

19 November 2019

To: Alliance-Midmed members

Dear member,

2020 SCHEME CHANGES

I am excited to announce several changes to the Scheme that will be effective from 1 January 2020, to serve you, our members, better.

Administration and managed care services

The Board has decided to insource the Scheme's administration. The current commercial focus of the medical management industry is making it difficult for us to pursue our objective of **advancing access to quality healthcare, efficiently whilst containing costs**. In a self-administered arrangement we could reduce our already low administration costs by a further 7% in subsequent years.

We will continue to use the current administration systems and to minimise the impact of this change we have managed to retain your member number as well as the Scheme telephone number (0860002161) and email address (service@alliancemidmed.co.za). However, your member card will need to be updated with the latest information and the new cards will be sent out soon.

The Middelburg staff will remain, and the clinic services will expand. To assist the team, we have contracted with Rx Health, a specialist company, to help manage the access to quality care.

Please note that the office will relocate to a more affordable and convenient location from 1 January - we will advise of the new address during December 2019. The Scheme's website is also being revamped, and we apologise for the inconvenience while the site is unavailable.

2020 Contribution and Benefit changes

Most Scheme benefits will remain, and on average, limits will increase by 4.5%. Notable changes include hearing aids – qualifying members will get a set of quality hearing aids, at Scheme rates, every three years, and a R5000.00 co-payment on joint replacements, subject to a second opinion.

We experienced significantly higher costs during 2019 and as a result the 2020 contributions were adjusted at a higher rate than usual (10.9%). Despite this, the Scheme continues to offer better value-for-money than comparative options in the open market. As always, we compare the monthly contributions for three income bands for a family of four to similar schemes:

Income	2020 Alliance-Midmed		Scheme 1	Scheme 2 (less benefit)	Scheme 3
	Full	After 60% Subsidy			
R 5,000	R5,284	R2,114	R12,830	R8,100	R10,680
R10,000	R7,550	R3,020			
R20,000	R8,541	R3,416			



We have also added a new income category (for members with a salary exceeding R25,000 per month), and to maintain fair contributions for everyone, some of the lower income band contributions have been adjusted. The contribution table is available at the Scheme offices and will be published in the revised member booklet during December.

Our excellent team has managed to contain costs under very trying circumstances, including the management of 25 very sick patients. As of the end of September a total of 887 dependants accessed hospitals and sadly, seven very ill patients passed away whilst in hospital.

To improve quality and contain costs, we will strengthen our outreach and urge you to please respond to the nursing team's calls. Your information is not shared with ANYONE, but the contact is essential to improve your health and wellbeing, in addition to improving the financial results. Please get to know and manage your healthcare numbers (*body-mass index, cholesterol, blood pressure, blood glucose*) – the team will help with this, follow doctor's instructions, use the FREE services of the Scheme office and respond to the outreach team.

We are also increasing our focus on waste – we estimate that approximately 6% of your money is wastefully spent by members and providers or syphoned off through abuse, fraudulent claims and unnecessary care.

The team is engaging with our partners, medical professionals and other stakeholders to minimise disruption during the changeover.

Should you have any concerns or questions, or experience challenges, please email the Principal Officer at jhhartz@outlook.com.

Sharon Muller
Chairperson