

2023 Medical Scheme Updates



Dear valued client

Against a macro-economic backdrop dominated by rising inflation which is driven by higher oil prices and the war in Ukraine, medical schemes are announcing their product updates for 2023. The biggest challenge for the healthcare industry is how to deal with claiming patterns returning to pre-COVID levels, while responsibly distributing excess reserves built up over the past 2/3 years.

Please find below a high-level summary of the product updates for **Discovery Health Medical Scheme (DHMS)** for 2023. More detailed information will be distributed in due course.

DHMS, at a product update launch to the broker community on 21 September, announced several exciting changes to their benefit offering. Simeka Health, as your appointed healthcare intermediary finds great pleasure in sharing these with you.

Contribution increase:

The scheme again announced a delay in their increase, to 1 April 2023. DHMS members will therefore enjoy 2023 benefits at 2022 rates, for the first three months of the year. The increase effective 1 April 2023 will be in line with medical inflation, expected to range between 3% and 4% above consumer price inflation and will be announced at the end of February 2023. With the continued volatility in markets, uncertainties around CPI and claims volatility still prevalent due to COVID-19, the scheme felt that the delay would allow them more time to have certainty regarding these aspects prior to announcing their 1 April increase. Members will therefore continue paying the current 2022 contributions, increased by 7.9%, effective from 1 October 2022.

Benefit updates:

A number of pertinent enhancements were announced.

- Increase in **limits, co-payments and deductibles (6%) and Annual Thresholds on Executive, Comprehensive and Priority Plans (9%)**.
- **International second opinion:** Currently funded at 100% on Executive Plans and 50% on all other plans, has been enhanced to fund at 75% of the consultation on other plans.
- **High-cost chronic medicine of Specialised Medicine and Technology Benefit** will have formulary changes and Chronic Drug Amount updates which may result in co-payments if not adhered to. DHMS will communicate directly to impacted members.
- **Oncology thresholds:** Following an observed increase in costs, the scheme announced an increase of 25% to the oncology thresholds on Executive and Comprehensive Plans (R500 000), Classic Smart Comprehensive (R375 000) and all other plans (R250 000), excluding KeyCare Plans.
- **Disease prevention program:** 25 000 members suffering from cardiometabolic syndrome, who have been pro-actively identified as having 10.5 times higher risk of being diagnosed with diabetes or

cardiovascular disease, based on their personal records, will be auto enrolled onto a 12-month disease management program. The program will kick off with risk confirmation via a consultation with a Premier Plus GP which will unlock ongoing clinical assessment and monitoring, lifestyle management and clinical management, funded from risk. After the 12-month program, members will be re-assessed to consider treatment pathways.

New option:

Following the successes with the introduction of networks on the KeyCare, Delta and Smart Plan ranges as well as the recently announced KeyCare Start Regional offering in 6 regions, DHMS has announced the introduction of a dynamic hospital network from 1 April - the Dynamic Smart Hospital Network. The network will form part of the Smart Option range and use sophisticated algorithms to assess members' immediate healthcare needs, considering geolocation, their personal health record and the quality and efficiency of the Smart hospitals to guide members to most appropriate specialists and hospitals. The **Essential Dynamic Smart Option** will be offered at R1450 per month for a single member. The option will continue and enhance the intuitive member journey currently used for Smart Plan members via the Discovery App.

Wellness screening and preventative health:

DHMS has decided to use some of its excess reserves built up during COVID-19 to fund screening and preventative tests for all existing and new members, joining in 2023 through the **WELLTH Fund**, following an observed drop in utilisation of these benefits/services since the start of the pandemic. The benefit will be unlocked after doing a Health Check, paid from the existing Screening and Prevention Benefit. Each adult member will receive R2500 and children R1250, to a maximum of R10 000 per family to use towards funding of a defined list of services, including a GP visit, dental check-up, eye check-up, diet/nutrition counselling and weight management, Vitality assessments, skin cancer screening and many more screenings and assessments, typically funded from Savings. Plan network rules will still apply and where any benefits are currently funded from risk that will continue and such services will not be funded from the WELLTH Fund. Certain eligibility rules will apply to determine adult and child allocation of funds and current members will have 24 months to utilise their WELLTH Fund. Claims funded from the WELLTH Fund will not accumulate to thresholds (ATB). The WELLTH Fund interactive dashboard will allow members to view available health checks and recommended next best actions, book consultations and keep track of their use of the fund.

Other optional offerings:

- **Vitality**
 - Special new Vitality membership offering will continue (first 3 months free)
 - No activation fee for the gym benefit if activated via the Discover Bank app
 - The nutrition platform (Healthy Food) is now combined with weight management, offering discounted engagements (daily dietician coaching, weekly meal plans and convenient shopping lists) from R250 per month
 - Vitality Active Rewards - Members who achieve their Exercise, Drive and Spend goals can earn thousands of Discovery Miles every week. Their weekly engagement will determine the range of personalised rewards they unlock including getting their weekly grocery, fuel and pharmacy spend back in Discovery Miles, Instant Rewards, Rewards Multipliers, Sneak Peeks, Rest Weeks, goal awards and more, found on bespoke gameboards. Vitality members who have an Exercise goal streak of 100, 200 or 300 will receive a Vitality Centurion T-shirt with their century streak number printed on the back
 - Members can enjoy this upgraded version of Vitality Active Rewards in the Discovery Bank app by opening a zero monthly fee Discovery account or having a Discovery Bank transaction account, credit card or full banking suite.
 - **Vitality Health International** – comprehensive health insurance, rewarding healthy living - currently available in 5 African countries. It incorporates innovative offerings such as focussed Vitality benefits, Vitality Health Fund and Vitality Health Cashback for employers in Africa.
 - **Discovery Gap cover** – special offer to eligible members to join the product between 1 October and 1 December 2022, free for the first 3 months.

Simeka Health consultants will be in contact with employers regarding further engagements during the following 2 months to ensure employers are informed about the above changes and members can consider an informed review of their options.

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