



ALLIANCE-MIDMED MEDICAL SCHEME

AGM

2019

BECAUSE YOUR HEALTH MATTERS

Agenda

ALLIANCE-MIDMED MEDICAL SCHEME

1. Notice convening the meeting
2. Apologies
3. Attendance
4. Confirmation of the Minutes of the Annual General Meeting held on 14 June 2018
5. Address by the Chair Person
6. Comment on the Annual Report and Financial Statements
7. Appointment of Auditors
8. Trustee Elections
9. Motions

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 by members at the site offices during normal office hours and shall also be available on the scheme's website: www.alliancemidmed.co.za/



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ALLIANCE-MIDMED MEDICAL SCHEME

Board and Audit, Risk and Compliance Committee

TRUSTEES
Sharon Muller (Chairperson)
Mariaan Janse van Rensburg
Charmain Kritzing
Jo Mabhena
Dave Martin
Riaan Van Coller

AUDIT, RISK AND COMPLIANCE COMMITTEE
Johan Van Der Walt
Kutala Bizana
Dewald Van Der Merwe
Mariaan Janse van Rensburg
Charmain Kritzing

Audit, Risk and Compliance Committee	Disputes Committee
Kutala Bizana	Maarten Hammersma (Chairman)
Dewald Van Der Merwe	Anthia Louverdis
Johan Van Der Walt (Chairman)	Vernon Thwala



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High-level view

2018 Finals

Contribution Income	Net Investment Income	Helathcare Expenses	Administration Expenses	Assets	Membership
▪ R90.82m (4.3%) ↑ ▪ (R98.64m incl savings)	▪ R3.03m (-36.6%) ↓	▪ R91.39m (6.8%) ↑	▪ R5.57m (0.9%) ↓	▪ R84.3m (-0.5%) ↓	▪ 1 748 (-5.86%) ↓

2019 Year-to-date (Total Comprehensive Income - Surplus or Loss)

2019 - Budget to April	2019 - Actual to April	2018 Actual	2018 Budget
▪ R (575k)	▪ R2.514m	▪ R (3.121m)	▪ R54k

Reserves – April 2019	Reserves – Dec 2018
▪ R48.42m (37.43%)	▪ R45.90m



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Solvency Ratio

	2018	2017
Members' funds	45 905 029	49 025 823
Less: Cumulative net gains	(8 525 881)	(11 062 725)
Total net members' funds	37 379 148	37 963 098
Annualised gross contributions	98 639 318	94 567 622
<i>Solvency ratio</i>	<i>37.89%</i>	<i>40.14%</i>

Target – R44 Million



Vital Statistics

	2018	2017
Relevant healthcare expenditure as a % of gross contributions	92.66%	90.52%
Investment returns	3.77%	8.20%
Beneficiaries on chronic	1 343 (31.9%)	1 353 (30.6%)
High costing cases	R 6 776 505	R 9 161 917
Transactions count	319 384	324 645
Charge rates	Inflation + 5 - 7.25%	





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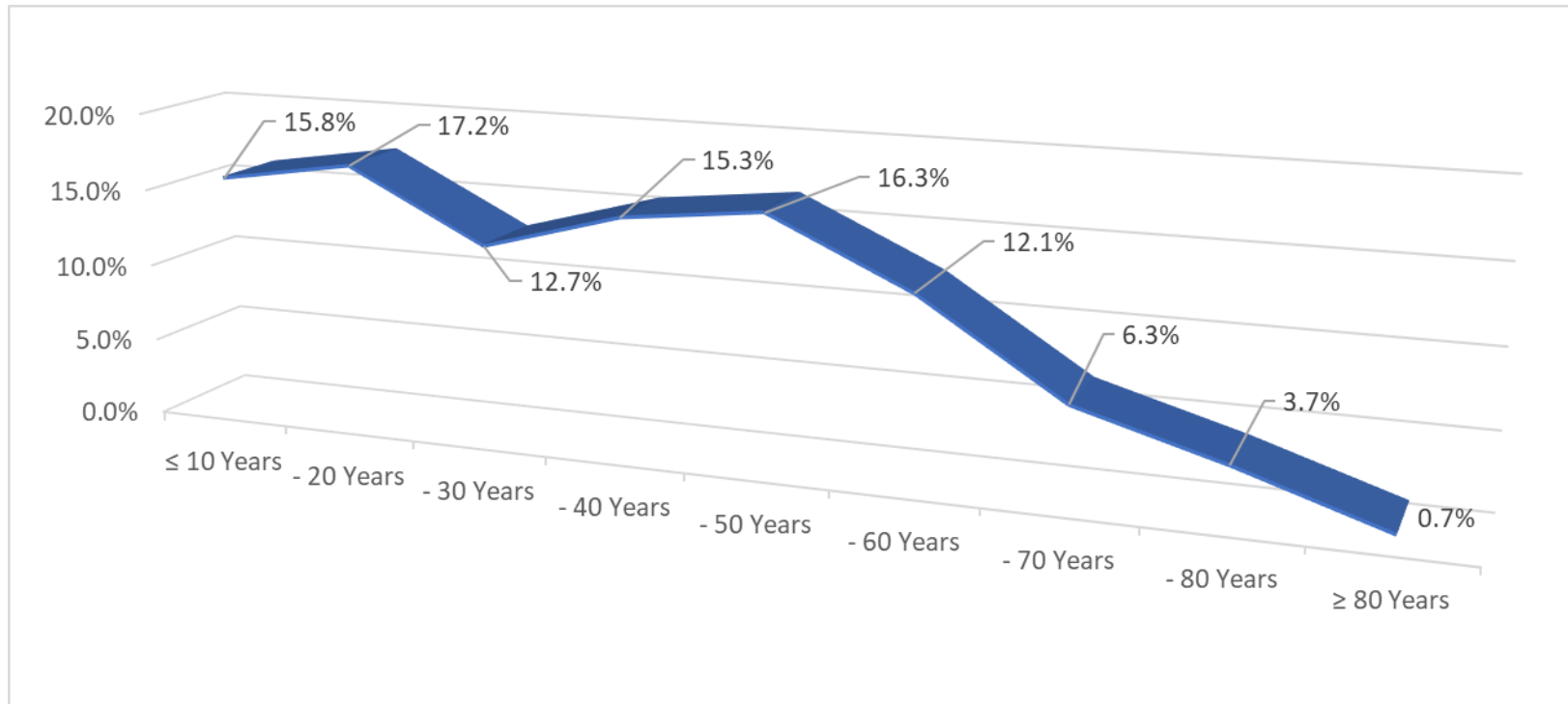
Average Member Expenses per Month

Discipline Group	Monthly per Member
Hospital	1 476
Pharmacy	659
Pathology	550
Specialist	483
GP	332
Dental	188
Clinical Technology	41
Opticians	81
Other	227



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Age Profile



Lives per age category



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2018 Medication Spend (R'000)

Total Cost	Total	Acute	Chronic	Oncology	PMB	OTC
December 2018	1 124	376	96	80	491	46
Jan - Dec 2018	16 493	6 635	1 311	843	6 146	938

This list only include meds categories of interest

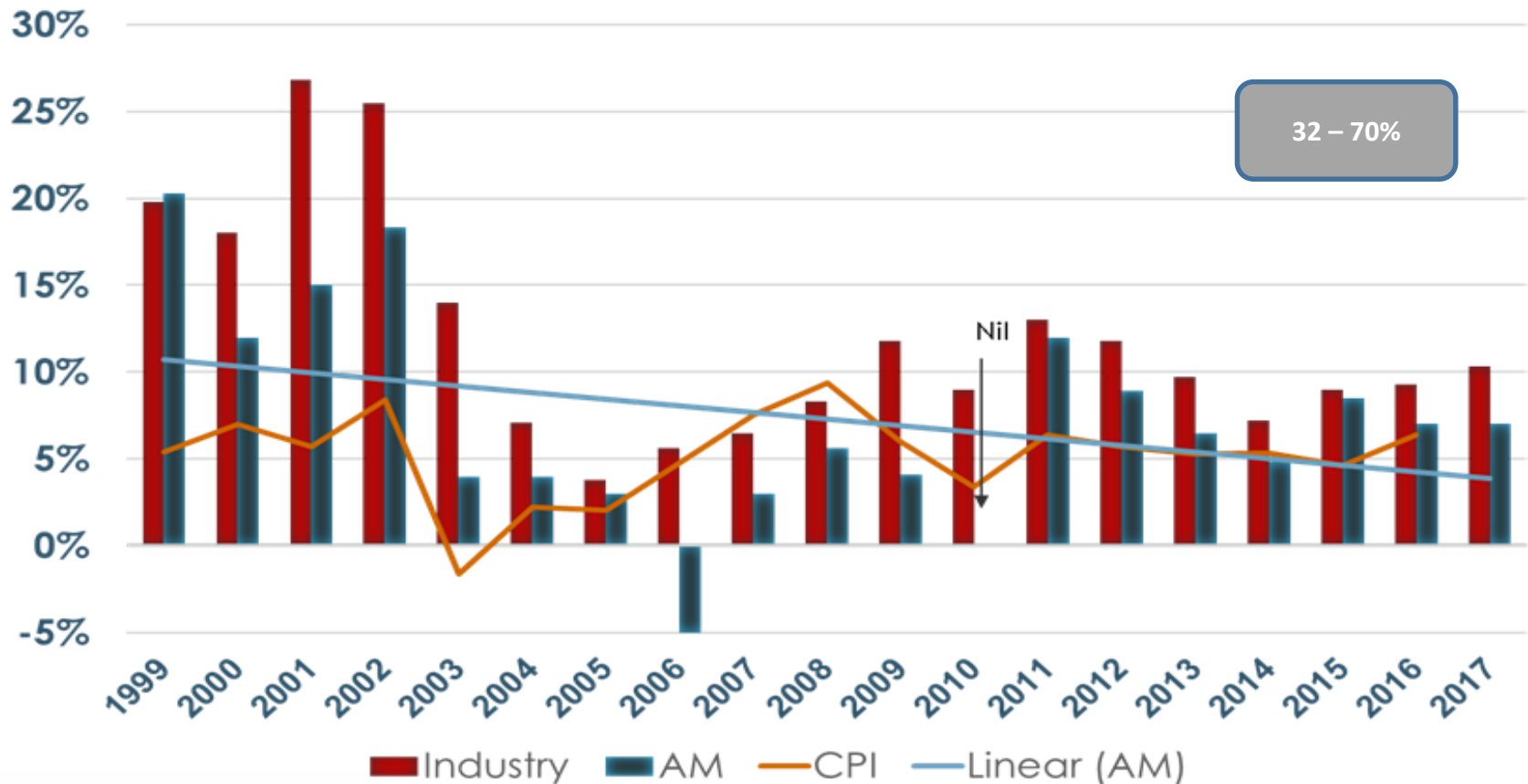


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Containing Cost

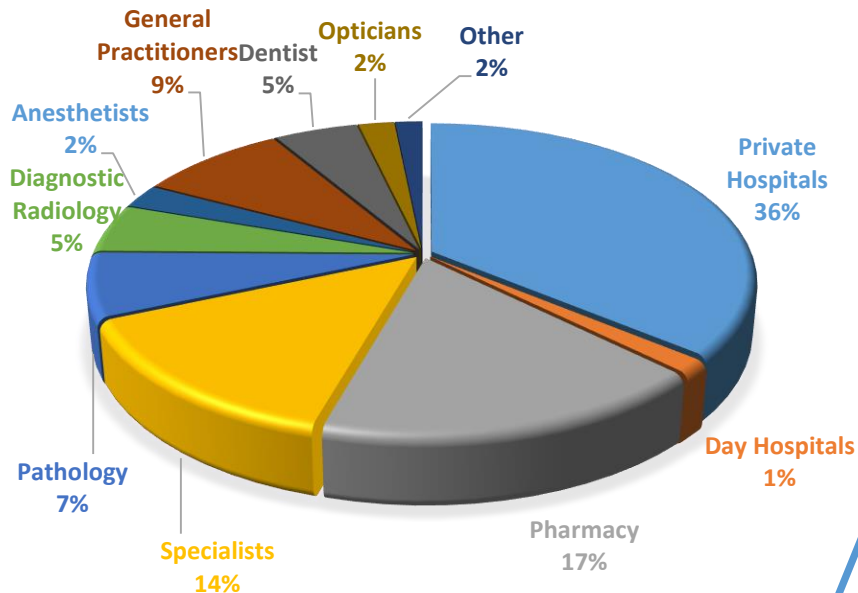


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2018 Healthcare Spend

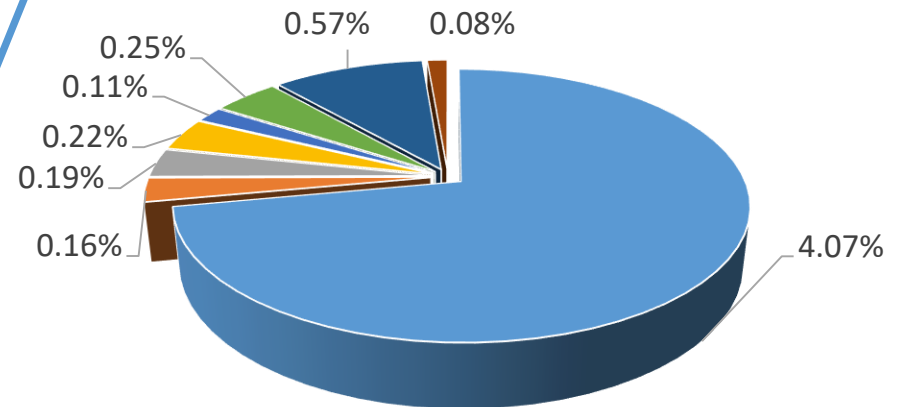


R79,647M



2018 Non-healthcare Expenditure

R5.572M (5.65 % of gross contribution)



- Administrator's fees
- Audit fees
- BHF and CMS fees
- Actuarial fees
- Consultancy fees
- Communications

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Managed Health Strategy

- Seven measures:
 - Predicts health and cost outcomes
 - Basis for prioritising resource focus
- Health Risk Assessments
- All dependants fall into three broad groups that determine our intervention and engagement
- Objective was in 2014 to save **R3,2m annually – R148,56 per member per month.**



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Ethical versus Generic Drugs

DAY-TO-DAY

ORIGINAL		SAVINGS	GENERIC	
AUGMENTIN 1000MG BD TABS	133,27	24,58	108,69	SANDOZ CO-AMOXICLAV BD 1000
ORELOX 200MG TABS	161,38	50,53	110,85	ASPEN CEFPODOXIME 200MG TABS
ORELOX JUNIOR SUSP	95,81	32,74	63,07	ASPEN CEFPODOXIME 40MG/5ML
TAVALOXX 750MG TABS	132,46	-2,73	135,19	LEVOFLOXACIN-WINTHROP 750MG

CHRONIC

ORIGINAL		SAVING	GENERIC	
ELTROXIN 100MCG TABS	111,89	29,59	82,30	SYNTHROID 100MCG TABS
UNAT 5MG TABS	153,86	38,15	115,71	TORAHAXAL 5MG TABS
CRESTOR 5MG TABS	106,53	31,95	74,58	ROSVATOR 5MG TABS
ECOTRIN 81MG TABS	43,77	25,77	18,00	COPRIN 81 MG ECT
DISPRIN CARDIOCARE 100MG	42,94	24,95	17,99	MYOPRIN 100MG DISP TABS
LAMICTIN 100MG TABS	320,37	131,77	188,60	EPITEC 100MG TABS
		198,41	121,96	LAMIDUS 100MG TABS
LANTUS SOLOSTAR 100IU/ML 3ML	643,24	96,49	546,75	OPTISULIN PEN 100IU/ML 3ML INJ





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Risks, Challenges and Opportunities

- Legislation and impact of NHI
- High costing cases
- Wastage - fraud, abuse and over-utilisation - (*~ 5% = R5M*)
- Lifestyle (~25% of R100M = R25M)
- Cost management
- Prescribed Minimum Benefits
- Cost of new procedures, technology and drugs
- “Disaster” – e.g. severe flue outbreak (*R3.25m per visit and meds*)



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Member Actions

- Doctor's instructions
- Obtain quotations
- Cost and quality management:
 - Pre-authorisations, Referrals (Donald Gordon Institute), **Middelburg office**
- Life stage benefits **AND flu injection**
- Lifestyle compliance and movement / exercising
- Care programmes - Your treatment, your plan
- Medicines cover / generics
- Specialist consultations
- Chronic conditions and medicines
- In-rooms surgical procedures
- Professional Nurses - 087 740 2815
- Europ Assist - 0860 255 426
- Fraud / abuse –0860 040 040 / mail@beheard.co.za
- Cash and co-payments



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The Cost and Benefit Balance

Pricing	Description	Benefit
6	"Full Benefit" - 6 Star	6
5	"Full Benefit"	5
4		4
3		3
2		2
1	Basic Hospital Plan - no day-to-day benefit outside PMB	1



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Alliance Midmed Mobile App



**convenient,
easy access
ANYTIME
ANYWHERE**



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HEALTH TIPS
FOR EVERY
AGE GROUP



+20



+30



+40



+50

Europ Assistance Emergency Number 0860 255 426

AGM will take place 17 June 2015 at 12H00

2015.06.25

The Annual General Meeting of the members of Alliance-Midmed Medical Scheme will be held in MIDDELBURG at Columbus Stainless, Carroll's Café on 17 June 2015 at 12H00. Follow the above link to view the Annual Financial Statements for 2014.

What should you feed your kids?

2015.05.12

Diet plays a vital role in ensuring your children are healthy and happy. Find out what is best for them in our great new article.

Are you over the limit? You can check yourself!

2015.04.28

This amazing tool allows you to check your blood-alcohol levels yourself – instead of waiting for the traffic police to do so.

Have you been vaccinated against flu?

2015.04.23

It's that time of year. Make sure you stay healthy this winter by getting yourself and your family vaccinated today.

Chronic Medication and PMB's? What are your Benefits?

2015.04.17

Want to know more about Prescribed Minimum Benefits (PMB) and Chronic Medication? We have a guide that will explain everything in an easy and friendly manner. Take a look, know



MEMBER HANDBOOK

QUIZ

A healthy exercise plan is difficult and costly:

- ☐ True
☐ False

SUBMIT

VOTING POLL

My children's diet is healthy and sensible:

- ☐ Yes
☐ No

SUBMIT

HELP



Member Login

[Click here](#)



FLU VACCINE:
GET VACCINATED

PHILIPS





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Parting Words

- National Health Insurance
- Active engagement
- 48-Hour response
- Confidentiality
- Complaints
- Rumours
- jhhartz@outlook.com - 0828013323

www.alliancemidmed.co.za

Tel 087-740-2815

Call Centre 0860-002-101

Emergency 0860-255-426



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Governance

King IV™ Dashboard - Current Review

Alliance Midmed Medical Scheme

Registration Number: 1456

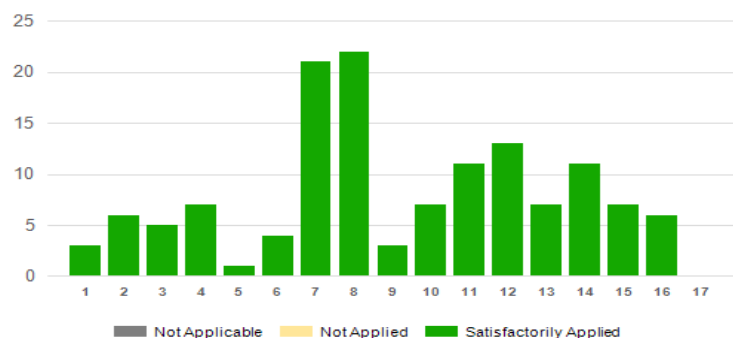
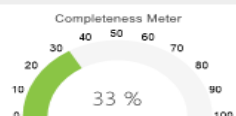
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Prepared by: Johan Hartzenberg

King IV™ Management Review

Last Updated: 18 Feb 2019

Last Archived:



Principle	Satisfactorily Applied	Not Applied	Not Applicable
1 Leadership	3	0	0
2 Organisational Ethics	6	0	0
3 Responsible corporate citizenship	5	0	0
4 Strategy and performance	7	0	0
5 Reporting	1	0	0
6 Primary role and responsibilities	4	0	0
7 Composition	21	0	0
8 Committees	22	0	0
9 Evaluations of the performance	3	0	0
10 Appointment and delegation to management	7	0	0
11 Risk governance	11	0	0
12 Technology and information governance	13	0	0
13 Compliance governance	7	0	0
14 Remuneration governance	11	0	0
15 Assurance	7	0	0
16 Stakeholders	6	0	0
17 Institutional investors	0	0	0
Total	134	0	0



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ALLIANCE-MIDMED MEDICAL SCHEME

Scheme Making a Difference

- Engaged providers and members
- Managed programmes
- Focussed, evidence-based intervention
- Process and outcomes metrics
- Alternatives to hospitalisation
- Saved members an estimated R350k in co-pays
- Pre-authorisation, preferred providers
- Meds – compliance & generics
- Co-pays – GP, specialists, hospitals and clinics
- Lifestyle and Chronic illness push-back



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2018 Financials Summary

Statement of financial position

	2018 R'000	2017 R'000
- Assets	84 304	84 708
- Accumulated funds	45 905	49 026
- Current liabilities	38 399	35 682

Statement of profit and loss and other comprehensive income

- Net contributions	90 821	87 065
- Relevant healthcare expenditure	(91 398)	(85 605)
- Non healthcare expenditure	(5 572)	(5 625)
- Net investment income	3 028	4 779
- Total comprehensive income/loss	(3 121)	614



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2019 April YTD - Results

	Dec 2018 R'000	2019 Year-to-date R'000	
Statement of financial position	Actual	Actual	Budget
- Assets	84 304	86 341	
- Accumulated funds	45 905	48 419	
- Current liabilities	38 399	37 922	
Statement of profit or loss and other comprehensive income			
- Net contribution	90 821	32 468	34 533
- Relevant healthcare expenditure	(91 398)	(31 741)	(34 060)
- Non healthcare expenditure	(5 572)	(1 822)	(2 096)
- Net investment income	3 028	3 609	1 048
- Total comprehensive income/loss	(3 121)	2 514	(575)



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Benefits

- 150% of Scheme rate – specialist cover
- Top GP rate
- Generous day-to day benefit
- Generous meds benefits
- In-rooms procedures
- Preventive care
- Life stages benefits
- Referral
- Rate negotiations
- Chronic monitoring
- Free nurse consultation at office
- Free after hour medical advice through Europ Assistance
- Non-profit – 5.7% admin costs

Please consult the **Benefit Guide** for more info -
www.alliancemidmed.co.za



2019 BENEFIT GUIDE

24-Hour Medical Emergencies
0860 25 54 26

24-Hour Nurse Counsellor
0860 25 54 26

GET IT ON Google play

GET IT ON the App Store

This free app, specifically developed for Alliance Midmed members, brings you convenient and easy access to emergency and key contact details, information regarding your option, statements, benefits, savings balances and other great features.



- To install simply:
- Go to Google Play or the AppStore on your smart phone or tablet.
 - Search for Alliance Midmed and install
 - You can login using your existing web username and password or register for new login details

**convenient, easy access
ANYTIME...ANYWHERE**

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Important Notes:

- Unless otherwise stated, all claims will be paid at 100% of the Alliance-Midmed Rate.
- This benefit guide is for information purposes only and does not supersede the Rules of the Scheme.
- In the event of any discrepancy between the benefit guide and the Rules, the Rules will prevail. The Rules are available on the Scheme's website www.alliancemidmed.co.za
- Scheme exclusions and limitations apply. A list of exclusions can be found on the Scheme website www.alliancemidmed.co.za

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Balancing the Books

	2018	2017
Members at year end	1 748	1 855
Average accumulated funds (excl. savings) per member at year end	R 25 804	R 26 429
Average age of beneficiaries	32.76	31.24
Average non healthcare expenditure per beneficiary	R 110	R 113
Non healthcare expenditure as a % of gross contribution	5.65%	6.33%
Average net contributions per member per month	R 4 254	R 3 928



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QUESTIONS?

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