ANNUAL GENERAL MEETING

25 June 2024

ALLIANCE-MIDME

Because Your Heal

ALLIANCE-MIDMED MEDICAL SCH

AGENDA

1. Notice convening the meeting
2. Apologies
3. Attendance
4. Confirmation of the Minutes of the 2023 Annual General Meeting
5. Address by the Chairperson
6. Annual Report and Financial Statements
7. For your Attention (FYA)
8. Appointment of Scheme Auditors
9. Motions

An unaudited copy of the Annual Financial Statements in the pre-IFRS 17 format is made available for the purposes of the AGM.

From 2023 the Scheme is subject to the International Financial Reporting Standard (IFRS) 17.

IFRS 17 deem the Scheme an insurer and requires significant changes to the reporting.

We include a high-level overview of the changes and plan to submit the final IFRS report at the end of July 2024.

We will publish the approval report on the Scheme website - www.alliancemidmed.co.za/ and alert members via SMS and email.

NOTICE OF ANNUAL GENERAL MEETING
TUESDAY, 25TH JUNE 2024
NEW VENUE: CARROL'S CAFÉ
Columbus Stainless, Hendrina Road, Middelburg
TIME:
12h00 - 14h00
CALL CENTRE
0860 002 101
www.alliancemidmed.co.za
ALLIANCE-MIDMED MEDICAL SCHEME

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2023	2022
Net contribution income	115 372 659	112 427 362
Relevant healthcare expenditure	(116 626 880)	(109 305 512)
Net claims incurred	(114 564 429)	(107 233 495)
Claims incurred	(114 564 429)	(107 465 100)
Third Party claim recoveries	-	231 605
Accredited managed healthcare services	(2 062 451)	(2 072 017)
Gross healthcare result	(1 254 221)	3 121 850
Administration expenses	(8 281 668)	(8 357 566)
Net impairment gains/(losses) on healthcare receivables	(33 144)	11 319
Net healthcare result	(9 569 033)	(5 224 397)
Other income	10 447 676	6 996 796
Investment income	10 439 291	6 966 160
Sundry income	8 385	30 636
Other expenditure	(776 922)	(735 200)
Asset management fees	(776 922)	(735 200)
Net surplus for the year	101 721	1 037 199
Total comprehensive income for the year	101 721	1 037 199

ALLIANCE-MIDMED MEDICAL SCHEME

STATEMENT OF CHANGES IN FUNDS AND RESERVES

	Accumulated Funds R'000
Balance on 01 January 2022	78 764 569
Total comprehensive income for the year	1 037 199
Balance on 31 December 2022	79 801 768
Total comprehensive income for the year	101 721
Balance on 31 December 2023	79 903 489

STATEMENT OF CASH FLOWS

	2023	2022
Cash flows from operating activities		
Cash receipts from members and providers	121 652 456	118 663 717
Cash receipts from members - contributions	121 462 311	118 621 310
Cash receipts from members and providers – other	190 145	42 407
Cash paid to providers, employees and members	(127 855 511)	(123 450 585)
Cash paid to providers and members – claims	(118 290 001)	(113 187 027)
Cash paid to providers and employees – non-healthcare expenditure	(8 259 242)	(8 337 547)
Cash paid to members – savings plan refunds	(1 306 268)	(1 926 011)
Net cash flows from operating activities	**(6 203 055)**	**(4 786 868)**
Cash flows from investing activities	**739 041**	**283 449**
Acquisition of medical and computer equipment	(270 166)	(47 827)
Acquisition of investments	(5 250 410)	(3 839 715)
Proceeds on disposal of investments	179 605	(419 692)
Interest received	6 356 215	4 661 123
Dividends received	500 719	664 760
Asset management fees	(776 922)	(735 200)
Net (decrease) / increase in cash and cash equivalents	**(5 464 014)**	**(4 503 419)**
Cash and cash equivalents at the beginning of the year	24 074 744	28 578 163
Cash and cash equivalents at the beginning of the year	**18 610 730**	**24 074 744**

ALLIANCE-MIDMED MEDICAL SCHEME

STATEMENT OF FINANCIAL POSITION

	2023	2022
ASSETS		
Non-current assets	285 057	70 462
Office furniture and equipment	285 057	70 462
Current assets	125 081 014	122 075 150
Trade and other receivables	691 419	695 097
Cash and liquid investments	18 610 730	24 074 744
Investments held at fair value through profit and loss	105 778 865	97 305 309
Total assets	125 366 071	122 145 612
FUNDS AND LIABILITIES		
Members' funds	79 903 489	79 801 768
Accumulated funds	79 903 489	79 801 768
Current liabilities	45 462 582	42 343 844
Personal Medical Savings Account liability (PMSA)	32 887 573	32 331 639
Trade and other payables	9 052 669	7 462 908
Outstanding claims provision	3 522 340	2 549 297
Total funds and liabilities	125 366 071	122 145 612

ALLIANCE-MIDMED MEDICAL SCHEME

IFRS 4 (old) versus IFRS 17 (new)
(International Financial Reporting Standards)

- Global accounting standard for insurance contracts - effective 1 January 2021
- Main objective - to compare the profitability and effectiveness of insurer's operations (including medical schemes).
- A financial framework that establishes comparable performance of companies across jurisdictions and countries:
  - For different insurance contracts/products
  - To compare with other industries, including banking and investments
- What the conversion meant so far.
  - Costs - accounting team, auditors, actuary – estimated at R120k
  - Management time - ~47 hours, staff time ~147 hours
  - We anticipate minimal system changes
  - Financial processes and procedures to change - more info at the next member's meeting.

ALLIANCE-MIDMED MEDICAL SCHEME

SERVICE CHARTER

INTENT OF THIS DOCUMENT

This document serves as a framework for defining our overall service delivery standards:

- It defines how we will work with our customers and what they should expect from us.
- It gives customers a clear and unambiguous statement of the level of service they can expect from us.
- It ensures we are consistently delivering the standards that our customers expect all the time.
- It provides a framework that allows us to measure and improve the quality of service we render to our customers.

OUR PROMISE TO YOU

We invite you to explore our free, user-friendly mobile app for swift and effective self-assistance. Let us guide you so you can easily access your option benefits, claims or statements, and any enquiries you may have – anytime, anywhere.

COURTESY AND RESPECT

- We will pick up the telephone within the 3 rings.
- We will introduce ourselves every time we engage with a customer (on phone or face to face).
- Our body language should portray respect, empathy and honesty to the customer.
- We will always give the customer the assurance of our support in resolving the queries.
- We will engage customers with a sense of urgency.

FIRST CONTACT RESOLUTION

- We will not promise the customer any offers if we are not in the position to do so.
- We will explain briefly to the customer what their query process entails in order to manage customer expectation.
- We will assist the customer adequately through the query proce
- We will complete and resolve the customer request within the agreed timelines.
- We will meet customer expectation by giving feedback and solic feedback from customer.

ON TIME SERVICE DELIVERY

- We will follow up in outstanding issues to resolve them within th given time.
- We will escalate issues if we are not able to resolve them at the lower level.
- We will give customer information if issues are not resolved at t agreed date and five reasons why.
- We will ensure that the query is resolved by the timelines provic

FYA

CUSTOMER SERVICE PROCESS	TURN AROUND TIMES (TAT)	
	ACKNOWLEDGMENT	RESOLUTION
Contact Details Update	Same day	Same day
Savings Refund	Same day	14 Working days
Claims Refund	Same day	14 Working days
Claims Reconciliation	Same day	5 Working days
Advanced Enquiries	3 Working days	7 Working days
Enquiries	2 Working days	2 Working days
Provider Statements	Same day	Same day
Membership Certificates	Same day	3 Working days
Membership Cards	Same day	14 Working days
New Membership Application	2 Working days	2 Working days
Indexing of Emails	1 Working day	3 Working days
When you visit us	Real time	3 Working days
When you call us	Real time	5 Working days
Loading of New Providers Bank Details	Real time	5 Working days
Mobile Queries	3 Working days	3 Working days
Service@alliancemidmed	3 Working days	3 Working days
Appliance/Pre-Auth	3 Working days	5 Working days
WhatsApp	3 Working days	5 Working days
Add Dependant	1 Working day	7 Working days
Data Load Claims	3 Working days	5 Working days
Stale Claim Request	3 Working days	7 Working days
Health Assessments	Will be done with respect and privacy ensured	

CUSTOMER SERVICE PROCESS	TURN AROUND TIMES (TAT)	
	ACKNOWLEDGMENT	RESOLUTION
New Membership Application	2 Working days	2 Working days
Provider Updates	14 Working days	14 Working days
BHF Report	Weekly	Weekly
Dental Authorisations	2 Working days	2 Working days
MVA Claims	As we get all the information	As we get all the information
EDI Claims	1 Working Day	1 Working Day
Billing	Monthly	Monthly
Member Bank Updates	2 Working days	2 Working days
Membership	2 Working days	2 Working days
Dental Claims	7 Working days	7 Working days
Provider Bank Updates	7 Working days	7 Working days
New Providers	2 Working days	2 Working days
Payer Group Billing Allocation	By 15th Monthly	By 15th Monthly
Membership Reports	Monthly	Monthly
Feedback on your Claims Enquiries		We will contact you every 3 days
PMB Report	Bi-weekly	Bi-weekly

ESCALATION MATRIX

FIRST LINE OF CONTACT	TEL NUMBER/S	EMAIL ADDRESS
Client Services	0860 002 101	service@alliancemidmed.co.za
SECOND LINE OF CONTACT	**TEL NUMBER/S**	**EMAIL ADDRESS**
Please email us		please-help@alliancemidmed.co.za
HIGHEST LEVEL OF CONTACT	**TEL NUMBER/S**	**EMAIL ADDRESS**
Johan Hartzenberg	064 858 8760	hartzenberg.johan@columbus.co.za

Service Charter

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ALLIANCE MIDMED MOBILE APP

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A 30% increase in mobile app use reduce the administration cost by approximately 1,5%. That is R1,8 Million.

Alliance Midmed Mobile App

ALLIANCE-MIDMED MEDICAL SCHEME

STRATEGY

- Health-on-site – Registered Nurses, access to Medical advisor
  - Prevention, ease of access, quality care
  - Home visits and hospital visits
  - Answer the Nurses call please
  - Wound care
  - Medicines
- Hospital and specialist care – referral network
- Watch the cost – R984.80 – GP visit + medicine – 2,230 cases in 1,5 Month = R2,196 Million
- Health Risk Assessments – your personal health plan
- Vaccinations – the whole story!

- Fraud, waste and abuse - please check your statements

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TOP EXPENSE LINES

	(R'000)				
	Paid From Risk	**Paid From Savings**	**Total Paid**	**PMPM**	**% Total**
CONSULTATIONS - GP	9 388	302	9 690	**491**	9,0%
CONSULTATIONS - SPECIALISTS	6 780	218	6 998	**355**	6,5%
MEDICATION	21 100	2 083	23 184	**1 175**	21,5%
DENTISTRY	5 023	390	5 414	**275**	5,0%
CHRONIC PROGRAMMES	4 893	18	4 225	**214**	3,9%
INPATIENT-MEDICAL	25 902	114	26 017	**1 319**	24,2%
INPATIENT-SURGICAL	28 806	106	28 912	**1 466**	26,9%

ALLIANCE-MIDMED MEDICAL SCHEME

CURRENT ISSUES

- **Board elections – 1 September**
- National Health Insurance
- Regulatory matters - Road Accident Fund claims – R3.2M?
- Industry organisations
- Quality care services – Referral network & Midmed Hospital in the news
- Self-administration and the Family Wellness Centre - ~R3.8Million cost saving
- The team – Sr Zenna

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REGULATORY AND COMPLIANCE

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Because Your Health Matters

- NHI Bill signed into Law in May 2024
- Regulation 10 Directive 2019 – member savings?
- Investigation – 2021?
- Administration Accreditation Audit 2020-2?
- Investing in administrators
- Road Accident Fund claims – R2.7M?
- Rule amendments 2023 and 2024

Referral Specialists 2

Strategy

Speciality	Hospital	Specialist
	Hospital	Specialist
Neurosurgery - spinal	**Wilgers** **Faerie Glen Orthopedic hospital**	Drs Hans Snyckers and Thomas Kruger
Neurosurgery – brain	**LCM**	Dr Eddie Gurnell Dr Tatomir
Ophthalmology	**Highveld eye hospital** **Eye hospital, Pretoria**	Dr Meyer, Potgieter and Partners Associated specialists
Urology	**Urology hospital** **Cosmos Hospital**	Associated doctors Dr van Greunen
Orthopaedic Surgeon- shoulders	**Eugene Marais Hospital** **Pretoria East**	Andre Peach Anton Julyan
Orthopaedic Surgeon – joint replacements	**Midmed** **Cosmos** **Faerie Glen Orthopedic hospital** **Wilgers** **LCM**	Mathys van Wyk Wynand Steenkamp Associated doctors Jan de Vos Eugene Pelser and Daan du Plessis
Orthopedic surgeon – ankles	**ZAH** **Cintocare**	Cobus Wessels
Orthopedic surgeon -feet and hands **Orthopedic general**	 **Unitas**	Dr Laubscher Cobus Wessels Dr Thiart
Vascular surgeon	**ZAH** **Cintocare**	Fritz Eloff
Oncologist	**Wilgers** **LCM** **Eugene Marais**	ICON associated – ABJ
Paediatrics	**Wilgers / Midmed / Cosmos**	**Dr Snyman**

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Referral Specialists

Strategy

Speciality	Hospital	Specialist
	Hospital	Specialist
Gastro-enterologist/surgeon Colo-rectal	Kloof PTA East	Charl van Niekerk Prof Heyns
Physician/Cardiologist Cardiologist Cardiologist	Wilgers hospital Unitas hospital	Drs Guerra, Dannheimer, Mwangi Jacobs, Blomerus Swanepoel
ENT ENT	Cintocare	Gerrie Moolman Nico Lighthelm
Gynaecology	Midmed Cosmos / EPH	Deon van der Merwe Dr Nonhlanhla Mashabane Dr Mtsweni Dr Mashabane
Gynaecology Oncology	Eugene Marais Pretoria East	Dr Arrie Mouton Prof Leon Snyman
Physician	Midmed Cosmos	Dr Chaumba Tiva Tlangela
Surgeon	Midmed	Dr Henning Dr Senamela
MAJOR TRAUMA	Milpark hospital	Associated doctors
Referral Centre of Excellence	Wits Donald Gordon Medical Centre	Associated doctors
Adolescent psychiatry	Zwavelstream /Evixia	Dr Chris Schuler and associated psychiatrists
Psychiatry Adult	Zwavelstream	associated psychiatrists
Psychiatry	Denmar / Vista	associated psychiatrists
Psychiatry and substance abuse	Beethoven Akeso Parktown?	associated psychiatrists Dr Greg Jonson

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ENHANCEMENTS AND REDUCING THE HASSLE FACTOR

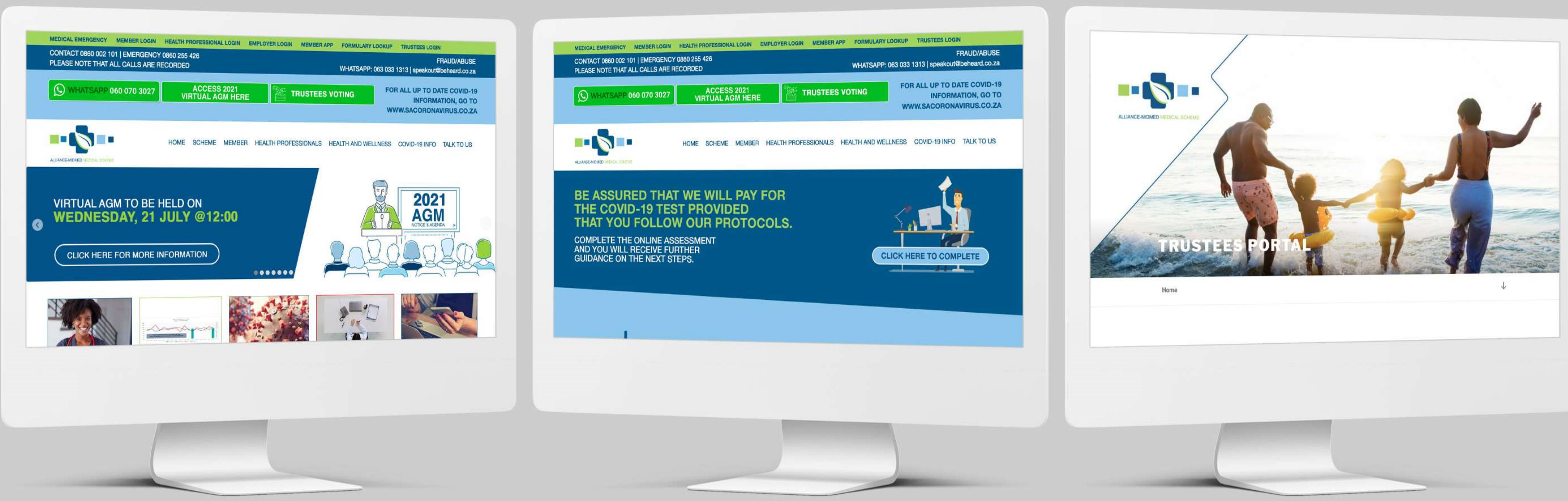
- Major Joints 4 Life
- Doctor and medicines co-payments
- Automated appliances access (crutches, etc)
- In-room procedures – reduced costs and time savings
- In-hospital dental benefit (from age 6 to age 12)
- Child rate changed from 21 to 26
- Improved optical rates - R700 additional per frame (& contact lenses) – & savings R700
- No –authorisation required procedures
- Removal of several dentistry pre-auth requests
- Scheme referrals – 14 cases – four “treatment declined” & four patients changed provider

ALLIANCE-MIDMED MEDICAL SCHEME

BOARD OF TRUSTEES AND OTHER OFFICIALS

ALLIANCE-MIDMED MEDICAL SCHEME

ALLIANCE MIDMED WEBSITE



ALLIANCE-MIDMED MEDICAL SCHEME

Alliance Midmed Mobile App

SELF-HELP

- 64% of member tel and email queries can be resolved via the mobile app.
- 28% of provider benefit confirmations can be verified on the app while members are at the practice
- 85% of Health Professional financial queries can be resolved via their logins on the web portal

WHAT EACH OF US CAN DO

1. Doctor's instructions
2. Obtain quotations
3. Cost and quality management:
   - Pre-authorisations, Referrals (Donald Gordon Institute), **Middelburg office**
4. Lifestages benefits **AND flu injection**
5. Lifestyle compliance and movement/exercising
6. Care programmes - Your treatment, your plan
7. Medicines - generics and biologicals
8. Engage – often appointments are quicker, and costs reduced
9. Please answer Scheme staff calls! We want to help

11. Specialist consultations
12. Chronic conditions and medicines
13. In-rooms surgical procedures
14. Professional Nurses – 0860 00 2101
15. Europ Assist - 0860 255 426
16. Fraud/abuse –0860 040 040- speakout@beheard.co.za
17. Cash and co-payments
18. Check benefits on the mobile app
19. Say NO to wastage - fraud, abuse and over-utilisation - (~ 5 – 6.5% - R6.24M)

MAJOR RISK - neglected chronic conditions

	% Compliance		**% Compliance**
Bipolar Mood Disorder	56.7	Hypertension	73.84
Cardiac Failure	74.01	Depression	61.86
Epilepsy	612.8	Diabetes Mellitus 1	71.24
HIV/AIDS	77.76	Diabetes Mellitus 2	68.45

ALLIANCE-MIDMED MEDICAL SCHEME

When providers refuse to assist you?

EUROP ASSISTANCE

A 24/7 telephonic emergency response centre (**0860 255 426**), including:

- Medical Evacuation – emergency response and evacuation from anywhere in South Africa.
- Clinical Assessment and Education Guidelines – nurse-based assistance to triage emergencies. We help identify the problem, and its seriousness, and find health services close by.
- Health Counselling Guidelines – nurses use Europ Assistance's Proprietary Clinical guidelines to provide: clinical information, factual data and research to members regarding specific healthcare procedures, diagnostic tests, and the management of illnesses.
- Personal Health Advisor – nurses provide information and education relating to various issues, e.g. self-treatment of an injury, struggling to breastfeed, etc.
- Audio library – members can access health-related audio recordings in addition to the nursing service.
- Europ Assistance may also assist with overseas travel insurance.

PLEASE NOTE

- Alliance-Midmed Medical Scheme is a registered medical scheme in South Africa and can be verified at https://www.medicalschemes.co.za/regulated-entities/medical-schemes-in-south-africa/.
- **ALERT TO HEALTH RPOVIDERS: We are not associated with Allianz Care – international Travel Insurance (https://www.allianzcare.com/en.html) or with Alliance International Medical Services (https://www.aims.org.za/).**
- Alliance-Midmed is a full-benefit medical scheme and can be contacted at: **0860 002 101** and service@alliancemidmed.co.za.
- Pre-authorisation requests can be emailed to auths@alliancemidmed.co.za.
- After-hours, membership confirmation ONLY can be obtained by contacting **0860 002 101**.
- We are currently in discussion with hospital groups for an after-hour authorisation solution. Please direct hospital groups to the following message on our website.
- Mediclinic hospitals list Alliance-Midmed on their system.
- Netcare hospitals receive assistance when 'Midmed' is searched on the system.
- Unable to access emergency services? Please call **082 801 3323** for help with after hour emergencies only.

ALLIANCE-MIDMED MEDICAL SCHEME

Questions

CAUTION

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