

The South African Breweries Medical Aid Society

Newsletter December 2002



Dear Member,

The administration of your medical aid is on the move ! From 1 January 2003, Sovereign Health will administer both options under SAB Medical Aid Society (i.e SAB & Castellion Options). It is extremely important that you are aware of the details regarding new membership numbers and cards, new contact numbers and other changes which may affect you. We trust that our society's association with Sovereign Health will be a long and successful one.

In addition, as is the case in January of every year, there is an increase in contributions and benefits. This is also covered in the Newsletter and the details are enclosed in your new file inserts for 2003.

Here's wishing you and your family a Happy Christmas and New Year !

Editor

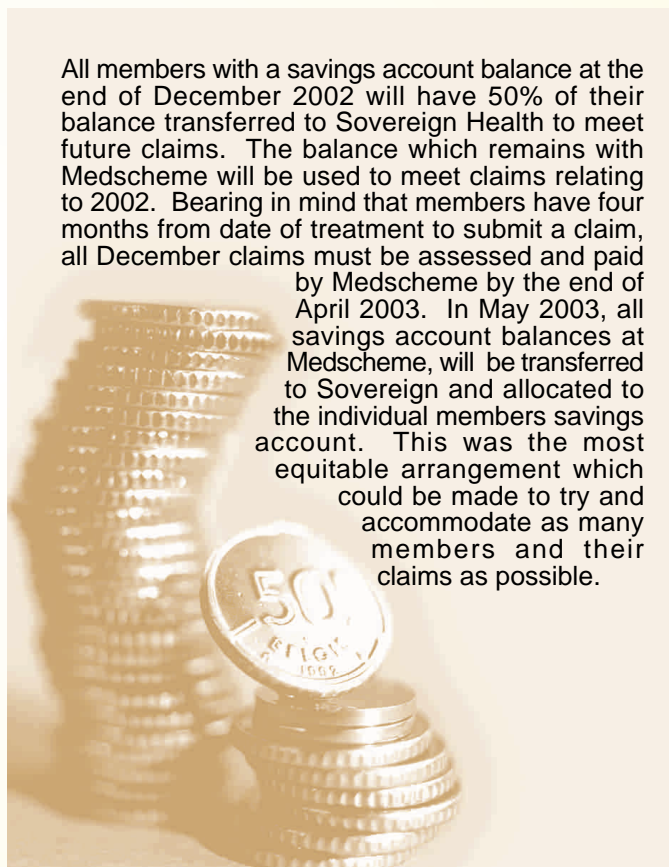
Change in Administrators from 1 January 2003

After a considerable amount of dissatisfaction amongst members regarding service levels was reported to the Board of Trustees, it was decided that a review of the administration of the Society was overdue. This was done with the full knowledge of Medscheme, the administrator for the last four years. Four potential administrators were selected based largely on their reputations as medical aid administrators. They were Discovery Health, Sovereign Health, Status Medical Aid Administrators and Metropolitan Health Group. The Board of Trustees tasked a specialised team to review these administrators and to make a recommendation to the Board. After a thorough process, Sovereign Health was appointed by the Board of Trustees with the full support of the Managing Director's Committee.

Sovereign Health has a long track record and an excellent client base. It has an advanced computer system which is fully integrated and flexible enough to handle both the SAB & Castellion Options. Sovereign Health was purchased by Medscheme and is a subsidiary thereof, but operates completely independantly and more importantly is self-sufficient with it's own systems and personnel. Some of Sovereign Health's corporate clients include Anglo, PG Group, Nampak and Netcare. We are confident that Sovereign Health will deliver an excellent service to all members.

Transfer of Savings Account Balance SAB Option

All members with a savings account balance at the end of December 2002 will have 50% of their balance transferred to Sovereign Health to meet future claims. The balance which remains with Medscheme will be used to meet claims relating to 2002. Bearing in mind that members have four months from date of treatment to submit a claim, all December claims must be assessed and paid by Medscheme by the end of April 2003. In May 2003, all savings account balances at Medscheme, will be transferred to Sovereign and allocated to the individual members savings account. This was the most equitable arrangement which could be made to try and accommodate as many members and their claims as possible.



NEW

New Membership Card and Number

You will receive a new membership card early in December which will reflect your new membership number which will be effective from 1 January 2003. Whilst Sovereign Health will be notifying all suppliers of the change in administration, it is your responsibility to notify your health care providers of your new membership number. Please note that you still remain as a member of the SAB Medical Aid Society and it is just the administration that has changed. Please check the dependants that are listed on your new membership card as these details have been transferred from the Medscheme database to Sovereign Health.

Should there be any errors, please bring these to the attention of your SAB Benefits Administrator or Payroll department. They have on-line access to make the necessary changes.



NEW CONTACT DETAILS

The current toll free number will be transferred to Sovereign Health. Queries on claims, pre-authorisation for hospital, applications for chronic medicines and confirmation of benefits will all be attended to when you dial **086 000 2133**. **This means you only need to remember one number!**

Members who have claims queries which need to be dealt with by Medscheme, can phone (011) 671-2623 or alternatively can contact their closest Medscheme branch.

The postal address for submitting claims to Sovereign Health is :
P O Box 2338, Durban, 4000.

E-mail queries can be sent to:
sabmas@sovhealth.co.za

Where to send your claims

The following is very important to ensure that the transition from Medscheme to Sovereign Health proceeds with the minimum of disruption to both you and your health care providers.

During the period of administration transition, arrangements have been made for your claims to be processed on the following basis:

- Accounts where the **date of treatment is up to and including 31 December 2002** should be sent to **Medscheme** for processing.
- Accounts where the **date of treatment is from 1 January 2003 onwards** should be sent to **Sovereign Health**.
- Where there is a "running" account that has dates of treatment before and after 31 December 2002, simply photocopy this and send it to both administrators.

Please do not forget to include your old membership number on the accounts submitted to Medscheme and your new membership number on the accounts submitted to Sovereign Health.



Direct Medicines

Members who make use of Direct Medicines to obtain their chronic medication, may continue to do so from January 2003. Sovereign Health will liaise with Direct Medicines and provide them with the necessary authorisation of chronic medicines currently approved as well as your new membership numbers. The R15 levy will be waived from 1 January 2003 on all chronic medication obtained through Direct Medicines.

NETCARE 082 911
24 HRS EMERGENCY ASSISTANCE SPECIALIST

Please note that these services will still continue with Sovereign Health. Should you require an ambulance service, Netcare 911 must be contacted on **082911** to obtain authorisation and they will dispatch the appropriate response.

Chronic Medication

At the beginning of 2003, all the registered chronic medicine users will automatically have their chronic medicine information transferred to Sovereign Health.

Members will each receive an authorisation letter which must be produced at the pharmacy in order to ensure that the script is claimed from the chronic medicine benefit. Remember to give your pharmacist your new membership number. If you do not receive an authorisation letter by January 2003 please contact the toll free number to request a fax copy.

Whilst currently approved chronic medication will be transferred, each member's chronic medicines will be reviewed over a period of time in 2003. The Board of Trustees have agreed to stricter criteria being applied to qualify for these benefits. During 2003, chronic medicine users can expect to be contacted in this regard.



Aid for AIDS

The Aid for AIDS programme will continue as a benefit to members who are HIV+. The toll free number will remain the same, namely **086 100 646** and all claims relating to the treatment of HIV should be submitted to the Aid for AIDS unit in Cape Town. If you require any further details please contact them on the above number. **Please remember that new membership numbers must appear on all accounts for treatment rendered on or after 1 January 2003 in order for the account to be assessed and paid.**

Contribution Increases and Benefit Changes

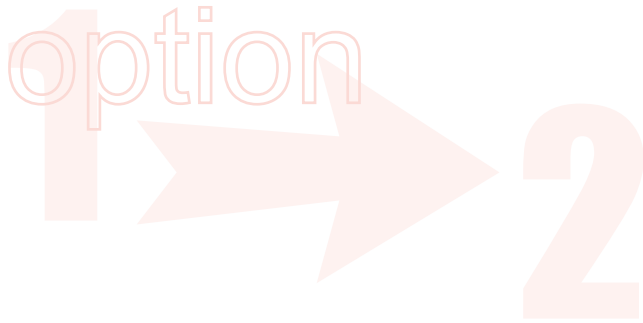
The financial results on both options up to September 2002 have been favourable and the scheme is in a stronger financial position than it has been in the last five years. Unfortunately this does not mean that we do not need to increase contributions. Tariffs charged by service providers will increase from 1 January 2003 by an average of 8% and we expect that the cost of medicines and equipment will continue to rise significantly. Therefore the Board of Trustees have agreed that contributions on the SAB Option will be increased by 15% and on the Castellion Option by 10%. The average contribution increase in the medical aid industry is expected to be between 15% and 25%. Likewise, the benefits on each option have also been reviewed and certain limits have been increased to accommodate the tariff increases which will be charged by service providers.

The new contribution tables and benefits applicable to 2003 are contained in the file inserts which are enclosed.

Restructure of Savings Account – SAB Option

The structure of the savings contribution and the portion automatically credited to your savings account has been changed from a "fixed rand amount" to a "percentage" of contributions. Up until now, a fixed amount, irrespective of your monthly contribution, has been allocated to your savings account, based on the number of dependants you have. From 1 January 2003, 7.5% of the total monthly contribution will be credited monthly to your savings account. Please note that the SAB Contribution Table reflects the total monthly contribution payable and is inclusive of the 7.5% contribution to the savings account.

This change in structure is necessary to make sure that the portion allocated to the savings account is in proportion to the contributions payable by each member and to ensure that the scheme meets legislative requirements.



Change of Option

Members are encouraged to review their medical expenses for the past year and evaluate whether there is a need to change from SAB Option to Castellion Option or vice versa. Please make sure you are fully aware of the benefits and contributions on each before making this decision as you can only review the option to which you belong on 1 January of every year. **Should you wish to change from your current option, please complete the relevant section on the enclosed form and return it to your payroll department by no later than 31 December 2002. If no change is received your current status will remain unchanged.**

Additional Voluntary Savings Contributions – SAB Option

Members can make changes to their Additional Voluntary Savings effective 1 January 2002. This is an ideal time for members to make provision for their medical expenses by topping up their savings account to provide for the 30% member portions on claims, excesses on tariffs and for benefits not payable by the scheme. **If you have had member portions deducted from your salary then you have not made adequate provision in your savings account !**

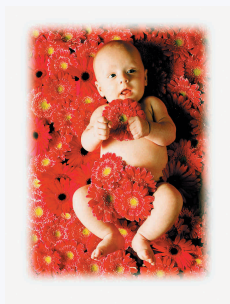
Voluntary contributions can be made in multiples of R50 with a maximum of R500 per month. Please remember that the contributions going to your savings account may not exceed 25% of the total monthly contribution payable.

If you wish to increase / decrease your additional voluntary contribution please complete the relevant section on the enclosed form and return it to your payroll department by no later than 31 December 2002. If no change is received your current status will remain unchanged

Additional Benefits for both SAB & Castellion Options

Maternity Programme

This programme was initiated by Sovereign Health in 1998 to offer additional benefits and advice during pregnancy. Registration on the programme within the first 12 to 20 weeks of pregnancy is **essential** to ensure that you receive the additional benefits.



Additional benefits include an informative Pregnancy and Birth book authored by South African midwife Tina Otto, 12 ante-natal consultations from a provider of your choice, 2 ante-natal scans as well as antenatal classes and postnatal care for newborns provided by a midwife. Constant contact is kept and advice given to mothers experiencing difficult pregnancies. This programme not only offers advice and support to mothers, but fathers are also welcome to call with queries. **It should be noted that whether you choose a home or hospital birth, pre-authorisation still needs to be obtained.**

Health Promotion

Whilst each member is responsible for caring for their health, the Board of Trustees has identified certain tests and procedures that, if done on a regular basis, can help with the early diagnosis of certain conditions and thereby significantly increase the chance of treatment and recovery.

Typically, these tests are currently paid from a member's day to day benefits and therefore carry a member's portion.

From 1 January 2003, the society will pay 100% of BHF Tariff for the following pathology tests :

Males:	Prostrate Specific Antigen (As a guideline, this should be done every five years from the age of 40 onwards)
Females:	Pap Smear Mammogram (As a guideline, this should be done every five years from age 45 onwards)
Male & Female:	Cholesterol HDL/LDL/Triglycerides Fasting Blood sugar Stool Occult Blood HIV Test Elisa I & II