

PROCEDURE AND RULES: APPLICATION FOR EX GRATIA AWARDS

PURPOSE

The Scheme rules provide for Ex Gratia benefits to be made available to members in exceptional circumstances in accordance with the Ex Gratia award process and rules.

This document details the Ex Gratia award procedure and rules.

DEFINITION

Scheme Rule 19.12 provides for an Ex Gratia benefit. Ex Gratia benefits are additional benefits that are not part of or in excess of the benefits of the Scheme.

By definition Ex Gratia benefits are challenging to adjudicate. Therefore this procedure and rules are important to ensure fairness and consistency.

Because Ex Gratia benefits are in excess of Scheme benefits, the granting of Ex Gratia benefits is done with the absolute discretion of the Board of Trustees according to these rules.

DECISIONS OF THE EX GRATIA COMMITTEE

Ex Gratia Committee decisions will be signed off by at least three individuals, of which two will be members of the Board of Trustees and the other, the Medical Advisor.

The Ex Gratia Committee will meet at regular intervals as to ensure that a complete Ex Gratia application is decided on within three weeks of its receipt by an official of the Scheme.

Ex Gratia applications can be decided on via teleconference or round-robin if the circumstances warrant it.

The Ex Gratia Committee considers Ex Gratia applications anonymously and will generally not meet with applicants. Should the Committee require additional clarification or information, this will be obtained through the Scheme's Client Liaison Officer.

When a member insists on a meeting with the Ex Gratia Committee, the Principal Officer will facilitate the process at his/her discretion.

To ensure consistency the Ex Gratia Committee will consider all Ex Gratia applications in accordance with the criteria detailed in Annexures A and B hereto.

Rev004-July 2015

Annexures:

A	Application for Ex Gratia Benefits & Medical Practitioner/Specialist Report
B	Ex Gratia Award Criteria & Score



The Board of Trustees remains ultimately responsible for the decisions taken by the Ex Gratia Committee.

APPROVAL

Ex Gratia applications will in all instances be approved on the basis of:

- Medical necessity - the Medical Adviser will advise on the medical necessity of the proposed treatment, taking due cognisance of the Rules of the Scheme. The Medical Adviser will consult with or refer to any additional speciality needed in order to ensure that a medically appropriate decision is made.
- Appropriateness of the proposed treatment.
- Past utilization of benefits and the medical history of the member (specifically the dependant for whom application is made).
- Affordability and financial implications for the Scheme with reference to the implications of other similar applications.
- The elements contained in the Annexures.

The final award of benefits is made taking into consideration the member's specific application and exceptional or extenuating circumstances.

EX GRATIA CRITERIA

The following criteria need to be met in order for any Ex Gratia application to be considered:

- The application for assistance must be fully completed, in writing, on the prescribed form, supplying all requested and relevant information - including copies of service provider quotations and accounts.
- The reasons for the additional costs as per the Ex Gratia application must be (within reason) beyond the member's control and it must be demonstrated that the member has made every effort to contain medical expenses.
- Alternatively the medical treatment arose out of a particular medical crisis, which was of a chronic or life threatening nature.
- The member will suffer undue financial hardship if no assistance is given.
- The scheme must be in a financial position to pay for the recommended treatment for the member concerned and any other member(s) who would have a similar expectation by virtue of the precedent that may be created.
- The Member's Personal Medical Savings Account (PMSA) must be exhausted in respect of applications under the PMSA benefit.



- Ex Gratia awards are not 'open-ended' and will be made retrospectively for fixed costs already incurred.

PROCEDURE

- ✓ The member submits a prescribed confidential Ex Gratia application for additional benefits.
 - *(The form is available on the Schemes website or from the Client Liaison Officer - telephone no 013-247-3066).*
 - *The application should be submitted in a sealed envelope, marked confidential, for the attention of the Ex Gratia Committee, c/o Ronelle Westermann, Alliance Midmed on-site office, D-Block, Columbus Stainless, (P O Box 133), MIDDELBURG, 1050.*
- ✓ The Client Liaison Officer and Administrator staff compile the information for submission to the Ex Gratia Committee, as well as:
 - Verification of membership, income details and medical accounts submitted;
 - Verification of whether the benefit falls inside of the policy guidelines and Rules of the Scheme;
 - Verification of the provider information and proposal/s for alternative options;
 - Compiling the medical claims history of the member and the dependant's for the present and previous calendar years;
 - Submission of the information to the Medical Advisor for consideration;
 - Providing the Medical Advisor with any additional information that he/she may require;
 - Providing a summary of the Ex Gratia criteria as described and the eligibility for additional benefits;
 - Listing similar applications by other members in the previous two years, together with the decisions taken by the Ex Gratia Committee at the time;
 - Highlighting to the Ex Gratia Committee any legal precedent or aspect that may influence the decision.
- ✓ The Medical Advisor assesses the application according to the decision framework as per the "Approval" and "Ex Gratia Criteria" paragraphs. On completion the Medical Advisor hands the information and application form back to the Client Liaison Officer. Where the Medical Advisor requires additional information and/or another opinion, it will be referred to the administrator's Medical Advisory Services for response.
- ✓ The Client Liaison Officer arranges the Ex Gratia Committee meeting. The order of the meetings is as follows:



- The Medical Advisor presents the individual's case and makes a specific recommendation;
 - The Committee debates the information provided by the administrator and apply their minds to arrive at an equitable answer in terms of this document;
 - The Client Liaison Officer records the decision and the reasons for the decision on the attached Annexure B form, on which the attending Committee members sign their agreement.
- ✓ Should the Ex Gratia Committee be unable to make a decision with the information on hand, they will forward the application to the Board of Trustees to make a decision on behalf of the Scheme.
- ✓ The Client Liaison Officer sends a letter to the member within one week of the Committee decision, of which the Medical Advisor signs a copy. The letter shall at least contain the following information (the Administrator will check this letter to ensure legal, factual and scheme rule compliance):
- The member's name and member number;
 - The details of the beneficiary for whom application was made;
 - The date on which the scheme received all the required documentation;
 - Indicate whether it was referred for a second or specialist opinion;
 - The date on which the Committee made the final decision;
 - The decision;
 - The reasons for the decision;
 - If the Scheme decided to assist the member, how it will be funded (i.e. from risk or savings) and why;
 - The appeal procedure.
- ✓ On completion all the documentation is sent to the Administrator for record purposes.

SUPPLIER INTERFACE

- ✓ The Scheme will assist members to obtain any discounts that may be applicable towards the settlement of accounts where an Ex Gratia application is pending.
- ✓ The Committee may correspond with the suppliers about account payments, regardless of the fact that the matter is being considered for an Ex Gratia award.
- ✓ The Scheme may request the member to obtain an opinion/quotation from a nominated provider.



ADMINISTRATIVE NOTES

- ✓ Incomplete applications forms will not be considered.
- ✓ In many instances the motivation by a medical practitioner or specialist and/or the income and expenditure details are not provided. The Committee will not consider applications without this information.
- ✓ The Committee will not consider “open” or “advance” applications. The Ex Gratia process is generally only available for medical expenses already incurred by the member.
- ✓ An Ex Gratia application does not guarantee that you will receive an Ex Gratia award or that the Scheme accepts liability for amounts that you owe to the medical suppliers. The amounts owing remain your responsibility.

EXCLUSIONS

Certain expenses will not be considered for Ex Gratia payment. These include:

- ✚ Limitations, restrictions and exclusions stipulated herein and in the Rules of the Scheme will be excluded from Ex Gratia Award, except where it can be proven that the exclusion will cost the Scheme more money, now or in the future.
- ✚ Applications for amounts less than R200.00
- ✚ Expenses where wasteful/uncontrolled expenditure leads to the member having insufficient benefits.
- ✚ Expenditure that is generally covered by the Personal Medical Savings Account.
- ✚ Refunds for the levies that members pay for General Practitioner consultations.
- ✚ Refunds for the levies that members pay for acute medication.
- ✚ Wilful/self-inflicted injury costs.
- ✚ Prescribed Minimum Benefits are excluded as these are obligations imposed on the Scheme by law and it therefore does not require to be adjudicated through this process.

APPEAL

A member may appeal against the decision of the Ex Gratia Committee by addressing the appeal, in writing on the Schemes Appeal Document, to the Principal Officer. It should reach the Principal Officer within three weeks of the notification of a Committee decision being received by the member.



The reason for the appeal, including any new and/or supporting documents should be included together with the exact expectation of the member.

The Principal Officer will call a meeting of the Appeal and Disputes Committee who will deal with the appeal in terms of its scope and responsibilities.

PRECEDENCE

Please note that where this document deviates from the Rules of the Scheme, the Rules of the Scheme will prevail in all instances.