ALLIANCE-MIDMED MEDICAL SCHEME

25 JUNE 2025

2025 ANNUAL GENERAL MEETING

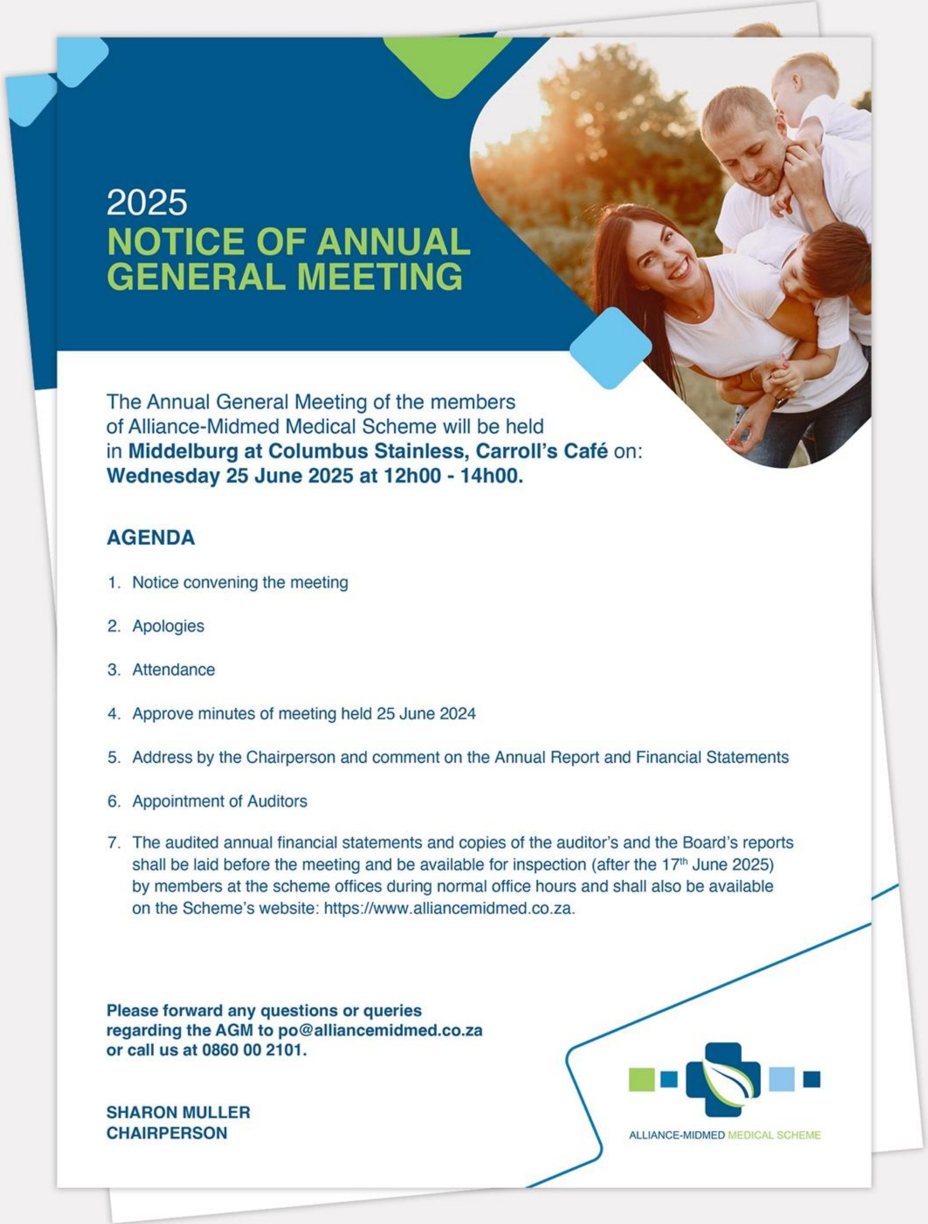
IN-PERSON AT CARROL'S CAFÉ, COLUMBUS STAINLESS

Index

The audited annual financial statements and copies of the auditor's and the Board's reports shall be laid before the meeting and is available on the Scheme's website: www.alliancemidmed.co.za

ALLIANCE-MIDMED MEDICAL SCHEME

NOTICE OF THE ANNUAL GENERAL MEETING



2025

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the members of Alliance-Midmed Medical Scheme will be held in **Middelburg at Columbus Stainless, Carroll's Café** on: **Wednesday 25 June 2025 at 12h00 - 14h00.**

AGENDA

1. Notice convening the meeting
2. Apologies
3. Attendance
4. Approve minutes of meeting held 25 June 2024
5. Address by the Chairperson and comment on the Annual Report and Financial Statements
6. Appointment of Auditors
7. The audited annual financial statements and copies of the auditor's and the Board's reports shall be laid before the meeting and be available for inspection (after the 17th June 2025) by members at the scheme offices during normal office hours and shall also be available on the Scheme's website: https://www.alliancemidmed.co.za.

Please forward any questions or queries regarding the AGM to po@alliancemidmed.co.za or call us at 0860 00 2101.

SHARON MULLER
CHAIRPERSON

ALLIANCE-MIDMED MEDICAL SCHEME

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AGM ATTENDANCE / QUORUM

A minimum of **30 members** is required to constitute a **quorum** for the Annual General Meeting.

- Only members in good standing may attend.
- Proof of membership must be presented upon entry.

MEETING MINUTES 25 JUNE 2024

Approval of Minutes

The minutes from the previous meeting, held on **25 June 2024,** were published for your review.

MEETING MINUTES 25 JUNE 2024

Approval of Minutes

We now require:

- A proposer for the approval of the minutes
- A seconder for the approval of these minutes.

CHAIRPERSON'S REPORT

ALLIANCE-MIDMED MEDICAL SCHEME
Because Your Health Matters

15 MAY 2024

Dear member,

In light of the recent news of the NHI bill being signed into law by the President, we want to appeal to you not to panic. Your medical scheme membership remains unaffected, and you can continue to enjoy your benefits and services as you have been, and we are dedicated to maintaining your access to health services as usual.

As Alliance-Midmed, we stand by the medical aid industry association's legal challenge to ensure the interests of our members come first. Although the NHI bill may be signed into law, its implementation is still far off as legal challenges are underway.

In the meantime and for a long time to come, things will continue as usual.

Kind regards,

ALLIANCE-MIDMED

E-Mail Address: service@alliancemidmed.co.za, website: Client Services: 0860 002 101
Middelburg Office: 087 740 2815

PRINCIPAL OFFICER MESSAGE: KEY TAKEAWAYS

Commitment to stability and continuity

Renewed focus on member experience

Governance, compliance and readiness

BOARD AND COMMITTEE MEMBERS

Alliance-Midmed Officers Register

Function	Name			Title & Role
	Surname	Name	Initials	
Board of Trustees	Muller	Sharon	SD	Member Representative Trustee - Chairperson
	Mabhena	Jo	FJ	Employer Representative Trustee
	Nell	Jacques	J	Employer Representative Trustee
	Tharakan	Jubee	JJ	Member Representative Trustee
	Van Coller	Riaan	JC	Employer Representative Trustee
	Van Staden	Martie	M	Member Representative Trustee

BOARD AND COMMITTEE MEMBERS

Alliance-Midmed Officers Register

Function	Name			Title & Role
	Surname	Name	Initials	
Observer	Ngwenya	Veronica	V	Observer
Co-Opted Trustees	Beyer	Strydom	B	Alternate Trustee *(employer Co-opted)*
	Monatisa	Phillip	P	Alternate Trustee *(employer Co-opted)*
	Taljaard	Anya	A	Alternate Trustee *(employer Co-opted)*

ALLIANCE-MIDMED MEDICAL SCHEME

BOARD AND COMMITTEE MEMBERS

Alliance-Midmed Officers Register

Function	Name			Title & Role
	Surname	Name	Initials	
Audit, Risk and Compliance Committee	Van Der Walt	Johan	JP	Non-Board Member & Chairperson
	Bizana	Kutala	K	Non-Board Member
	Van Der Merwe	Dewald	DJ	Non-Board Member
	Nell	Jacques	J	Board Member
	Van Staden	Martie	M	Board Member

ALLIANCE-MIDMED MEDICAL SCHEME

BOARD AND COMMITTEE MEMBERS

Alliance-Midmed Officers Register

Function	Name			Title & Role
	Surname	Name	Initials	
Disputes Committee	Louverdis	Anthia	A	Committee Member
	Mtoba	Lizzy	L	Committee Member
	Kruger	Dirk	D	Committee Member

ALLIANCE-MIDMED MEDICAL SCHEME

FINANCIAL STATEMENTS

INVESTMENT STRATEGY UPDATE

Significant strategic decision made in 2024:

Transitioned from our single investment manager(s) approach to partnering with **Sygnia Asset Management**

Past performance and portfolio construction was also considered.

Yielded positive results, particularly demonstrating significant cost savings on investment fees.

On going review by the Board to ensure we are optimally invested.

ALLIANCE-MIDMED MEDICAL SCHEME

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2024

	Notes	2024 R	2023 R
Insurance revenue	8	127 315 081	115 361 975
Insurance service expense		(132 682 882)	(120 250 188)
Claims incurred	9.1	(121 598 080)	(115 472 613)
Net impairment recovery/ (loss) on healthcare receivables	9.2	(13 138)	(22 460)
Accredited managed healthcare services (no risk transfer)	9.3	(3 971 905)	(2 062 451)
Attributable expenses incurred	9.4	(551 535)	(3 499 127)
Third party claim recoveries	9.5	-	-
Amounts attributable to future members	9.6	(6 548 224)	806 463
Insurance service result		(5 367 801)	(4 888 213)
Other income		13 170 871	10 447 676
Investment income	11	13 109 664	10 439 291
Sundry income		61 207	8 385
Other expenditure		(7 803 070)	(5 559 463)
Administration fees and other operative expenses	10	(7 041 638)	(4 782 541)
Asset management fees		(761 432)	(776 922)
Net surplus for the year		-	-
Total comprehensive income for the year		-	-

ANNUAL FINANCIAL STATEMENTS 2024

ALLIANCE-MIDMED MEDICAL SCHEME

STATEMENT OF FINANCIAL POSITION
as at 31 December 2024

	Notes	2024 R	2023 R
ASSETS			
Non-current assets			
Property and equipment	2	291 811	285 058
Current assets		129 813 937	124 421 725
Trade and other receivables	3	33 737	32 130
Cash and cash equivalents	4	18 618 601	18 610 730
Investments held at fair value through profit and loss	5	111 161 599	105 778 865
Total assets		130 105 748	124 706 783
LIABILITIES			
Non-current liabilities		81 300 779	74 752 555
Insurance liability for future members	6.3	81 300 779	74 752 555
Current liabilities		48 804 969	49 954 228
Insurance contract liability	6	47 901 980	49 384 172
Trade and other payables	7	902 989	570 056
Total funds and liabilities		130 105 748	124 706 783

ALLIANCE-MIDMED MEDICAL SCHEME

NON-COMPLIANCE WITH THE MEDICAL SCHEMES ACT

1. Not all billed contributions are received within 3 days as Section 26(7) of the Act requires. These incidents are exceptional, e.g. when the 3-day grace period falls over a weekend.

ACTION: Credit control procedures minimize the risk of non-recoverability, including that about 90% of contributions are collected via deductions from the employers' payroll. The Scheme monitors creditors closely to minimize the incidences.

2. Claims are generally paid within 30 days of receipt, in terms of Section 59(2) of the Act, but due to procedures such as clinical auditing and suspected fraudulent claims, some claims are paid after 30 days of receipt. This could impact on member and providers.

ACTION: Management tracks claims older than 30 days and monitors progress to minimise delays.

3. Section 35 (8) (c) of the Act requires that a medical Scheme shall not invest its assets in an administrator. Independent third-party asset managers manage the Scheme's investment funds. They have a discretionary mandate to achieve set targets. Given this approach, the Scheme may sometimes be exposed to shares in administrators.

ACTION: As a precaution, the Scheme made an application and was granted an exemption from complying with this requirement by the CMS. The exemption expires on 30 November 2025.
The Scheme invests in Momentum Metropolitan Life Limited, Sanlam Life Insurance Ltd and Discovery Group Limited.

AUDITING

AUDIT AND AUDITORS 2025

On the radar: Audit Quality Indicators (AQIs) are a set of metrics designed to offer meaningful insights into the quality of an audit. Rather than providing a single score, AQIs consist of both **quantitative and qualitative data points** that, when assessed in context, help stakeholders evaluate the factors contributing to a high-quality audit.

ALLIANCE-MIDMED MEDICAL SCHEME

AUDIT AND AUDITORS 2025

Appointment of Auditors

Ransome Rossouw
now Ranrus Incorporated
Registered Auditors & Chartered Accountants

We now require:
- A proposer
- A seconder

BENEFITS UTILISATION REVIEW

TOP CLAIMERS

Service Year 2024	
Membership	Amount Paid
Family 301	R 1 301 138,90
Family 302	R 1 110 583,59
Family 303	R 1 059 971,80
Family 304	R 1 048 269,61
Family 305	R 1 015 488,81
Family 306	R 864 271,52
Family 307	R 861 935,88
Family 308	R 861 448,52
Family 309	R 828 561,00
Family 310	R 801 086,20
Family 311	R 782 866,32
Family 312	R 718 887,25
Family 313	R 657 928,30
Family 314	R 646 014,85
Family 315	R 643 488,71
Family 316	R 618 325,23
Family 317	R 588 532,77
Family 318	R 585 056,18
Family 319	R 582 462,50
Family 320	R 580 061,24
Total	**R 16 156 379,18**

Service Year 2023	
Membership	Amount Paid
Family ABC	R 2 867 558,14
Family CDE	R 1 574 187,31
Family VFR	R 1 488 017,26
Family BGT	R 1 480 319,13
Family NHY	R 1 423 647,78
Family MJU	R 1 397 555,89
Family MLP	R 1 332 281,98
Family IJB	R 849 829,52
Family YGV	R 830 193,16
Family TFX	R 783 210,57
Family ESZ	R 774 156,28
Family AWE	R 711 107,38
Family RTY	R 690 625,06
Family YUI	R 656 508,86
Family HJK	R 628 039,40
Family FDS	R 576 921,07
Family VBN	R 540 572,04
Family POI	R 518 415,13
Family QWE	R 477 441,09
Family EDI	R 476 204,93
Total	**R 20 076 791,98**

UTILISATION OF SERVICES

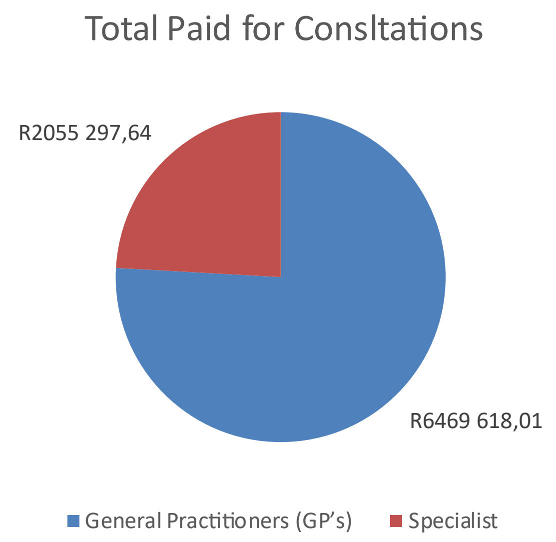
Benefit Description	% Utilised
General Practitioner Consultations: Out of Hospital	52,89%
Prescribed Medication	45,70%
Over-the-Counter / Self-medication	34,06%
Radiology (General): Out of hospital	30,77%
Pathology: Out of Hospital	25,37%
Specialist Consultations: Out of hospital	22,93%
Optical: Consultation (eye test)	19,59%
Optical: Frames	17,47%
Optical: Lens Enhancements	14,86%
Remedial Therapies(Incl Dietician, Occupational Therapy, Podiatry, Speech Therapy, Social workers, etc): Out of Hospital	12,86%
Specialized Radiology (Incl MRI & CT scans, Full sinus scans): Out of Hospital	10,00%
Optical: Single vision lenses	9,65%
Chronic Medication	9,51%
Optical: Multifocal Lenses	9,48%
Radiology (General): In-hospital	9,17%
Non-Surgical Procedures & Tests (Out of Hospital)	7,63%
Specialized Radiology *(Incl MRI scans, Nuclear imaging and Radio Isotype scans, Coronary and Cereberal Angiography):* In-hospital	3,95%
Physical Therapy *(Incl Physiotherapy & Biokinetics):* In Hospital	2,92%
Appliances *(Incl Nebulizers, glucometers, Peak Flow meters, oxygen concentrators, home ventilators, wheelchairs and humidifiers.)*	1,59%
Remedial Therapies(Incl Dietician, Occupational Therapy, Podiatry, Speech Therapy, Social workers, etc): In Hospital	1,39%

ALLIANCE-MIDMED MEDICAL SCHEME

UNPACKING CONSULTSTION BENEFIT UTILISATION 2024

- Average no of consults per family per year:
  - 8,6 visits of which 7.3 are GP visits and 2.7 are specialist visits
- Average no of consults per beneficiary:
  - 4.1 visit of which is **3.6 GP visit and 1.9 specialist visit**

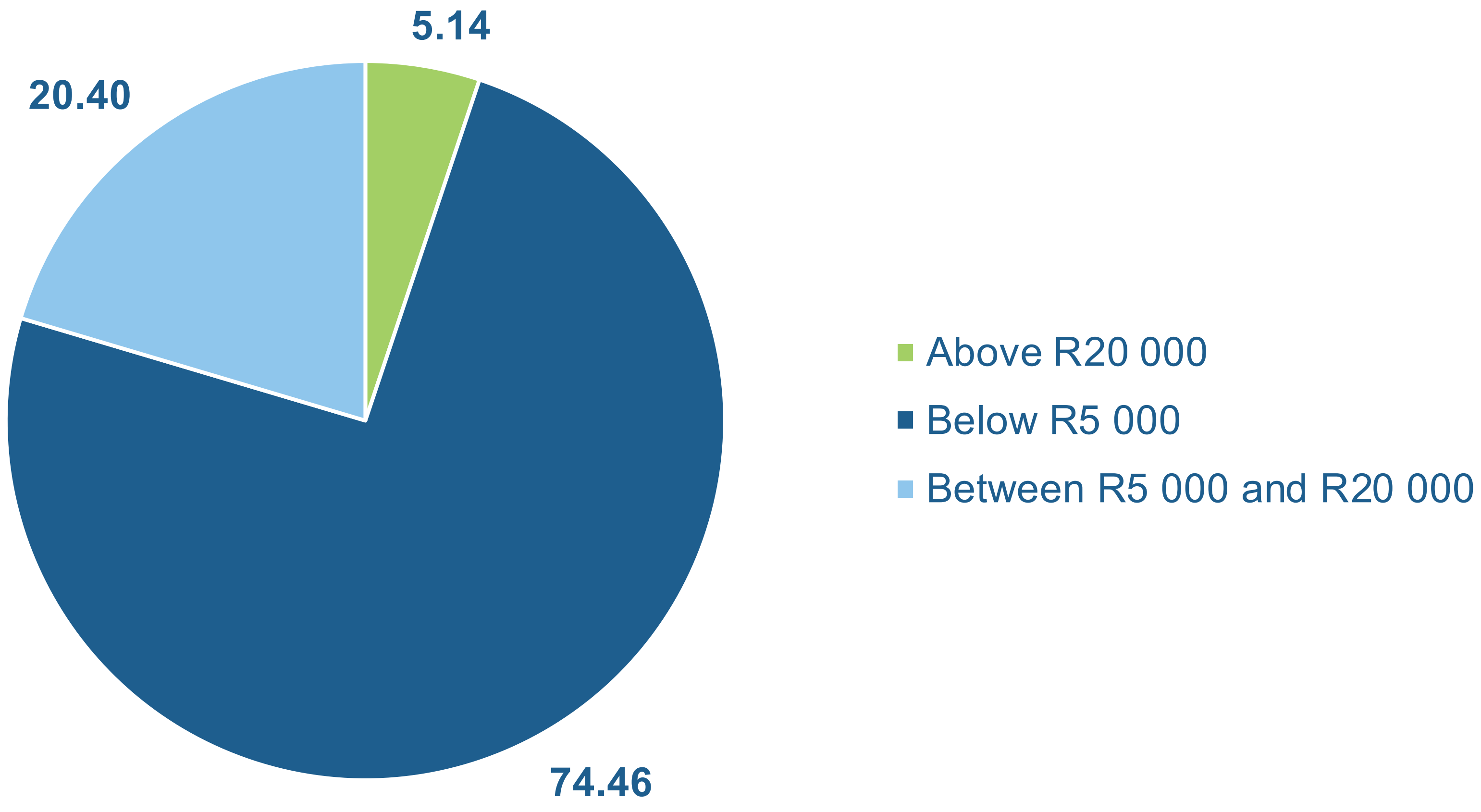
- The Scheme Fund the following from these benefit pools:
  - 10 911 GP consults paid from GP benefit
  - 2 055 Specialist consults paid from Specialist benefit
  - 1 300 GP & Specialist consults paid from Chronic Treatment Plan
  - 135 GP & Specialist consults paid from Disease Management Programs



ALLIANCE-MIDMED MEDICAL SCHEME

CONTANING COSTS

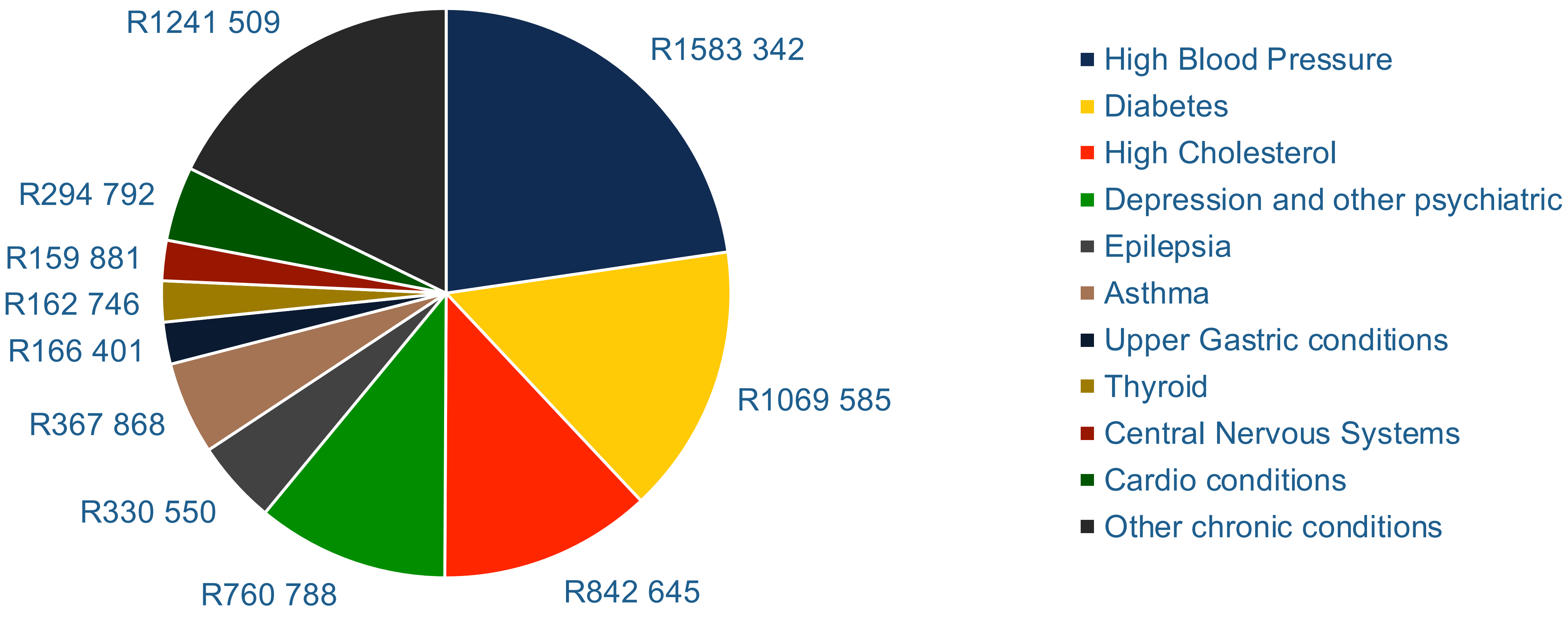
Percentage of Membership contracts with shortfalls/copayments



ALLIANCE-MIDMED MEDICAL SCHEME

CHRONIC MEDICINE SPEND 2024

Chronic Medication Spend



OPERATIONAL UPDATE

OPERATIONAL FEEDBACK

Area under review	Comments
Telephony	In 2024 with experienced significant service issues, which resulted in a change in service provider. Due to unforeseen administration and technical issues outside of the Scheme's control. New service provider have been appointed and we experienced 98% uptime within the last 3 months.
Incoming emails	We processed on average 1 946 emails per month in April) - five April holidays
Contact Centre queries	54% of all enquires are received via incoming calls, and a further 30% contact is via email, 5% walk-in at the Admin building, Family Wellness Centre or in the Plant and the remainder via digital channels (Web or App)
Response Time on Enquiries	90% of Enquiries are resolved within 2 working days
Claims turn around – Received to Payment	94,8% of claims are paid within 30 days of receipt. The rest was mostly delayed because of outstanding information.
Claims turn around – Treatment to payment	89,4% of claims are paid within 30 days of the date of service. This ratio is impacted by when we receive the claims after the service as provided
Claims Adjudication	94.5% of our claims are straight through processing – no intervention needed. The remaining 5.5% of claims are held for review, - mostly duplicate claims, claims without prior authorization and suspicious claims that requires careful review.
Communication	Send on average 14 915 emails per month and 5 804 SMS's per month
Medicine confirmation	On average it took 0.19 seconds to confirm pharmacy claims and acknowledge benefits with confirming payments
Membership turnaround	64% of New member applications or membership changes are processed within 48 hours. Incomplete documents or outstanding supporting documents are main causes for these delays
Provider Web utilization	1 696 Health Professionals are registered to use our website for claims & queries
Member logins	On average, 570 members logged onto their member mobile app

ALLIANCE-MIDMED MEDICAL SCHEME

IMPORTANT OPERATIONAL STATISTICS

	2024	2023
Average Number of Member per month	1 649	1 600
Average Number of Beneficiaries per month	3 747	3 615
Beneficiaries per member at the end of the year	2,28	2,27
Average Member Age	47,5	47,3
Average Beneficiary Age	34,79	35,77
Pensioner ratio (beneficiaries **> 65 years**)	8,66%	9,33%
Average healthcare expenditure incurred per beneficiary per month	R2 951	R2 772
Average non-healthcare expenditure per beneficiary per month	R174	R128
Non-healthcare expenses as a percentage of gross contributions	5,85%	4,58%
Return on investments as a percentage of closing investments	10,10%	8,39%

ALLIANCE-MIDMED MEDICAL SCHEME

CHANGES TO ENSURE QAULTIY SERVICE

Previous years:

- Introduce the Major Joint for Life Funding Program
- Specialist Referral Providers linked to academic facilities
- Authorisation for Auxillary services while in hospital

Going Forward:

- Funding Accredited Pathology Service Provider

REGULATORY AND COMPLIANCE MATTERS

NHI? 15 May
Bill approved by the
ZA parliament
national assembly

Regulation
10 Directive 2019
Member savings

Investigation
2021

Road Accident
Fund claims

Rule
amendments 2023

Administration
Accreditation Audit

HOW TO MANAGE YOUR MEDICAL SCHEME BENEFIT

1. Take responsibility for your own health!
2. KnowYourNumbers! Use your Lifestyle benefit! Early detection is key!
3. Manage your chronic condition!
4. Follow your treating Healthcare Service Provider instructions
5. Engage with our Professional Nurses: Ask questions!
6. Use your General Practitioner (GP) as your gatekeeper
7. Managing your health with healthy habits
8. Don't ignore Managed Care benefits: Your customised treatment plan!
9. Look for generic medicines
10. Understand the Scheme Cost and quality management strategy:
    - Professional Nurses at the FWC
    - Pre-authorisations
    - Quotations
    - Referrals to Academic Specialist
    - Say NO to wastage, over-treatment/services, fraudulent claims, and abuse of benefits

ALLIANCE-MIDMED MEDICAL SCHEME

COMMUNICATION

COMMUNICATION FOCUS

Appointed a Communications Consultant to enable us:

Awareness:
Increase awareness among members.

Engagement:
Foster deeper engagement with key stakeholders- members, healthcare providers etc.

Educate:
Improve member experience at all touchpoints by ensuring thorough understanding of benefits, rules and processes.

Satisfaction:
Improve member satisfaction and retention through ongoing communication and value-added services.

COMMUNICATION

Our communication channels:

Call centre:
0860 002 101

WhatsApp:
064 989 7224

Website:
www.alliancemidmed.co.za

Healthcare
provider portal

Accessing Your **Membership Details**

Stay in control of your health – anytime, anywhere.

You can access your membership information through the Alliance-Midmed Mobile App

Download our user-friendly app from the Apple App Store or Google Play Store.

With the App, you can:

- Check your benefits and claims on the go
- View your digital membership card
- Submit claims directly from your phone
- Receive important scheme notifications

Search for “Alliance-Midmed” in your app store and log in with your member details.

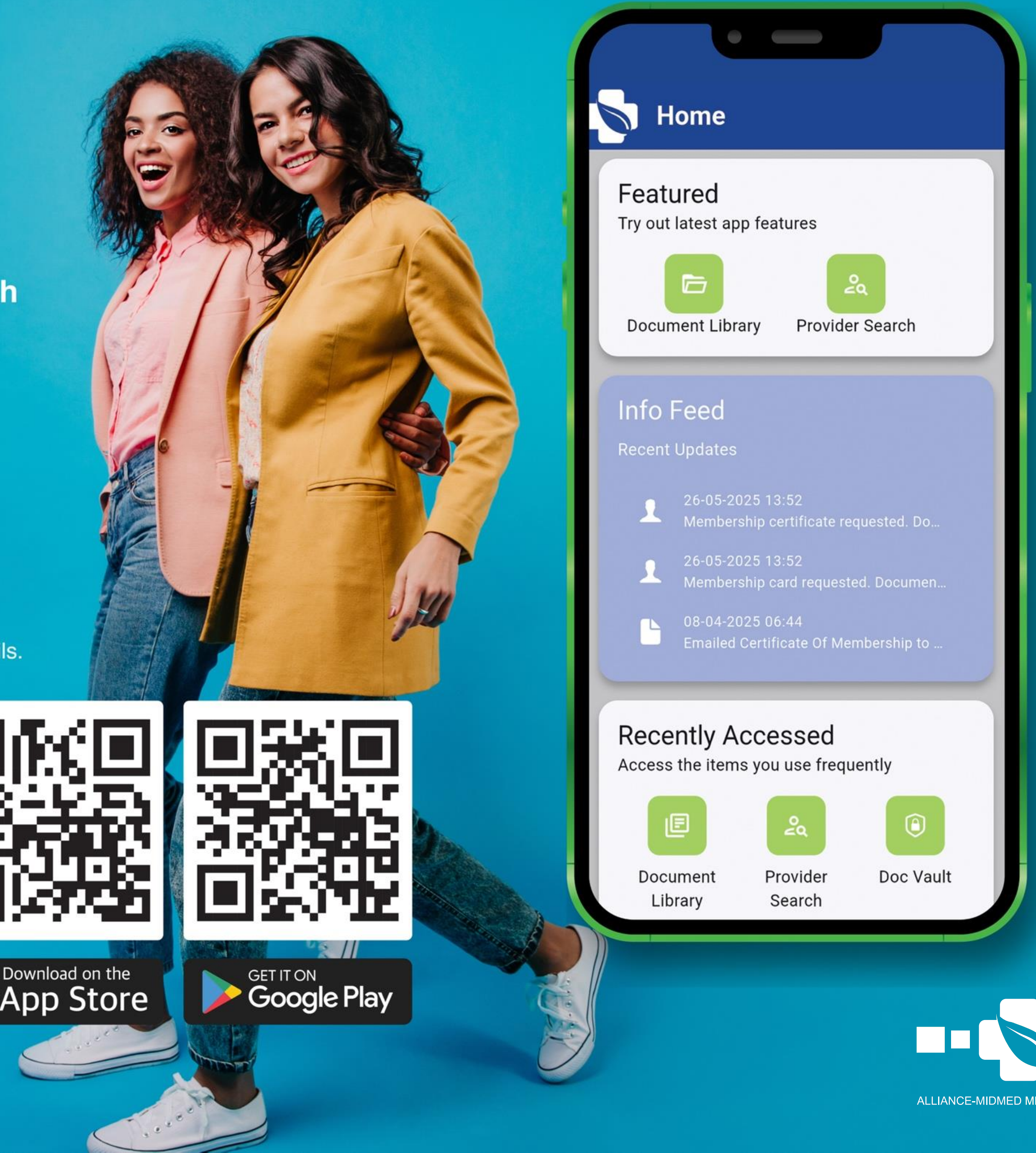
Need Help?
We're here for you — no hassle.

Call Centre: **0860 002 101**
WhatsApp: **064 989 7224**
Email: **service@alliancemidmed.co.za**
Website: **www.alliancemidmed.co.za**

Make your health a priority.
Let us help you take care of it.

Download on the App Store

GET IT ON Google Play



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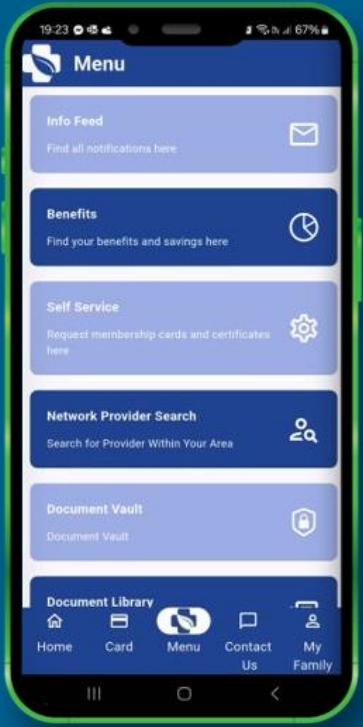
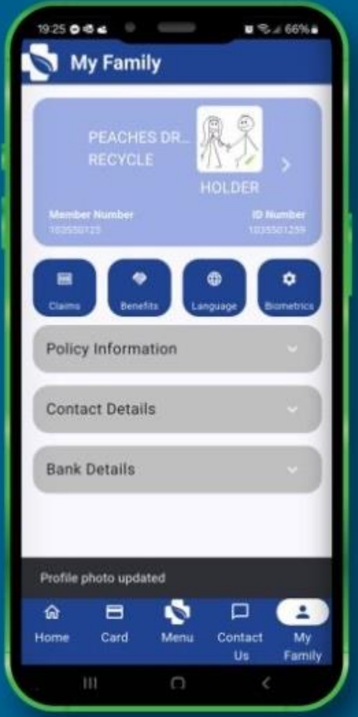
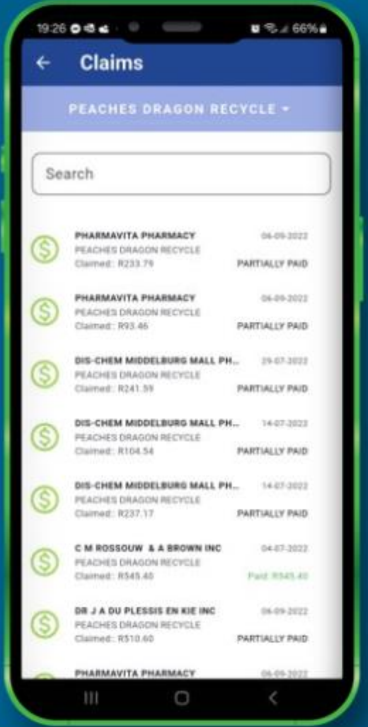
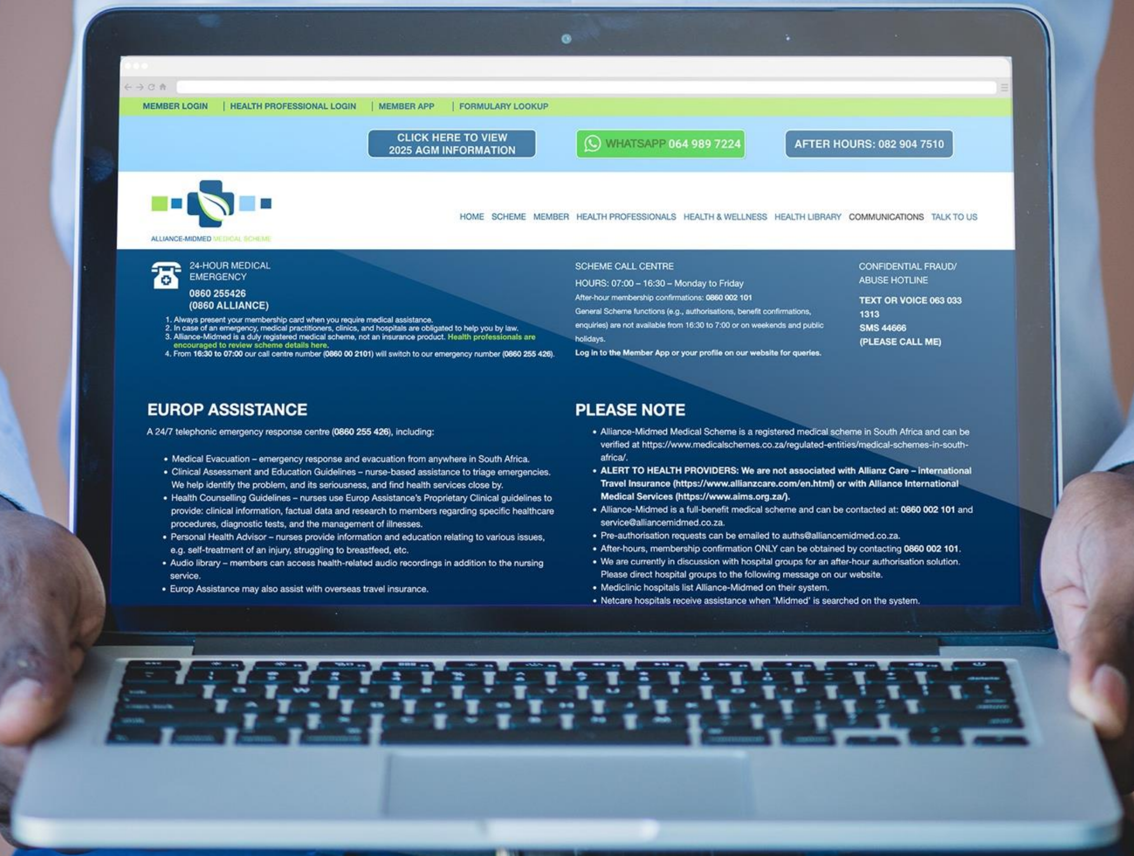
MOBILE APP FUNCTIONALITIES







WEBSITE



ALLIANCE-MIDMED MEDICAL SCHEME

Questions

Disclosure

- *The information herein is carefully researched and collated from various sources. Some of the information may be proprietary. It is intended for your consumption only and may not be distributed without the author's consent.*
- *It is intended for information purposes and a relevant professional should be consulted before you make decisions or respond to the information in any form.*

ALLIANCE-MIDMED MEDICAL SCHEME

THANK YOU

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Postnet Suite MW 765, Private Bag X1838, Middelburg, Mpumalanga, 1050

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Email: service@alliancemidmed.co.za
Website: www.alliancemidmed.co.za

ALLIANCE-MIDMED MEDICAL SCHEME