

## **Sanlam Benchmark 2023 Paints Picture of SA Inc. Healthcare in ICU**

The 2023 Sanlam [Benchmark](#) report, launching on 6 June, highlights a concerning trend: South Africans tend to start focusing on their healthcare only after turning 40, a delay which may be costly for many citizens. Mbali Khumalo, Managing Director at Simeka Healthcare, a division of Sanlam Corporate, says the prevalence of reactive rather than preventative care influences is taking a toll on healthcare in the country, particularly when it comes to chronic disease management.

She adds, “This year’s healthcare results highlight the importance of early engagement in wellness initiatives, which can prevent or diagnose many chronic conditions in their early stages. People are living for longer, which is shifting the retirement landscape. South Africans must make confident choices in every life stage, including the prioritisation of healthcare earlier on, to set themselves up for a healthy physical, mental and financial future.”

The 42<sup>nd</sup> Benchmark report will give critical insights into top retirement trends.

### **The overwhelming majority of the population has no cover**

According to the Council for Medical Schemes (CMS) 2022 [Report](#), only 14.95% or 8.9 million South Africans are covered by medical schemes. Over 50% of these beneficiaries depend on their spouse or parents' cover, and 9% are over 65 or pensioners. That means only about 4.5 million principal members buy medical aid.

Khumalo says healthcare solutions are often unclear and perceived as cost prohibitive. That means many people either bypass cover or opt for low-cost options, at the expense of more comprehensive care.

“A concerning picture is that participation in medical schemes is shrinking. Over the years, employers have relaxed the compulsory participation requirement, without adequately replacing it with alternative solutions such as access to corporate wellness solutions like primary care or an employee assistance programme (EAP), which improves and supports employees' well-being,” adds Khumalo.

The report also shows that employees are not taking advantage of EAP benefits, including preventative care, early detection, and management. The financial services group says engaging in these measures can help diagnose chronic conditions in time to mitigate their severity.

### **Youth aren't prioritising healthcare either**

Sanlam's findings reveal that despite South Africa's youth segment (64% of the country's population) possessing 55% of SA's spending power (over R100 billion annually), they invest minimally in healthcare.

However, the youth population faces significant stress levels, averaging 6.5 out of 10, due to financial instability, unemployment, crime, safety issues, and poor job security, which COVID-19 exacerbated considerably.

The findings also reveal the problem of reduced cross-subsidisation in healthcare between the young, healthy individuals and the older, sicker population. The expectation that the National Health Insurance (NHI) will alleviate disparities in healthcare access might not materialise, worsening low voluntary participation rates and potentially jeopardising the well-being of the entire population.

### **The business case for health integration into long-term insurance and retirement**

Findings from the 2023 Sanlam Benchmark underscore the importance of integrating health into long-term insurance and retirement plans. With individuals facing a growing burden of social, economic, and mental stressors, the importance of proactive self-care and access to high-quality healthcare has become more crucial than ever. These insights shed light on the significant impact that prioritizing health can have on individuals' overall well-being and underline the urgency for comprehensive healthcare solutions in today's society.

"If unchecked, daily stressors can contribute to severe health issues such as high blood pressure, heart disease, obesity, diabetes, and mental health problems. Without early intervention, the nation's future health could be in jeopardy," says Khumalo. Employers can play a crucial role in promoting health and wellness in the workforce, thereby contributing to healthier organisations and, by extension, a healthier nation.

"The image of the nation as a patient in ICU highlights the urgent need for cooperative and proactive health management. Employers are crucial in creating a healthy workforce, leading to healthy organisations and, in turn, a healthy nation. [Sanlam's Corporate Wellness](#)

[Solutions](#) are ready to support employers in this mission, aiming to promote a physically, emotionally, mentally, and financially healthy nation for generations to come,” concludes Khumalo.

**Ends.**