclusions may be applied to any person in respect of the prescribed minimum benefits (PMBs) if the services are rendered by State hospitals or DSPs. In instances where services are voluntarily obtained from a non - DSP, co - payments may apply or waiting periods may be imposed only on those applicants who have never belonged to a medical scheme, or have not been beneficiaries for the preceding 90 days.

Existing medical scheme members who wish to move to another scheme should please note that waiting periods may apply. This is a design of the Medical Schemes Act, 131 of 1998 to prevent scheme hopping, where members move from one scheme to another too frequently.

Advice for those seeking to join a medical scheme

- Identify a few open schemes and request information about their benefits, contributions, limitations and exclusions. Compare this information given to see which one meets your needs.
- Besides the healthcare benefits also find out what the schemes' reserves are (solvency ratio), and non-healthcare expenditure, such as administration costs, to ensure they are in good financial health.
- Understand what PMBs are and under what circumstances the chosen scheme provides such cover for you. Here you can look at DSPs and their proximity to you as well as other networks that provide benefits to members.

Remember, the sooner you join a medical scheme, the greater the benefits in the long run and the less penalties you may face!

Contact CMS

The CMS, as regulator of medical schemes and related entities has more information available on its website at www.medicalschemes.com. The CMS can be reached telephonically on 0861 123 267 and via email information@medicalschemes.com.

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