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BANKMED

# AGM

2022

## SUBMISSIONS (AS "NOTICES OF MOTIONS"), AND QUERIES SUBMITTED AT REGISTRATION, FROM MEMBERS, PRIOR TO THE AGM

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SUBMISSIONS AS "NOTICES OF MOTIONS"

| # | Category and summary of submissions | Number of submissions | % of total submissions | Scheme response |
|---|---|---|---|---|
| 1. | **Benefits queries:**<br>The submissions under this category included a range of requests or suggestions on benefits, changes and enhancements thereto, and views on the adequacy (or lack thereof) of some benefits. | 21 | 24% | The submissions from members have been noted. Benefit enhancement requests are taken to the Benefit Design Committee each year for consideration, however there are no guarantees about the suggested changes or enhancements. The Board is required to consider these and other factors (including pricing, affordability, and sustainability). |
| 2. | **Communication:**<br>The suggestions under this category included suggestions that Bankmed creates a forum for medically boarded members as well as recommendations on formatting of the AGM booklet. | 2 | 2% | Bankmed is unable to create forums for the different cohorts of its members, but the Scheme is committed to assisting members with all challenges, within the mandate of a medical scheme and whatever else is practically possible. This may sometimes evolve into support that is earmarked for specific cohorts of Bankmed members. Segmented or targeted communication is also optimised to address different medical conditions or address issues that are relevant to different cohorts. The Scheme also channels issues brought to its attention to appropriate experts available to the Scheme, as part of its commitment to be of assistance to our members as far as possible.<br>Communication amendment requests are under consideration. |
| 3. | **Compliance / Regulatory Query:**<br>The submissions under this category included a range of requests or suggestions, including requests for a Provider Cost Analysis and Cost Reduction Strategy, an audit on after-hours fees charged by providers, queries on members' protection against fraud and a query about the Section 59 Inquiry. | 4 | 5% | The Board has noted a request to audit after-hours fees charged by service providers. The Board confirms that the Scheme monitors provider costs on an ongoing basis and the administrator continues to play a critical role in this regard. Reporting on possible interventions, strategies, successes and challenges takes place at sub-committees of the Board, as well as at the Board meetings. It is in the best interest of the Scheme and our members to make access to good quality healthcare affordable, and this requires an ongoing focus on cost drivers.<br>The Board is focused on ensuring that fraud is prevented and the Scheme, together with many other stakeholders, stayed close to developments relating to the Section 59 Inquiry with a view to protecting measures available to medical schemes to detect and contain fraud. The final outcome of the Section 59 Inquiry is still pending, and this is outside of the Scheme's control. |

| # | Category and summary of submissions | Number of submissions | % of total submissions | Scheme response |
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| **4.** | **Contributions:**<br>The submissions under this category included requests for a decrease in pensioner contributions, a waiver of the 2023 increases should Bankmed reserves exceed the prescribed 25% and the revision of income bands. | 5 | 6% | The deliberations leading up to benefit changes and contribution increases are scheduled to be finalised during the months of July and August. The Board will again give due consideration (amongst other factors) to affordability and the sustainability of the Scheme for the foreseeable future. This is one of the Board's most important responsibilities and is attended to with utmost care, in the best interest of the Scheme and its members.<br>The Board has noted members' requests to revise the income bands in the contribution table. The income bands (or brackets), although they have not been adjusted for a while, are reviewed annually as part of the benefit design process. The decision not to adjust them is deliberate, and informed by considerations about the impact of adjustments and a long-term view on income bands. It is important to note that regulatory deliberations on this matter include different perspectives about how income bands may be structured in future. The Health Market Inquiry also made some recommendations on income bands. Unfortunately, deliberations on regulatory matters take a while. |
| **5.** | **General Administration Query:**<br>The submissions under this category included requests for eligibility criteria for adult dependants, to number claim statements, reduce Trustee remuneration, membership cards, to confirm contribution values for adult dependants, Trustee Nominations and the procedure on Whistleblowing. | 9 | 10% | The Scheme Rules outline the definition of dependency and who may be considered dependants, each of these categories of dependants, including eligibility criteria. In cases where members need more clarity, they are welcome to contact the Scheme.<br>Suggestions about enhancement to medical aid statements will be considered together with other feedback/input from other members.<br>The principles underpinning Trustee remuneration are outlined in the Trustee Fee policy which is shared with the members and Trustee fee increases are approved by members at the AGM.<br>Members who have personal queries about membership cards or want clarity about contributions are encouraged to call the Scheme and they will be assisted diligently.<br>Communication on the Trustee nominations process is detailed and comprehensive, and this process is run by an Independent Electoral Body (IEB) appointed by the Scheme.<br>The toll-free contact details to report fraud are available on the Scheme's website:<br>• **Toll-free phone number: 0800 004 500** |

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| | | | | • SMS number: 43477<br><br>Members are free to escalate concerns to the Principal Officer of the Scheme. The Scheme is governed by a Board of Trustees (to whom the Principal Officer reports), and all medical schemes are regulated by the Council for Medical Schemes (0861 123 267). |
| 6. | **General Benefit Query:**<br>The submissions under this category included requests for detail on anaesthetist fees, chronic medication, co-payments, network hospitals and other queries. | 18 | 21% | Members have been contacted directly to resolve general benefit queries. |
| 7. | **General Healthcare Market Query:**<br>The submissions under this category included a query relating to National Health Insurance (NHI). | 2 | 2% | The general update at the AGM will include a brief update on NHI. |
| 8. | **Membership Query:**<br>The query under this category requested detail on underwriting of uncovered lives. | 1 | 1% | Members have been contacted directly to resolve membership queries. |
| 9. | **Notices of Motions Query:**<br>The suggestions under this category included requests for clarity on the definition of a Motion. | 3 | 3% | Members have been contacted directly to resolve Motion queries. |
| 10. | **Regulatory Amendment Request:**<br>The suggestions under this category included suggestions about discounting pensioner contributions, refunding MSA balances above a certain balance each year, re-insuring member's co-payments, waiving the 6-month script rule and a request to submit the AGM booklet before asking for Motions. | 16 | 19% | There are limitations to what more the Scheme can do. The Medical Schemes Act has provisions which prohibit certain practices (some of which are seen as discriminatory).<br>The Scheme continues to consider to what extent the lower cost benefit options can further cater for those who may have higher healthcare needs and are the most exposed to affordability challenges.<br>The refunding of MSA balances above a certain balance each year is not supported by legislation. |

| # | Category and summary of submissions | Number of submissions | % of total submissions | Scheme response |
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| | | | | Members are free to consider re-insurance and gap cover products available in the market. These products fall outside the business of a medical scheme.<br>The AGM booklet and the Audited Financial Statements (AFS) are made available to members within the timelines committed to in the Scheme Rules and these timelines are informed by practical considerations. |
| 11. | **Administrator Complaint:**<br>The submissions under this category included suggestions that the Scheme remove Discovery Health as the administrator. | 2 | 2% | The governance of medical schemes includes accountability to medical scheme members and this is supported by certain responsibilities (as would be expressed in the Scheme Rules) which are assigned to the Board of Trustees. The Board of Trustees is made up of six trustees who are elected by members, and six trustees appointed by the top three employer group clients which is normal practice for a restricted medical scheme.<br>The issue of the continuation of Discovery Health as the administrator of the Scheme falls within the responsibilities assigned to the Board of Trustees and can therefore not be subjected to a vote at the AGM. Obviously, the Board has a duty to give due consideration to all sentiments expressed by members and this is something that the Board does diligently.<br>The performance of the administrator in the delivery of services to the Scheme's members is something that is monitored carefully, including thorough monthly reporting to Scheme Management, reporting at every Board meeting along with an independent review of performance against service level measures. This remains relevant. It is acknowledged that there may be instances that are less than acceptable, resulting in unpleasant member experience. The Scheme pays attention to exceptions and outliers, as part of a commitment to continuous improvement, even when service level measures are met (which is generally the case). |
| 12. | **Uncategorised:** | 2 | 2% | Members have been contacted to resolve uncategorised queries. |
| 13. | **Compliment:** | 1 | 1% | Member compliment received and noted with appreciation. |
| GRAND TOTAL | | **86** | | |

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QUERIES SUBMITTED AT THE TIME OF REGISTRATION

| # | Query | Scheme response |
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| 1. | Query about timing of the distribution of the AGM booklet and the AFS, the virtual AGM procedure, details in the AFS, over servicing and overcharging: | • The AGM booklet and the AFS are made available to members within the timelines committed to in the Scheme Rules and the timelines are informed by practical considerations.<br>• Virtual AGMs (initially necessitated by COVID-19) have come with many advantages that are in the best interest of members, wherever they may be located. However, they (virtual AGMs) have also come with some practical limitations which, it is hoped, will disappear as a range of smart solutions emerge in this digital age. The Scheme communicates to its members comprehensively about the virtual AGMs, to ensure smooth proceedings at the meeting and to enable input and feedback from members as far as possible. Bankmed, as required, also reports to the Council for Medical Schemes (CMS) about its AGMs.<br>• The AFS is prepared in compliance with International Financial Reporting Standards (IFRS) and any additional financial reporting requirements of the CMS.<br>• The Scheme monitors provider costs on an ongoing basis and the administrator continues to play a critical role in this regard. Reporting on possible interventions, strategies, successes and challenges takes place at sub-committees of the Board as well as at the Board meetings. It is in the best interest of the Scheme and our members to make access to good quality healthcare affordable and this requires ongoing focus on cost drivers (including apparent overcharging and/or over servicing). |
| 2. | Query about obesity as a medical condition, and additional fees charged by network doctors for members on the Core Saver Plan: | • In many instances, obesity can be controlled through lifestyle changes which the Scheme supports through its Wellness Programme. Obesity is regarded as a risk factor for Cardiovascular Disease and Type 2 Diabetes. Bankmed provides the following benefits: Personal Health Assessment (PHA) which is a screening test that identifies risk factors such high Body Mass Index (BMI), high blood pressure, high sugar and high cholesterol levels. After completing a PHA, members who are identified as high risk after presenting with a combination of risk factors, have access to a virtual consultation with a Network GP and two dietician and two biokinetist consultations. The Scheme is committed to supporting members in their quest to reduce their BMI.<br>• Additional fees should not be charged by Network Doctors for members on the Core Saver Plan. Bankmed has negotiated rates with the Network Providers. If additional fees are being charged, members should please bring this to the Scheme’s attention. |
| 3. | Query about global fees charged only for certain procedures: | • The Fee for Service (FFS) reimbursement model remains the predominant way in which service providers bill Bankmed for services. However, due to over-servicing and abuse which leads to increased cost in the healthcare environment, there is a move towards the creation of Alternate Reimbursement Models (ARMs). ARMs aim to carefully select network providers who deliver excellent care in the most efficient way, ensuring high quality treatment, surgery and improved clinical outcomes. In doing so, the member has access to |

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| | | better quality care and excessive costs are contained. Bankmed contracts with providers for certain procedures (which we call Value Based Contracting and have determined Centres of Excellence) and pays these providers what we call a Global Fee/Fixed Fee. Over time more procedures will be covered in this manner with a move away from the traditional FFS model. |
| 4. | Query about the Basic Plan not having savings: | • The different benefit options are deliberately structured differently to cater for varying healthcare needs at different life stages. The Basic Plan is one of the benefit options that does not have a Medical Savings Account (MSA). |
| 5. | Query about a different benefit for pensioners, and reduced contributions: | • Other than the benefit of cross-subsidisation, which already accrues mostly to pensioners, there are limitations as to what the Scheme can do. The Medical Schemes Act prohibits discrimination based on age i.e. contributions and benefits may not be differentiated based on age.<br>• The Scheme continues to consider to what extent the lower cost benefit options can further cater for those who may have higher healthcare needs and are the most exposed to affordability challenges. Pensioners are encouraged to consider lower cost benefit options, with careful consideration of their healthcare needs. It has to be emphasised that this must be the individual's decision. |
| 6. | Query about paternity benefits: | • Member to be referred to the benefits and contributions schedule and assisted further telephonically where necessary. |
| 7. | Query about gap cover and emergency room costs not being paid from savings: | • Members are free to consider gap cover products, but such products are currently outside the business of a medical scheme. |
| 8. | Compliment: "Thank you for a well managed medical scheme": | • Noted with appreciation. |
| 9. | Personal query about a specific medical condition, and the Ex Gratia application process: | • Member to be contacted about personal query. |
| 10. | Issue about how expensive medical aid is and a view that it does not seem to benefit those who pay for it: | • Although the affordability challenge to access good quality healthcare is a global phenomenon, Bankmed does not hide behind that. Bankmed's better value attribute, made up of a combination of richer benefits and lower costs (comparatively) is only part of our best attempt to deal with this challenge. It is accepted, however, that our better value may be overshadowed by the magnitude of the challenge.<br>• This challenge was one of the key reasons for the Health Market Inquiry and it is hoped that, when the recommendations are eventually implemented, the desired outcome will be realised, and an impact will be made on this stubborn challenge.<br>• In the interim, Bankmed will continue to demonstrate value to its members. |

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| **11.** | Query about a wheelchair and benefits for pensioners: | • Member to be engaged directly about the wheelchair query.<br>• With regards to benefits for pensioners, Bankmed is very sympathetic about the plight of pensioners. Other than the benefit of cross-subsidisation, which already accrues mostly to pensioners, there are limitations to what the Scheme can do. The Medical Schemes Act prohibits discrimination based on age i.e. contributions and benefits may not be differentiated based on age.<br>• The Scheme continues to consider to what extent the lower cost benefit options can further cater for those who may have higher healthcare needs and are the most exposed to affordability challenges. Pensioners are encouraged to consider lower cost benefit options, with careful consideration of their healthcare needs. It has to be emphasised that this must be the individual's decision. |
| **12.** | Emergency Room/Casualty Visits: | • Emergency Room/Casualty visits are subject to the day-to-day/savings benefits. However, if someone is admitted to hospital after an Emergency Room/Casualty visit, the claim is settled from Insured Benefits and not the day-to-day/savings benefits. If the treatment performed in the Casualty/Emergency Room is deemed to be a PMB, the Scheme will then fund the claim from Insured Benefits. |
| **13.** | Issue about the unfairness of increases for pensioners: | • Other than the benefit of cross-subsidisation, which already accrues mostly to pensioners, there are limitations to what the Scheme can do. The Medical Schemes Act prohibits discrimination based on age i.e. contributions and benefits may not be differentiated based on age.<br>• The Scheme continues to consider to what extent the lower cost benefit options can further cater for those who may have higher healthcare needs and are the most exposed to affordability challenges. Pensioners are encouraged to consider lower cost benefit options, with careful consideration of their healthcare needs. It has to be emphasised that this must be the individual's decision. |
| **14.** | Query about differences in cover between two benefit options: | • Member to be referred to the benefits and contributions schedule, and assisted further telephonically where necessary. |
| **15.** | Query about NHI, and suggestion about enhancements on dentistry and optical benefits, and co-payments on chronic medication coming from Medical Savings Accounts (and not having to be paid upfront): | • The general update at the AGM will include a brief update on NHI.<br>• Benefit enhancement requests are taken to the Benefit Design Committee each year for consideration, however there are no guarantees about the suggested changes or enhancements.<br>• Enhancements are also subject to what legislation allows.<br>• Where it makes sense to engage the member directly, that will be done. |
| **16.** | Personal query about contribution applicable on retirement: | • To be addressed directly with the member. |
| **17.** | Trustee tenure: | • Outlined in rule 18.17 of the Scheme Rules. |

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| 18. | Contribution increases for next year: | • The deliberations leading up to benefit changes and contribution increases (for 2023) are scheduled to be finalised during the months of July and August. The Board will again give due consideration (amongst other factors) to affordability and the sustainability of the Scheme for the foreseeable future. This is one of the Board's most important responsibilities and is attended to with utmost care, in the best interest of the Scheme and its members. At this stage, therefore, there is no available information about contribution increases for 2023. |
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