



TRUSTEE INFORMATION OCTOBER 2017

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ALLIANCE-MIDMED MEDICAL SCHEME EXECUTIVE SUMMARY - HIGHLIGHTS - OCTOBER 2017

EXECUTIVE SUMMARY HIGHLIGHTS

1. INCOME STATEMENT

1.1 CONTRIBUTIONS

Contributions for the month were R7.3M which is R129K higher than budget. This is due to an additional 33 contracts compared with budget. Year-to-date (YTD) contributions at R72.6M are higher than budget by R1.0M, with YTD total of 286 contracts more than budget.

1.2 CLAIMS COST

The claims costs for the month were R8.4M which is over budget by R2.3M. YTD claims ratio is 102%, compared to the budgeted 96%, with average claims per member per month being R4 007 which is some R226 over budget. This includes an IBNR provision of R3.4M. The YTD top 10 high cost cases total R5.9M compared to a total of R4.9M for 2016. Refer page 9 for the top 10 claims.

1.3 NON-HEALTHCARE EXPENDITURE

Non-healthcare costs for the month amounted to R600K, which is R96k below budget. YTD costs are R319K below budget.

1.4 NET HEALTHCARE RESULT

The Scheme incurred a net healthcare deficit of R1.7M for the month in comparison with a budgeted net healthcare surplus of R364K. The YTD net deficit is R3.9M worse than budget.

1.5 INVESTMENT INCOME

Investment income is derived from funds managed by Acsis. The Scheme had a net investment surplus for the month totalling R1.0M compared with a budgeted investment income of R240K. Investments reflected unrealised gains of R877K for the month. The all share returns on the JSE increased by 6.26% for the month. YTD net investment income is R4.1M compared to the budgeted R2.4M.

1.6 NET SURPLUS/(DEFICIT) AND RESERVES

The Scheme ended the month with a deficit of R693K (after investment income) in comparison with a budgeted surplus of R604K. YTD the net deficit is R2.2M compared to the budgeted deficit of R38K, a negative variance of R2.1M.

2. BALANCE SHEET

2.1 ACCUMULATED RESERVES

The Scheme had accumulated funds of R46.2M as at the end of the month. This equates to a solvency ratio of 37.24% based on gross contributions. This has decreased from the 45.88% recorded for Dec-2016. This decrease is largely due to the higher contributions and not solely due to the status of reserves. This is 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 R3.8M. This includes R404K remaining of the prior year provision. It is expected that most of this will be written back at year end.

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 R83.1M. Subsequent to the Constitutional Court judgement on personal medical savings accounts there is no longer a requirement to separately disclose the savings "assets". These now form part of the normal scheme investments and cash and equivalents.

2.4 PERSONAL MEDICAL SAVINGS ACCOUNT (PMSA)

As noted in 2.3 above, cash balances with effect 6 June 2017 now form part of the Scheme's investments and cash and equivalents. Interest is currently allocated to members based on the effective yield of the portfolio, monthly in arrears, per the Scheme rules. A rule amendment to remove this has been submitted to CMS.

3. MEMBERSHIP

3.1 PRINCIPAL MEMBERS AND BENEFICIARIES

The Scheme billed 1 851 members for the month vs the budgeted 1 818, and 1 857 in the previous month. There were a total of 4 424 lives covered for the month which equates to 2.39 beneficiaries per contract.

3.2 PENSIONERS

The Scheme has 275 principal members classified as pensioners (over 60yrs). This equates to a ratio of 14.86% of the total membership. The number of beneficiaries greater than 65 years is 284. This equates to 6.42% of the total lives covered. The number of beneficiaries aged 60 or older is 422. This equates to 9.54% of the total lives covered.

ALLIANCE-MIDMED MEDICAL SCHEME
EXECUTIVE SUMMARY - FINANCIAL HIGHLIGHTS OCTOBER 2017

Income Statement	Current Month			Year to Date 2017			Prior Yr YTD	Prior Yr Full	Full year 2017	
	Actual R'000	Budget R'000	Variance R'000	Actual R'000	Budget R'000	Variance R'000	Actual R'000	Actual R'000	Budget R'000	Forecast R'000
Contributions from members	7 286	7 157	129	72 586	71 571	1 015	66 955	80 409	85 885	87 182
Relevant healthcare expenditure	(8 416)	(6 097)	(2 318)	(73 995)	(68 750)	(5 246)	(64 420)	(73 500)	(79 389)	(84 759)
Gross healthcare result	(1 129)	1 060	(2 189)	(1 410)	2 821	(4 231)	2 536	6 909	6 496	2 423
Non-healthcare expenditure	(600)	(696)	96	(4 956)	(5 275)	319	(4 776)	(5 700)	(6 292)	(6 101)
Net healthcare result	(1 729)	364	(2 093)	(6 365)	(2 454)	(3 912)	(2 240)	1 209	203	(3 678)
Net Investment income	1 036	240	797	4 185	2 415	1 770	2 858	3 346	2 905	1 992
Net surplus/(deficit)	(693)	604	(1 296)	(2 180)	(38)	(2 142)	618	4 555	3 109	(1 686)
Data per contract:										
Average premium per contract	3 936.41	3 936.79	(0.38)	3 930.78	3 936.79	(6.01)	3 676.43	3 677.18	3 936.79	3 932.77
Average claims cost per contract	(4 546.50)	(3 353.91)	(1 192.59)	(4 007.12)	(3 781.61)	(225.51)	(3 537.20)	(3 361.22)	(3 639.04)	(3 823.48)
Average gross healthcare result per contract	(610.09)	582.88	(1 192.97)	(76.33)	155.18	(231.52)	139.22	315.96	297.75	109.29
Administration costs data:										
Average non-healthcare expenditure per contract	324.07	382.76	58.70	268.37	290.14	21.77	262.22	260.65	288.43	275.20
Non-healthcare as % of Risk Contributions	8.2%	9.7%	1.49%	6.8%	7.4%	0.54%	7.13%	7.09%	7.3%	7.0%
Non-healthcare as % of Gross Contributions	7.6%			6.3%			6.57%	6.53%		

BALANCE SHEET DATA	ACTUAL	PRIOR YEAR-MONTH END	PRIOR YEAR-YEAR END
Accumulated Reserves	46 231 040	44 474 692	48 411 276
Cumulative unrealised net gains/(losses) in acc funds	10 945 804	8 092 626	8 281 817
Cash at Bank and Investments	83 140 950	49 061 968	51 635 943
Savings portfolio	-	27 114 955	28 067 776
Provision for unpaid claims	3 795 251	3 186 686	1 779 796
Annualised reserve ratio - Net Contributions	40.48%	45.23%	49.91%
Annualised reserve ratio - Gross Contributions	37.24%	41.69%	45.88%

**ALLIANCE MIDMED MEDICAL SCHEME
CONSOLIDATED INCOME STATEMENT 2017**

	JANUARY			FEBRUARY			MARCH			APRIL			MAY		
	ACTUAL	BUDGET	% VAR	ACTUAL	BUDGET	% VAR	ACTUAL	BUDGET	% VAR	ACTUAL	BUDGET	% VAR	ACTUAL	BUDGET	% VAR
NUMBER OF CONTRACTS	1 845	1 818	1%	1 851	1 818	2%	1 844	1 818	1%	1 847	1 818	2%	1 838	1 818	1%
Net premium income	7 237 505	7 157 086	1%	7 253 978	7 157 086	1%	7 244 873	7 157 086	1%	7 270 837	7 157 086	2%	7 237 638	7 157 086	1%
Relevant healthcare expenditure	8 564 337	6 745 374	-27%	6 243 418	6 874 966	9%	8 249 512	7 069 355	-17%	4 590 335	6 745 374	32%	8 899 324	7 263 744	-23%
Claims paid by month of payment	5 456 243	6 314 228	-29%	5 965 663	6 438 037	8%	7 141 935	6 623 749	-17%	4 865 469	6 314 228	34%	7 560 007	6 809 462	-23%
Movement in 2017 claims provision	2 683 094	-	-	(72 167)	-	-	581 410	-	-	(699 999)	-	812 132	-	-	
Year 2016 claims over provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Claims discounts	(412)	-	-	-	-	-	-	-	-	-	-	-	-	-	
MVA Recoveries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Denis Claims paid	263 861	285 630	8%	190 093	277 735	32%	343 605	303 780	-13%	235 020	294 994	20%	296 932	306 042	3%
Europassist claims paid	23 094	9 364	-147%	20 959	23 044	9%	44 036	5 675	-676%	51 383	-	-	91 995	12 089	-661%
Accredited managed care	138 457	136 151		138 869	136 151		138 526	136 151		138 462	136 151		138 258	136 151	
Managed Care fees	74 420	73 411	-1%	74 743	73 411	-2%	74 461	73 411	-1%	74 622	73 411	-2%	74 178	73 411	-1%
Denis	20 544	20 347	-1%	20 539	19 571	-5%	20 525	20 208	-2%	20 525	20 171	-2%	20 497	20 153	-2%
Mediscor	43 493	42 393	-3%	43 587	43 169	-1%	43 540	42 532	-2%	43 314	42 569	-2%	43 583	42 587	-2%
Gross healthcare result	(1 326 832)	411 712	-26%	1 010 560	282 119	11%	(1 004 639)	87 730	-15%	2 680 502	411 712	34%	(1 661 686)	(106 658)	-21%
Non-healthcare expenditure	429 347	508 769	16%	469 458	508 769	8%	496 485	508 769	2%	448 456	508 769	12%	481 647	508 769	5%
Administration fees	325 736	321 675	-1%	327 149	321 675	-2%	325 912	321 675	-1%	326 619	321 675	-2%	324 675	321 675	-1%
Europassist fees	7 109	7 336	3%	7 221	7 450	3%	7 082	7 417	5%	6 982	7 466	6%	7 074	7 446	5%
Fidelity cover	1 667	1 667	0%	1 667	1 667	0%	1 667	1 667	0%	1 667	1 667	0%	1 667	1 667	0%
BHF fees	-	-	0%	21 765	20 932	0%	-	-	0%	-	-	0%	-	-	0%
Audit fees	15 757	15 757	0%	15 757	15 757	0%	15 757	15 757	0%	15 757	15 757	0%	15 757	15 757	0%
Actuarial/professional services	-	-	0%	-	-	0%	-	-	0%	-	-	0%	-	-	0%
Bank charges	2 532	3 224	21%	2 763	3 087	10%	3 082	3 710	17%	3 487	3 027	-15%	3 236	2 871	-13%
Member communication	-	-	-	469	-	-	138	-	-	1 662	-	-	892	-	
Principal officer fees	28 809	30 538	6%	28 809	30 538	6%	28 809	30 538	6%	28 809	30 538	6%	28 809	30 538	6%
Travel and entertainment	-	636	100%	-	5 884	0%	2 933	802	-266%	-	636	100%	1 800	11 351	84%
Inc / (Dec) in provision for bad debt	-	-	-	-	-	-	-	-	-	1 309	-	-	-	-	
Sundry Expenses	31 494	110 872	72%	47 613	84 715	44%	75 509	110 138	31%	39 990	110 938	64%	44 481	71 633	38%
Subscriptions (CMS)	-	-	0%	-	-	0%	1 045	-	0%	-	-	0%	31 084	28 767	
Subscriptions (Other)	2 565	2 565	0%	2 565	2 565	0%	3 705	2 565	0%	3 705	2 565	0%	3 705	2 565	
Consultancy fees	13 680	14 501	6%	13 680	14 501	6%	30 847	14 501	-113%	18 468	14 501	-27%	18 468	14 501	-27%
Net healthcare result	(1 756 179)	(97 058)	-10%	541 102	(226 650)	18%	(1 501 123)	(421 039)	-13%	2 232 046	(97 058)	0	(2 143 333)	(615 428)	-16%
Investment income	339 188	344 897	-2%	308 363	364 609	-15%	316 913	337 289	-6%	381 721	355 100	7%	347 974	335 683	4%
Realised gains (losses)	3 533	2 964	19%	3 771	2 985	26%	3 362	3 855	-13%	3 828	3 458	11%	3 900	3 536	10%
Unrealised gains (losses)	425 138	50 962	734%	(107 820)	24 406	-542%	385 547	70 942	443%	367 620	50 258	631%	(43 107)	78 801	-155%
Other income	28 809	30 538	13%	28 809	30 538	13%	28 809	30 538	13%	28 809	30 538	13%	28 809	30 538	13%
Portfolio management fees	(16 822)	(14 863)	13%	(15 259)	(14 106)	8%	(16 982)	(15 491)	10%	(16 606)	(15 202)	9%	(18 256)	(17 344)	5%
Investment management fees	(16 846)	(16 338)	3%	(15 187)	(15 506)	-2%	(16 919)	(16 847)	0%	(16 588)	(17 005)	-2%	(16 988)	(12 701)	34%
Interest paid on savings	(185 050)	(154 662)	20%	(168 673)	(148 600)	14%	(188 790)	(165 859)	14%	(184 062)	(163 720)	12%	(192 293)	(174 257)	10%
Net surplus/(deficit)	(1 178 229)	146 440	-905%	575 106	17 676	3154%	(989 183)	(176 613)	460%	2 796 767	146 370	1811%	(2 033 294)	(371 173)	448%

Claims Ratio (Including Provision):	118%	94%	86%	96%	114%	99%	63%	94%	123%	101%
Actual Claims Ratio 2016	89%		95%		106%		79%		113%	
Claims ppm	4 642	3 710	3 373	3 782	4 474	3 889	2 485	3 710	4 842	3 995

SUMMARY	JANUARY			FEBRUARY			MARCH			APRIL			MAY		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
R'000															
Income	8 034	7 586	448	7 487	7 580	(93)	7 980	7 600	380	8 053	7 596	456	7 575	7 606	(30)
Expenditure	9 212	7 440	(1 772)	6 912	7 562	650	8 969	7 776	(1 192)	5 256	7 450	2 194	9 609	7 977	(1 632)
Surplus / Deficit	(1 178)	146	(1 325)	575	18	557	(989)	(177)	(813)	2 797	146	2 650	(2 033)	(371)	(1 662)
Membership	1 845	1 818	27	1 851	1 818	33	1 844	1 818	26	1 847	1 818	29	1 838	1 818	20

**ALLIANCE MIDMED MEDICAL SCHEME
CONSOLIDATED INCOME STATEMENT 2017**

	JUNE			JULY			AUGUST			SEPTEMBER			OCTOBER			YEAR TO DATE			FULL YR
	ACTUAL	BUDGET	% VAR	ACTUAL	BUDGET	% VAR	ACTUAL	BUDGET	% VAR	ACTUAL	BUDGET	% VAR	ACTUAL	BUDGET	% VAR	ACTUAL	BUDGET	VARIANCE	BUDGET
NUMBER OF CONTRACTS	1 840	1 818	1%	1 839	1 818	1%	1 854	1 818	2%	1 857	1 818	2%	1 851	1 818	2%	18 466	18 180	286	21 816
Net premium income	7 260 800	7 157 086	1%	7 255 584	7 157 086	1%	7 274 389	7 157 086	2%	7 263 912	7 157 086	1%	7 286 297	7 157 086	2%	72 585 814	71 570 856	1 014 958	85 885 027
Relevant healthcare expenditure	6 445 927	7 263 744	11%	6 812 573	7 458 133	9%	7 646 331	6 939 763	-10%	8 128 068	6 291 800	-29%	8 415 575	6 097 411	-38%	73 995 400	68 749 662	(5 245 737)	79 389 373
Claims paid by month of payment	6 464 768	6 809 462	11%	6 336 093	6 995 175	9%	6 921 188	6 499 941	-10%	7 603 473	5 880 899	-32%	7 801 055	5 695 186	-38%	66 115 895	64 380 368	(5 127 078)	74 285 040
Movement in 2017 claims provision	(420 761)	-	-	70 179	-	-	232 057	-	-	135 344	-	-	70 263	-	-	3 391 551	-	-	-
Year 2016 claims over provision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Claims discounts	-	-	-	(6 851)	-	-	-	-	-	(1 085)	-	-	-	-	-	(8 348)	-	8 348	-
MVA Recoveries	-	-	-	(7 038)	-	-	-	-	-	-	-	-	-	-	-	(7 038)	-	7 038	-
Denis Claims paid	248 191	318 131	22%	260 659	269 317	3%	339 701	282 325	-20%	250 579	231 524	-8%	350 875	241 241	-45%	2 779 515	2 810 718	31 203	3 252 424
Europassist claims paid	15 328	-	0%	21 001	57 491	63%	13 325	21 346	38%	-	43 226	100%	54 044	24 832	-118%	335 164	197 066	(138 098)	218 096
Accredited managed care	138 402	136 151	138 530	136 151	140 060	136 151	139 758	136 151	139 758	136 151	139 338	136 151	1 388 661	1 361 510	1 388 661	1 361 510	(27 150)	1 633 812	
Managed Care fees	74 299	73 411	-1%	74 299	73 411	-1%	75 026	73 411	-2%	75 026	73 411	-2%	74 824	73 411	-2%	745 899	734 108	(11 791)	880 930
Denis	20 465	19 400	-5%	20 469	20 304	-1%	20 558	20 266	-1%	20 576	20 335	-1%	20 576	20 365	-1%	205 274	201 121	(4 154)	242 622
Mediscor	43 638	43 340	-1%	43 762	42 436	-3%	44 477	42 474	-5%	44 156	42 405	-4%	43 938	42 375	-4%	437 487	426 281	(11 206)	510 260
Gross healthcare result	814 873	(106 658)	13%	443 011	(301 047)	10%	(371 942)	217 323	-9%	(864 156)	865 286	-28%	(1 129 278)	1 059 675	-36%	(1 409 586)	2 821 193	(4 230 780)	6 495 655
Non-healthcare expenditure	500 639	508 769	2%	522 331	508 769	-3%	511 283	508 769	0%	496 303	508 769	2%	599 849	695 864	14%	4 955 798	5 274 790	318 991	6 292 329
Administration fees	325 205	321 675	-1%	325 205	321 675	-1%	328 387	321 675	-2%	328 387	321 675	-2%	327 503	321 675	-2%	3 264 778	3 216 748	(48 030)	3 860 098
Europassist fees	7 090	7 430	5%	7 090	7 417	4%	7 159	7 434	4%	7 155	7 454	4%	7 140	7 479	5%	71 103	74 328	3 225	89 268
Fidelity cover	1 667	1 667	0%	1 667	1 667	0%	1 667	1 667	0%	1 667	1 667	0%	1 667	1 667	0%	16 667	16 667	(0)	20 000
BHF fees	-	-	0%	-	-	0%	-	-	0%	-	-	0%	-	-	0%	21 765	20 932	(833)	20 932
Audit fees	18 256	15 757	-16%	15 757	15 757	0%	15 757	15 757	0%	15 757	15 757	0%	15 757	15 757	0%	160 066	157 567	(2 499)	189 081
Actuarial/professional services	-	-	0%	-	-	0%	-	-	0%	-	-	0%	96 900	99 457	3%	96 900	99 457	2 557	99 457
Bank charges	3 383	3 344	-1%	3 063	3 133	2%	3 042	3 158	4%	3 341	3 333	0%	2 845	3 185	11%	30 773	32 073	1 300	38 599
Member communication	-	1 163	-	339	2 547	-	425	-	-	287	815	-	1 061	925	-	5 273	5 450	177	10 702
Principal officer fees	28 809	30 538	-	38 316	30 538	-	30 710	30 538	-	30 710	30 538	-	30 710	30 538	-	303 299	305 375	2 076	366 450
Travel and entertainment	4 043	18 119	78%	4 436	9 175	52%	3 121	2 906	-7%	4 137	13 452	0%	21 539	7 333	0%	42 008	70 294	28 286	81 411
Inc / (Dec) in provision for bad debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 309	-	(1 309)	-
Sundry Expenses	85 285	92 013	7%	71 727	68 667	-4%	98 843	108 570	9%	78 333	97 013	19%	71 330	186 120	62%	644 604	1 040 680	396 076	1 246 979
Subscriptions (CMS)	4 730	-	0%	31 084	31 128	0%	-	-	0%	-	-	0%	-	4 664	0%	67 943	64 560	(3 383)	64 560
Subscriptions (Other)	3 705	2 565	-	3 705	2 565	-	3 705	2 565	-	3 705	2 565	-	3 705	2 565	-	34 770	25 650	(9 120)	30 780
Consultancy fees	18 468	14 501	-27%	19 943	14 501	-38%	18 468	14 501	-27%	22 824	14 501	-57%	19 694	14 501	-36%	194 540	145 008	(49 532)	174 010
Net healthcare result	314 234	(615 428)	14%	(79 320)	(809 817)	7%	(883 225)	(291 446)	-9%	(1 360 459)	356 517	-25%	(1 729 127)	363 811	-22%	(6 365 385)	(2 453 596)	(3 911 788)	203 326
Investment income	334 379	389 432	-14%	357 494	387 201	-8%	330 890	341 519	-3%	333 066	359 636	-7%	362 020	393 246	-8%	3 412 008	3 608 611	(196 604)	4 328 319
Realised gains (losses)	3 997	3 764	6%	3 631	3 630	0%	4 000	2 888	38%	4 198	3 782	11%	4 133	3 690	12%	38 352	34 552	3 800	41 736
Unrealised gains (losses)	(617 197)	23 025	-2781%	815 235	32 384	2417%	402 123	78 413	413%	159 356	56 627	181%	877 092	38 014	2207%	2 663 988	503 832	2 160 156	656 266
Other income	28 809	30 538	-	38 316	30 538	-	30 710	30 538	-	30 710	30 538	-	30 710	30 538	-	303 299	305 375	(2 076)	366 450
Portfolio management fees	(17 771)	(16 950)	5%	(16 693)	(15 992)	4%	(17 047)	(16 216)	5%	(16 919)	(16 480)	3%	(18 809)	(19 034)	-1%	(171 162)	(161 678)	(9 484)	(198 024)
Investment management fees	(16 766)	(16 486)	2%	(17 184)	(17 297)	-1%	(17 378)	(17 209)	1%	(16 799)	(16 563)	1%	(17 253)	(16 893)	2%	(167 908)	(162 845)	(5 063)	(196 901)
Interest paid on savings	(187 431)	(171 166)	10%	(196 442)	(180 418)	9%	(196 976)	(183 110)	8%	(192 204)	(181 024)	6%	(201 506)	(189 692)	6%	(1 893 428)	(1 712 507)	(180 921)	(2 092 552)
Net surplus/(deficit)	(157 747)	(373 272)	-58%	905 037	(569 771)	-259%	(346 903)	(54 622)	535%	(1 059 050)	593 032	-279%	(692 740)	603 679	-215%	(2 180 236)	(38 256)	(2 141 981)	3 108 621

Claims Ratio (Including Provision):	89%	101%	94%	104%	105%	97%	112%	88%	115%	85%	102%	96%	92%
Actual Claims Ratio 2016	93%		97%		97%		103%		91%		92%		
Claims pmpm	3 503	3 995	3 704	4 102	4 124	3 817	4 377	3 461	4 547	3 354	4 007	3 782	3 639

SUMMARY R'000	JUNE			JULY			AUGUST			SEPTEMBER			OCTOBER			YEAR TO DATE			2017 FULL YEAR
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Income	7 011	7 604	(593)	8 470	7 611	859	8 042	7 610	432	7 791	7 608	184	8 560	7 623	938	79 003	76 023	2 980	91 278
Expenditure	7 169	7 977	(809)	7 565	8 181	(615)	8 389	7 665	724	8 850	7 015	1 836	9 253	7 019	2 234	81 184	76 061	(5 122)	88 169
Surplus / Deficit	(158)	(373)	216	905	(570)	1 475	(347)	(55)	(292)	(1 059)	593	(1 652)	(693)	604	(1 296)	(2 180)	(38)	(2 142)	3 109
Membership	1 840	1 818	22	1 839	1 818	21	1 854	1 818	36	1 857	1 818	39	1 851	1 818	33	18 466	18 180	286	21 816

**ALLIANCE MIDMED MEDICAL SCHEME
BALANCE SHEETS**

	31-Dec-16	31-Jan-17	28-Feb-17	31-Mar-17	30-Apr-17	31-May-17	30-Jun-17	31-Jul-17	31-Aug-17	30-Sep-17	31-Oct-17	30-Nov-17	31-Dec-17
ASSETS													
Non-Current Assets													
Current assets	81 323 089	82 774 923	82 892 568	82 382 020	84 589 633	85 367 956	83 224 302	84 747 592	84 556 410	85 379 646	85 545 367	-	-
Outstanding contributions	540 973	1 102 164	1 105 910	947 259	1 008 459	1 111 593	960 073	1 081 911	1 180 011	1 091 614	1 089 275		
Member debt	2 354	4 982	4 667	6 617	2 124	2 124	5 160	6 509	41 812	6 501	10 492		
Supplier debt	55 287	54 924	57 772	58 108	51 201	45 447	46 149	47 433	50 040	52 253	53 048		
Savings plan account advances	42 001	67 810	87 511	112 264	141 213	140 720	139 458	143 241	152 674	146 112	125 078		
Cash, call and Fixed Deposits	15 331 244	15 408 835	15 320 808	14 301 729	15 793 972	16 624 773	44 149 811	44 614 220	43 754 282	44 407 456	43 546 453		
Members' Savings portfolio	N1 28 067 776	28 385 270	28 669 862	28 892 005	29 084 342	28 934 294	-	-	-	-	-		
Investments	36 304 698	36 787 681	36 732 208	37 152 069	37 625 217	37 640 694	37 078 725	37 965 190	38 414 406	38 632 249	39 594 497		
Prepayments	20 000	18 333	16 667	15 000	13 333	11 667	10 000	8 333	6 667	5 000	3 333		
Accrued interest	1 038 032	1 024 200	976 439	976 245	950 358	937 231	915 510	961 338	1 037 104	1 119 046	1 203 775		
Provision for bad debts	(79 276)	(79 276)	(79 276)	(79 276)	(80 585)	(80 585)	(80 585)	(80 585)	(80 585)	(80 585)	(80 585)		
Total assets	81 323 089	82 774 923	82 892 568	82 382 020	84 589 633	85 367 956	83 224 302	84 747 592	84 556 410	85 379 646	85 545 367	-	-
RESERVES AND LIABILITIES													
Reserves	48 411 276	47 233 047	47 808 154	46 818 971	49 615 738	47 582 443	47 424 696	48 329 733	47 982 830	46 923 780	46 231 040	-	-
Accumulated Reserves brought forward	44 787 996	48 411 276	47 233 047	47 808 154	46 818 971	49 615 738	47 582 443	47 424 696	48 329 733	47 982 830	46 923 780		
Current period surplus / (deficit)	3 623 280	(1 178 229)	575 106	(989 183)	2 796 767	(2 033 294)	(157 747)	905 037	(346 903)	(1 059 050)	(692 740)		
Current Liabilities	32 911 813	35 541 875	35 084 415	35 563 049	34 973 896	37 785 513	35 799 606	36 417 859	36 573 581	38 455 866	39 314 327	-	-
Sundry creditors and accruals	165 930	161 374	179 501	211 437	237 646	249 364	211 459	222 602	193 662	597 943	261 703		
Deposits not yet allocated	259 336	311 717	211 344	645 836	675 950	674 389	683 273	633 215	624 605	632 554	619 419		
Member and supplier credit balances	N2 2 371 060	3 093 976	2 634 230	2 069 515	1 690 171	3 572 658	1 828 467	2 041 340	1 627 658	2 530 348	3 307 197		
Provision for audit fees	178 378	194 135	209 891	82 698	98 455	114 211	94 540	110 297	126 054	141 810	157 567		
Member Savings Liability	28 157 312	28 436 446	28 668 726	28 857 991	29 289 862	29 384 685	29 693 182	30 052 352	30 411 493	30 827 757	31 173 190		
Provision for unpaid claims 2017	-	2 683 094	2 610 927	3 192 337	2 492 338	3 304 469	2 883 708	2 953 887	3 185 944	3 321 287	3 391 551		
Provision for unpaid claims 2016	1 779 796	661 135	569 795	503 236	489 475	485 737	404 976	404 165	404 165	404 165	403 701		
Total reserves and liabilities	81 323 089	82 774 923	82 892 568	82 382 020	84 589 633	85 367 956	83 224 302	84 747 592	84 556 410	85 379 646	85 545 367	-	-

Note N1 Subsequent to the Constitutional Court judgement on medical schemes members' savings accounts we no longer need to separately disclose the savings "assets". These now form part of the normal scheme investments and cash and equivalents.

Note N2 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 claim payments are made every Tuesday.

**ALLIANCE MIDMED MEDICAL SCHEME
CONSOLIDATED CASH FLOW STATEMENTS 2017**

	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	Y-T-D Actual R
Net surplus / (deficit) for the period	(1 178 229)	575 106	(989 183)	2 796 767	(2 033 294)	(157 747)	905 037	(346 903)	(1 059 050)	(692 740)			(2 180 236)
Movement in working capital	1 738 802	(718 606)	389 965	(831 376)	2 879 573	27 120 816	445 838	(63 820)	1 930 067	793 985	-	-	33 685 243
Movement in current assets	(891 261)	(261 146)	(88 670)	(242 223)	67 956	29 106 723	(172 415)	(219 541)	47 782	(64 477)	-	-	27 282 729
Movement in claims provision	1 564 432	(163 507)	514 851	(713 760)	808 394	(501 522)	69 368	232 057	135 344	69 798	-	-	2 015 455
Movement in current liabilities	1 065 631	(293 954)	(36 216)	124 606	2 003 223	(1 484 385)	548 885	(76 335)	1 746 941	788 663	-	-	4 387 060
Cash utilised in investing activities	560 573	(143 500)	(599 218)	1 965 391	846 278	26 963 069	1 350 875	(410 723)	871 017	101 245	-	-	31 505 007
	(482 983)	55 474	(419 862)	(473 147)	(15 477)	561 969	(886 466)	(449 215)	(217 843)	(962 248)	-	-	(3 289 798)
Increase / (decrease) in cash	77 590	(88 026)	(1 019 080)	1 492 243	830 801	27 525 038	464 409	(859 938)	653 174	(861 003)	-	-	28 215 209
Represented by :													
Opening cash on hand:													
Cash at bank	15 331 244	15 408 835	15 320 808	14 301 729	15 793 972	16 624 773	44 149 811	44 614 220	43 754 282	44 407 456	43 546 453	43 546 453	15 331 244
Increase / (decrease) in cash	77 590	(88 026)	(1 019 080)	1 492 243	830 801	27 525 038	464 409	(859 938)	653 174	(861 003)	-	-	28 215 209
Closing cash on hand:	15 408 835	15 320 808	14 301 729	15 793 972	16 624 773	44 149 811	44 614 220	43 754 282	44 407 456	43 546 453	43 546 453	43 546 453	43 546 453

Notes:

N1 - Movement in Current Assets [A] - [B]	(891 261)	(261 146)	(88 670)	(242 223)	67 956	29 106 723	(172 415)	(219 541)	47 782	(64 477)	2 404 417	-
Prior month balance	[A] 29 687 146	30 578 407	30 839 552	30 928 222	31 170 445	31 102 489	1 995 766	2 168 181	2 387 722	2 339 940	2 404 417	-
Current month balance	[B] 30 578 407	30 839 552	30 928 222	31 170 445	31 102 489	1 995 766	2 168 181	2 387 722	2 339 940	2 404 417	-	-
Outstanding contributions	1 102 164	1 105 910	947 259	1 008 459	1 111 593	960 073	1 081 911	1 180 011	1 091 614	1 089 275	-	-
Member debt	4 982	4 667	6 617	2 124	2 124	5 160	6 509	41 812	6 501	10 492	-	-
Supplier debt	54 924	57 772	58 108	51 201	45 447	46 149	47 433	50 040	52 253	53 048	-	-
Savings plan account advances	67 810	87 511	112 264	141 213	140 720	139 458	143 241	152 674	146 112	125 078	-	-
Members' Savings portfolio	28 385 270	28 669 862	28 892 005	29 084 342	28 934 294	-	-	-	-	-	-	-
Prepayments	18 333	16 667	15 000	13 333	11 667	10 000	8 333	6 667	5 000	3 333	-	-
Sundry debtors	-	-	-	-	-	-	-	-	-	-	-	-
Accrued interest	1 024 200	976 439	976 245	950 358	937 231	915 510	961 338	1 037 104	1 119 046	1 203 775	-	-
Provision for bad debts	(79 276)	(79 276)	(79 276)	(80 585)	(80 585)	(80 585)	(80 585)	(80 585)	(80 585)	(80 585)	-	-

N2 - The increase in cash is a result of the savings portfolio being combined into the Scheme's cash and investments.

**ALLIANCE-MIDMED MEDICAL SCHEME
INVESTMENTS ANALYSIS AS AT END OF OCTOBER 2017**

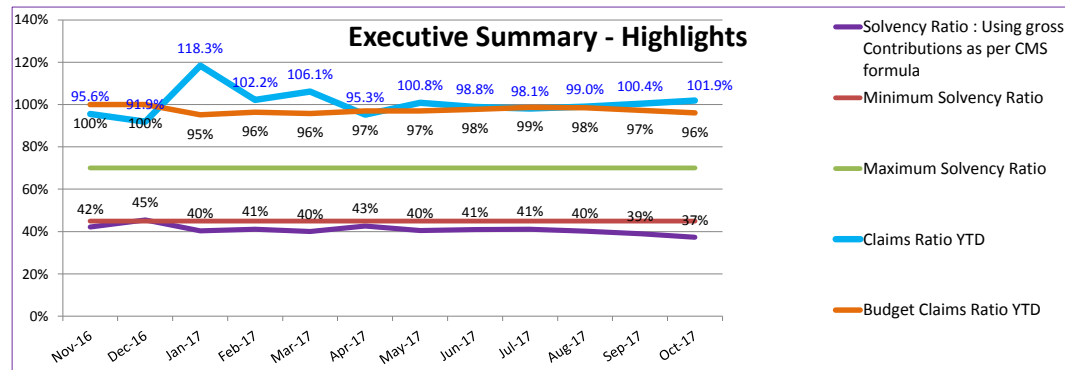
CASH AND EQUIVALENTS

Institution	Type	Period	Interest Rate	Balance	Interest received year to date	Interest accrued at month-end	Date of Maturity
				R	R	R	
ABSA	Call	Call	6.50%	1 011 976	70 722	7 468	
	Call	Call	6.50%	1 728 104	56 743	8 869	
	Fixed Deposit	12 month	8.38%	1 500 000		93 272	2018/02/02
	Fixed Deposit	12 month	7.70%	1 000 000		17 299	2018/08/10
	Fixed Deposit	12 month	8.20%	1 000 000		34 822	2018/05/30
	Fixed Deposit	11 month	7.75%	500 000		743	2018/09/25
Government of RSA	Repo	7 days	6.65%	500 000		547	2017/11/02
First Rand Bank	Call	Call	6.50%	260 259	35 518	1 437	
	Call	Call	6.50%	153 877	35 048	775	
	Fixed Deposit	12 month	8.35%	1 000 000		83 500	2017/11/01
	Fixed Deposit	12 month	7.85%	1 000 000		22 152	2018/07/20
	Fixed Deposit	12 month	8.45%	1 000 000		48 153	2018/04/06
	Fixed Deposit	12 month	7.75%	1 000 000		5 521	2018/10/05
	Fixed Deposit	12 month	7.68%	1 000 000		19 555	2018/07/31
	Fixed Deposit	12 month	8.10%	1 000 000		29 515	2018/06/21
Investec	Call	Call	6.65%	3 252 695	167 344	8 937	
	Call	Call	6.65%	778 615	127 034	4 855	
	Fixed Deposit	2 month	7.00%	1 000 000		2 301	2017/12/20
	Fixed Deposit	12 month	8.45%	1 000 000		61 118	2018/02/09
	Fixed Deposit	12 month	8.43%	1 000 000		67 862	2018/01/11
	Fixed Deposit	12 month	8.15%	1 000 000		32 377	2018/06/08
	Fixed Deposit	12 month	8.43%	1 000 000		67 631	2018/01/12
	Fixed Deposit	12 month	8.30%	2 000 000		75 951	2018/05/18
	Fixed Deposit	12 month	8.05%	500 000		17 092	2018/03/29
	Fixed Deposit	12 month	8.48%	1 000 000		78 249	2017/11/29
	Fixed Deposit	12 month	8.35%	500 000		21 618	2018/04/26
	Fixed Deposit	12 month	7.70%	1 000 000		13 712	2018/08/28
	Fixed Deposit	14 days	7.00%	1 000 000		1 342	2018/10/25
	Nedbank	Call	Call	6.50%	306 634	47 234	4 095
Call		Call	7.20%	1 578 039	150 755	10 597	
Call		Call	6.50%	557 729	36 148	5 216	
Fixed Deposit		12 month	8.38%	1 000 000		74 113	2017/12/13
Fixed Deposit		12 month	8.08%	500 000		11 615	2018/07/19
Fixed Deposit		12 month	8.28%	2 000 000		107 008	2018/03/09
Fixed Deposit		12 month	7.83%	500 000		750	2018/10/25
Standard Bank	Call	Call	6.35%	4 261 903	919	829	
	Call	Call	6.35%	207 017	9 761	1 132	
	Fixed Deposit	12 month	7.70%	1 000 000		8 438	2018/09/21
	Fixed Deposit	12 month	8.45%	1 000 000		72 925	2017/12/21
	Fixed Deposit	12 month	8.28%	500 000		29 133	2018/02/16
	Fixed Deposit	12 month	8.43%	1 000 000		46 626	2018/04/13
Interest including interest on fixed deposits accrued					1 893 388		
Subtotal				43 096 847	2 630 613	1 199 150	
Alliance Midmed bank account				435 177	22 041	4 498	
Alliance Midmed Demand Deposit				575	42	4	
Alliance Midmed Corporate Account				13 854	1 145	123	
Less: Investment management fees: Acsis					(167 908)		
Less: Bank fees FNB corporate account					(30 773)		
TOTAL CASH, CALL AND FIXED DEPOSITS				43 546 453	2 455 160	1 203 775	
Interest paid on savings year-to-date						1 893 428	
Effective return on investments					7.70%		

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	14 754 576	17 895 448	758 167	(68 516)	634 186	9 884
Prudential portfolio managers	9 636 009	21 699 049		(102 647)	2 029 802	28 468
Total Investments:	24 390 585	39 594 497	758 167	(171 162)	2 663 988	38 352
Effective return YTD			10.45%			

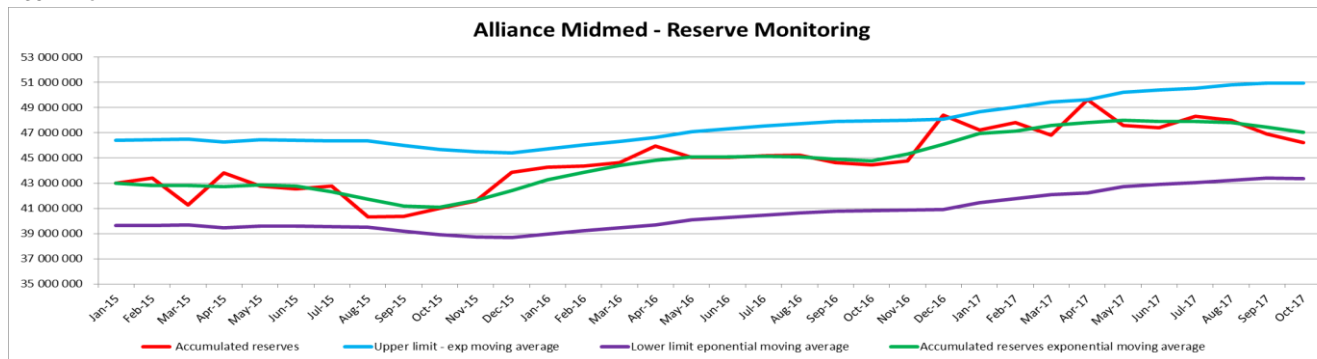
**ALLIANCE-MIDMED MEDICAL SCHEME
FINANCIAL INDICATORS - RESERVES**

	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17
Solvency Ratio : Using gross Contributions as per CMS formula	42.1%	45.5%	40.4%	41.1%	40.0%	42.6%	40.5%	40.9%	41.0%	40.2%	38.9%	37.2%
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	95.6%	91.9%	118.3%	102.2%	106.1%	95.3%	100.8%	98.8%	98.1%	99.0%	100.4%	101.9%
Budget Claims Ratio YTD	100.0%	100.0%	95.2%	96.4%	95.8%	97.0%	97.7%	98.6%	98.4%	97.3%	96.1%	96.1%
Number of Members	1 828	1 829	1 845	1 851	1 844	1 847	1 838	1 840	1 839	1 854	1 857	1 851
Number of Lives	4 406	4 397	4 432	4 425	4 415	4 435	4 414	4 423	4 417	4 413	4 432	4 424
Schemes Reserves	R 44 787 996	R 48 005 400	R 46 827 171	R 47 402 277	R 46 818 971	R 49 615 738	R 47 582 443	R 47 424 696	R 48 329 733	R 47 982 830	R 46 923 780	R 46 231 040



Scheme Strategy

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



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

		Dec-16	Aug-17	Sep-17	Oct-17	YTD	
Current liabilities to cash	Current liabilities	32 911 813	36 573 581	38 455 866	39 314 327	38 455 866	
	Cash & Investments	51 635 943	82 168 688	83 039 705	83 140 950	83 039 705	
		0.64	0.45	0.46	0.47	0.46	

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

Effective 6 June 2017 the savings portfolio forms part of the Scheme's cash and investments

Current liabilities to cash	Current liabilities (excl MSA's till May)	4 754 501	36 573 581	38 455 866	39 314 327	38 455 866	
	Cash	15 331 244	43 754 282	44 407 456	43 546 453	44 407 456	
		0.31	0.84	0.87	0.90	0.87	

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		7 274 389	7 263 912	7 286 297	72 585 814	
	Relevant healthcare expenditure		7 646 331	8 128 068	8 415 575	73 995 400	
			105%	112%	115%	102%	

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

Working capital ratio	Current assets (excl Savings portfolio till May)	53 255 313	84 556 410	85 379 646	85 545 367	85 379 646	
	Current liabilities (excl MSA's till May)	4 754 501	36 573 581	38 455 866	39 314 327	38 455 866	
		11.20	2.31	2.22	2.18	# 2.22	

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

Acid test ratio	Cash, call and Fixed Deposits	15 331 244	43 754 282	44 407 456	43 546 453	44 407 456	
	Investments	36 304 698	38 414 406	38 632 249	39 594 497	38 632 249	
	Total 'near cash'	51 635 943	82 168 688	83 039 705	83 140 950	83 039 705	
	Current liabilities (excl MSA's till May)	4 754 501	36 573 581	38 455 866	39 314 327	38 455 866	
		10.86	2.25	2.16	2.11	2.16	

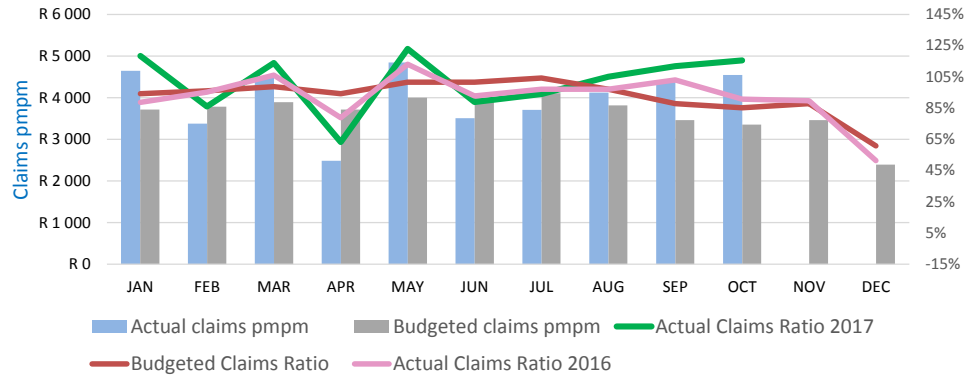
Comment: Ratio indicates that scheme cash reserves are more than adequate to meet scheme liabilities.

Reporting line performance %	Net premium income	6 700 733	7274389	7 263 912	7 286 297	72 585 814	
	Gross healthcare result	6 909 056	(371 942)	(864 156)	(1 129 278)	(1 409 586)	
	a Gross healthcare result %	103%	-5%	-12%	-15%	-2%	
	Net healthcare result	1 209 437	(883 225)	(1 360 459)	(1 729 127)	(6 365 385)	
	b Net healthcare result %	18%	-12%	-19%	-24%	-9%	
	Net surplus/(deficit)	4 554 965	(346 903)	(1 059 050)	(692 740)	(2 180 236)	
	c Net surplus/(deficit) %	68%	-5%	-15%	-10%	-3%	

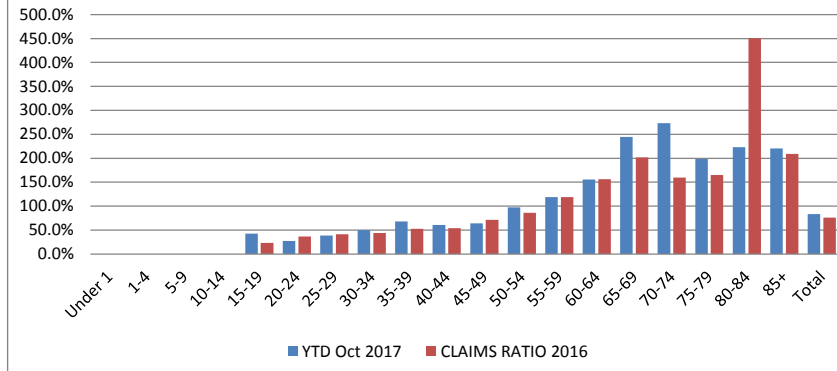
Comment: (a) Different view of same pattern of claims ratios. (b) ratio worsens after accounting for non-health care expenditure. (c) Ratio improves after investment income. The reporting line before investment income must be positive - strategy noted in 5 year planning and pricing. Investment income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

**ALLIANCE MIDMED MEDICAL SCHEME
CLAIMS AND CREDITORS**

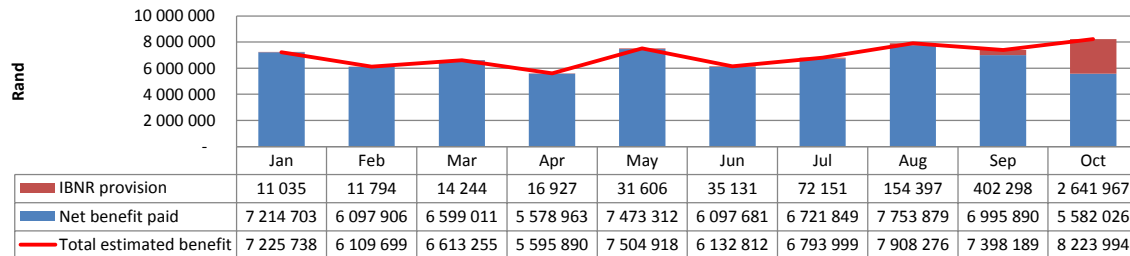
Claims Trend



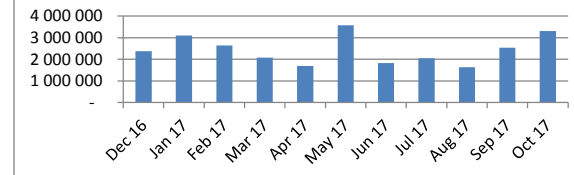
Claims analysis per age band



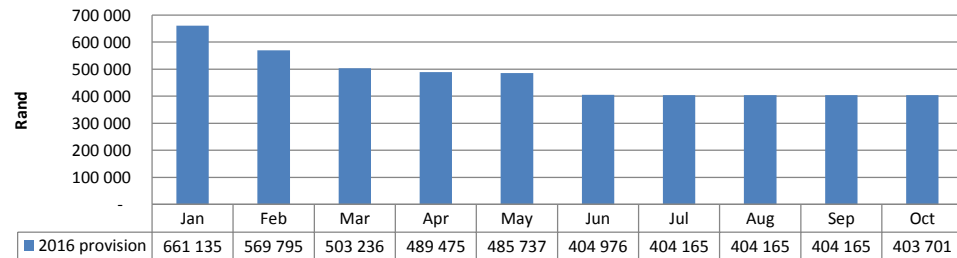
2017 IBNR provision



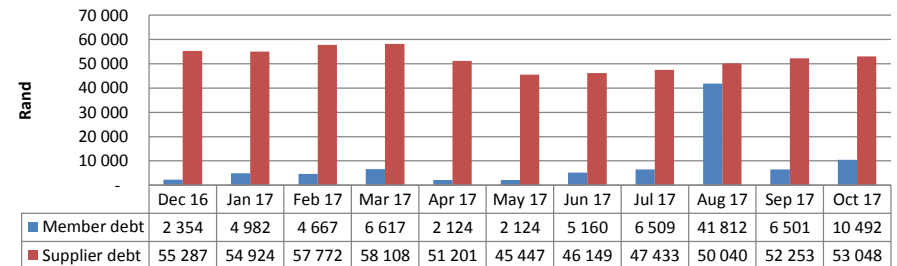
Member and supplier credit balances



2016 provision



Member and Supplier debt balance

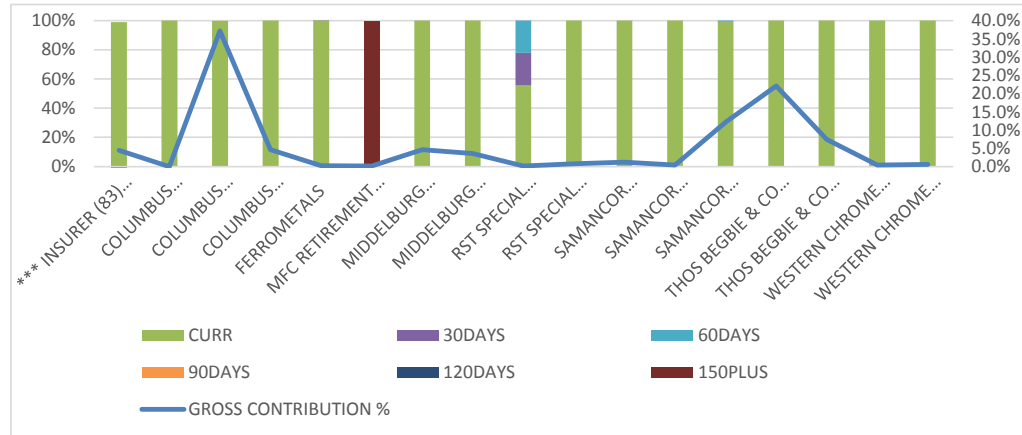


ALLIANCE-MIDMED MEDICAL SCHEME DEBTORS AGE ANALYSIS AT END OF OCTOBER 2017

NAME	MEMBERS	GROSS CONTRIBUTION
*** INSURER (83) SELF PAYING ***	20	66 671
COLUMBUS STAINLESS (PTY) LTD INCOME CARE INS	0	0
COLUMBUS STAINLESS PENSIONERS	159	555 473
COLUMBUS STAINLESS PENSIONERS - DISABILITY	17	69 659
FERROMETALS	1	3 425
MFC RETIREMENT (MOMEN 33.3%)	1	1 753
MIDDELBURG FERROCHROME	12	69 288
MIDDELBURG FERROCHROME PENSIONER	15	53 863
RST SPECIAL METALS (PTY)LTD PENS	1	2 358
RST SPECIAL METALS PTY LTD	3	11 250
SAMANCOR CHROME	3	18 492
SAMANCOR CORPORATE	1	5 644
SAMANCOR MANGANESE PROPRIETARY LIMITED	56	181 259
THOS BEGBIE & CO (PTY) LTD	65	329 845
THOS BEGBIE & CO (PTY) LTD PENS	29	111 515
WESTERN CHROME MINES	1	5 644
WESTERN CHROME MINES PENSIONERS	2	9 230
Grand Total	386	1 495 369

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
60 594	61 321	(727)	-	-	-	-
12 832	12 832	-	-	-	-	-
219 173	219 507	(334)	-	-	-	-
5 008	5 008	-	-	-	-	-
3 426	3 425	1	-	-	-	-
105	0	-	-	-	-	105
69 288	69 288	-	-	-	-	-
52 237	52 237	-	-	-	-	-
4 244	2 358	943	943	-	-	-
11 250	11 250	-	-	-	-	-
18 492	18 492	-	-	-	-	-
5 644	5 644	-	-	-	-	-
188 893	186 702	1 098	1 094	-	-	-
329 845	329 845	-	-	-	-	-
113 613	113 613	-	-	-	-	-
5 644	5 644	-	-	-	-	-
9 227	9 227	-	-	-	-	-
1 109 516	1 106 392	981	2 037	-	-	105

SUMMARY	MEMBERS	GROSS CONTRIBUTION
AS ABOVE	386	1 495 369
COLUMBUS (OLD MUTUAL PENSIONERS)	9	24 465
COLUMBUS RETIREMENT (MOMENTUM40%)	2	4 189
COLUMBUS RETIREMENT (MOMENTUM 20%)	11	26 162
COLUMBUS STAINLESS	1 435	6 344 445
OLD MUTUAL (MFC 33.3%)	5	11 821
SOUTH32 SA LIMITED	1	4 505
THOS BEGBIE RETIRE (MOMENTUM 20%)	2	4 794
MEMBERS / GROSS CONTRIBUTIONS	1 851	7 915 750



RECONCILIATION TO BALANCE SHEET

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

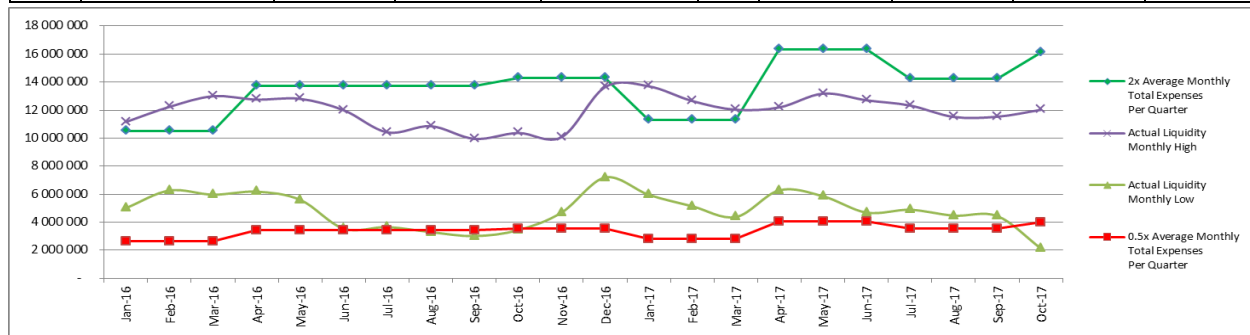
1 109 516
-20 240
1 089 275

Notes:

- The 30 day and greater amounts outstanding relates to 2 members, one deceased and the other pending termination.



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



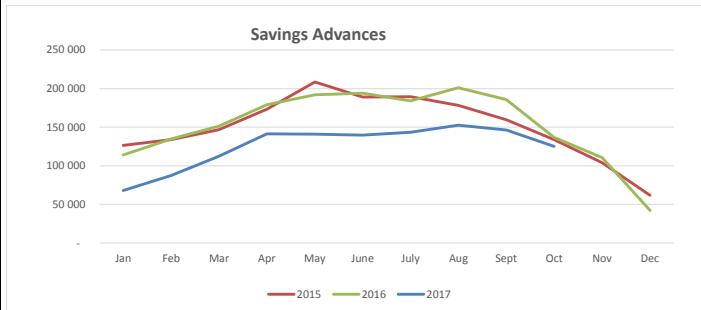
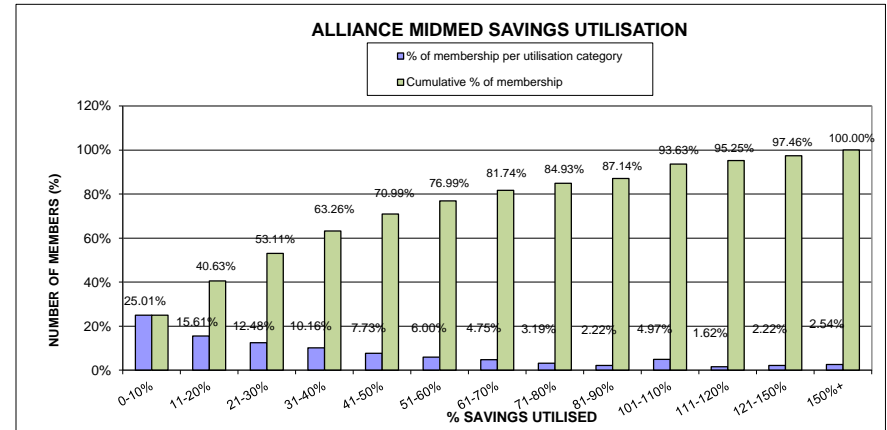
Note: The graph shows the 2 extremes of call balances. If below the lower than 0.5x we run the risk of too little cash on call to meet expenses, if over the above 2.0x then funds need to be invested as too much cash is on hand.

ALLIANCE-MIDMED MEDICAL SCHEME ANALYSIS OF SAVINGS

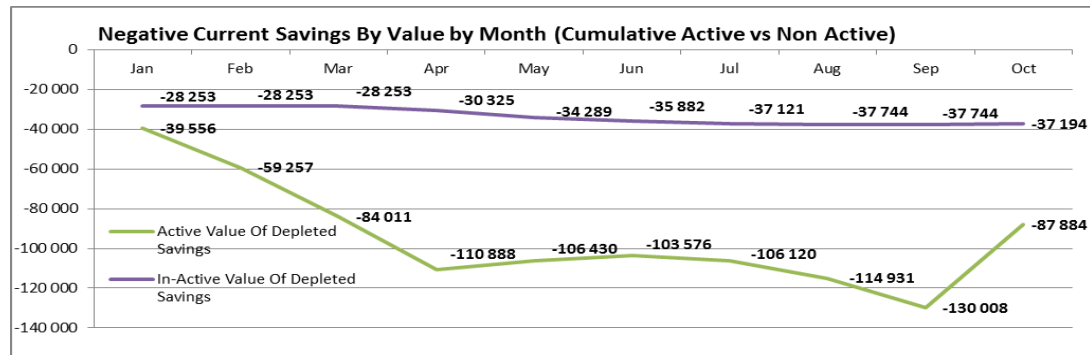
	January R	February R	March R	April R	May R	June R	July R	August R	September R	October R	November R	December R	Trend
Savings Contributions	583 177	627 401	639 001	675 783	575 984	639 323	620 717	622 632	641 175	632 519			
Savings balances	28 368 636	28 579 533	28 745 726	29 118 523	29 243 965	29 553 724	29 909 111	30 258 818	30 669 928	31 048 112			
Savings billed less savings received balance	11 226	13 818	4 015	(40 344)	12 209	3 435	12 802	21 892	15 811	20 240			

% Savings utilised

Number of contracts	Contributions YTD Oct 17 R	Projection for rest of year	Total savings contributions Jan - Dec 17	Claims paid from savings YTD Oct 17	Utilisation %	% of membership	
463	1 252 595	260 064	1 512 659	(53 456)	3.53%	25.0%	0-10%
289	985 947	201 676	1 187 623	(178 405)	15.02%	15.6%	11-20%
231	869 233	174 368	1 043 601	(263 106)	25.21%	12.5%	21-30%
188	699 809	140 128	839 937	(292 578)	34.83%	10.2%	31-40%
143	534 093	107 574	641 667	(287 273)	44.77%	7.7%	41-50%
111	419 468	84 568	504 036	(275 129)	54.59%	6.0%	51-60%
88	316 775	61 764	378 539	(245 335)	64.81%	4.8%	61-70%
59	219 738	43 282	263 020	(197 813)	75.21%	3.2%	71-80%
41	156 817	30 786	187 603	(158 009)	84.23%	2.2%	81-90%
92	281 845	58 652	340 497	(351 390)	103.20%	5.0%	101-110%
30	104 203	20 754	124 957	(144 271)	115.46%	1.6%	111-120%
41	146 267	28 414	174 681	(233 222)	135.51%	2.2%	121-150%
47	167 781	30 766	198 547	(449 336)	226.31%	2.5%	150%+
1 851	6 257 712	1 263 390	7 521 102	(3 247 099)	43.17%	100.0%	

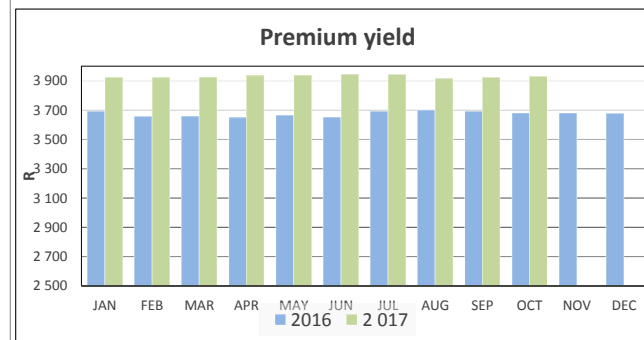
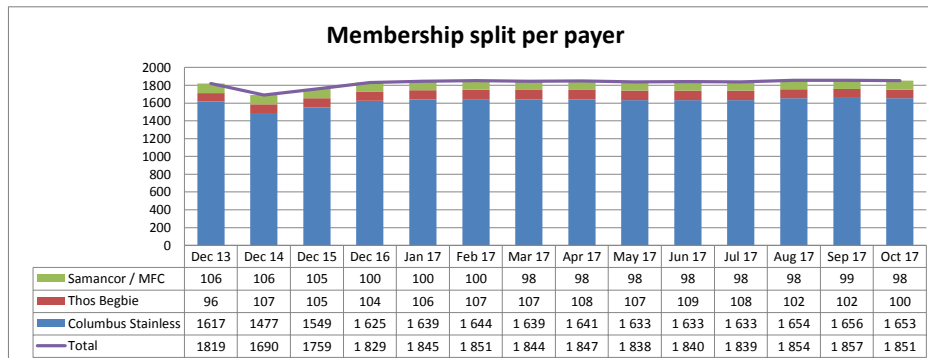
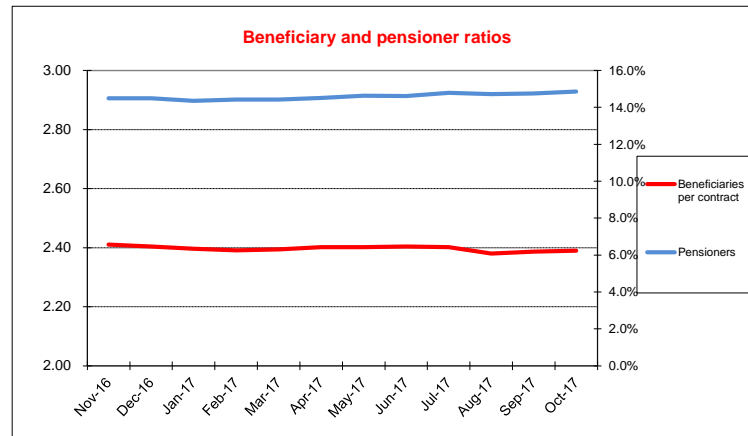
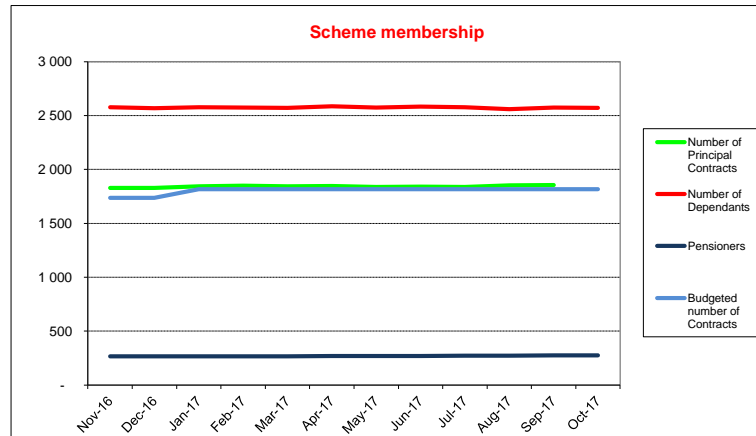


During the year a number of members typically utilise annual savings in excess of their year-to-date savings contributions and therefore are reported as having received advanced funding. This level increases during the year and around August/September the contributions begin 'catching' up with advances given, resulting in the levels decreasing to year end. The graph (above) shows that the 2016 and 2015 trend are similar. 2017 appears to be following a similar pattern.



ALLIANCE-MIDMED MEDICAL SCHEME MEMBER RATIOS AND TREND ANALYSIS

Description	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17
Membership Ratios:												
Number of Principal Contracts	1 828	1 829	1 845	1 851	1 844	1 847	1 838	1 840	1 839	1 854	1 857	1 851
Budgeted number of Contracts	1 736	1 736	1 818	1 818	1 818	1 818	1 818	1 818	1 818	1 818	1 818	1 818
Number of Dependants	2 578	2 568	2 577	2 574	2 571	2 588	2 576	2 583	2 578	2 559	2 575	2 573
Beneficiaries per contract	2.41	2.40	2.40	2.39	2.39	2.40	2.40	2.40	2.40	2.38	2.39	2.39
Pensioners	265	265	265	267	266	268	269	269	272	273	274	275
Pensioner ratio	14.5%	14.5%	14.4%	14.4%	14.4%	14.5%	14.6%	14.6%	14.8%	14.7%	14.8%	14.9%
Beneficiaries > 65 years of age	270	273	277	277	276	277	279	281	281	281	285	284
Beneficiaries > 65 years of age ratio	6.13%	6.21%	6.26%	6.26%	6.25%	6.25%	6.32%	6.35%	6.36%	6.37%	6.43%	6.42%
Beneficiaries >= 60 years of age	409	409	407	408	407	410	411	412	416	416	420	422
Beneficiaries >= 60 years of age ratio	9.28%	9.30%	9.20%	9.22%	9.22%	9.24%	9.31%	9.31%	9.42%	9.43%	9.48%	9.54%



**ALLIANCE-MIDMED MEDICAL SCHEME
TOP 10 CLAIMING CONTRACTS YEAR TO DATE
OCTOBER 2017**

Rank	Age	Gender	Cost Driver	Claiming Details and Explanation for Costs	Amount paid from risk (YTD)	Status
1	40	Male	Oncology - Non Hodgkins lymphoma	This patient is a known Diffuse Large cell lymphoma cancer patient and is currently on active oncology treatment. He received an Autologous stem cell transplant procedure on 10 October 2017. He receives ongoing chemotherapy treatment as well as high cost anti-rejection medication after the stem cell transplant. He is currently still weak and received blood transfusions for a low Hb. He needs barrier nursing while he is in hospital for his oncology treatment.	1 238 528.57	Ongoing oncology treatment
2	42	Male	Renal	This gentleman had several admissions after his initial admission via ER with shortness of breath and the diagnosis of bronchitis and endocarditis. He is a known chronic kidney failure patient and on dialysis. He was treated with antibiotics and also received treatment for raised blood pressure. He also had 2 admissions for the aspiration of fluid collection from his hip joint. In June he was admitted for an urgent hip revision procedure as he had great difficulty in mobilizing. The procedure was however cancelled as he presented with an abnormal ECG and heart enzyme results - he was not fit for surgery. Alternatives are being discussed for example rehabilitation as excessive pain medication can compromise his kidneys even further. He is still on the list for a kidney transplant procedure. He had a short admission recently to clean a blocked shunt used for his renal dialysis.	615 923.41	Being monitored and followed up on disease management programme
3	85	Male	Respiratory	This gentleman was diagnosed with a mass in his lung in 2015 but did not need treatment at the time. He then presented with coughing up of blood and difficulty in breathing and a MRI showed that the mass increased in size. A lobectomy procedure was performed of the right upper lobe. He developed atrial fibrillation post procedure and needed to be ventilated. His condition deteriorated and he sadly passed away on 10 June 2017	581 080.27	RIP 10/06/2017
4	61	Male	Gastro-intestinal	This patient received a colon resection procedure in Dec 2016 when he presented with perforated diverticulitis. He developed abdominal sepsis post procedure. He recovered but developed a large stomal hernia as a result. He received a colon closure procedure in June this year, as well as a repair of the large stomal hernia. He was discharged after 8.5 days, but re-admitted in August when he developed an abdominal abscess that needed draining. In September he presented with severe abdominal pain again and received a surgical procedure for a leak and abscess formation at the re-anastomosis site. This resulted in a permanent colostomy. He had a short admission in early October when he was vomiting blood, and received a blood transfusion for a low Hb. There has been no subsequent admissions so far.	575 404.17	Discharged in a satisfactory condition
5	69	Male	Cardiovascular and Musculoskeletal	This is a known patient with Congestive heart disease on medication. In July he felt dizzy and had a fall and fractured his left femur. He received corrective surgery and also needed a pacemaker to be fitted. He made a slow recovery and was discharged in a satisfactory condition 19 days later. There has been no subsequent admissions	543 550.81	Discharged in a satisfactory condition
6	54	Male	Cardiovascular and Adult Respiratory distress	This patient was admitted with an IOD on 15 Dec 2016 when he presented with a fracture of his left tibia. He received surgical corrective surgery but was transferred to Emalahleni Private hospital post surgery when he presented with severe chest pain and dyspnoea. He was nursed in High care and appeared very confused. His condition deteriorated and he was transferred to ICU and ventilated. He was diagnosed with congestive cardiac failure. He made a slow recovery and was transferred to the general ward and from there to a sub acute facility. His wound was septic and was treated with high cost antibiotics. On 31 December 2016 his condition once again deteriorated and he was taken to Cosmos hospital via the ER department with respiratory distress and nursed in ICU. His condition deteriorated and he sadly passed away on 05 February 2017.	529 839.06	RIP 05/02/2017
7	Newborn	Female	Respiratory distress of newborn	This little male baby was born at 30w gestational age after his mom developed a severe bladder infection. He had a birth weight of 1940g. He needed CPAP and received nasal tube feeding. He made a very slow recovery and was discharged 48 days later in a satisfactory condition. There has been no subsequent admissions	481 995.20	Discharged in a satisfactory condition
8	65	Male	Oncology - Colon cancer	This gentleman is known with Colon cancer. He had several related admissions in 2016. He was admitted early January 2017 with severe abdominal pain. Radiology reports confirmed intestinal obstruction and a hemicolectomy procedure was performed to remove the colon adhesions causing the obstruction and he received a colostomy. Further to this, Clostridium Difficile bacteria was cultured and he needed isolation to prevent cross contamination. He made a slow recovery and was discharged 8.5 days later in a satisfactory condition. He had a recent admission to have his colostomy closed, recovered well and was discharged after 5.5 days in a satisfactory condition. He had a 24 hour admission thereafter for minor infection of the incision site but no admissions since	465 406.04	Discharged in a satisfactory condition
9	73	Male	Musculoskeletal - Fracture of neck of femur	This elderly gentleman slipped on the tiles at his home, fell and fractured his neck of femur. He was admitted via ER and a total hip replacement procedure was performed. He made a very slow recovery and was discharged to a step down facility 10 days later. He unfortunately developed sepsis of the wound area and had to be re-admitted for treatment. He was recently discharged home in the care of his family and a care giver and was making good progress. He unfortunately had another fall on 27 October 2017 and sustained an injury to his hip which necessitated a revision of his previous hip replacement. He recovered well and a motivation was received for him to be transferred to a sub-acute facility to ensure sufficient mobilisation before he is discharged.	443 664.25	Motivation received for a sub-acute facility
10	68	Male	Endocrinology - Gallbladder and Oncology - Breast CA	This gentleman was admitted when he presented with severe abdominal pain and gallstones were diagnosed. At the time it was discovered that he presented with a mass in his right breast. Biopsies revealed cancer of his breast. He has a cholecystectomy procedure and then followed with a radical mastectomy of his right breast 3 weeks later. He also received a small procedure to his eye to correct a retinal detachment. He was discharged in a satisfactory condition and oncology treatment is being discussed. He was re-admitted in September with peripheral vascular disease with total occlusion of his left popliteal artery. He needed a surgical procedure to remove the occlusion but the procedure was cancelled as he presented with a very low white cell count. The surgery was rescheduled for November 2017.	405 472.68	Ongoing oncology treatment
					5 880 864	
COMPARATIVE ANALYSIS					Total	
Top 10 claims - Jan to Dec 2017(Till MOP OCT 2017)					5 880 864	
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 2016

Measure	2012	2013	2014	2015	2016
Max. legislated SEP increase	2.1	5.8	5.8	7.5	4.8
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 2017 budget

Description	Percentage
Contribution increase	7%
Increase in Scheme tariffs:	
- Hospitals	8%
- SEP	6%
- Remaining service provider tariffs	6%
Managed care: healthcare expenses	6%
Membership growth	0%
Non-health expenditure	
Administration fees	6%
Other administration costs	6%
Managed care: management services	6%
Investment return	7%
Reserve building	3%