

4 June 2024

To: Alliance-Midmed Medical Scheme Members

Dear Member,

2024 ANNUAL GENERAL MEETING: CHAIRPERSON'S REPORT

It is my pleasure and privilege to submit this annual report to you. In the report we highlight our goals and objectives and report on the Scheme's performance against those objectives, while we continue work hard to maintain, and improve, your access to medical care.

The claims expenditure returned to, and exceeded, the pre-COVID claims during 2023.

Following the historic COVID-19 disruption of our lives our health, and our finances, in so many ways, life is starting to settle down and we have a lot of catch-up to do. During this time the way in which our members use their benefits has changed, and we note changes in healthcare professionals' approach to healthcare. This requires careful coordination and management. Of concern is that many of our members paused chronic condition management with resultant major cost events.

In the accompanying financial presentation, we share the Scheme's financial position in some detail.

To confirm, the Scheme practically broke even with a net surplus of R101,721.00. In terms of the International Financial Reporting Standard (IFRS), the report will look different, and we will provide a detailed explanation together with the report on the Scheme's website at www.alliancemidmed.co.za. If required, we will also arrange a follow-up meeting to discuss.

To address the increasing healthcare costs, we are proceeding with the onsite nurse-based health services. The progress is slower than we anticipated. This service will have a major impact on us containing our costs.

Scheme operations are at an all-time best, with around 95% of claims paid in 30 days, medicine authorisations taking 0.5 seconds, 73.5% of queries answered the same day and 99% within 30 days. After a bumpy changeover to the new service providers, call centre challenges have mostly been resolved. Calls to 0860 002 101 are now answered within the service charter requirements and all emails to service@alliancemidmed.co.za are answered within 14-days.

We visited in excess of 30 health professionals to ensure payments and communications are as agreed and resolve queries. We encourage health professionals to make use of the comprehensive self-service web facility, to manage their accounts.

The investigation by the Council for Medical Schemes is largely resolved. We are still awaiting feedback regarding a savings refund to members and the outcome of the administration inspection,



for which we await the report. We also achieved accreditation to perform managed care services. This will allow us to provide better custom plans for our members.

All of us benefit from early detection and optimal treatment of medical events – notably for illnesses like diabetes, high blood pressure and cholesterol. When the team make contact to help you **“KNOW AND MANAGE YOUR NUMBERS”**, *please respond*. We are mindful of the sensitivities and assure members of their confidentiality - the Scheme will only share your personal information with your consent and for very good reason. All our *efforts are focussed on our slogan - “BECAUSE YOUR HEALTH MATTERS”*.

Overuse, fraud and abuse remain high on our watch list and there seems to be some opportunistic behaviour. The fraud claims lodged with Be Heard are all investigated. Please, if you see or experience overservicing, the fraud tipoff line is speakout@beheard.co.za and their WhatsApp number is 063 033 1313.

How can you preserve your benefits and reduce higher increases?

- Use benefits with care, consult our Nurses and call the Europ Assist line (confidential and free).
- Report fraud and abuse. We risk this message being ignored because we raise it every year. The cost impact is severe – in 2023, we estimate that up to R2,673 per member was wasted because of overuse and fraud. Please contact the PO or WhatsApp 063 033 1313 anonymously.
- In many cases, we incur unnecessary costs by using brand name medicines instead of generics. Please note the SMS that is sent when you are at the pharmacy. The pharmacist receives the same message, which makes it easier to discuss the alternatives.
- The Scheme also has a comprehensive life-stages benefit (immunisations, etc.) and the extended in-room procedure's benefits - ask our nursing team if you are unsure.

We continue to monitor the impact of the planned National Health Insurance (NHI) Scheme and will inform you of significant events or changes. The email that was sent to members shortly after the Bill was signed by President Ramaphosa contains the latest information.

A sincere word of thanks to the Board of Trustees, members of the Audit Committee as well as the specialist partners, the clinical and admin teams, who help improve our health and their diligence in handling matters of the Scheme.

In conclusion, I would like to thank you, the Scheme members for your continued support.

Yours in health,

Sharon Muller
Chairperson

We would love to hear from you – visit our website www.alliancemidmed.co.za. email us at service@alliancemidmed.co.za. You can also contact us at the Family Wellness Centre and the administration office at the Columbus Time Office.

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E-Mail Address: service@alliancemidmed.co.za Client Services: 0860 002 101