



TRUSTEE INFORMATION APRIL 2018

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ALLIANCE-MIDMED MEDICAL SCHEME

EXECUTIVE SUMMARY - HIGHLIGHTS - APRIL 2018

EXECUTIVE SUMMARY HIGHLIGHTS

1. INCOME STATEMENT

1.1 CONTRIBUTIONS

Net contributions for the month were R7.6M which is R353K below budget. This is due to membership being 70 contracts below budget. Year-to-date (YTD) contributions at R30.5M are less than budget by R1.3M, with YTD total of 215 contracts less than budget.

1.2 CLAIMS COST

The claims costs for the month were R6.1M which is under budget by R776K. The YTD claims ratio is 98%, compared to the budgeted 91%, with average claims per member per month being R4 133 which is some R243 over budget. This includes an IBNR provision of R2.7M. The YTD top 10 high cost cases total R3.2M. Refer page 8 for the top 10 claims.

1.3 NON-HEALTHCARE EXPENDITURE

Non-healthcare costs for the month amounted to R505K, which is R23K over budget, mainly due to the unbudgeted actuary retainer fee and payment for the use of Insite Electionworx system. YTD costs are R2.0M and is R19K over budget.

1.4 NET HEALTHCARE RESULT

The Scheme generated a net healthcare surplus of R1.0M for the month in comparison with a budgeted net healthcare surplus of R616K. The YTD net deficit is R2.2M worse than budget.

1.5 INVESTMENT INCOME

Investment income is derived from funds managed by Old Mutual. The Scheme had a net investment income for the month totalling R1.0M compared with a budgeted investment income of R317K. Investments reflected unrealised gains of R683K for the month. The all share returns on the JSE increased by 5.37% for the month. YTD net investment income is R1.4M compared to the budgeted R1.2M.

1.6 NET SURPLUS/(DEFICIT) AND RESERVES

The Scheme ended the month with a surplus of R2.1M (after investment income) which was better than budget by R1.1M. YTD the net deficit is R128K compared to the budgeted surplus of R2.2M, a negative variance of R2.0M.

2. BALANCE SHEET

2.1 ACCUMULATED RESERVES

The Scheme had accumulated funds of R49.2M as at the end of the month. This equates to a solvency ratio of 38.42% based on gross contributions. This has decreased from the 40.14% recorded for Dec-2017. This decrease is due to a combination of the higher contributions from annual premium increases and further impacted by an increase in unrealised gains which are removed for the solvency calculation.

2.2 PROVISION FOR UNPAID CLAIMS

The provision for outstanding claims currently stands at R3.3M. This includes R603K remaining of the prior year provision.

2.3 CASH AT BANK AND INVESTMENTS

The cash, call and fixed deposits, as well as investments held by the Scheme at month end total R86.5M. This is R2.5M up on December 2017.

2.4 PERSONAL MEDICAL SAVINGS ACCOUNT (PMSA)

Effective 1 October 2017, a rule amendment was approved by CMS whereby interest is no longer allocated to members.

3. MEMBERSHIP

3.1 PRINCIPAL MEMBERS AND BENEFICIARIES

The Scheme billed 1 787 members for the month vs the budgeted 1 857. There were a total of 4 228 lives covered for the month which equates to 2.37 beneficiaries per contract.

3.2 PENSIONERS

The Scheme has 283 principal members classified as pensioners (over 60yrs). This equates to a ratio of 15.8% of the total membership. The number of beneficiaries greater than 65 years is 289. This equates to 6.84% of the total lives covered. The number of beneficiaries aged 60 or older is 434. This equates to 10.26% of the total lives covered.

ALLIANCE-MIDMED MEDICAL SCHEME
EXECUTIVE SUMMARY - FINANCIAL HIGHLIGHTS APRIL 2018

Income Statement	Current Month			Year to Date 2018			Prior Yr Full	Full year 2018
	Actual R'000	Budget R'000	Variance R'000	Actual R'000	Budget R'000	Variance R'000	Actual R'000	Budget R'000
Gross contribution income	8 217	8 642	(424)	33 216	34 566	(1 350)	94 568	103 699
Less: savings contribution income	622	692	(71)	2 676	2 770	(93)	7 503	8 309
Net contributions from members	7 596	7 949	(353)	30 540	31 797	(1 257)	87 065	95 390
Relevant healthcare expenditure	(6 075)	(6 851)	776	(29 815)	(28 900)	(914)	(85 605)	(92 536)
Gross healthcare result	1 521	1 098	423	725	2 896	(2 171)	1 460	2 854
Non-healthcare expenditure	(505)	(482)	(23)	(2 002)	(1 983)	(19)	(5 989)	(6 455)
Net healthcare result	1 017	616	400	(1 277)	914	(2 191)	(4 529)	(3 601)
Net Investment income	1 046	317	729	1 405	1 247	158	5 144	3 655
Net surplus/(deficit)	2 063	934	1 129	128	2 161	(2 033)	615	54
Data per contract:								
Average premium per contract	4 250.51	4 280.65	(30.13)	4 233.97	4 280.65	(46.68)	3 927.49	4 280.65
Average claims cost per contract	(3 399.34)	(3 689.30)	289.96	(4 133.44)	(3 890.72)	(242.73)	(3 861.64)	(4 152.59)
Average gross healthcare result per contract	851.18	591.35	259.83	100.53	389.93	(289.41)	65.85	128.06
Administration costs data:								
Average non-healthcare expenditure per contract	282.33	259.37	(22.96)	277.55	266.93	(10.61)	270.17	289.66
Non-healthcare as % of Risk Contributions	6.6%	6.1%	-0.58%	6.6%	6.2%	-0.32%	6.88%	6.8%
Non-healthcare as % of Gross Contributions	6.1%			6.0%			6.33%	

BALANCE SHEET DATA	ACTUAL	PRIOR YEAR-YEAR END
Accumulated Reserves	49 153 879	49 025 822
Cumulative unrealised net gains/(losses) in acc funds	11 135 403	11 062 726
Cash at Bank and Investments	86 456 656	83 935 510
Provision for unpaid claims	3 275 114	2 006 451
Annualised reserve ratio - Net Contributions	41.64%	43.60%
Annualised reserve ratio - Gross Contributions	38.42%	40.14%

Note: Due to the increase in VAT, the impact on the full year budget is an increase in cost by R657K, resulting in a budgeted loss of R603K for the 2018 year

ALLIANCE MIDMED MEDICAL SCHEME BALANCE SHEETS

	31-Dec-17	31-Jan-18	28-Feb-18	31-Mar-18	30-Apr-18	31-May-18	30-Jun-18	31-Jul-18	31-Aug-18	30-Sep-18	31-Oct-18	30-Nov-18	31-Dec-18
ASSETS													
Non-Current Assets													
Current assets	84 708 069	86 731 200	88 990 316	85 774 798	87 719 649								
Outstanding contributions	709 130	657 763	1 047 819	844 296	756 094								
Member debt	12 609	11 687	28 004	27 907	29 382								
Supplier debt	N2 24 498	35 122	417 269	377 613	403 509								
Savings plan account advances	45 394	60 212	78 772	79 821	102 673								
Cash, call and Fixed Deposits	44 111 540	46 258 826	47 651 709	45 111 517	46 318 087								
Investments	39 823 971	39 726 717	39 797 110	39 365 373	40 138 569								
Prepayments	16 000	14 667	13 333	12 000	10 667								
Accrued interest	2 488	3 766	4 331	4 300	8 699								
Provision for bad debts	(37 560)	(37 560)	(48 031)	(48 031)	(48 031)								
Total assets	84 708 069	86 731 200	88 990 316	85 774 798	87 719 649								
RESERVES AND LIABILITIES													
Reserves	49 025 822	49 682 477	48 827 586	47 091 159	49 153 879								
Accumulated Reserves brought forward	45 356 798	49 025 822	49 682 477	48 827 586	47 091 159								
Current period surplus / (deficit)	3 669 024	656 656	(854 892)	(1 736 426)	2 062 719								
Current Liabilities	35 682 247	37 048 723	40 162 731	38 683 639	38 565 771								
Sundry creditors and accruals	205 383	168 886	670 492	208 963	663 298								
Deposits not yet allocated	N3 171 318	206 993	656 034	198 835	247 844								
Member and supplier credit balances	N1 1 784 379	1 909 746	3 365 070	2 377 146	1 731 187								
Provision for audit fees	189 810	149 523	166 179	87 929	104 780								
Member Savings Liability	31 324 905	31 645 971	31 959 065	32 247 755	32 543 548								
Provision for unpaid claims 2017	2 006 451	981 879	684 547	614 191	602 838								
Provision for unpaid claims 2018	-	1 985 725	2 661 344	2 948 819	2 672 276								
Total reserves and liabilities	84 708 069	86 731 200	88 990 316	85 774 798	87 719 649								

Note N1 Relates to amounts owing to members and suppliers for claims that were received and processed but not paid as at month end. This is timing in nature as claims payments are made every Thursday (actual date of payment).

Note N2 The increase in supplier debt is a result of reversing COID claims that was previously paid.

Note N3 This is timing in nature. Relates to deposits received on the last working day and only allocated to member level on first work day of the following month.

**ALLIANCE MIDMED MEDICAL SCHEME
CONSOLIDATED CASH FLOW STATEMENTS 2018**

	January Actual R	February Actual R	March Actual R	April Actual R	May Actual R	June Actual R	July Actual R	August Actual R	September Actual R	October Actual R	November Actual R	December Actual R	YTD Actual R
Net surplus / (deficit) for the period	656 656	(854 892)	(1 736 426)	2 062 719	-	-	-	-	-	-	-	-	128 057
Movement in working capital	1 393 377	2 318 167	(1 235 502)	(82 954)	-	-	-	-	-	-	-	-	2 393 089
Movement in current assets	26 901	(795 841)	243 590	34 914	-	-	-	-	-	-	-	-	(490 434)
Movement in claims provision	961 153	378 287	217 119	(287 897)	-	-	-	-	-	-	-	-	1 268 662
Movement in current liabilities	405 323	2 735 721	(1 696 211)	170 029	-	-	-	-	-	-	-	-	1 614 861
	2 050 033	1 463 276	(2 971 928)	1 979 766	-	-	-	-	-	-	-	-	2 521 146
Cash utilised in investing activities	97 254	(70 393)	431 737	(773 196)	-	-	-	-	-	-	-	-	(314 598)
Increase / (decrease) in cash	2 147 287	1 392 882	(2 540 192)	1 206 570	-	-	-	-	-	-	-	-	2 206 548
Represented by :													
Opening cash on hand:													
Cash at bank	44 111 540	46 258 826	47 651 709	45 111 517	-	-	-	-	-	-	-	-	44 111 540
Increase / (decrease) in cash	2 147 287	1 392 882	(2 540 192)	1 206 570	-	-	-	-	-	-	-	-	2 206 548
Closing cash on hand:	46 258 826	47 651 709	45 111 517	46 318 087	-	-	-	-	-	-	-	-	46 318 087

Notes:

N1 - Movement in Current Assets [A] - [B]	26 901	(795 841)	243 590	34 914	1 262 993	-	-	-	-	-	-	-	-
Prior month balance	[A] 772 559	745 657	1 541 498	1 297 907	1 262 993	-	-	-	-	-	-	-	-
Current month balance	[B] 745 657	1 541 498	1 297 907	1 262 993	-	-	-	-	-	-	-	-	-
Outstanding contributions	657 763	1 047 819	844 296	756 094	-	-	-	-	-	-	-	-	-
Member debt	11 687	28 004	27 907	29 382	-	-	-	-	-	-	-	-	-
Supplier debt	35 122	417 269	377 613	403 509	-	-	-	-	-	-	-	-	-
Savings plan account advances	60 212	78 772	79 821	102 673	-	-	-	-	-	-	-	-	-
Prepayments	14 667	13 333	12 000	10 667	-	-	-	-	-	-	-	-	-
Accrued interest	3 766	4 331	4 300	8 699	-	-	-	-	-	-	-	-	-
Provision for bad debts	(37 560)	(48 031)	(48 031)	(48 031)	-	-	-	-	-	-	-	-	-

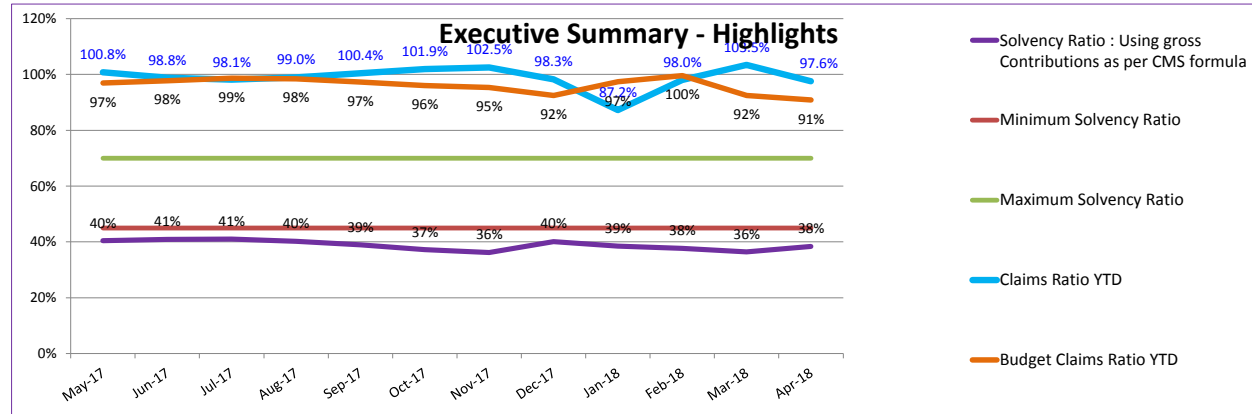
**ALLIANCE-MIDMED MEDICAL SCHEME
INVESTMENTS ANALYSIS AS AT END OF APRIL 2018
CASH AND EQUIVALENTS**

Institution	Type	Period	Interest Rate	Balance including accrued interest	Interest received year to date	Interest accrued at month-end	Date of Maturity
				R	R	R	
ABSA	Call	Call	6.25%	82 537	1 722		
	Call	Call	6.25%	-	24 855		
	Fixed Deposit	12 month	7.88%	1 528 479			2019/02/01
	Fixed Deposit	12 month	7.80%	507 159			2019/02/22
	Fixed Deposit	12 month	7.70%	1 055 482			2018/08/10
	Fixed Deposit	12 month	8.20%	1 075 485			2018/05/30
	Fixed Deposit	11 month	7.75%	519 959			2018/09/25
	Fixed Deposit	8 month	7.55%	509 515			2018/09/28
First Rand Bank	Call	Call	6.25%	3 467	72		
	Call	Call	6.25%	-	5 435		
	Fixed Deposit	12 month	8.08%	1 040 043			2018/11/01
	Fixed Deposit	12 month	7.85%	1 061 079			2018/07/20
	Fixed Deposit	12 month	8.45%	1 005 291			2019/04/05
	Fixed Deposit	12 month	7.75%	1 043 952			2018/10/05
	Fixed Deposit	12 month	7.68%	1 057 615			2018/07/31
	Fixed Deposit	12 month	8.10%	1 069 682			2018/06/21
Investec	Call	Call	6.40%	3 475 854	35 492		
	Call	Call	6.40%	-	35 074		
	Fixed Deposit	12 month	8.00%	1 017 753			2019/02/08
	Fixed Deposit	12 month	8.05%	1 024 260			2019/01/11
	Fixed Deposit	12 month	8.15%	1 072 792			2018/06/08
	Fixed Deposit	12 month	8.05%	1 024 040			2019/01/12
	Fixed Deposit	12 month	8.30%	2 158 268			2018/05/18
	Fixed Deposit	12 month	7.77%	503 512			2019/03/29
	Fixed Deposit	9 month	7.65%	509 641			2018/10/29
	Fixed Deposit	12 month	7.70%	1 051 896			2018/08/28
	Fixed Deposit	12 month	8.35%	1 035 001			2018/11/29
	Fixed Deposit	14 day	6.55%	1 002 333			2018/05/05
Nedbank	Call	Call	6.25%	3 104 917	15 328		
	Call	Call	7.05%	1 367 180	39 168		
	Call	Call	6.25%	4 118	21 664		
	Fixed Deposit	12 month	8.25%	1 031 418			2018/12/13
	Fixed Deposit	12 month	8.08%	531 636			2018/07/19
	Fixed Deposit	12 month	7.80%	2 022 652			2019/03/09
	Fixed Deposit	12 month	7.83%	520 152			2018/10/25
Standard Bank	Call	Call	6.35%	3 908 614	44 979		
	Call	Call	6.35%	-	14 483		
	Fixed Deposit	12 month	7.70%	1 046 622			2018/09/21
	Fixed Deposit	12 month	8.00%	1 028 712			2018/12/21
	Fixed Deposit	12 month	8.28%	507 958			2019/02/15
	Fixed Deposit	12 month	7.73%	1 003 810			2019/04/12
Interest including interest on fixed deposits capitalised					777 161		
Subtotal				41 512 886	1 015 434	-	
Alliance Midmed bank account				4 805 013	19 803	8 698	
Alliance Midmed Demand Deposit				189	15	2	
Less: Investment management fees: Old Mutual					(68 097)		
Less: Bank fees FNB corporate account					(12 201)		
TOTAL CASH, CALL AND FIXED DEPOSITS				46 318 087	954 955	8 699	
Effective return on investments				7.23%			

INVESTMENTS							
Institution	Initial Investment	Market Value	Int and Div Income	Portfolio management fees	Unrealised gains/(losses) in P&L	Realised gains/(losses)	
Coronation fund managers	14 325 346	17 951 106	292 894	(26 568)	(62 979)	3 978	
Prudential portfolio managers	9 696 382	22 187 463		(42 273)	135 656	14 204	
Total Investments:	24 021 728	40 138 569	292 894	(68 841)	72 677	18 182	
	Effective return YTD		2.38%				

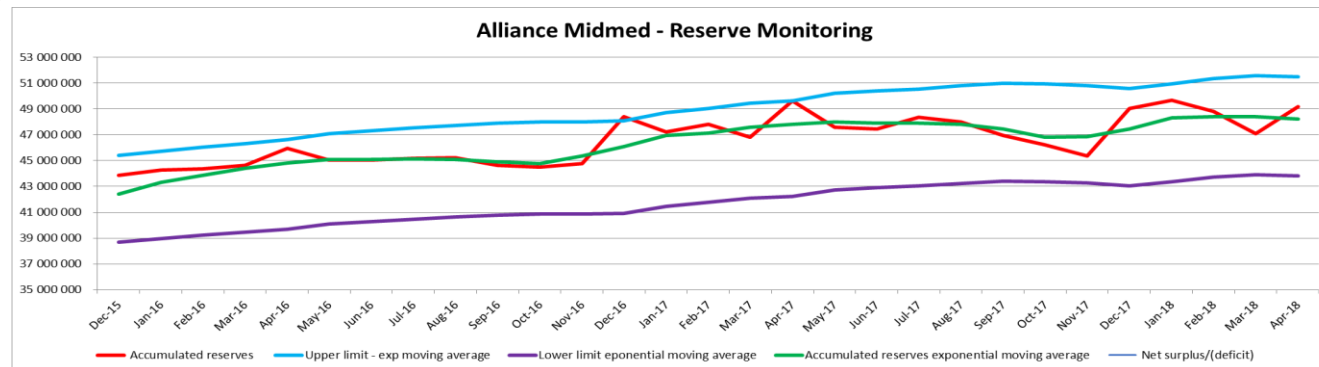
**ALLIANCE-MIDMED MEDICAL SCHEME
FINANCIAL INDICATORS - RESERVES**

	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Solvency Ratio : Using gross Contributions as per CMS formula	40.5%	40.9%	41.0%	40.2%	38.9%	37.2%	36.2%	40.1%	38.5%	37.7%	36.4%	38.4%
Minimum Solvency Ratio	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%	45.0%
Maximum Solvency Ratio	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%
Claims Ratio YTD	100.8%	98.8%	98.1%	99.0%	100.4%	101.9%	102.5%	98.3%	87.2%	98.0%	103.5%	97.6%
Budget Claims Ratio YTD	97.0%	97.7%	98.6%	98.4%	97.3%	96.1%	95.3%	92.4%	97.3%	99.6%	92.5%	90.9%
Number of Members	1 838	1 840	1 839	1 854	1 857	1 851	1 847	1 855	1 816	1 807	1 803	1 787
Number of Lives	4 414	4 423	4 417	4 413	4 432	4 424	4 420	4 413	4 238	4 243	4 237	4 228
Schemes Reserves	R 47 582 443	R 47 424 696	R 48 329 733	R 47 982 830	R 46 923 780	R 46 231 040	R 45 356 798	R 49 025 822	R 49 682 477	R 48 827 586	R 47 091 159	R 49 153 879



Scheme Strategy

Solvency Level to be maintained between 45% -70%
Minimum Reserves of R35 million



**ALLIANCE MIDMED MEDICAL SCHEME
FINANCIAL RATIOS AND TRENDS**

		Apr-15	Apr-16	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	YTD	TREND 2018
Current liabilities to cash	Current liabilities	29 966 358	33 620 897	34 973 896	37 785 513	35 799 606	36 417 859	36 573 581	38 455 866	39 314 327	37 654 763	35 682 247	37 048 723	40 162 731	38 683 639	38 565 771	38 565 771	
	Cash & Investments	48 189 869	51 306 848	53 419 189	54 265 467	81 228 536	82 579 411	82 168 688	83 039 705	83 140 950	80 584 139	83 935 510	85 985 543	87 448 819	84 476 890	86 456 656	86 456 656	
		0.62	0.66	0.65	0.70	0.44	0.44	0.45	0.46	0.47	0.47	0.43	0.43	0.46	0.46	0.45	0.45	

Comment: Current liabilities is a fraction of cash and investments - indicating that the scheme is adequately capable of meeting its debts in the normal course of its business

Current liabilities to cash	Current liabilities	6 062 845	7 359 122	5 684 034	8 400 828	35 799 606	36 417 859	36 573 581	38 455 866	39 314 327	37 654 763	35 682 247	37 048 723	40 162 731	38 683 639	38 565 771	38 565 771	
	Cash	16 456 963	18 666 110	15 793 972	16 624 773	44 149 811	44 614 220	43 754 282	44 407 456	43 546 453	40 809 070	44 111 540	46 258 826	47 651 709	45 111 517	46 318 087	46 318 087	
		0.37	0.39	0.36	0.51	0.81	0.82	0.84	0.87	0.90	0.92	0.81	0.80	0.84	0.86	0.83	0.83	

Comment: Current liabilities. As a fraction of scheme cash - current liabilities is smaller indicating that the scheme is more than adequately capable of meeting its debts in the normal course of business operations.

Claims ratio	Net premium income	6 008 314	6 665 462	7 270 837	7 237 638	7 260 800	7 255 584	7 274 389	7 263 912	7 286 297	7 257 255	7 221 601	7 655 536	7 649 184	7 639 214	7 595 670	30 539 603	
	Relevant healthcare exp	3 678 359	5 247 635	4 590 335	8 899 324	6 445 927	6 812 573	7 646 331	8 128 068	8 415 575	7 868 451	3 741 040	6 678 656	8 324 404	8 736 837	6 074 617	29 814 513	
		61%	79%	63%	123%	89%	94%	105%	112%	115%	108%	52%	87%	109%	114%	80%	98%	

Comment: Just another view indicating a high claiming year, relative to contributions. Better (less) than YTD budget.

Working capital ratio	Current assets	49 861 419	53 353 079	55 505 292	56 433 663	83 224 302	84 747 592	84 556 410	85 379 646	85 545 367	83 011 561	84 708 069	86 731 200	88 990 316	85 774 798	87 719 649	87 719 649	
	Current liabilities	6 062 845	7 359 122	5 684 034	8 400 828	35 799 606	36 417 859	36 573 581	38 455 866	39 314 327	37 654 763	35 682 247	37 048 723	40 162 731	38 683 639	38 565 771	38 565 771	
		8.22	7.25	9.77	6.72	2.32	2.33	2.31	2.22	2.18	2.20	2.37	2.34	2.22	2.22	2.27	2.27	

Comment: Ratio indicates that scheme current assets are more than adequate to meet scheme liabilities.

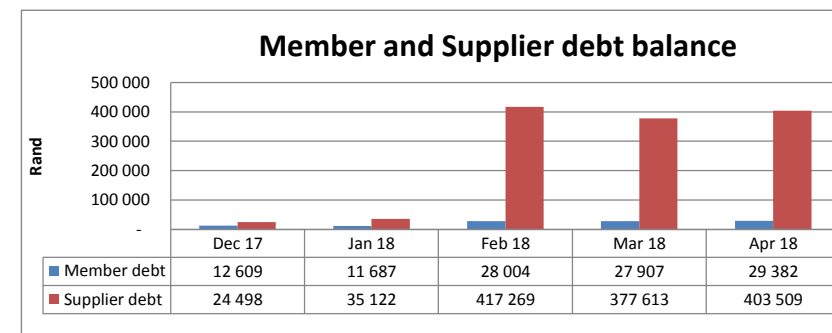
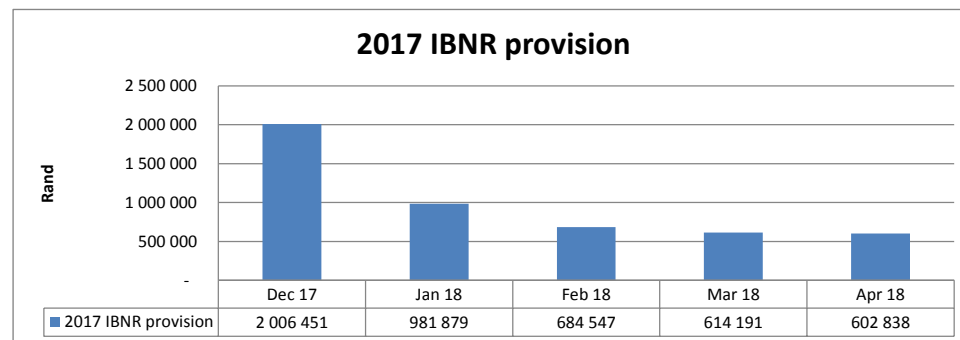
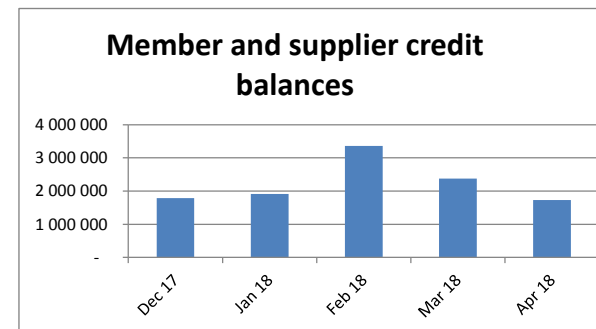
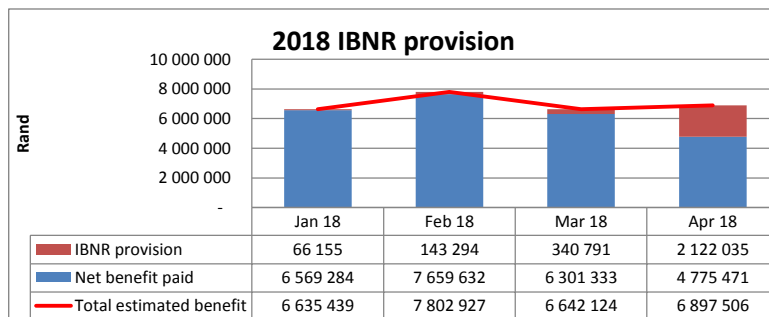
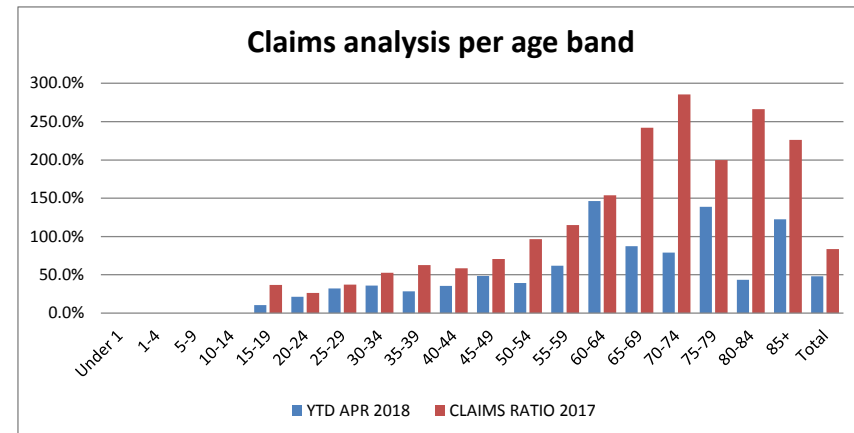
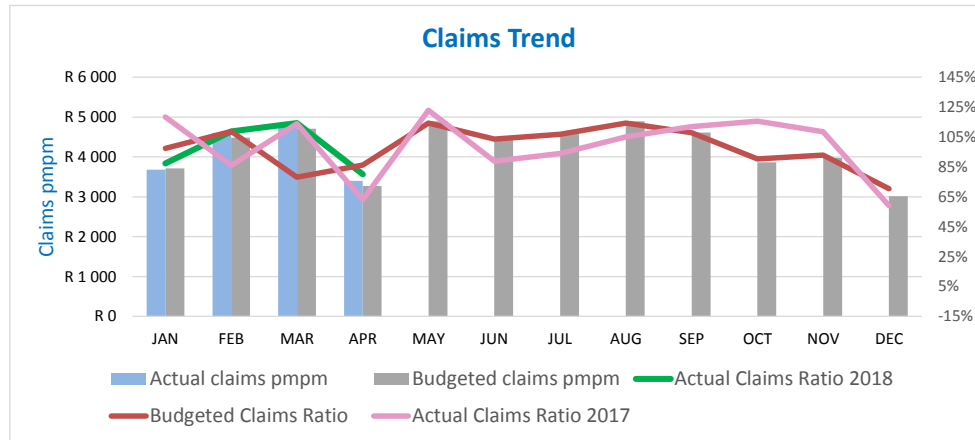
Acid test ratio	Cash, call and Fixed Deposits	16 456 963	18 666 110	15 793 972	16 624 773	44 149 811	44 614 220	43 754 282	44 407 456	43 546 453	40 809 070	44 111 540	46 258 826	47 651 709	45 111 517	46 318 087	46 318 087	
	Investments	31 732 906	32 640 739	37 625 217	37 640 694	37 078 725	37 965 190	38 414 406	38 632 249	39 594 497	39 775 070	39 823 971	39 726 717	39 797 110	39 365 373	40 138 569	40 138 569	
	Total 'near cash'	48 189 869	51 306 848	53 419 189	54 265 467	81 228 536	82 579 411	82 168 688	83 039 705	83 140 950	80 584 139	83 935 510	85 985 543	87 448 819	84 476 890	86 456 656	86 456 656	
	Current liabilities	6 062 845	7 359 122	5 684 034	8 400 828	35 799 606	36 417 859	36 573 581	38 455 866	39 314 327	37 654 763	35 682 247	37 048 723	40 162 731	38 683 639	38 565 771	38 565 771	
		7.95	6.97	9.40	6.46	2.27	2.27	2.25	2.16	2.11	2.14	2.35	2.32	2.18	2.18	2.24	2.24	

Comment: Ratio indicates that scheme cash reserves are more than adequate to meet scheme liabilities.

Reporting line performance %	Net premium income	6 008 314	6 665 462	7 270 837	7 237 638	7 260 800	7 255 584	7 274 389	7 263 912	7 286 297	7 257 255	7 221 601	7 655 536	7 649 184	7 639 214	7 595 670	30 539 603	
	Gross healthcare result	2 329 955	1 417 827	2 680 502	(1 661 686)	814 873	443011	(371 942)	(864 156)	(1 129 278)	(611 196)	3 480 561	976 880	(675 220)	(1 097 623)	1 521 053	725 090	
	a Gross healthcare result %	39%	21%	37%	-23%	11%	6%	-5%	-12%	-15%	-8%	48%	13%	-9%	-14%	20%	2%	
	Net healthcare result	1 817 597	767 518	2 232 046	(2 143 333)	314 234	(79 320)	(883 225)	(1 360 459)	(1 729 127)	(1 119 904)	2 955 840	478 905	(1 185 158)	(1 587 134)	1 016 536	(1 276 851)	
	b Net healthcare result %	30%	12%	31%	-30%	4%	-1%	-12%	-19%	-24%	-15%	41%	6%	-15%	-21%	13%	-4%	
	Net surplus/(deficit)	2 514 077	1 311 641	2 796 767	(2 033 294)	(157 747)	905 037	(346 903)	(1 059 050)	(692 740)	(874 242)	3 669 024	656 656	(854 892)	(1 736 426)	2 062 719	128 057	
	c Net surplus/(deficit) %	42%	20%	38%	-28%	-2%	12%	-5%	-15%	-10%	-12%	51%	9%	-11%	-23%	27%	0%	

Comment: (a) Different view of same pattern of claims ratios. (b) ratio worsens after accounting for non-health care expenditure. (c) Ratio improves after investment income. The reporting line before investment income must be positive - strategy noted in 5 year planning and pricing. Investment income ideally should go towards reserve building.

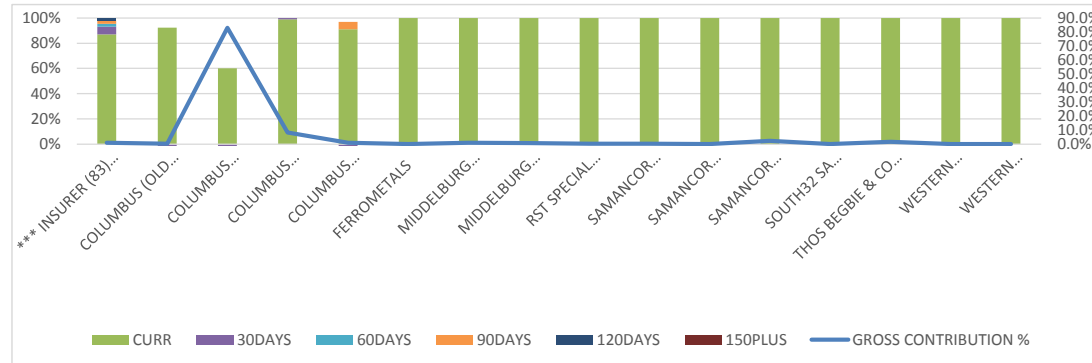
**ALLIANCE MIDMED MEDICAL SCHEME
CLAIMS AND CREDITORS**



Note: the increase in supplier debt is a result of reversing previously processed COID claims

ALLIANCE-MIDMED MEDICAL SCHEME DEBTORS AGE ANALYSIS AT END OF APRIL 2018

Name	Members	Gross Contributions excl backdates	Sum of TOTAL	Sum of BAL CURR	Sum of BAL 30DAYS	Sum of BAL 60DAYS	Sum of BAL 90DAYS	Sum of BAL 120DAYS	Sum of BAL 150PLUS
			*** INSURER (83) SELF PAYING ***	21	73 683	82 097	71 509	5 015	1 910
COLUMBUS (OLD MUTUAL PENSIONERS)	8	22 406	20 565	22 406	(1 841)	-	-	-	-
COLUMBUS STAINLESS	1 360	6 527 339	1 217	3 583	(2 054)	(312)	-	-	-
COLUMBUS STAINLESS PENSIONERS	166	643 497	231 608	229 490	2 118	-	-	-	-
COLUMBUS STAINLESS PENSIONERS - DISABILITY	16	69 226	18 994	18 483	(635)	-	1 146	-	-
COLUMBUS RETIREMENT (MOMENTUM40%)	2	4 564	0	-	-	-	-	-	-
COLUMBUS RETIREMENT(MOMENTUM 20%)	11	28 505	0	-	-	-	-	-	-
FERROMETALS	1	3 032	2 959	2 959	-	-	-	-	-
MFC RETIREMENT (MOMEN 33.3%)	1	1 910	0	-	-	-	-	-	-
OLD MUTUAL (MFC 33.3%)	5	12 880	0	-	-	-	-	-	-
MIDDELBURG FERROCHROME	12	78 021	78 021	78 021	-	-	-	-	-
MIDDELBURG FERROCHROME PENSIONER	15	60 302	58 239	58 239	-	-	-	-	-
RST SPECIAL METALS (PTY)LTD PENS	0	0	0	-	-	-	-	-	-
RST SPECIAL METALS PTY LTD	3	12 257	12 257	12 257	-	-	-	-	-
SAMANCOR CHROME	3	20 147	20 147	20 147	-	-	-	-	-
SAMANCOR CORPORATE	1	6 149	6 149	6 149	-	-	-	-	-
SAMANCOR MANGANESE PROPRIETARY LIMITED	56	189 231	153 824	153 824	-	-	-	-	-
SOUTH32 SA LIMITED	1	4 908	9 816	4 908	4 908	-	-	-	-
THOS BEGBIE & CO (PTY) LTD	70	377 893	0	-	-	-	-	-	-
THOS BEGBIE & CO (PTY) LTD PENS	30	127 167	42 490	41 860	210	210	210	-	-
THOS BEGBIE RETIRE (MOMENTUM 20%)	2	5 223	0	-	-	-	-	-	-
WESTERN CHROME MINES	1	6 149	6 149	6 149	-	-	-	-	-
WESTERN CHROME MINES PENSIONERS	2	10 057	10 049	10 049	-	-	-	-	-
MEMBERS / GROSS CONTRIBUTIONS	1 787	8 284 546	754 581	740 034	7 720	1 808	3 266	1 753	-



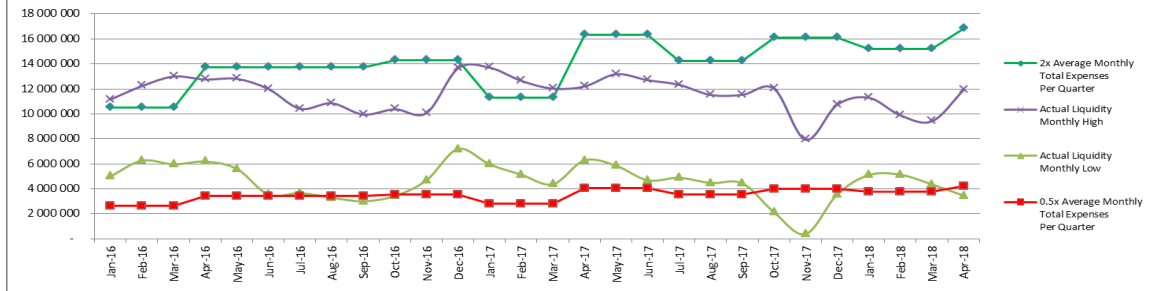
RECONCILIATION TO BALANCE SHEET
 BALANCE PER AGE ANALYSIS
 LESS: UNPAID SAVINGS CONTRIBUTIONS INCLUDED ABOVE
PER BALANCE SHEET

754 581
 1 513

756 094



Month	Relevant healthcare expenditure	Non-healthcare exp	Total Expenses	Average Monthly Total Expenses Per Quarter	Liquidity Level : Indicator		Actual liquidity Levels	
					2x Average Monthly Total Expenses Per Quarter	0.5x Average Monthly Total Expenses Per Quarter	Actual Liquidity Monthly Low	Actual Liquidity Monthly High
Jan-16	5 880 591	383 322	6 263 913		10 529 879	2 632 470	5 011 010	11 151 010
Feb-16	6 400 070	428 998	6 829 068		10 529 879	2 632 470	6 265 448	12 232 870
Mar-16	7 048 938	434 795	7 483 733	6 858 905	10 529 879	2 632 470	5 970 507	12 991 884
Apr-16	5 247 635	650 309	5 897 944		13 717 809	3 429 452	6 182 845	12 754 368
May-16	7 550 318	499 943	8 050 261		13 717 809	3 429 452	5 602 225	12 807 873
Jun-16	6 206 093	470 364	6 676 457	6 874 887	13 717 809	3 429 452	3 541 977	11 993 409
Jul-16	6 489 876	456 233	6 946 109		13 749 775	3 437 444	3 658 890	10 414 833
Aug-16	6 541 216	455 450	6 996 666		13 749 775	3 437 444	3 295 957	10 855 203
Sep-16	6 944 893	540 446	7 485 339	7 142 705	13 749 775	3 437 444	3 013 179	9 952 355
Oct-16	6 109 920	455 705	6 565 625		14 285 409	3 571 352	3 433 900	10 371 974
Nov-16	6 033 925	434 454	6 468 379		14 285 409	3 571 352	4 692 408	10 073 841
Dec-16	3 452 138	489 601	3 941 739	5 658 581	14 285 409	3 571 352	7 196 187	13 648 012
Jan-17	8 564 337	429 347	8 993 684		11 317 162	2 829 291	5 961 406	13 701 271
Feb-17	6 243 418	469 458	6 712 876		11 317 162	2 829 291	5 141 329	12 651 425
Mar-17	8 249 512	496 485	8 745 997	8 150 852	11 317 162	2 829 291	4 375 978	12 028 812
Apr-17	4 590 335	448 456	5 038 791		16 301 705	4 075 426	6 282 945	12 197 467
May-17	8 899 324	481 647	9 380 971		16 301 705	4 075 426	5 855 561	13 178 395
Jun-17	6 445 927	500 639	6 946 566	7 122 109	16 301 705	4 075 426	4 689 758	12 702 072
Jul-17	6 812 573	522 331	7 334 904		14 244 219	3 561 055	4 890 389	12 330 357
Aug-17	7 646 331	511 283	8 157 614		14 244 219	3 561 055	4 473 837	11 516 584
Sep-17	8 128 068	496 303	8 624 371	8 038 963	14 244 219	3 561 055	4 441 519	11 531 519
Oct-17	8 415 575	599 849	9 015 424		16 077 926	4 019 482	2 131 818	12 021 818
Nov-17	7 868 451	508 708	8 377 159		16 077 926	4 019 482	387 515	7 934 869
Dec-17	4 853 735	524 721	5 378 456	7 590 346	16 077 926	4 019 482	3 559 798	10 739 798
Jan-18	6 678 656	497 975	7 176 631		15 180 693	3 795 173	5 107 752	11 292 458
Feb-18	8 324 404	509 938	8 834 342		15 180 693	3 795 173	5 137 892	9 887 478
Mar-18	8 736 837	489 511	9 226 348	8 412 440	15 180 693	3 795 173	4 356 866	9 413 434
Apr-18	6 074 617	504 517	6 579 134		16 824 881	4 206 220	3 462 203	11 912 203



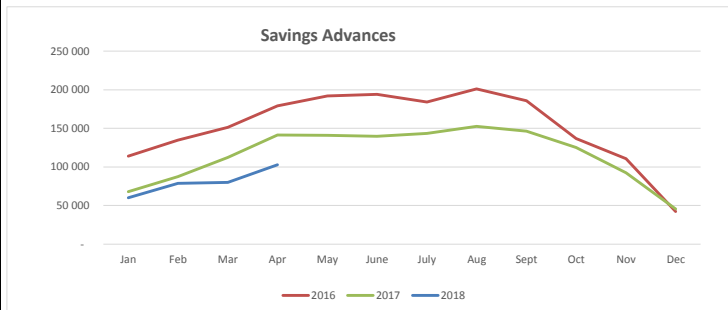
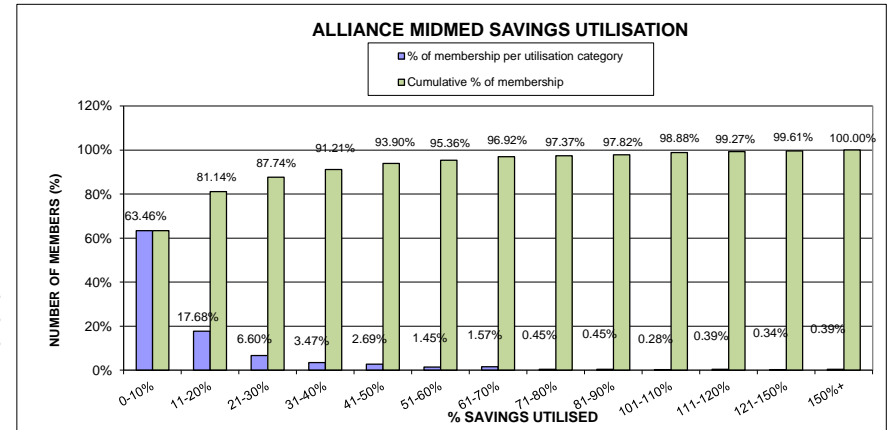
Note: The graph shows the 2 extremes of call balances. If below the lower than 0.5x we run the risk of too little cash on call to meet expenses, if over the above 2.0x then funds need to be invested as too much cash is on hand.

ALLIANCE-MIDMED MEDICAL SCHEME ANALYSIS OF SAVINGS

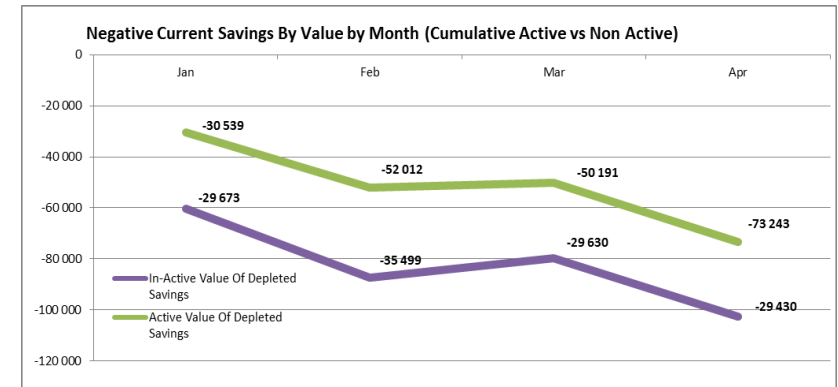
	January R	February R	March R	April R	May R	June R	July R	August R	September R	October R	November R	December R	Trend
Savings Contributions	646 982	647 292	760 408	621 637									
Savings balances	31 582 359	31 875 196	32 167 934	32 440 875									
Savings billed less savings received balance	22 837	45 736	(45 383)	(1 513)									

% Savings utilised

Number of contracts	Contributions YTD April 18 R	Projection for rest of year	Total savings contributions Jan - Dec 18	Claims paid from savings YTD April 18	Utilisation %	% of membership	
1 134	1 655 756	3 294 304	4 950 060	(154 406)	3.12%	63.5%	0-10%
316	493 070	973 848	1 466 918	(208 490)	14.21%	17.7%	11-20%
118	191 473	374 696	566 169	(138 772)	24.51%	6.6%	21-30%
62	102 493	199 288	301 781	(102 864)	34.09%	3.5%	31-40%
48	78 313	152 768	231 081	(104 132)	45.06%	2.7%	41-50%
26	41 960	82 264	124 224	(69 063)	55.60%	1.5%	51-60%
28	40 180	79 512	119 692	(77 308)	64.59%	1.6%	61-70%
8	11 775	23 808	35 583	(27 054)	76.03%	0.4%	71-80%
8	9 372	18 736	28 108	(24 094)	85.72%	0.4%	81-90%
5	3 288	6 680	9 968	(10 286)	103.19%	0.3%	101-110%
7	8 863	17 728	26 591	(30 905)	116.22%	0.4%	111-120%
6	6 786	12 992	19 778	(26 040)	131.66%	0.3%	121-150%
7	9 950	18 064	28 014	(59 694)	213.09%	0.4%	150%+
1 787	2 676 319	5 300 016	7 976 335	(1 097 835)	13.76%	100.0%	

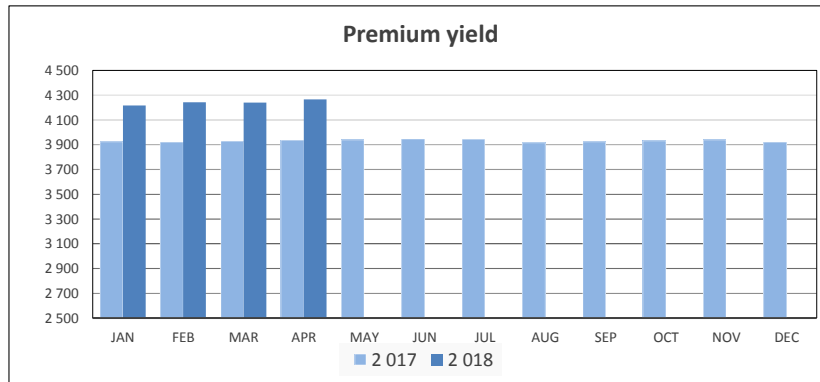
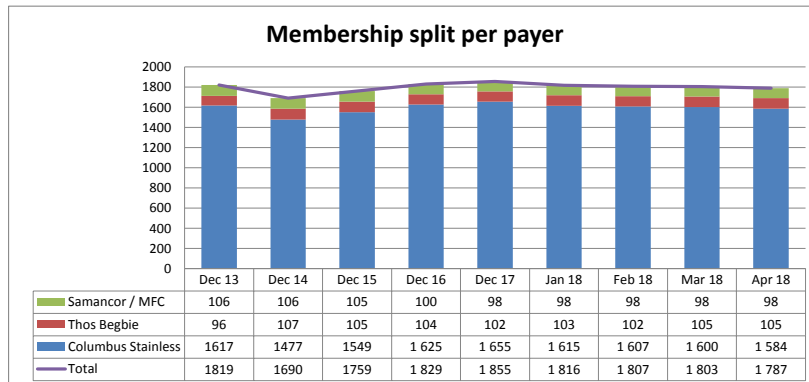
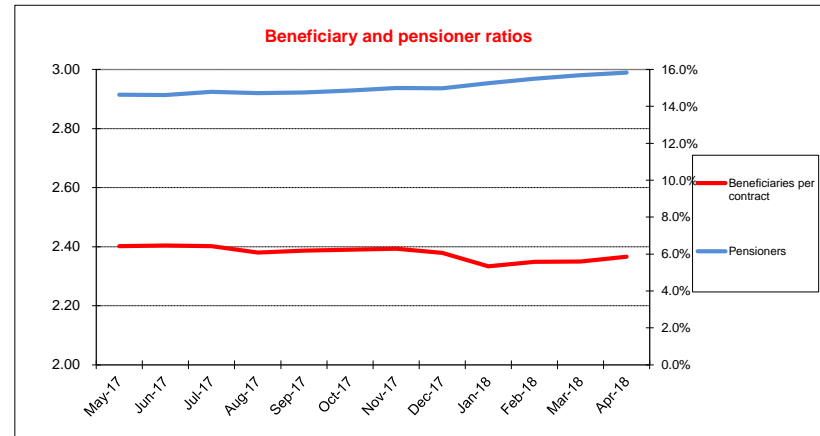
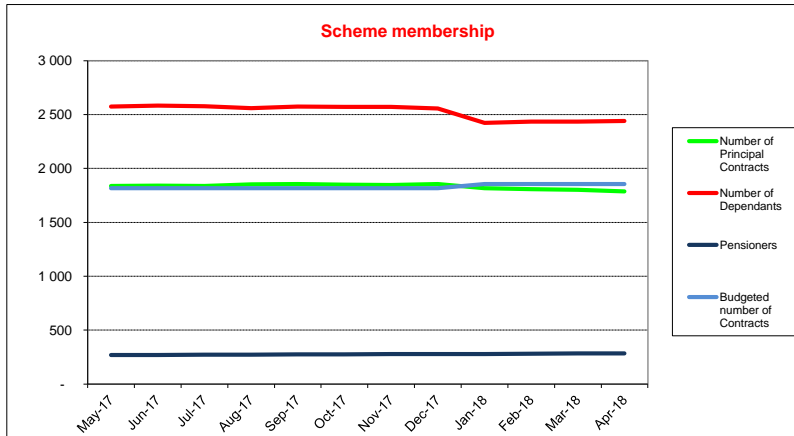


During the year a number of members typically utilise annual savings in excess of their year-to-date savings contributions and therefore are reported as having received advanced funding. This level increases during the year and around August/September the contributions begin 'catching' up with advances given, resulting in the levels decreasing to year end. The graph (above) shows that the 2016 and 2017 trend are similar. 2018 should follow a similar pattern.



ALLIANCE-MIDMED MEDICAL SCHEME MEMBER RATIOS AND TREND ANALYSIS

Description	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Membership Ratios:												
Number of Principal Contracts	1 838	1 840	1 839	1 854	1 857	1 851	1 847	1 855	1 816	1 807	1 803	1 787
Budgeted number of Contracts	1 818	1 818	1 818	1 818	1 818	1 818	1 818	1 818	1 857	1 857	1 857	1 857
Number of Dependants	2 576	2 583	2 578	2 559	2 575	2 573	2 573	2 558	2 422	2 436	2 434	2 441
Beneficiaries per contract	2.40	2.40	2.40	2.38	2.39	2.39	2.39	2.38	2.33	2.35	2.35	2.37
Pensioners	269	269	272	273	274	275	277	278	277	280	283	283
Pensioner ratio	14.6%	14.6%	14.8%	14.7%	14.8%	14.9%	15.0%	15.0%	15.3%	15.5%	15.7%	15.8%
Beneficiaries > 65 years of age	279	281	281	281	285	284	283	282	280	283	288	289
Beneficiaries > 65 years of age ratio	6.32%	6.35%	6.36%	6.37%	6.43%	6.42%	6.40%	6.39%	6.61%	6.67%	6.80%	6.84%
Beneficiaries >= 60 years of age	411	412	416	416	420	422	425	428	426	430	433	434
Beneficiaries >= 60 years of age ratio	9.31%	9.31%	9.42%	9.43%	9.48%	9.54%	9.62%	9.70%	10.05%	10.13%	10.22%	10.26%



**ALLIANCE-MIDMED MEDICAL SCHEME
TOP 10 CLAIMING CONTRACTS YEAR TO DATE
APRIL 2018**

Rank	Age	Gender	Cost Driver	Claiming Details and Explanation for Costs	Amount paid from risk (YTD)	Status
1	78	Female	Respiratory	This lady was admitted when she presented with runny stools and dehydration. Her blood pressure fluctuated from being hypotensive to severely hypertensive. She also had a raised temperature and she was diagnosed with bronchopneumonia and received intravenous antibiotics. Her condition deteriorated and she was transferred to ICU where she was ventilated. She also needed several blood transfusions for a very low Hb and dialysis was commenced. She has been extubated of the ventilator and transferred to the high care ward but remained very ill and weak. She was transferred to the general ward and then to a step down facility for rehabilitation and recovery. She was however re-admitted in hospital after 5 days with nausea and excessive vomiting. She received medical treatment for this and was then discharged into the care of a frail care centre. She was re-admitted in April with severe dehydration. Her condition deteriorated and she sadly passed away on 6 May 2018.	982 283	R.I.P 06/05/2018
2	38	Male	Gastro-intestinal	This gentleman was admitted via casualty on 7 January 2018 when he presented with severe headaches, chest pain and severe epigastric pain. He blood pressure on admission was 171/124. A gastroscopy and CT scan revealed gallstones and the patient had a cholecystectomy procedure. He was nursed in high care for 4 days and discharged after 8 days. He was unfortunately re-admitted on 25 January 2018 when he presented with abdominal sepsis. He received Intravenous antibiotics and was discharged after 11 days in a satisfactory condition. He had a short 3 day admission in February for abdominal pain but there has been no subsequent admissions	305 543	Discharged in a satisfactory condition
3	25	Female	Maternity	This lady was admitted via her doctor's rooms when she presented with nausea and abdominal pain at 31 weeks gestational stage. It was found that she was in premature labour and a Caesarean Section was performed. A healthy female baby was delivered with a weight of 1.53kg. She was initially nursed in neonatal ICU on CPAP ventilation and NG tube feeding. She made good progress and was transferred to the neonatal high care ward. She was discharged 29.5 days later in a satisfactory condition. There has been no subsequent admissions	300 445	Discharged on a satisfactory birth weight of 1.85kg and bottle-feeding.
4	74	Female	Cardiovascular	This lady presented with an abnormal ECG reading and was referred for an angiogram. She was diagnosed with Sick Sinus Syndrome and Cardiomyopathy. An Implantable Cardioverter Defibrillator pacemaker was inserted. She was discharged in a satisfactory condition. There has been no subsequent admissions.	297 742	Discharged in a satisfactory condition
5	39	Female	Musculoskeletal - Spinal	This patient was admitted when she presented with severe lower back pain. A laminectomy procedure was performed for disc desiccation and disc protrusion. She recovered well after the surgery and was discharged after 6 days. She was unfortunately re-admitted 3 weeks later with sepsis and received intravenous antibiotic therapy. She was discharged after 14 days in a stable condition.	274 840	Discharged in a satisfactory condition
6	36	Female	Gastro-intestinal	This lady was admitted when she presented with severe abdominal pain. A CT scan revealed a mesenteric mass and a perforated colon. She was taken to theatre and a partial colectomy procedure was performed. She was nursed in high care post surgery. She was discharged after 9.5 days and received wound care for sepsis post discharge.	232 139	Discharged in a satisfactory condition but received wound care post discharge
7	70	Male	Oncology	This patient was diagnosed with prostate cancer in 2017. He was admitted for an insertion of a J-stent and it was followed by a Robotic Prostatectomy procedure. The patient recovered well post surgery and was discharged 4 days later in a satisfactory condition. The J-stent was removed a few days later. There has been no subsequent admissions.	229 855	Discharged in a satisfactory condition
8	33	Female	Gastro-intestinal	This lady was admitted when she presented with severe abdominal pain and vomiting. She was diagnosed with a peritoneal abscess and was taken to theatre to have it drained. She made a slow recovery and was discharged 8 days later. She was unfortunately re-admitted a few days later with abdominal pain again and received intravenous antibiotics. She was discharged 5.5 days later. There has been no subsequent admissions.	198 379	Discharged in a satisfactory condition
9	72	Female	Cardiovascular and gastro-intestinal	This lady was admitted early in January 2018 when she presented with chest pain and difficulty in breathing. She appeared very weak and had massive weight loss recently. A diagnosis of pleural effusion was made. She received medical treatment and was transferred to Flora clinic for a cardiologist to see her. Here she was diagnosed with an enlarged heart and a gastric ulcer. She was nursed in high care before she was transferred to the medical ward. She was discharged into the care of her family with the assistance of a home nurse. There has been no subsequent admissions	197 590	Discharged into the care of her family with home nurse assistance
10	84	Male	Gastro-intestinal	This gentleman is a known diabetic patient. He had 3 admissions of 5.5 days each for severe abdominal pain, nausea, vomiting and diarrhoea. He received medical treatment and was discharged after the last admission in March in a satisfactory condition. There has been no subsequent admissions.	194 185	Discharged in a satisfactory condition but constipation is a concern in the elderly patient as a result of age related malnutrition.
					3 213 000	
COMPARATIVE ANALYSIS					Total	
Top 10 claims - Jan 2018 (Till MOP April 2018)					3 213 000	
Top 10 claims - Jan to Dec 2017(Till MOP Dec 2017)					6 744 875	
Top 10 claims - Jan to Dec 2016(Till MOP Dec 2016)					4 952 582	
Top 10 claims - Jan to Dec 2015(Till MOP Dec 2015)					6 905 559	
Top 10 claims - Jan to Dec 2014(Till MOP Dec 2014)					6 787 187	

Alliance-Midmed Medical Scheme

The history of SEP adjustments from 2012 to 2018

Measure	2012	2013	2014	2015	2016	2017	2018
Max. legislated SEP increase	2.1	5.8	5.8	7.5	4.8	7.5	1.3
SEP change in basket medicines	1.2	3.9	4.6	5.7	3.8		

Mediscor will continue to track the actual impact of the annual SEP adjustments to a basket of medicines, and results will be published in the Mediscor Medicine Review.

General assumptions used in the 2018 budget

Description	Percentage
Contribution increase	8.95%
Increase in Scheme tariffs:	
- Hospitals	7.25%
- SEP	5.00%
- Remaining service provider tariffs	5.50%
Managed care: healthcare expenses	5.77%
Membership growth	0.00%
Non-health expenditure	
Administration fees	5.80%
Other administration costs	5.30%
Managed care: management services	5.77%
Investment return	6.50%