

SEPT | 2018

# DISCOVERER

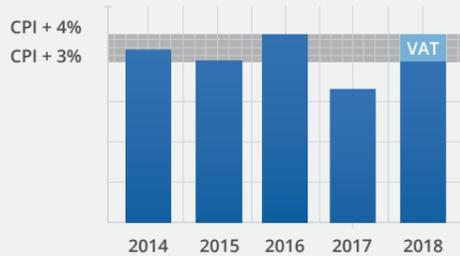
FINANCIAL ADVISER PUBLICATION

## Contribution sustainability, enhanced benefits and greater access to healthcare

*Discovery Health Medical Scheme offers more than 2.8 million members affordable access to comprehensive healthcare benefits, with a superior digital experience, and peace of mind through absolute financial strength.*

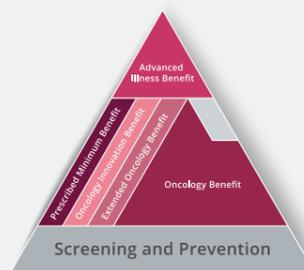
In 2019, Discovery Health Medical Scheme will balance the increasing demand for and supply of healthcare services against the need to maintain competitive contributions and enhance benefits for members. The Scheme will also expand access to private healthcare, and enhance the digital healthcare experience for members.

### 2018/19 Contribution Increase



The 2019 weighted average contribution increase for Discovery Health Medical Scheme is 9.2% (including 1% to account for the VAT increase), which is within the expected range for medical inflation, and maintains the competitive price advantage of the Scheme in 2019

### Oncology Care Enhancements



Enhanced cover for members with cancer, providing unlimited cover for defined treatment, and access to innovative oncology medicines

### KeyCare Start



The KeyCare Series has been restructured for 2019, to maintain affordable access for members through KeyCare Start, and maintain benefits for members on KeyCare Plus and KeyCare Core

### Discovery Digital Healthcare Experience

**Discovery Find a Provider**, fully interactive, real time technology that helps members find doctors and hospitals on our networks, matched to their needs and benefits

**Access to Vitality Health Rewards**, that allows members to be rewarded for completing activities related to the management of their health

**Medicine Tracker**, a digital pillbox in the Discovery member app that allows members to add their medicines and set reminders and prompts



# Medical Inflation 2018

## Drivers of Medical Inflation

Medical inflation is the year-on-year increase in the cost of healthcare claims for a medical scheme.

For Discovery Health Medical Scheme, these increases are due to:

### 01 | Tariff inflation

The increase in the cost of existing healthcare services, e.g. the annual increase in the cost of a GP visit;

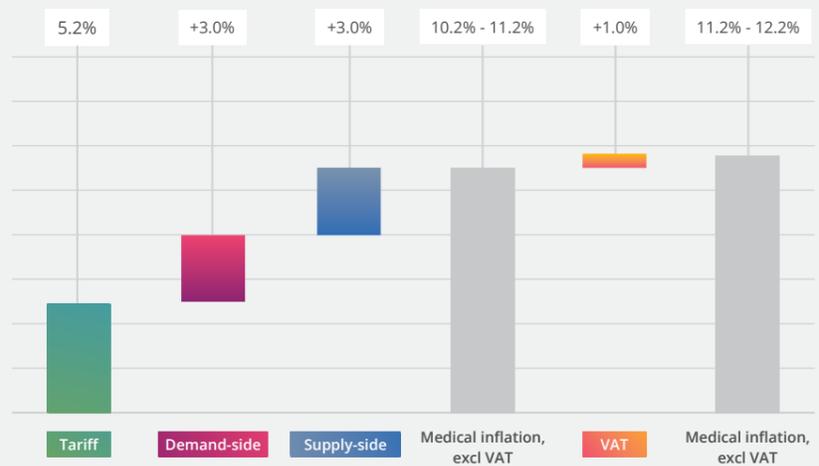
### 02 | Demand-side inflation

More members using healthcare services, e.g. an increase in the number of members being treated for cancer; and

### 03 | Supply-side inflation

Members using more healthcare services, e.g. members receiving new treatment for cancer that is more expensive than the previously available treatment.

The combination of these factors resulted in expected medical inflation for the Discovery Health Medical Scheme that ranges between 10.2% - 11.2%. In addition to these factors, the increase in Value Added Tax from 14% to 15% during 2018 added approximately 1% to the cost of healthcare services over and above medical inflation.



## TARIFF INFLATION

Tariff inflation refers to the increases in the prices of healthcare services, which include the tariffs for healthcare professionals and hospitals, prices for medical devices and the price of medicine. These increases correlate with the Consumer Price Index (CPI), with the exception of medicine, where price increases are regulated and not necessarily in line with CPI. As of 1 September 2018, CPI is projected with a range between 4.8% and 5.6%.



## DEMAND-SIDE INFLATION

The 'demand' for healthcare services correlates with the health of members. If health deteriorates, demand for healthcare services increases. The health of the Scheme's membership is a function of the average age of members and the prevalence of medical conditions.

- The average age of members increase due to**
  - Existing members getting older; and
  - A greater proportion of older members joining the Scheme.
- The prevalence of medical conditions increase due to**
  - Existing members being diagnosed with medical conditions; and
  - A greater proportion of members with existing medical conditions joining the Scheme.

Projected demand-side inflation for 2019 ranges between 2.5% and 3.5% due to plan-specific variations.

Cancer is a significant contributor to demand side inflation for Discovery Health Medical Scheme. Since 2008, the number of Discovery Health Medical Scheme members with cancer has more than doubled.

### Female

Risk-adjusted incidence rates per 1 000 lives

**1.85X** Growth in cancer incidence for female lives between 2008 and 2017

Breast Cancer 1.63X  
Lung Cancer 1.57X

### Male

Risk-adjusted incidence rates per 1 000 lives

**2.02X** Growth in cancer incidence for male lives between 2008 and 2017

Prostate Cancer 1.65X  
Lung Cancer 1.10X  
Colon Cancer 3.11X  
Skin Cancer 2.09X

## SUPPLY-SIDE INFLATION

An increase in the supply of healthcare services over time contributes to medical inflation. Projected supply-side inflation for 2019 ranges between 2% and 4% due to plan-specific variations, with an overall expectation of 3%.

Examples of supply-side inflation include:

### Advances in medicine

Advances in medicine and medical technology increase costs since they are often more expensive than the treatment they replace. The introduction of these advances has resulted in a five-fold increase in the number of claimants that cost the Scheme more than R1 million per year in the last five years.

### Opening of new hospitals

In the period January 2016 to March 2018, the number of private hospital beds available in South Africa increased by more than 2 200, which is the same number of beds that were added in the period 2010 to 2016. The total incremental cost to the Scheme of the additional 2 200 beds added since 2016 amounts to R855 million.

### January 2016 to March 2018

	Facilities	Beds	New claims costs
Private hospitals	13	1 222	R397m
Day clinics	19	325	R294m
Psychiatric hospitals	10	452	R114m
Sub-acute hospitals	10	280	R50m
<b>Total</b>	<b>52</b>	<b>2 279</b>	<b>R855m</b>

## VAT INCREASE

During 2018, the Value Added Tax (VAT) rate increased from 14% to 15%. As a result, all claims to Discovery Health Medical Scheme (the Scheme) increased by approximately 1%. Since the Scheme cannot reclaim the VAT portion of claims, the VAT increase represents an additional, once-off increase in the cost of healthcare services. The impact of the VAT increase on DHMS claims experience is expected to be R357 million for 2018, and projected to be R438 million in 2019.

# Discovery Health Medical Scheme

## Contribution Increase 2019

Medical inflation for 2018 is expected to be between 11.2% and 12.2%, with the variation due to plan-specific utilisation effects.

Risk management interventions by Discovery Health, and the ongoing positive impact of Vitality on members' health is expected to reduce medical inflation by 2%.

The resulting medical inflation is therefore between 9.2% and 10.2%, which is 3% to 4% above CPI after allowing for the required adjustment for VAT.



**RISK MANAGEMENT**

In 2017, Discovery Health Medical Scheme members benefited from R5.85 billion of savings, achieved through managed care interventions. In 2019, risk management interventions is expected to reduce medical inflation by 1%.

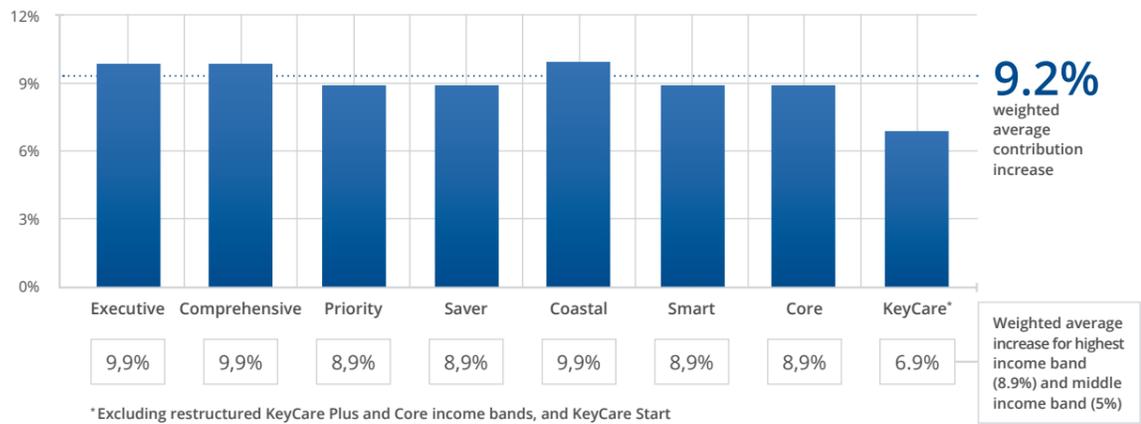
**VITALITY**

Vitality enables Discovery Health Medical Scheme to attract and retain younger members than competitors, and to make members healthier which is estimated to reduce the impact of medical inflation by 1% in 2019.

### 2019 CONTRIBUTION INCREASES

The contribution increases for 2019 are linked to medical inflation and the increase in VAT, but reflect the plan-specific elements of medical inflation:

- Tariff inflation is on average equivalent to CPI, and is consistent across all plans
- Utilisation inflation reflects plan-specific experience – Executive, Comprehensive and Coastal plans have a higher increase due to greater demand-side and supply side inflation.



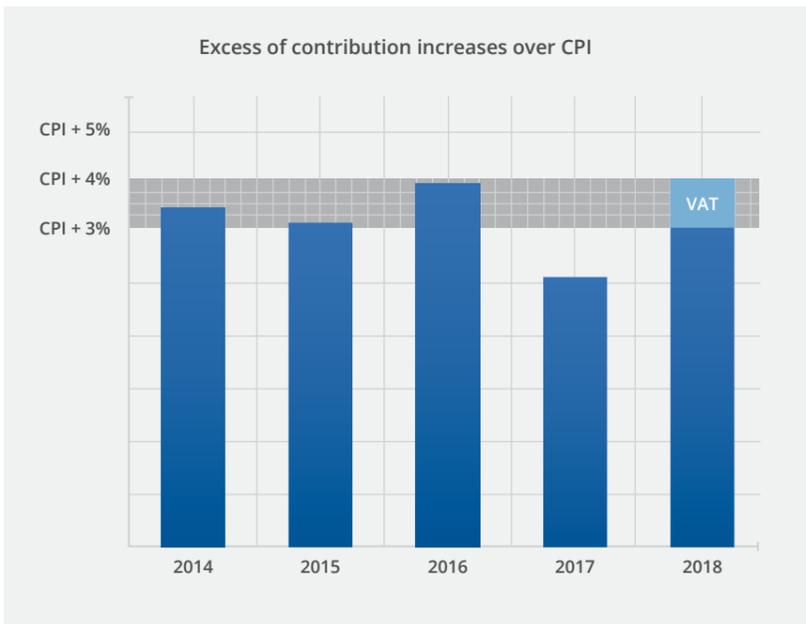
\*Excluding restructured KeyCare Plus and Core income bands, and KeyCare Start

### MAINTAINING COMPETITIVE CONTRIBUTIONS IN 2019

The absolute level of a member's contribution is a function of historic contribution increases. Members must therefore consider the latest contribution increase in conjunction with historic contribution increases, since this reflects the Scheme's ability to maintain affordable contributions over time.

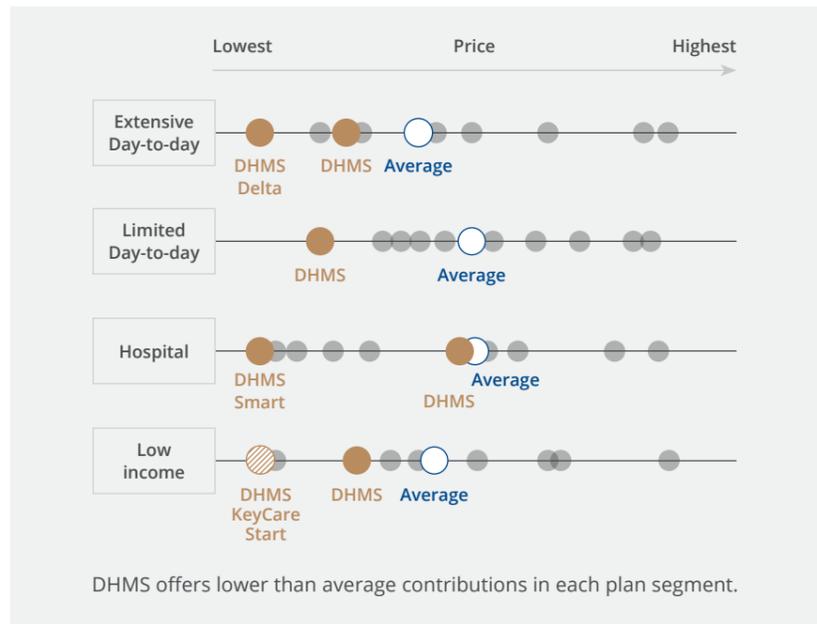
#### Annualised contribution increases relative to CPI (2010 – 2018)

The cumulative annual contribution increases for Discovery Health Medical Scheme members since 2010 has remained within 3% to 4% of Consumer Price Inflation over the same period.



#### Comparative affordability by plan segment (DHMS vs next 8 largest open schemes)

The cumulative annual contribution increases for Discovery Health Medical Scheme have remained approximately 1% below that of the rest of the open scheme industry. Maintaining this differential over time means that members of the Scheme on average contribute 16.4% less in 2018 than members of other open medical schemes for equal or better benefits.



DHMS offers lower than average contributions in each plan segment.



# KeyCare is a powerful force for **social good**

16 years ago, Discovery Health Medical Scheme launched the KeyCare series with the sole intention of being a force for social good by making access to quality, private healthcare affordable to more South Africans

Since its inception, KeyCare has paid out more than R28.6 billion in claims, funded the delivery of 83 750 babies, 16.8 million GP visits, 9 million chronic medicine scripts and 24 100 claims in excess of R100 000.

Today, KeyCare covers more than 400 000 beneficiaries. On a stand-alone basis, KeyCare would be the third largest open medical scheme in South Africa. More than 6 000 employers offer KeyCare as an option for their employees to fund their access to private healthcare.

Maintaining high quality, accessible and affordable healthcare is critical for the Discovery Health Medical Scheme, KeyCare members and South African employers.

## KeyCare 2019

To expand access to private healthcare and to ensure that KeyCare remains sustainable in the long term for current and prospective members, the plan range has been restructured in 2019. The changes include the following:

### 01

KeyCare Access has been renamed KeyCare Start, with a redesigned benefit structure

### 02

The income bands below R13 050 per annum for KeyCare Plus and Core have been consolidated

The changes aim to maintain benefits for members with significant healthcare needs on KeyCare Plus and KeyCare Core, while retaining affordable access to private healthcare through KeyCare Start.

### KEYCARE SERIES 2019



- Hospital Benefit
- Maternity
- Chronic Illness Benefit
- Day-to-day medical care
- Screening and Prevention

#### KeyCare Start

Extensive day-to-day and hospital cover through private healthcare providers
✓
✓
Ⓢ
✓
✓
✓

#### KeyCare Core

Extensive chronic and hospital cover through private healthcare providers
✓
✓
✓
ⓐ
✓
✓

#### KeyCare Plus

Extensive day-to-day, chronic and hospital cover through private healthcare providers
✓
✓
✓
✓
✓
✓

Ⓢ State      ⓐ Cover for antenatal services and specialist consultations

### KeyCare Contributions 2019

INCOME	KEYCARE START			KEYCARE CORE		KEYCARE PLUS	
	R0 – R9 150	R9 151 – R13 050	R13 051 +	R0 – R13 050	R13 051 +	R0 – R13 050	R13 051 +
Principal	R839	R1 412	R2 198	R1 038	R1 661	R1 456	R2 249
Adult	R839	R1 412	R2 198	R1 038	R1 661	R1 456	R2 249
Child	R505	R551	R596	R255	R376	R463	R602

### KeyCare members have additional flexibility in plan selection for 2019

KeyCare members will receive detailed, personalised communication during October regarding the changes to KeyCare in 2019. These members will have the option to change their current plan choices during the year-end review period.

Where members do not request an option change from Discovery Health Medical Scheme, the following default options will be applied on 1 January 2019:

- 01 | Members on the lowest income band of KeyCare Plus in 2018 will remain on the lowest income band of KeyCare Plus in 2019. These members will have the option to change their plans until 30 June 2019.
- 02 | Members on the lowest income band of KeyCare Core in 2018 will remain on the lowest income band of KeyCare Core in 2019. These members will have the option to change their plans until 30 June 2019.
- 03 | Members on KeyCare Access in 2018 will be transferred to KeyCare Start in 2019 based on their income band as at 31 December 2018. These members will have the option to change their plans until 30 June 2019.

# KeyCare Start

KeyCare Start offers extensive day-to-day and hospital cover and preventative care benefits through an innovative combination of healthcare networks, from as little as R839 per month.

## Utilising regional “hub and spoke” networks for the most cost-efficient healthcare delivery

KeyCare Access was redesigned from the ground up to deliver high quality, accessible and affordable healthcare.

KeyCare Start members will access healthcare through innovative “hub and spoke” regional networks. Each regional network was designed around an anchor “hub” – a KeyCare Start hospital that offers a full array of medical, surgical and emergency services. These hubs are surrounded

by the KeyCare Start GP network, and a network of facilities and healthcare professionals that provide more routine healthcare services, including health screening, primary care, dentistry, optometry, after-hours care and day surgeries.

The member’s GP and these facilities are “connected” to the hub through optimal referral pathways. This ensures that members receive the best healthcare possible through the network for their particular needs.

### KEYCARE START IN 2019



- Unlimited cover for admissions in the member’s chosen KeyCare Start Network hospital
- Outside their chosen KeyCare Start Network hospital members only have cover for emergencies
- Unlimited cover for a list of procedures in the regional KeyCare Start Day Surgery Network
- Full cover for specialists and healthcare professionals contracted to KeyCare, and cover up to 100% of the Discovery Health Rate for non-contracted specialists and healthcare professionals
- Cover for after-hours emergency visits to the member’s KeyCare Start GP



- Cover for chronic medicine through a state facility
- Cover for cancer treatment through a state facility
- Cover for renal dialysis through a state facility



- Unlimited GP visits at the member’s selected KeyCare Start GP
- 2 out-of-network visits to a KeyCare Start GP
- Acute medicine dispensed by the member’s KeyCare Start GP
- Two private specialist visits covered up to R2 000 per person, if referred by the member’s KeyCare Start GP
- Formulary driven radiology and pathology
- Defined conservative dentistry at DRC
- Defined optometry at IsoLeso



Annual health check at a wellness provider for adults and children

### THE KEYCARE START NETWORK

The KeyCare Start healthcare delivery networks are arranged around 17 unique regions. In each region, members have access to a KeyCare Start Network Hospital and KeyCare Start GPs, in addition to network providers for day-to-day healthcare services and day surgery procedures. The provider lists will be published on [www.discovery.co.za](http://www.discovery.co.za) in November 2018.

#### Eastern Cape

- East London**  
Life Beacon Bay Hospital
- Port Elizabeth**  
Life Mercantile Hospital

#### Free State

- Bloemfontein**  
Life Rosepark Hospital

#### Gauteng

- East Rand (South)**  
Clinix Botshelong Empilweni Private Hospital

#### Gauteng (continued)

- East Rand (North)**  
Lenmed Health Zamakhule Private Hospital
- JHB Central**  
Life Brenthurst Hospital

- Pretoria**  
Life Eugene Marais Hospital

- Soweto**  
Clinix Tshepo-Themba Private Hospital

#### KZN

- Durban**  
Life Entabeni Hospital  
JMH City Hospital (maternity only)

#### KZN (continued)

- Pietermaritzburg**  
Netcare St Annes Hospital
- Empangeni/Richards Bay**  
Life Empangeni Garden Clinic

#### Limpopo

- Polokwane**  
Mediclinic Polokwane

#### Mpumalanga

- Middelburg**  
Life Midmed Private Hospital

#### North West

- Rustenburg**  
Life Peglerea Hospital

#### Western Cape

- Cape Flats**  
Melomed Gatesville
- Cape Town**  
Netcare Christian Barnard Memorial Hospital
- George**  
Mediclinic George  
Mediclinic Geneva (maternity only)

# Enhanced cover for members with cancer

The Oncology Care Programme was designed to ensure access to the best possible treatment. The current oncology benefit covers more than 98% of members' treatment costs in full, with no member co-payment. To maintain this cover for members, the Oncology Care Programme must account for the increasing number of members being treated for cancer, as well as the rapidly, evolving developments in oncology treatment options.

## Discovery Health Medical Scheme Oncology Trends



## Oncology Care 2019

Discovery Health Medical Scheme provides members with comprehensive cover relating to cancer, from specific screening programmes for cancer, to comprehensive cover for treatment options, to compassionate palliative care benefits.

In 2019, the Oncology Care programme will provide Executive and Comprehensive plan members with co-payment free cover for a number of non-PMB treatment options through the Extended Oncology Benefit.

These members will also benefit from access to innovative cancer treatments through the Oncology Innovation Benefit.

**NEW FOR 2019**

### The Oncology Innovation Benefit

Members of the Executive and Comprehensive plans in 2019 will have access to the Oncology Innovation Benefit. The benefit provides members with cover for a list of innovative cancer treatments subject to a 25% co-payment from Rand 1.

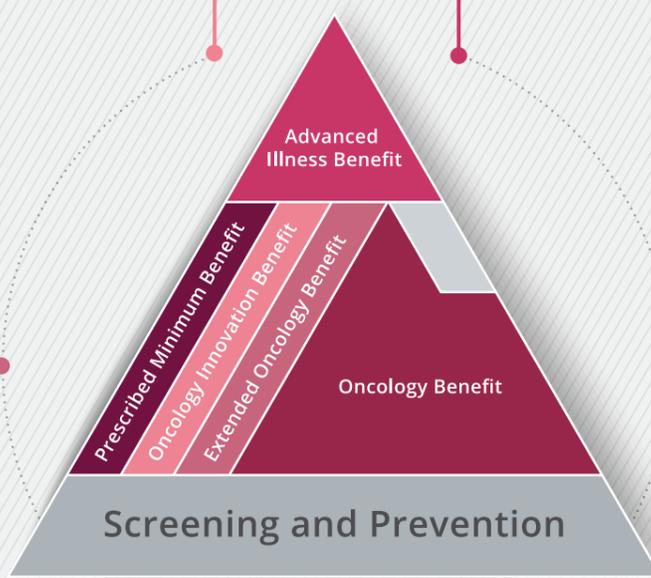
**NEW FOR 2019**

### The Extended Oncology Benefit

Members on the Executive and Comprehensive plans in 2019 will have access to the Extended Oncology Benefit. This benefit provides members with full cover for a defined list of oncology treatments that are not considered Prescribed Minimum Benefits, and will not be subject to any co-payments once the R400 000 cover amount is reached.

### Prescribed Minimum Benefits

The Oncology Care Programme covers Prescribed Minimum Benefits in full across all plans, and offer additional benefits over and above Prescribed Minimum Benefits on all plans other than KeyCare.



### Advanced Illness Benefit

Members diagnosed with cancer have access to a comprehensive palliative care programme, which offers the member unlimited cover for approved care at home.

### Oncology Benefit

The Oncology Benefit provides members with cover for non-PMB treatment options up to a defined cover amount, above which the member funds 20% of treatment costs.

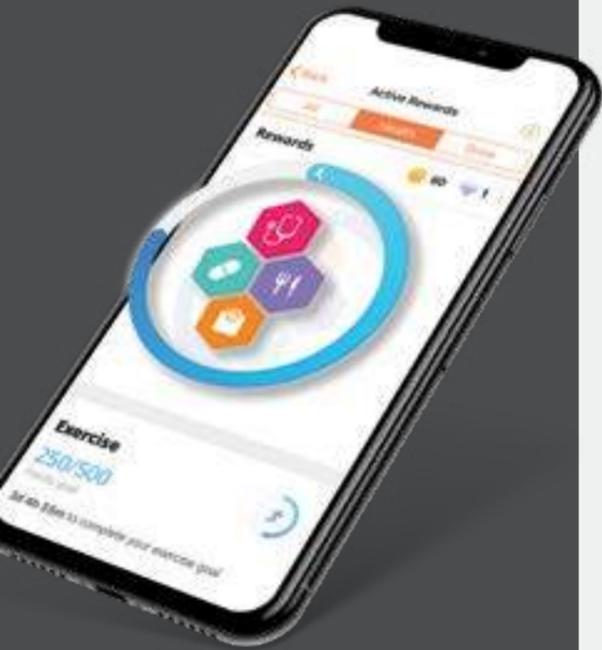
The cover amount for Executive and Comprehensive plans is R400 000 and the cover amount for Priority, Saver, Core and Smart plans is R200 000.

### Screening for cancer

Members of Discovery Health Medical Scheme have cover for regular mammograms, Pap smears and prostate screening, as well as specialised cancer screening, eg BRCA and MRI for breast cancer.

# Making members with chronic conditions **healthier**

Discovery Health Medical Scheme offers members a number of condition-specific care programmes. The care programmes are managed through the Discovery Premier Plus GP network, and provide members and their Premier Plus GP with benefits, care pathways and digital tools to manage the member's health.



## Introducing Cardio Care

Members diagnosed with hypertension, hyperlipidaemia and ischaemic heart disease can register on Cardio Care through their Premier Plus GP. This gives members access to a risk-funded extended consultation with their Premier Plus GP. In 2019, the programme will include an annual cardiovascular assessment, with recommended clinical care pathways for the member. The programme will also introduce a personalised member scorecard to track clinical improvement measures over time.

## Introducing Mental Health Care

In 2019, a Premier Plus GP can enrol members with major depression in the Mental Health Care programme, based on defined clinical entry criteria.

The programme will provide members with risk benefits for:

- An extended consultation with a Premier Plus GP;
- Prescribed formulary medicine for episodes of major depression, including plans where major depression is not covered as a chronic condition; and
- Two additional GP consultations, to allow effective evaluation, tracking and monitoring of treatment.

## Diabetes Care

### Nurse Educator Programme

In 2019, the Scheme will introduce a supplementary Nurse Educator Programme to support the Premier Plus GPs with the effective monitoring and management of members with diabetes on the Diabetes Care programme. The Nurse Educator Programme will include medicine adherence, effective eye and foot care, promotion of healthy nutrition and physical activity to effectively manage the health of members with diabetes.

## Introducing Vitality Health Rewards

Members can get healthier with goals tailored to their specific health needs. Members at risk of developing or already diagnosed with cardiovascular disease or diabetes, will be provided with tailored goals to help them manage their health and track their progress.



### Health checks

Tailored recommendations about general screening tests, as well as certain additional tests based on age, gender and health profile.

Clinical entry criteria may apply to some of these tests.



### HealthyFood

Members will get recommendations on which foods to buy more or less of based on their food purchasing behaviour



### Weight management

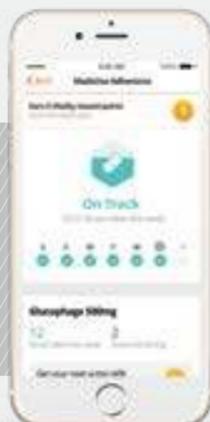
A tailored weight loss journey designed to help members achieve or maintain their recommended weight goal



### Medicine tracker

Reminders and prompts to keep members on track with taking medicine on time and as prescribed

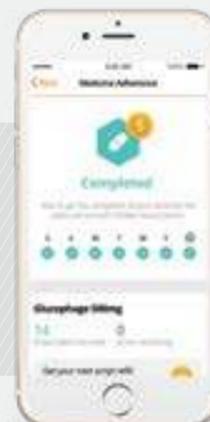
Members will be prompted to register for these programmes through the Discovery member app. Members do not have to be on Vitality to access these programmes. Available in Q1 2019.



Members can set up medicine reminders, pre-populated from their approved chronic medicines



Members will be prompted to take their medicine and confirm the time each dose is taken



Members who achieve at least 85% weekly medicine adherence will earn Vitality reward points

# Discovery Find a provider

## Get the best care

Fully interactive, real time technology that helps members find doctors and hospitals, on our networks matched to their needs and benefits.

### Benefits to your clients



#### EMPOWER MEMBERS

Members manage their health through self-directed digital tools



#### DEMOCRATISE INFORMATION

Members have the information they need to navigate the healthcare system more effectively



#### HEALTH DATA ACCESS

Members can share their health record with their doctor



#### IMPROVE ACCESS TO CARE

Members access care when and where they need it, including video consultations through DrConnect



#### LOWERING COSTS

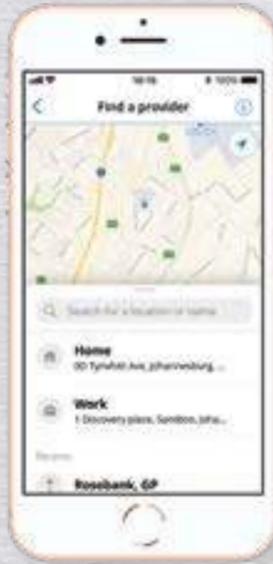
Search results enable members to find options for full cover



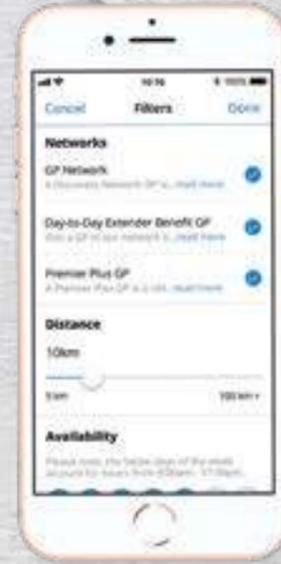
Download the Discovery app



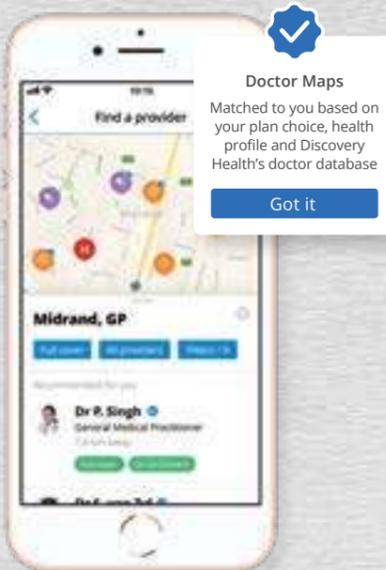
Available 2019



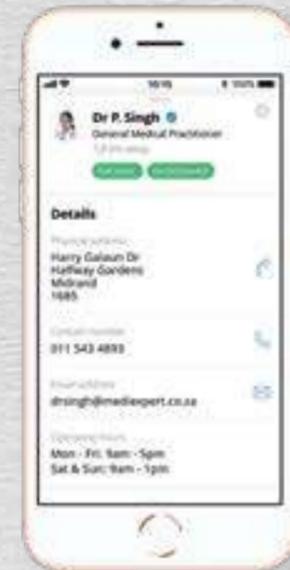
Members can perform a general search based on their location, or for specific doctors or healthcare facilities



Members can apply filters to narrow their search based on plan benefits, provider type, distance and availability

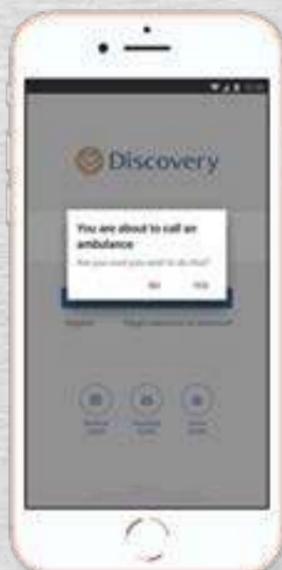


Members see results for all healthcare professionals and facilities based on their search criteria, with all recommended doctors and Designated Service Providers highlighted. Recommendations are made according to the member's health profile, health plan and location



Once the member has chosen a doctor, they can:

- > View how their plan will cover the visit to the doctor
- > View how other Discovery Health Medical Scheme members rate the doctor
- > Grant consent for the doctor to view their health record on HealthID
- > Share the doctor's profile and add the doctor to a list of favourites
- > Get directions to the doctor's practice, or link straight to Uber to go to the practice



## Discovery Emergency Assist

Discovery is enhancing the Emergency Assist functionality on the Discovery member app to take better care of members in an emergency.

Members will be able to access emergency services for medical emergencies and Insure clients for home/roadside assistance by requesting these on the Discovery app. This will be available from both the logged out screen and within the Discovery App. Members can have peace of mind in knowing that their location and important emergency information is sent to the dispatcher with an immediate call-back.

# 2019 Discovery Health Medical Scheme Benefit Updates



## Introducing the Discovery Day Surgery Network

The Discovery Day Surgery Network provides national coverage for a range of medical procedures that can be performed on a same day basis.

The network ensures national coverage by including both day surgery centre and acute hospitals.

The Discovery Day Surgery Network will be subject to annual review.

The list of network facilities will be published on [www.discovery.co.za](http://www.discovery.co.za) by November 2018.

### The Discovery Day Surgery Network as Designated Service Provider

In 2019, the Discovery Day Surgery Network will be the Designated Service Provider for a defined list of clinically appropriate procedures on Priority, Saver, Core, Smart and KeyCare plans.

The list of procedures will be published on [www.discovery.co.za](http://www.discovery.co.za) by November 2018.

### Priority, Saver, Core and Smart Plans

For the defined list of clinically appropriate procedures, members will be covered in full if the procedure is performed in the Discovery Day Surgery Network.

Members will have to pay a deductible of R5 000 if the procedure is voluntarily performed outside the network, with the exception of the Smart and Delta plans where the deductible is R8 800 and R7 650 respectively.

In the case of an emergency, no deductible will be applied outside the network.

### KeyCare Plans

For the defined list of clinically appropriate procedures, members will be covered in full if the procedure is performed in the Discovery Day Surgery Network.

KeyCare members will have no cover if the procedures are performed outside the network. In the case of an emergency, the member will be covered in full for the procedure outside the network.



## Updates to limits, co-payments, deductibles and thresholds

- Co-payments and deductibles are increased by the plan-specific contribution increases.
- Thresholds for the Above Threshold Benefits are increased as follows:
  - Executive Plan: 11,9%
  - Comprehensive Plans: 11,9%
  - Priority Plans: 10,9%
- Benefit limits are increased by the plan-specific contribution increases, with the exception of the following:
  - Internal prosthesis limit, which increases by surgical inflation
  - No increases to the following:
    - International Travel Benefit limit
    - Overseas Treatment Benefit limit
    - Oncology Benefit threshold
    - Specialised Medicine and Technology Benefit limit
    - Hip, knee and spinal prostheses limit
    - External Medical Items limit.



## Updates to the funding of scopes for the KeyCare Plans:

Funding for endoscopies on all KeyCare plans will be limited to Prescribed Minimum Benefits in 2019.



## Introduction of MedXpress as Designated Service Provider for Priority and Saver plans

From 2019, the MedXpress Pharmacy Network will be the Designated Service Provider for chronic medication on the Priority and Saver plans.

Should members voluntarily use a pharmacy outside the MedXpress Pharmacy Network, a 20% co-payment will apply to the medicine and dispensing fees.

The change will be implemented with effect from 1 April 2019 for members already registered on the Chronic Illness Benefit, and from 1 January 2019 for members newly registered on the Chronic Illness Benefit.

The MedXpress Pharmacy Network includes all Clicks pharmacies, all Dis-Chem pharmacies and 63% of independent pharmacies.

Members without easy access to a MedXpress pharmacy can use the MedXpress delivery service for nationwide delivery of chronic medicine.



## Introduction of Designated Service Provider for Renal Dialysis and Oncology on Essential Smart

In 2019, Essential Smart will cover oncology and renal dialysis in full through a network of Designated Service Providers:

- Oncology will be covered in full in the ICON network
- Renal dialysis will be covered in full in state facilities.

Where members voluntarily use providers outside the Designated Service Provider network, the Scheme will cover healthcare expenses up to 80% of the Discovery Health Rate.

Essential Smart members with an approved oncology treatment plan continuing into 2019 may complete their active treatment plan at their current provider.



## Changes to Chronic Illness Benefit for 2019

From 1 January 2019, certain formulary changes and Chronic Drug Amount updates will be applied. We have been communicating these changes with the impacted members since August 2018.

These members will have until the end of 2018 to make changes to their treatment to avoid or reduce co-payments.



# Discovery Gap Cover 2019

*Discovery Gap Cover provides protection against unforeseen medical expenses relating to a hospital admission, specific out-of-hospital costs or severe illness diagnosis through the unique and comprehensive benefit structure of Discovery Gap Cover and Discovery Supplementary Gap Cover.*

Your clients can get Discovery Gap Cover from as little as R95 per month to cover shortfalls on in-hospital and cancer related claims. They can choose from Discovery Gap Comprehensive, and Discovery Gap Core, based on their medical needs and Discovery Health Medical Scheme plan choice.

## Why Gap Cover from Discovery?

### 01 In- and out-of-hospital cover

Discovery Gap Cover gives your clients rich protection against shortfalls in medical scheme cover for specialist treatment received in-hospital and extended cover for specific shortfalls incurred out-of-hospital

### 02 Extended cover for scopes and scans

Your clients get cover for co-payments and deductibles that apply to MRI and CT scans out-of-hospital and endoscopies performed in-hospital

### 03 Comprehensive cover for cancer

Discovery Gap Cover provides additional funding to help cover oncology co-payments. Discovery Supplementary Gap Cover helps fund high-cost treatments and gives your clients access to advanced genomic sequencing for certain cancers

### 04 International travel cover

Discovery Gap Comprehensive provides cover for shortfalls on approved international claims while your clients travel outside of South Africa

## Discovery Gap Cover 2019

The benefits for Discovery Gap Cover have been significantly enhanced for 2019, to provide your clients with more cover for unforeseen shortfalls in medical scheme cover for healthcare expenses. In addition to the Oncology Benefit Extender, clients will also have access to the Scopes and Scans Benefit Extender, and the Travel Benefit Extender. The Scopes and Scans Benefit Extender covers deductibles and co-payments on specific scopes and MRT / CT Scans, and the Travel Benefit Extender covers shortfalls on emergency medical claims while your clients travel internationally.

### In-hospital Specialist Gap Cover

Pays your clients up to 200% of the medical scheme rate when their approved in-hospital specialist claim is higher than what the medical scheme pays the specialist.

### Hospital Admission Benefit Extender

Provides additional cover of up to R20 000 per policy for gaps in cover over and above what is covered by In-hospital Specialist Gap Cover. Also provides cover for specific out-of-hospital shortfalls related to an authorised hospital admission or procedure.

### Oncology Benefit Extender

Discovery Gap Cover provides cover for co-payments on approved cancer-related claims, once the Oncology Benefit threshold has been reached. Discovery Gap Comprehensive provides up to R100 000 per year for these shortfalls, and Discovery Gap Core provides up to R75 000 per year for these shortfalls (depending on your client's medical scheme plan choice).

### NEW FOR 2019

### Travel Benefit Extender

On the Discovery Gap Comprehensive option your clients can get cover for shortfalls on emergency medical treatment while travelling outside of South Africa.

This benefit covers the following shortfalls on International Travel Benefit (ITB) claims, approved by your medical scheme:

- The \$150 / €100 deductible on emergency out-of-hospital claims
- Shortfalls on emergency medical claims once you have reached your scheme's ITB limit of R5 million (\$1 million on Executive plans) per person per trip
- Shortfalls on the Cleveland Clinic MyConsult second opinion consultation fee.

### NEW FOR 2019

### Scopes and Scans Benefit Extender

On the Discovery Gap Comprehensive option members are covered for co-payments that apply to:

- The hospital account for endoscopies (gastroscopy, sigmoidoscopy, proctoscopy and colonoscopy)
- Out-of-hospital MRI and CT scans, when the medical scheme covers the rest of the account.

Cover starts after any applicable waiting periods have ended.



### TECHNICAL DETAILS

- The enhanced benefits described are effective from 1 January 2019.
- Discovery Gap Cover is subject to a regulated overall annual benefit limit of R150 000 per person per year.

# Discovery for Business

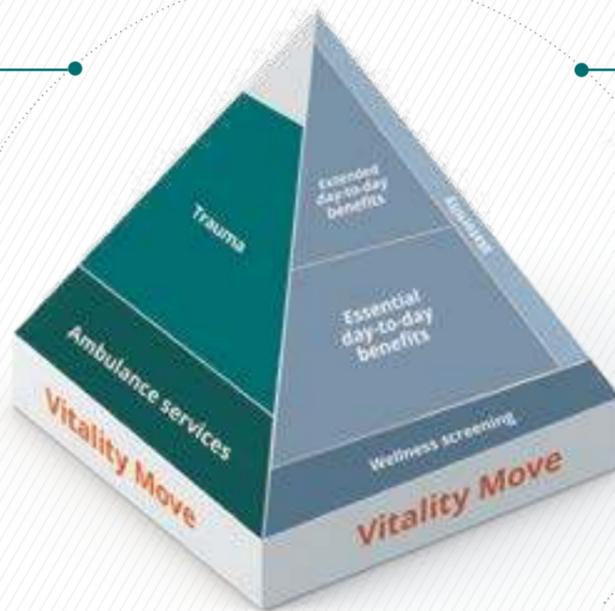
## Discovery Primary Care

Providing access to quality healthcare is essential to any company that wants to ensure that the health and productivity of their workforce is sustained and optimised.

From as little as R158 per employee per month, employers can now offer employees and their qualifying dependants access to quality healthcare facilities and healthcare professionals in the Discovery Health networks, for relevant primary and emergency healthcare services.

### TRAUMA BENEFIT

Employers can enhance Primary Care cover for their employees through the Trauma Benefit, which provides access to emergency private healthcare services for a broad range of traumatic events. Members are covered in full for medical treatment at a hospital or casualty facility related to these events, up to a limit of R100 000 per admission, and they will not have to pay upfront for these medical services.



### PRIMARY HEALTHCARE SERVICES

#### Access to private healthcare

Employees and their families have access to quality private primary healthcare services and healthcare professionals

#### Treatment for a wide range of chronic conditions

Primary Care Comprehensive provides cover for 27 chronic conditions

#### Access to wellness

Employees can access their employer's wellness days, and have access to Vitality Move

## Healthy Company

Healthy Company is Discovery's digitally-enabled, comprehensive employee assistance programme and wellness solution.

Healthy Company identifies and proactively supports at-risk and healthy employees, by managing the four key dimensions of their wellbeing through screening and risk classification, proactive tailored interventions, and data-driven insights.

### 01 | Screening and Risk Classification

Includes access to comprehensive employee health and wellness screening, at no additional charge, through the Discovery Wellness Experience, online assessments and an app-based tool to capture the employee's mood and detect signs of emotional distress. The outcome of the screening will contribute to a comprehensive health and wellbeing risk profile of the employee across the key dimensions.

### 02 | Proactive, Tailored Interventions

Proactively reaches out to employees, based on their risk profile, with tailored solutions that range from prevention and education to ongoing or episode management. This includes in-app notifications and reminders, telephonic outreach by a Healthy Company coach, referrals to registered psychologists or debt counsellors, or referrals into available healthcare and wellness programmes.

### 03 | Data-driven Insights

Delivers intelligent, actionable insights and reporting for each employee, as well as the employer. These reports cover an employee's health and wellbeing risks and their progress in managing these risks. Insights are developed based on integrated data across all the essential features of an employer's health and wellbeing initiatives administered by Discovery.



As an employee engages with the programme over time, Healthy Company will adjust their risk classification and the recommendations and interventions appropriately.

### PRICING

Healthy Company pricing presents a 21% discount to traditional employee assistance and screening programmes, including additional features not covered by these programmes. Pricing is based on the unique circumstances of each business, including the size of the workforce, and the current employee benefit providers. Integration discounts of up to 72% may be applied to the cost of Healthy Company where an employer offers Discovery Employee Benefit products, including medical scheme membership administered by Discovery Health, Primary Care and Discovery Retirement Funds.

# Digital Discovery

## A world of support at your fingertips

Digital Discovery is an online tool that provides you with immediate access to all relevant Discovery product information, on your mobile phone, tablet or computer

### EASILY ACCESS ALL MARKETING MATERIAL

You can access the most up to date 2019 marketing material online through Digital Discovery on [www.digitaldiscovery.co.za](http://www.digitaldiscovery.co.za) from September 2018.



### SELECT BENEFITS

# 02



The benefits are aligned according to the high-level plan benefit categories

Select all benefits you would like to compare, in addition to the contributions

### DOWNLOAD COMPARISON

# 04



Download and save a PDF version of your client's personalised comparison, which you can immediately email to your client

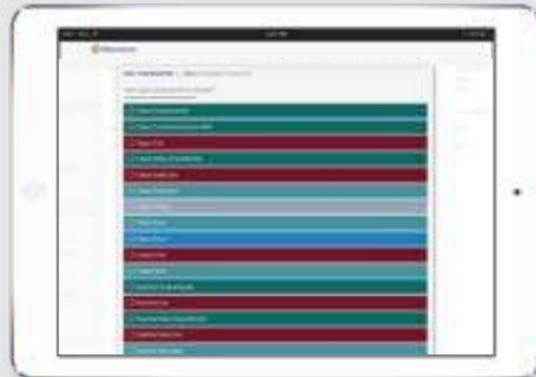
### NEW ONLINE PLAN COMPARISON TOOL

#### Enhancing your service offering to clients

Our brand new online plan comparison tool allows you to personalise and tailor your financial advice based on your clients' needs. You can filter on the specific plans and benefits you would like to compare, and produce a tailored PDF of the comparison which you can download and email to your clients. Available September 2018.

# 01

### PLAN SELECTION



Choose the Discovery Health Medical Scheme plans you would like to compare. You can select up to three plans to compare at once

Confirm your selection by clicking on benefits

# 03

### COMPARE PLANS



Plans and benefits can be further modified as you feel appropriate

Create a home screen shortcut to access these features at your fingertips

Visit [www.digitaldiscovery.co.za](http://www.digitaldiscovery.co.za) OR scan here



#### TECHNICAL DETAILS

The plan comparison which you compile and customise for your clients is only a summary of the selected benefits and features of Discovery Health Medical Scheme plans.

In all instances, Discovery Health Medical Scheme Rules prevail, awaiting formal approval from the Council for Medical Schemes. Please consult the Scheme Rules on [www.discovery.co.za](http://www.discovery.co.za).

We are continuously improving our communication to you. The most recent and detailed plan guides and benefit information is available on the Financial Advisor at [www.discovery.co.za](http://www.discovery.co.za)

#### KEY YEAR-END DATES

13 September | All marketing material available digitally on [www.digitaldiscovery.co.za](http://www.digitaldiscovery.co.za)

14 December | Final date for telephonic and email plan changes

31 December | Final date for website plan changes

Q1 2019 | Vitality Health Rewards go-live

Q2 2019 | Discovery Find a Provider go-live

30 June 2019 | Final date for KeyCare plan changes, for members who were on KeyCare Access, or on the lowest income bands of KeyCare Plus or Core as at 31 December 2018.