

Annexure B: Detailed information on REF submissions, categorisation thereof and DIN score results.

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1 REF Returns submitted

Table 10 below indicates that during December 2005 REF data for 120 schemes were included in the analysis⁷, representing 6 465 442 beneficiaries in the industry (95 per cent of the total number of beneficiaries reported in the Statutory Returns).

Table 10: REF returns submitted for December 2005

Category	Number of Schemes	Beneficiaries in December 2005			
		Statutory Returns	SR Beneficiaries as a % of Total	REF Grids Submitted	REF Beneficiaries as % SR Beneficiaries
1	-	-	-	-	-
2	1 (0,75%)	6 101	0,08%	6 101	100
3	33 (24,63%)	2 875 931	42,25%	2 870 657	99,81
4	-	-	-	-	-
5	4 (2,99%)	174 491	2,56%	8 558	4,9
6	22 (16,42%)	1 171 873	17,21%	1 168 658	99,72
7	38 (28,36%)	1 048 980	15,41%	1 047 731	99,88
8	-	-	-	-	-
9	24 (17,91%)	934 308	13,72%	1 363 737	145,96
Unknown	12 (8,96%)	594 485	8,73%	96 682	16,26
Total	134	6 806 169	100,00%	6 562 124	96,41

Table 11 below represents REF submissions for March 2006 for 122 schemes representing 6 779 496 beneficiaries in the industry (98,29% of the total number of beneficiaries reported in the Statutory Returns). Medimed Medical Scheme is the Category 4 scheme with the large difference between the REF and Statutory number of beneficiaries.

⁷ For inclusion, submissions had to meet the following requirements: two or more analysts categorisation the data, the deviational scores were calculated and the scheme was in existence for the specific period. The majority of the Unknown categories are schemes who did submit their Statutory Returns, but they did not submit their REF grids (discontinued, etc.). For some individual statistics, for example the categories, all the reliable data, including the data for discontinued schemes were used.

Table 11: REF returns submitted for March 2006

<i>Decision Category</i>	<i>Number of Schemes</i>	<i>Beneficiaries in March 2006</i>			
		<i>Statutory Returns</i>	<i>SR Beneficiaries as a % of Total</i>	<i>REF Grids Submitted</i>	<i>REF Beneficiaries as % SR Beneficiaries</i>
1	-	-	-	-	-
2	11 (8,27%)	73 151	1,06%	73 172	100,02
3	49 (36,84%)	4 423 988	64,14%	4 408 925	99,65
4	1 (0,75%)	12 556	0,18%	17 580	140,01
5	3 (2,26%)	217 591	3,15%	181 160	83,25
6	24 (18,05%)	823 584	11,94%	823 164	99,94
7	13 (9,77%)	542 182	7,86%	540 418	99,67
8	-	-	-	-	-
9	21 (8,27%)	731 791	10,60%	735 077	100,44
Unknown	11 (8,27%)	72 439	1,05%	1 245	1,71
Total	133	6 897 282	100,00%	6 780 741	98,31

Table 12: REF returns submitted for June 2006

<i>Decision Category</i>	<i>Number of Schemes</i>	<i>Beneficiaries in June 2006</i>			
		<i>Statutory Returns</i>	<i>Percentage of Total SR Beneficiaries</i>	<i>REF Grids Submitted</i>	<i>REF Beneficiaries as % SR Beneficiaries</i>
1	-	-	-	-	-
2	11 (8,27%)	1 901 389	27,44%	1 901 975	100,03
3	55 (41,35%)	3 134 524	45,23%	3 135 697	100,03
4	1 (0,75%)	-	-	12 796	-
5	3 (2,26%)	41 077	0,59%	48 774	118,73
6	24 (18,05%)	805 596	11,62%	807 147	100,19
7	17 (12,78%)	614 263	8,86%	571 564	93,04
8	-	-	-	-	-
9	12 (9,02%)	388 628	5,60%	383 315	98,63
Unknown	10 (7,52%)	43 218	0,62%	0	0
Total	133	6 928 695	100,00%	6 861 268	99,02

REF data of 123 schemes were included in the June 2006 analysis (Table 12). This represents 6 861 268 beneficiaries in the industry (99% of the total number of

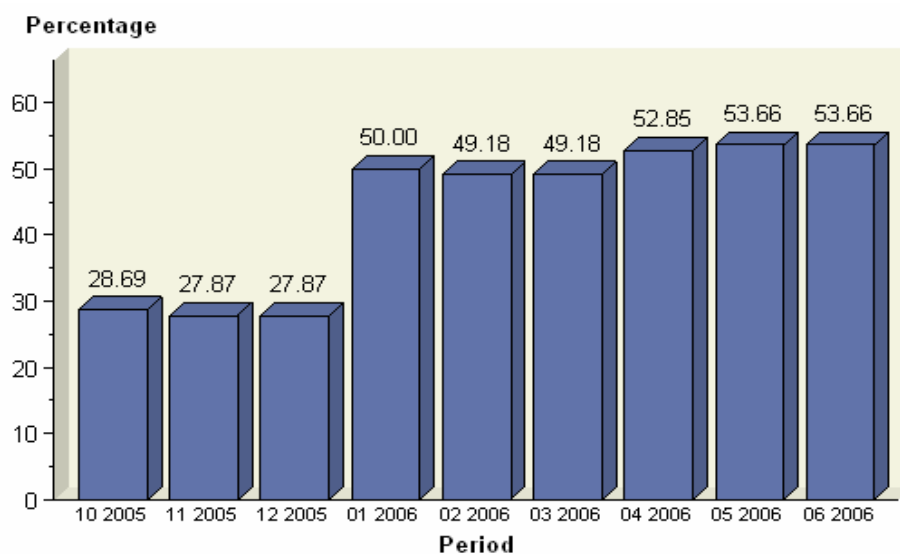
beneficiaries reported in the Statutory Returns). Tiger Brands Medical Scheme is the Category 4 scheme that did not submit Statutory Returns for June 2006.

2 Assessment of submitted data

2.1 Categorisation

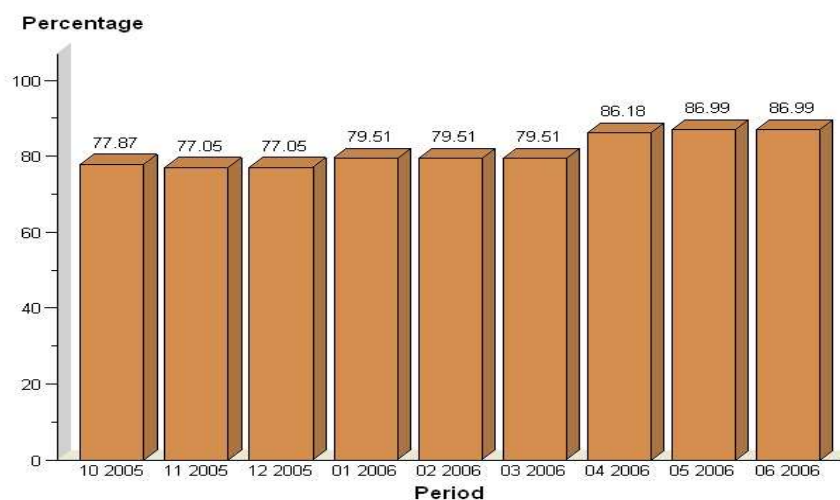
Over time, there is significant improvement in the number of schemes grouped as having “Fair data” (Categories 1, 2 or 3 - see Table 5 on page 5). This trend can be seen in Figure 14: Percentage of schemes with “Fair data” below. In October 2005, only 27 per cent of the schemes were assessed to have “Fair data”. This percentage went up to 54 per cent in June 2006. (Note that Figure 1 on page 6 indicates that 73% of all *beneficiary data* falls in the “Fair data” group).

Figure 14: Percentage of schemes with “Fair data”



In Figure 15 Categories 6 and 7 are included; the respective percentages increased from 78% in October 2005 to 87% in June 2006.

Figure 15: Percentage of schemes with "Fair data " and " Poorly defined CDL definitions" (Categories 1, 2, 3, 6 and 7)



From the figures above and the results shown in Table 13 below it is clear that there is an improvement in the quality of the submitted data grids. Table 13 shows an increase in the frequencies and row percentages in the categories with better data (Categories 2 and 3) and a decrease in the frequencies and row percentages for categories with poor data (Categories 5 and 9.) Trends in schemes applying poor CDL definitions (Category 6 and 7) also indicate an overall improvement.

Table 13: Number of schemes by category and month

Category	Month								
Frequency Row Pct	Oct 05	Nov 05	Dec 05	Jan 06	Feb 06	Mar 06	Apr 06	May 06	Jun 06
2	1 1,49	1 1,49	1 1,49	10 14,93	10 14,93	11 16,42	11 16,42	11 16,42	11 16,42
3	34 8,21	33 7,97	33 7,97	51 12,32	50 12,08	49 11,84	54 13,04	55 13,29	55 13,29
4	0 0,00	0 0,00	0 0,00	1 14,29	1 14,29	1 14,29	2 28,57	1 14,29	1 14,29
5	4 13,33	4 13,33	4 13,33	3 10,00	3 10,00	3 10,00	3 10,00	3 10,00	3 10,00
6	23 10,95	22 10,48	22 10,48	23 10,95	24 11,43	24 11,43	24 11,43	24 11,43	24 11,43
7	37 18,23	38 18,72	38 18,72	13 6,40	13 6,40	13 6,40	17 8,37	17 8,37	17 8,37
9	23 13,53	24 14,12	24 14,12	21 12,35	21 12,35	21 12,35	12 7,06	12 7,06	12 7,06
Total	122	122	122	122	122	122	123	123	123

2.2 Evaluation of DIN scores by administrator

The deviational scores are divided into the following intervals: 0,00 to 2,00, 2,01 to 4,00, 4,01 to 6,00, and above 6,00.

The number of schemes per administrator, is counted for each interval and the results are reported for June 2006 in Table 14 to 21. Table 15 presents a distribution of the schemes counts per administrator for June 2006.

Table 14: Data Submitted Score (Median = 3,09)

Date Submitted Score						
Administrator	June 2006					Total
Frequency(number of schemes)	0-2,00	2,01-4,00	4,01-6,00	>6,00	Unknown	
<i>Allcare Administrators (Pty) Ltd</i>	0	1	3	3	0	7
<i>Amanzi Health Administrators (Pty) Ltd</i>	0	0	1	1	0	2
<i>Benmed Medical Scheme Administrators (Pty) Ltd</i>	0	1	0	0	0	1
<i>Definiti Medical Fund Managers (Pty) Ltd</i>	0	0	1	0	0	1
<i>Discovery Health (Pty) Ltd</i>	0	0	3	6	1	10
<i>Eternity Private Health Fund Administrators (Pty) Ltd</i>	1	0	0	0	0	1
<i>Exclusive Health (Pty) Ltd</i>	0	0	1	0	0	1
<i>Ingwe Med (Pty) Ltd</i>	0	1	0	0	0	1
<i>Integrated Healthcare (Pty) Ltd</i>	0	0	0	3	0	3
<i>Medscheme Holdings (Pty) Ltd</i>	0	0	15	4	0	19
<i>Metropolitan Health Group (Pty) Ltd</i>	0	0	11	5	1	17
<i>Mpumalanga Managed Health Care (Pty) Ltd</i>	0	0	1	0	0	1
<i>Multimed</i>	0	0	1	0	0	1
<i>Mx Health (Pty) Ltd</i>	0	0	0	2	0	2
<i>Old Mutual Healthcare (Pty) Ltd</i>	0	0	9	0	0	9
<i>PPS Insurance Co. Ltd</i>	0	1	0	0	0	1
<i>Private Health Administrators (Pty) Ltd</i>	0	0	1	0	0	1
<i>Prosperity Health Managers (Pty) Ltd</i>	0	0	0	2	0	2
<i>Providence Healthcare Risk Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Resolution Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>Rowan Angel (Pty) Ltd</i>	1	0	0	0	0	1
<i>Self-Administered</i>	1	0	12	4	0	17
<i>Sigma Health Fund Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Sizwe Medical Services (Pty) Ltd</i>	0	0	1	0	0	1
<i>Sovereign Health (Pty) Ltd</i>	0	0	10	0	0	10
<i>Status Medical Aid Administrators (Pty) Ltd</i>	0	4	2	3	0	9
<i>Thebe ya Bophelo Healthcare Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>V Medical Aid Administrators (Pty) Ltd</i>	0	0	1	0	0	1
Total	3	8	73	37	2	123

Table 15: 85 plus Score (Median = 1,34)

Age 85 plus Score						
Administrator	June 2006					Total
Frequency(number of schemes)	0-2,00	2,01-4,00	4,01-6,00	>6,00	Unknown	
<i>Allcare Administrators (Pty) Ltd</i>	0	4	1	2	0	7
<i>Amanzi Health Administrators (Pty) Ltd</i>	0	1	0	1	0	2
<i>Benmed Medical Scheme Administrators (Pty) Ltd</i>	0	1	0	0	0	1
<i>Definiti Medical Fund Managers (Pty) Ltd</i>	0	1	0	0	0	1
<i>Discovery Health (Pty) Ltd</i>	0	4	5	0	1	10
<i>Eternity Private Health Fund Administrators (Pty) Ltd</i>	1	0	0	0	0	1
<i>Exclusive Health (Pty) Ltd</i>	0	1	0	0	0	1
<i>Ingwe Med (Pty) Ltd</i>	0	1	0	0	0	1
<i>Integrated Healthcare (Pty) Ltd</i>	0	0	0	3	0	3
<i>Medscheme Holdings (Pty) Ltd</i>	1	13	3	2	0	19
<i>Metropolitan Health Group (Pty) Ltd</i>	1	10	4	1	1	17
<i>Mpumalanga Managed Health Care (Pty) Ltd</i>	0	1	0	0	0	1
<i>Multimed</i>	0	1	0	0	0	1
<i>Mx Health (Pty) Ltd</i>	0	0	0	2	0	2
<i>Old Mutual Healthcare (Pty) Ltd</i>	1	8	0	0	0	9
<i>PPS Insurance Co. Ltd</i>	1	0	0	0	0	1
<i>Private Health Administrators (Pty) Ltd</i>	0	1	0	0	0	1
<i>Prosperity Health Managers (Pty) Ltd</i>	0	0	0	2	0	2
<i>Providence Healthcare Risk Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Resolution Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>Rowan Angel (Pty) Ltd</i>	1	0	0	0	0	1
<i>Self-Administered</i>	4	9	1	3	0	17
<i>Sigma Health Fund Managers (Pty) Ltd</i>	0	0	1	0	0	1
<i>Sizwe Medical Services (Pty) Ltd</i>	0	1	0	0	0	1
<i>Sovereign Health (Pty) Ltd</i>	1	8	0	1	0	10
<i>Status Medical Aid Administrators (Pty) Ltd</i>	3	2	1	3	0	9
<i>Thebe ya Bophelo Healthcare Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>V Medical Aid Administrators (Pty) Ltd</i>	0	1	0	0	0	1
Total	14	68	16	23	2	123

Table 16: Under 1 Score (Median = 1,67)

<i>Administrator</i>	<i>Under 1 Score</i>					<i>Total</i>
	<i>June 2006</i>					
<i>Frequency(number of schemes)</i>	0-2,00	2,01-4,00	4,01-6,00	>6,00	Unknown	
<i>Allcare Administrators (Pty) Ltd</i>	0	6	0	1	0	7
<i>Amanzi Health Administrators (Pty) Ltd</i>	0	2	0	0	0	2
<i>Benmed Medical Scheme Administrators (Pty) Ltd</i>	1	0	0	0	0	1
<i>Definiti Medical Fund Managers (Pty) Ltd</i>	0	1	0	0	0	1
<i>Discovery Health (Pty) Ltd</i>	0	0	9	0	1	10
<i>Eternity Private Health Fund Administrators (Pty) Ltd</i>	1	0	0	0	0	1
<i>Exclusive Health (Pty) Ltd</i>	0	0	1	0	0	1
<i>Ingwe Med (Pty) Ltd</i>	1	0	0	0	0	1
<i>Integrated Healthcare (Pty) Ltd</i>	0	0	0	3	0	3
<i>Medscheme Holdings (Pty) Ltd</i>	0	1	17	1	0	19
<i>Metropolitan Health Group (Pty) Ltd</i>	0	1	15	0	1	17
<i>Mpumalanga Managed Health Care (Pty) Ltd</i>	0	0	1	0	0	1
<i>Multimed</i>	0	0	1	0	0	1
<i>Mx Health (Pty) Ltd</i>	0	0	2	0	0	2
<i>Old Mutual Healthcare (Pty) Ltd</i>	0	0	9	0	0	9
<i>PPS Insurance Co. Ltd</i>	0	1	0	0	0	1
<i>Private Health Administrators (Pty) Ltd</i>	0	0	1	0	0	1
<i>Prosperity Health Managers (Pty) Ltd</i>	0	0	1	1	0	2
<i>Providence Healthcare Risk Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Resolution Administrators (Pty) Ltd</i>	0	0	1	0	0	1
<i>Rowan Angel (Pty) Ltd</i>	1	0	0	0	0	1
<i>Self-Administered</i>	3	5	8	1	0	17
<i>Sigma Health Fund Managers (Pty) Ltd</i>	0	0	1	0	0	1
<i>Sizwe Medical Services (Pty) Ltd</i>	0	0	1	0	0	1
<i>Sovereign Health (Pty) Ltd</i>	0	0	10	0	0	10
<i>Status Medical Aid Administrators (Pty) Ltd</i>	1	6	1	1	0	9
<i>Thebe ya Bophelo Healthcare Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>V Medical Aid Administrators (Pty) Ltd</i>	0	0	1	0	0	1
Total	8	23	80	10	2	123

Table 17: Maternity Score (Median = 1,74)

<i>Administrator</i>	<i>Maternity score</i>					<i>Total</i>
	<i>June 2006</i>					
<i>Frequency(number of schemes)</i>	0-2,00	2,01-4,00	4,01-6,00	>6,00	Unknown	
<i>Allcare Administrators (Pty) Ltd</i>	2	0	4	1	0	7
<i>Amanzi Health Administrators (Pty) Ltd</i>	1	1	0	0	0	2
<i>Benmed Medical Scheme Administrators (Pty) Ltd</i>	1	0	0	0	0	1
<i>Definiti Medical Fund Managers (Pty) Ltd</i>	1	0	0	0	0	1
<i>Discovery Health (Pty) Ltd</i>	6	3	0	0	1	10
<i>Eternity Private Health Fund Administrators (Pty) Ltd</i>	0	1	0	0	0	1
<i>Exclusive Health (Pty) Ltd</i>	0	1	0	0	0	1
<i>Ingwe Med (Pty) Ltd</i>	0	0	1	0	0	1
<i>Integrated Healthcare (Pty) Ltd</i>	3	0	0	0	0	3
<i>Medscheme Holdings (Pty) Ltd</i>	9	8	2	0	0	19
<i>Metropolitan Health Group (Pty) Ltd</i>	12	4	0	0	1	17
<i>Mpumalanga Managed Health Care (Pty) Ltd</i>	0	0	1	0	0	1
<i>Multimed</i>	0	0	0	1	0	1
<i>Mx Health (Pty) Ltd</i>	1	0	1	0	0	2
<i>Old Mutual Healthcare (Pty) Ltd</i>	7	2	0	0	0	9
<i>PPS Insurance Co. Ltd</i>	0	0	1	0	0	1
<i>Private Health Administrators (Pty) Ltd</i>	1	0	0	0	0	1
<i>Prosperity Health Managers (Pty) Ltd</i>	2	0	0	0	0	2
<i>Providence Healthcare Risk Managers (Pty) Ltd</i>	1	0	0	0	0	1
<i>Resolution Administrators (Pty) Ltd</i>	0	0	1	0	0	1
<i>Rowan Angel (Pty) Ltd</i>	0	1	0	0	0	1
<i>Self-Administered</i>	7	4	5	1	0	17
<i>Sigma Health Fund Managers (Pty) Ltd</i>	0	1	0	0	0	1
<i>Sizwe Medical Services (Pty) Ltd</i>	0	1	0	0	0	1
<i>Sovereign Health (Pty) Ltd</i>	9	1	0	0	0	10
<i>Status Medical Aid Administrators (Pty) Ltd</i>	7	2	0	0	0	9
<i>Thebe ya Bophelo Healthcare Administrators (Pty) Ltd</i>	1	0	0	0	0	1
<i>V Medical Aid Administrators (Pty) Ltd</i>	0	1	0	0	0	1
Total	71	31	16	3	2	123

Table 18: Non Score (Median = 5,04)

<i>Administrator</i>	<i>Non Score</i>					<i>Total</i>
	<i>June 2006</i>					
<i>Frequency(number of schemes)</i>	0-2,00	2,01-4,00	4,01-6,00	>6,00	Unknown	
<i>Allcare Administrators (Pty) Ltd</i>	0	0	1	6	0	7
<i>Amanzi Health Administrators (Pty) Ltd</i>	1	0	1	0	0	2
<i>Benmed Medical Scheme Administrators (Pty) Ltd</i>	0	0	1	0	0	1
<i>Definiti Medical Fund Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Discovery Health (Pty) Ltd</i>	1	1	1	6	1	10
<i>Eternity Private Health Fund Administrators (Pty) Ltd</i>	0	1	0	0	0	1
<i>Exclusive Health (Pty) Ltd</i>	0	0	1	0	0	1
<i>Ingwe Med (Pty) Ltd</i>	0	0	0	1	0	1
<i>Integrated Healthcare (Pty) Ltd</i>	1	0	1	1	0	3
<i>Medscheme Holdings (Pty) Ltd</i>	2	4	4	9	0	19
<i>Metropolitan Health Group (Pty) Ltd</i>	1	2	5	8	1	17
<i>Mpumalanga Managed Health Care (Pty) Ltd</i>	0	0	0	1	0	1
<i>Multimed</i>	0	0	0	1	0	1
<i>Mx Health (Pty) Ltd</i>	0	0	0	2	0	2
<i>Old Mutual Healthcare (Pty) Ltd</i>	0	4	2	3	0	9
<i>PPS Insurance Co. Ltd</i>	0	1	0	0	0	1
<i>Private Health Administrators (Pty) Ltd</i>	0	1	0	0	0	1
<i>Prosperity Health Managers (Pty) Ltd</i>	0	0	0	2	0	2
<i>Providence Healthcare Risk Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Resolution Administrators (Pty) Ltd</i>	0	0	1	0	0	1
<i>Rowan Angel (Pty) Ltd</i>	0	1	0	0	0	1
<i>Self-Administered</i>	1	2	2	12	0	17
<i>Sigma Health Fund Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Sizwe Medical Services (Pty) Ltd</i>	0	0	0	1	0	1
<i>Sovereign Health (Pty) Ltd</i>	0	3	3	4	0	10
<i>Status Medical Aid Administrators (Pty) Ltd</i>	1	0	4	4	0	9
<i>Thebe ya Bophelo Healthcare Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>V Medical Aid Administrators (Pty) Ltd</i>	0	0	0	1	0	1
Total	8	20	27	66	2	123

Table 19: HIV Score (Median = 5,03)

<i>Administrator</i>	<i>HIV Score</i>					<i>Total</i>
	<i>June 2006</i>					
<i>Frequency(number of schemes)</i>	0-2,00	2,01-4,00	4,01-6,00	>6,00	Unknown	
<i>Allcare Administrators (Pty) Ltd</i>	1	0	1	5	0	7
<i>Amanzi Health Administrators (Pty) Ltd</i>	0	0	1	1	0	2
<i>Benmed Medical Scheme Administrators (Pty) Ltd</i>	0	0	1	0	0	1
<i>Definiti Medical Fund Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Discovery Health (Pty) Ltd</i>	1	4	2	2	1	10
<i>Eternity Private Health Fund Administrators (Pty) Ltd</i>	0	0	1	0	0	1
<i>Exclusive Health (Pty) Ltd</i>	0	1	0	0	0	1
<i>Ingwe Med (Pty) Ltd</i>	0	0	1	0	0	1
<i>Integrated Healthcare (Pty) Ltd</i>	0	0	1	2	0	3
<i>Medscheme Holdings (Pty) Ltd</i>	2	3	12	2	0	19
<i>Metropolitan Health Group (Pty) Ltd</i>	2	1	11	2	1	17
<i>Mpumalanga Managed Health Care (Pty) Ltd</i>	0	0	0	1	0	1
<i>Multimed</i>	0	0	0	1	0	1
<i>Mx Health (Pty) Ltd</i>	0	0	1	1	0	2
<i>Old Mutual Healthcare (Pty) Ltd</i>	0	1	6	2	0	9
<i>PPS Insurance Co. Ltd</i>	0	0	0	1	0	1
<i>Private Health Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>Prosperity Health Managers (Pty) Ltd</i>	1	0	0	1	0	2
<i>Providence Healthcare Risk Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Resolution Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>Rowan Angel (Pty) Ltd</i>	0	1	0	0	0	1
<i>Self-Administered</i>	0	2	3	12	0	17
<i>Sigma Health Fund Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Sizwe Medical Services (Pty) Ltd</i>	0	1	0	0	0	1
<i>Sovereign Health (Pty) Ltd</i>	3	5	1	1	0	10
<i>Status Medical Aid Administrators (Pty) Ltd</i>	1	1	6	1	0	9
<i>Thebe ya Bophelo Healthcare Administrators (Pty) Ltd</i>	0	1	0	0	0	1
<i>V Medical Aid Administrators (Pty) Ltd</i>	0	0	1	0	0	1
Total	11	21	49	40	2	123

Table 20: Total CDL Score (Median = 6,33)

Total CDL Score						
Administrator	June 2006					Total
Frequency(number of schemes)	0-2,00	2,01-4,00	4,01-6,00	>6,00	Unknown	
<i>Allcare Administrators (Pty) Ltd</i>	0	0	1	6	0	7
<i>Amanzi Health Administrators (Pty) Ltd</i>	0	0	1	1	0	2
<i>Benmed Medical Scheme Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>Definiti Medical Fund Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Discovery Health (Pty) Ltd</i>	0	0	3	6	1	10
<i>Eternity Private Health Fund Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>Exclusive Health (Pty) Ltd</i>	0	0	0	1	0	1
<i>Ingwe Med (Pty) Ltd</i>	0	0	0	1	0	1
<i>Integrated Healthcare (Pty) Ltd</i>	0	0	0	3	0	3
<i>Medscheme Holdings (Pty) Ltd</i>	0	1	6	12	0	19
<i>Metropolitan Health Group (Pty) Ltd</i>	0	0	3	13	1	17
<i>Mpumalanga Managed Health Care (Pty) Ltd</i>	0	0	0	1	0	1
<i>Multimed</i>	0	0	0	1	0	1
<i>Mx Health (Pty) Ltd</i>	0	0	0	2	0	2
<i>Old Mutual Healthcare (Pty) Ltd</i>	0	0	1	8	0	9
<i>PPS Insurance Co. Ltd</i>	0	0	0	1	0	1
<i>Private Health Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>Prosperity Health Managers (Pty) Ltd</i>	0	0	0	2	0	2
<i>Providence Healthcare Risk Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Resolution Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>Rowan Angel (Pty) Ltd</i>	0	0	1	0	0	1
<i>Self-Administered</i>	1	0	2	14	0	17
<i>Sigma Health Fund Managers (Pty) Ltd</i>	0	0	0	1	0	1
<i>Sizwe Medical Services (Pty) Ltd</i>	0	0	0	1	0	1
<i>Sovereign Health (Pty) Ltd</i>	0	0	4	6	0	10
<i>Status Medical Aid Administrators (Pty) Ltd</i>	0	0	3	6	0	9
<i>Thebe ya Bophelo Healthcare Administrators (Pty) Ltd</i>	0	0	0	1	0	1
<i>V Medical Aid Administrators (Pty) Ltd</i>	0	0	0	1	0	1
Total	1	1	25	94	2	123

Table 21: Multiple CDL Score (Median = 4,73)

Multiple CDL Score					
Administrator Frequency(number of schemes)	June 2006				Total
	2,01-4,00	4,01-6,00	>6,00	Unknown	
<i>Allcare Administrators (Pty) Ltd</i>	0	3	4	0	7
<i>Amanzi Health Administrators (Pty) Ltd</i>	0	2	0	0	2
<i>Benmed Medical Scheme Administrators (Pty) Ltd</i>	0	0	1	0	1
<i>Definiti Medical Fund Managers (Pty) Ltd</i>	0	1	0	0	1
<i>Discovery Health (Pty) Ltd</i>	2	2	5	1	10
<i>Eternity Private Health Fund Administrators (Pty) Ltd</i>	1	0	0	0	1
<i>Exclusive Health (Pty) Ltd</i>	0	1	0	0	1
<i>Ingwe Med (Pty) Ltd</i>	0	1	0	0	1
<i>Integrated Healthcare (Pty) Ltd</i>	2	0	1	0	3
<i>Medscheme Holdings (Pty) Ltd</i>	7	8	4	0	19
<i>Metropolitan Health Group (Pty) Ltd</i>	1	6	9	1	17
<i>Mpumalanga Managed Health Care (Pty) Ltd</i>	0	0	1	0	1
<i>Multimed</i>	0	0	1	0	1
<i>Mx Health (Pty) Ltd</i>	0	1	1	0	2
<i>Old Mutual Healthcare (Pty) Ltd</i>	0	3	6	0	9
<i>PPS Insurance Co. Ltd</i>	1	0	0	0	1
<i>Private Health Administrators (Pty) Ltd</i>	0	1	0	0	1
<i>Prosperity Health Managers (Pty) Ltd</i>	0	0	2	0	2
<i>Providence Healthcare Risk Managers (Pty) Ltd</i>	0	0	1	0	1
<i>Resolution Administrators (Pty) Ltd</i>	0	1	0	0	1
<i>Rowan Angel (Pty) Ltd</i>	1	0	0	0	1
<i>Self-Administered</i>	1	6	10	0	17
<i>Sigma Health Fund Managers (Pty) Ltd</i>	0	0	1	0	1
<i>Sizwe Medical Services (Pty) Ltd</i>	0	0	1	0	1
<i>Sovereign Health (Pty) Ltd</i>	0	4	6	0	10
<i>Status Medical Aid Administrators (Pty) Ltd</i>	1	4	4	0	9
<i>Thebe ya Bophelo Healthcare Administrators (Pty) Ltd</i>	0	0	1	0	1
<i>V Medical Aid Administrators (Pty) Ltd</i>	0	1	0	0	1
Total	17	45	59	2	123

Even though the median multiple CDL score is slightly lower than median total CDL score, it is still too high. Fifty-nine (47,9%) schemes have scores above six.

2.3 Exclusion of bias in the categorisation and assignment of DIN scores

To exclude bias in the assessment and categorisation of returns, the relationship between the number of beneficiaries, deviational scores and the scheme risk⁸ was examined.

Correlation coefficients were calculated and tested for statistical significance to determine whether there are significant relationships between the number of beneficiaries, the overall deviational scores and the scheme risk (the difference between the scheme rate and the industry rate).

The correlation coefficient is a relative measure of the (linear) association between two variables. It can vary from zero (which indicates no correlation) to ± 1 (which indicates perfect correlation). When the correlation coefficient is greater than zero, the two variables are said to be positively correlated, and when it is less than zero, they are said to be negatively correlated.

Table 22 below shows the correlation matrix with the correlation coefficients and the p -values. A p -value of less than 0,05 is an indication that the specific correlation coefficient is significant at a 5 percent level of significance. (For every pair the null hypothesis is tested that the correlation coefficient is equal to zero against the alternative that it is significant different from zero.)

⁸ The scheme community rate less the industry community rate

Table 22: Correlation coefficients for the relationship between the number of beneficiaries, deviational scores and the scheme risk (June 2006)

<i>Pearson Correlation Coefficients, N = 123</i>			
<i>Prob > r under H0: Rho=0</i>			
	<i>Scheme risk</i>	<i>Beneficiaries</i>	<i>Overall DIN score</i>
<i>Scheme risk</i>	1,00000	0,07120 0,4339	0,02211 0,8082
<i>Beneficiaries</i>	0,07120 0,4339	1,00000	-0,09570 0,2924
<i>Overall DIN score</i>	0,02211 0,8082	-0,09570 0,2924	1,00000

The correlation coefficient between the amount per beneficiary (scheme risk) and the number of beneficiaries is 0,07120 with a *p*-value of 0,4399. The correlation coefficient is close to zero and the *p*-value is greater than 0,05. This is an indication that there is not a significant relationship between the scheme risk and the number of beneficiaries. None of the paired relationships in the table above is significant.

These tests were done for all the different contribution tables for each month and no significant correlations were found.

The relationships between the variables can also be illustrated by simple scatter diagrams shown in Figures 16 to 18. Discovery Health Medical Scheme is regarded as an outlier in terms of the number of beneficiaries. In Figures 19 to 21, Discovery Health Medical Scheme was excluded. However, the exclusion did not have a significant effect on the results of correlation analysis.

Figure 16: Scheme risk versus the Number of beneficiaries (All schemes)

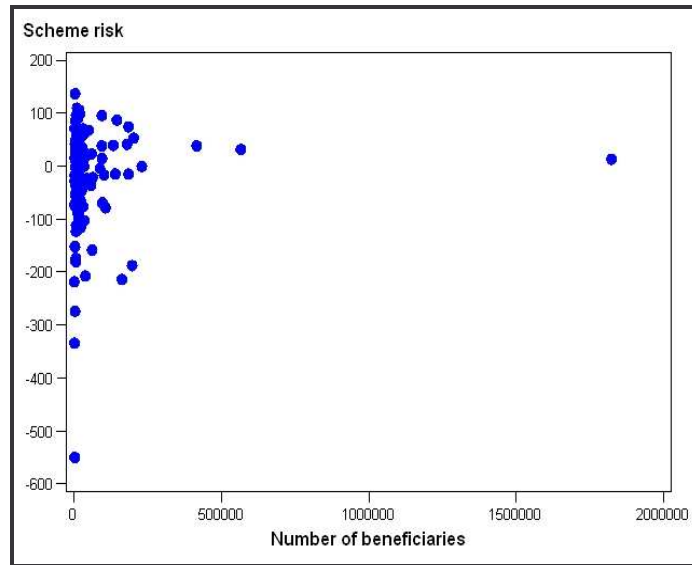


Figure 17: Overall DIN score versus the Number of beneficiaries (All schemes)

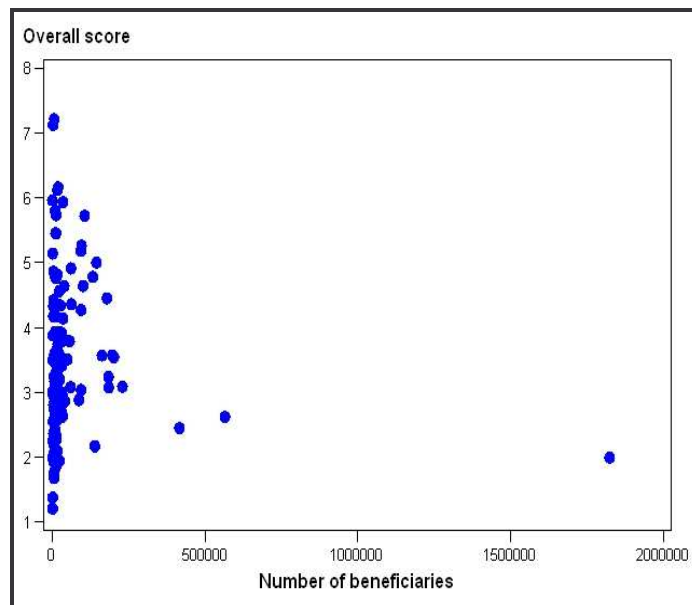


Figure 18: Scheme risk versus the Overall DIN score (All schemes)

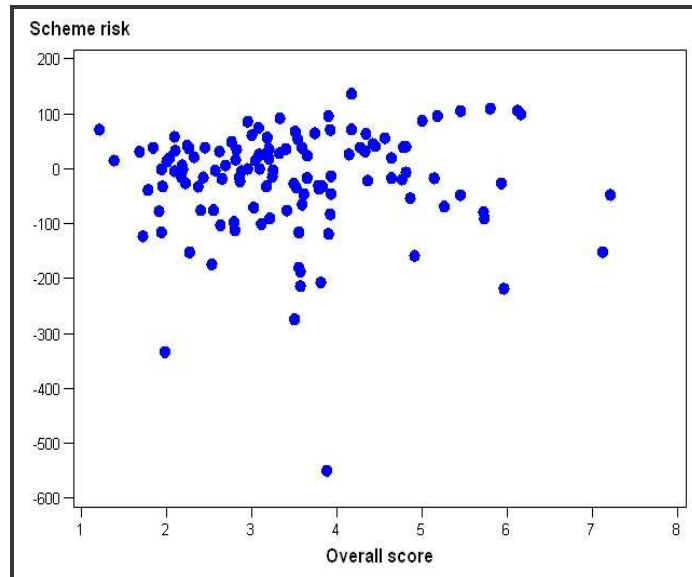


Figure 19: Scheme risk versus the Number of beneficiaries (without Discovery Health Medical Scheme)

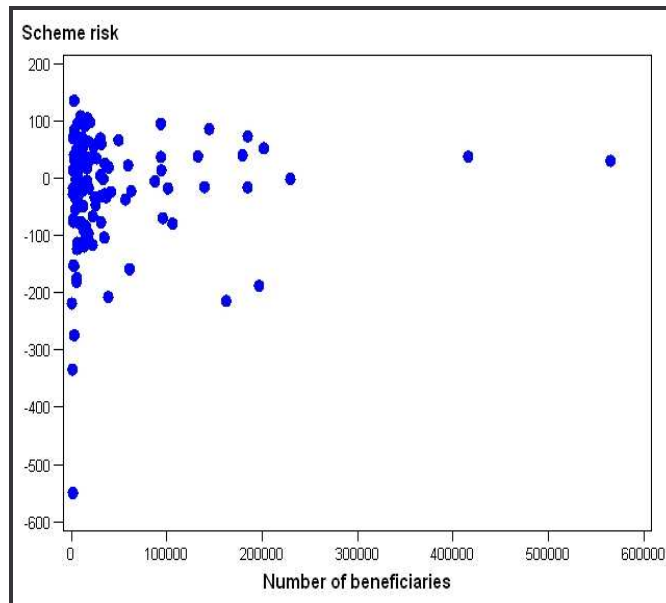


Figure 20: Overall DIN score versus the Number of beneficiaries (without Discovery Health Medical Scheme)

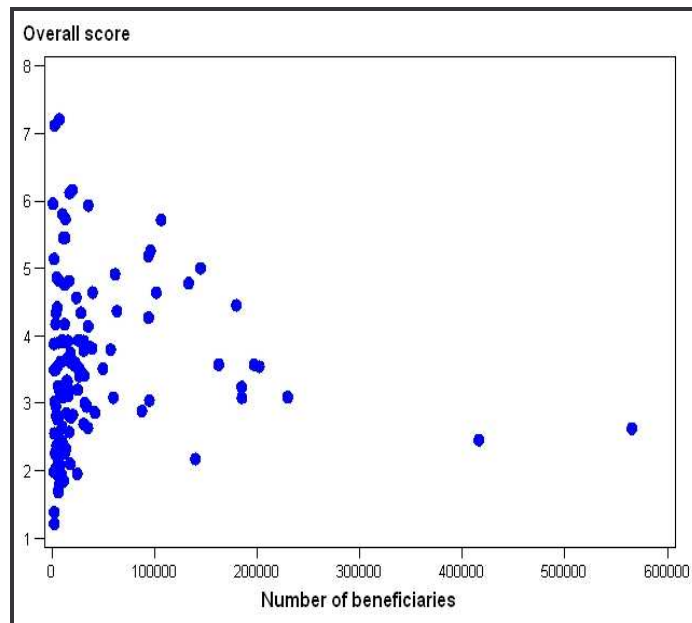
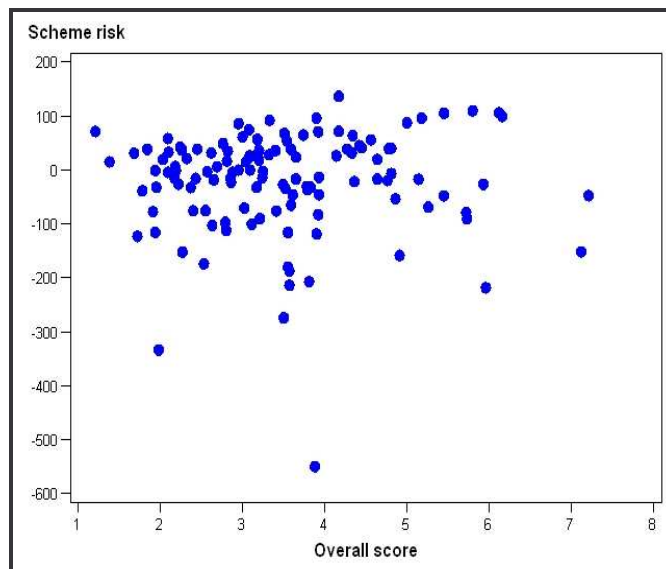


Figure 21: Scheme risk versus the Overall DIN score (without Discovery Health Medical Scheme)



The categories were not included in the correlation analysis because it is not a linear variable. One would expect that a scheme would get a good (low, close to zero) Overall DIN score for the lower Categories, with bad Overall DIN scores (high, close to 10) for

the higher categories. This is not always the case for Categories 4 to 8. The results are shown in Table 23 below.

Table 23: Mean risk levels, number of beneficiaries and overall DIN scores

<i>Category</i>	<i>N</i>	<i>PBPM Amount</i>	<i>Beneficiaries</i>	<i>Overall DIN Score</i>
		<i>Mean</i>	<i>Mean</i>	<i>Mean</i>
2	11	-6,86	172 907	2,29
3	55	-42,19	57 013	2,95
4	1	-90,51	12 796	5,73
5	3	-96,60	16 258	5,34
6	24	57,76	33 631	4,15
7	17	-55,37	33 621	3,75
9	12	-26,60	31 943	4,72

The categorisation was done for each scheme for each month, by at least two analysts to minimise any bias. If analysts did not agree on the category, a third analyst was consulted before a scheme was categorised.