

**PUBLIC SUBMISSIONS**  
**ON THE**  
**DRAFT DEMARCATION REGULATIONS**

---

**15 October 2013**

Note. The names of companies which submitted comments are listed below. In order to protect the identity of individual person, the names of individuals have been withheld. Detailed supporting submissions are attached as Annexures to this document.

<b>LIST OF COMMENTATORS</b>			
<b>Individual</b>		<b>Organisation</b>	<b>Annexure</b>
1	Individual		
2	Individual		
3	Mike Stow	Hold Consulting	Annexure A
4	Kate du Randt	Wynsam Wealth	
5	Individual		
6	Individual		
7	Leon Wessels	Valem Financial Services CC	
8	Michelle Taylor	Neil Viljoen & Associates	
9	Individual		
10	Conrad Gunter	Charis	
11	Howard John Charles Silk	Silk Financial Services	
12	Individual		
13	Guiseppe Michelle Elia Garone	Grone Insurance Consultants	
14	Darrel Morris	P3 Business Solutions CC	
15	Individual		
16	Individual		
17	Westley Van Rooijen	Sure Select Solutions CC	
18	Individual		
19	Individual		
20	Individual		
21	Individual		
22	Nicky Van Dalen	Futurum Financial Group Risk Solutions (Pty) Ltd	
23	Individual		
24	Geoff Clark	Canham Insurance Brokers	
25	Individual		
26	Individual		
27	Individual		
28	Brian Anderson	Brian Anderson Brokers CC	
29	Walter Robertson	Wally Robertson & Associates	
30	Peter Marx	Peter Marx & Associates CC	Annexure B

31	Kim Vermeulen	Medilusions CC	
32	Individual		
33	Jill Ingram	Wealth and Asset Financial Services(Pty) Ltd	
34	Michelle Seagreen	Seagreen & Associates	
35	Individual		Annexure C
36	Individual		
37	Tanya Evans	2Health Consultants (PTY) LTD	Annexure D
38	Lance Robert	The Robert Group	
39	Tony Golding	F1 Financial Consultants	
40	Orrin Shand	South Western Brokers Kokstad	
41	Individual		
42	Jane Kemp	Healthcare Associates	Annexure E
43	David Lambert	Lambert Brothers CC	Annexure F
44	Individual		
45	Individual		Annexure G
46	Yezdi Phiroz	Yezdi Phiroz Insurance Brokers CC	
47	D J Watterson	Watterson Agencies	
48	Sandy Watson	Structured Wealth Management	
49	Glynda Fowle	Glynda Fowle Brokers	
50	Tasha Fourie	Royal Union Financial Services (Pty) Ltd	
51	Stephen Hanssen	Catalyst Group	
52	Lyn Miles	Medichoice	Annexure H
53	David Sutherland	Watney-Vineyard Insurance Brokers	
54	Individual		
55	Individual		
56	Andrew van Dam	FinBofs	
57	Ruby Steenkamp	LMS Life Counselling CC	
58	Leon Labuschagne	Skywide Telecoms SA	
59	Kim Cavell-Clarke	Wealth Action	
60	Individual		
61	Allan Brightman	MEMP Financial Services	
62	Individual		
63	Individual		
64	Individual		
65	Individual		
66	Jamal Ismail	Igennix Financial Services CC	

67	Individual		
68	Seema Mohanpershad	Reid Raetzer Insurance Brokers (Pty) Ltd	
69	Individual		
70	Individual		
71	Jean Robert	The Robert Group Insurance Brokers	
72	Travys Wilkins	Bay Union Investment Planning Services (Pty) Ltd	
73	Alan Halvorsen	AGM Mapsure Financial Consultants (Pty) Ltd	
74	Leana Louw	Vision Private Wealth	Annexure I
75	Individual		
76	Individual		Annexure J
77	Individual		Annexure K
78	Individual		Annexure L
79	Yaseen Kamroodeen	Afrocentric consulting	
80	Wendy Tooley	Insuresafe	Annexure M
81	Individual		
82	AD Trytsman	The Lion Match Company Pty Ltd	Annexure N
83	Stan Lewin	Lifeforce Financial Services Limited	
84	Individual		
85	C Buntzen & M Pedler	Corporate Advisory Services	Annexure O
86	Sean Rayne	Turnberry Insurance Group	Annexure P
87	Daniel Holland	NITSACK CC	
88	Individual		
89	Ian Dodds	Fundamental Investments (Pty) Ltd	
90	Hans Coetzee	Caro Brokers CC	Annexure Q
91	Annemie Walton	Tropical Eden Trading CC	
92	Ashleigh Rencontre	Stratum Benefits	
93	Barbara Comley	People's Dispensary for Sick Animals (SA)	
94	Dylan Tuna	Stratum Benefits	
95	Mike Rash	Afrimate Concrete Products (Pty) Ltd	
96	Individual		
97	Anthea Wilkins	Proper Healthcare Services CC	
98	Individual		
99	Individual		
100	Individual		
101	Seshnee Moodley	Stratum Benefits	
102	Julian Mohamed	Stratum Benefits	

103	Robert Putzel	Silver Oak Investments	
104	Rudolph Ackermann	CURA ADMINISTRATORS (PTY) LTD	Annexure R1, R2 & R3
105	Individual		
106	Individual		
107	Jill Douglas	JKD FINANCIAL SERVICES CC	
108	Individual		
109	Clement R. Human	Oasis Tanning Company (Pty) Ltd	
110	Individual		
111	Individual		Annexure S1 & S2
112	Individual		
113	Individual		Annexure T
114	Margaret Sylvester	Classis Wealthcare Solutions (Pty) Ltd	Annexure U
115	Lize van Zyl	DBApparel South Africa (Pty) Ltd	Annexure V
116	Andrew M van Dam	Intelligent Asset Minders CC	
117	Maretha Smit	South African Dental Association	Annexure W
118	Robert Fischer	Fischer Safes and Security Solutions CC	
119	Individual		Annexure X
120	Anthea Engelbrecht	Stratum Benefits	
121	Yolanda De Klerk	Stratum Benefits	
122	Danielle Whitten	Stratum Benefits	
123	Chadwin Fasser	Stratum Benefits	
124	Thandiwe Mnguni	Stratum Benefits	
125	Bradley Stander	Stratum Benefits	
126	Sharon Tommy	Stratum Benefits	
127	Daphne Louw	Stratum Benefits	
128	Individual		
129	Individual		
130	Individual		
131	Individual		
132	Individual		
133	Greg Shartin	Leather Power CC	
134	Individual		
135	Individual		
136	Individual		
137	Individual		

138	Individual		
139	Individual		
140	Individual		
141	Individual		
142	C De Jager	Lion Match Products (Pty) Ltd	Annexure Y
143	Individual		
144	Dale Piper	Hastie and Piper Health Consulting CC	Annexure Z
145	Individual		
146	Individual		
147	Individual		
148	Individual		
149	Individual		
150	Individual		
151	Jonathan Dunwoody	HDIFS Planning CC	Annexure AA
152	Individual		
153	Individual		
154	Individual		
155	Individual		
156	Cheryl-Anne Lawson	Cheryl Lawson Financial Consultants	
157	Individual		
158	Individual		
159	Individual		Annexure AB
160	Paul Leroy	Dental information Systems (Pty) Ltd	Annexure AC
161	Individual		
162	Individual		
163	PADDY BLOUNT	Four Sight Financial Solution CC	Annexure AD
164	Individual		
165	Individual		
166	Individual		
167	Individual		
168	Individual		
169	Individual		
170	Individual		
171	Individual		
172	Individual		
173	Individual		Annexure AE

174	Individual		Annexure AF
175	Individual		Annexure AG
176	Individual		
177	Individual		
178	NL Frylinck	Niels and Barbara Frylinck	
179	Individual		
180	Individual		
181	Individual		
182	Joshua Fisher	Integrity Health Services (Pty) Ltd	
183	Individual		
184	Vanessa Brummer	Midalpro CC	
185	Individual		Annexure AH
186	Individual		
187	Individual		
188	Individual		
189	Individual		
190	Individual		
191	Individual		
192	Yolande Edwards	Stratum Benefits	
193	Individual		
194	Individual		
195	Individual		
196	Individual		
197	Individual		Annexure AI
198	Individual		
199	Individual		
200	Lindsay John Curran	M and L Medical Suppliers CC	
201	Anesh Maharaj	NU-ERA Insurance Brokers	
202	BA Daniel PN Hyman	Complimed (Pty) Ltd	
203	Chris McCallum	ZestLife	
204	Individual		
205	Individual		
206	Individual		
207	Individual		
208	Individual		
209	Individual		Annexure AJ

210	Individual		
211	Grethe Prins	Prins Brokers CC	
212	Individual		Annexure AK1, AK2 & AK3
213	Individual		
214	Individual		
215	Paul Cox	Old Mutual Life Assurance Company (South Africa) Limited	Annexure AL
216	Jannie Nel		
217	Dr Humphrey Zokufa	BOARD of HEALTHCARE FUNDERS of SOUTHERN AFRICA	Annexure AM
218	Joy Spencer	Harwood & Associates	
219	Individual		
220	Individual		Annexure AN
221	Callie Vorster	Table Bay Financial Services CC	Annexure AO
222	Individual		
223	Wayne Gray	Be Assured Financial Services	
224	Individual		Annexure AP
225	Lyn Miles	MediChoice	Annexure AQ
226	Individual		
227	Rodney Stein	Rodney Stein Financial Services CC	Annexure AR
228	Steve Tennant	Tennant Life Benefits (Pty) Ltd	
229	Jill & Kevin Douglas	JKD Financial Services CC	
230	Jacqueline Havenga	Celtis Financial Services	
231	Jenni Peach	Profin Financial Solutions	
232	Wayne Mann	Premier Growth Group (Pty) Ltd	Annexure AS
233	Paul Reed	PSR Investments	
234	Individual		
235	Riaan Smith	Paratus Prosapia Brokers CC	
236	Individual		
237	Darren Polzi	HDI Financial Services	
238	Individual		Annexure AT
239	AM La Grange	bestMed	Annexure AU
240	Eddie Harwood	Harwood & Associates	
241	Carla Letchman	The Financial Planning Institute of Southern Africa	Annexure AV
242	Yunus Aniff	Aon South Africa (Pty) Ltd	
243	Marco Fonto	Stratum Benefits	Annexure AV2
244	Michael Settas	Xelus (Pty) Ltd	Annexure AW
245	Gary Feldman	NMG Consultants and Actuaries (Pty) Ltd	Annexure AX



246	Roly Buys	Mediclinic Southern Africa	
247	Liz Smith	Associated Assurance Consultants Pty Ltd	
248	Individual		
249	Individual		
250	Hannes Boshoff	Momentum Health	Annexure AY
251	Jason Veitch	Travel Insurance Consultants (Pty) Ltd	Annexure AZ
252	Individual		
253	Anthea Towert	Alexander Forbes Health (Pty) Ltd	Annexure BA
254	Minet Roberts-Meyer	Resolution Underwriters (Pty) Ltd	Annexure BB
255	Anja Smith	The Centre for Financial Regulation & Inclusion	Annexure BC
256	Individual		
257	Individual		Annexure BD
258	Robin Steven-Jennings	RC Steven–Jennings	
259	Individual		
260	Individual		
261	Individual		
262	Geoff Du Preez	Total Risk Administrators (Pty) Ltd	Annexure BE
263	Megan Judd	Unilever South Africa	Annexure BF
264	Individual		
265	Individual		
266	Individual		Annexure BG
267	Individual		
268	Individual		
269	Individual		
270	Individual		
271	Individual		
272	Individual		
273	Individual		
274	Individual		
275	Individual		
276	Individual		Annexure BH
277	Individual		
278	Individual		
279	Garry Featherby	Flo-Line Services (Pty) Ltd	Annexure BI
280	Individual		
281	Individual		

282	Individual		
283	Ashleigh McKay	Plan For Life	
284	Individual		
285	Individual		
286	Individual		Annexure BJ
287	Individual		Annexure BK
288	Clive Vettlesen	CCN Insurance Consultants CC	
289	Individual		Annexure BL
290	Individual		
291	Individual		
292	Individual		
293		Mak Financial Planners CC	
294	Eales Richard	Guardrisk Insurance Compnay Ltd	Annexure BM
295	Claus Meinke	Murray & Roberts is South Africa	Annexure BN
296	Individual		
297	Tiago de Carvalho	Ambledown Risk	Annexure BO
298	Suzette Strydom	South African Insurance Association	Annexure BP
299	Individual		
300	Justus van Pletzen	Financial Intermediaries Association of Southern Africa	Annexure BQ
301	Individual		
302	Neil Kirby	WERKSMANS Attorneys	Annexure BR
303	Individual		
304	Michael de Kock	Setzkorn Harvey Dodds and Associates CC	
305	Herman Schoeman	Guardrisk Insurance Company Ltd	Annexure BS
306	Individual		
307	Walsh, Ryan	The Avant-Garde Group	
308	Individual		Annexure BT
309	Individual		
310	Individual		Annexure BU
311	Chereen Harding	MediChoice	Annexure BV
312	Individual		
313	Individual		
314	Nelda Celliers	MBA Medical Benefit Advisors	
315	Individual		
316	Individual		
317	Individual		

318	Individual		
319	Belinda Booysen	Nhluvuko Risk Administration	Annexure BW1 & BW2
320	Mark Stone	CENTRIQ Insurance Holdings Limited	Annexure BX
321	John Cranke	PSG Konsult Corporate Ltd	Annexure BY
322	Individual		
323	Individual		
324	Individual		
325	Individual		
326	Mandi Mzimba	Discovery Health	Annexure BY2
327	Individual		
328	Morgan Riley	Knowles Husain Lindsay Inc	Annexure BZ
329	Andrew Munro	PRAESIDIO RISK MANAGERS (PTY) LIMITED	Annexure CA
330	Individual		
331	Individual		
332		Chartis South Africa	Annexure CB
333	Individual		
334	Individual		
335	Rodney Meikle	Independent Financial Brokers	
336	Khaladi Gololo	Momentum Group	Annexure CC
337	Vivienne Hanmer	Compass Insurance Company Ltd	Annexure CD
338	Sven Laurencik	The One Group	Annexure CE
339	Earle Loxton	Essential Med	
340	Dr Gary Simpson	Clientèle Life Assurance Company Ltd	Annexure CF
341	Anna Rosenberg	Association for Savings and Investment SA	Annexure CG1 & CG2
342	Wim Els	Actuarial Society of South Africa	Annexure CH
343	Marcus Pillay	Gen Re	Annexure CI

## **SUMMARY OF PUBLIC COMMENTS**

## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
1	Individual	<p>I have read with interest the new regulations pertaining to the demarcation between Health Insurance Policies and Medical Schemes and I am wondering how it would affect the late joiner penalty applied by the Medical Schemes. I returned to live in South Africa in June 2010 after spending approximately 30 years abroad. When I tried to join a Medical Scheme I was confronted with the issue of the late joiner penalty. Despite having been continuously covered by health insurance since well before the age of 35, none of the Medical Schemes were prepared to take that into consideration in the decision of whether or not to apply the late joiner penalty. Thus since returning to South Africa I have continued to use a health insurance policy as the late joiner penalty makes joining a medical scheme prohibitively expensive.</p> <p>While I understand the need for the late joiner penalty, I believe the Medical Schemes by automatically applying the penalty, without taking into consideration the individual's circumstances are abusing the intent of the late joiner penalty. First, I have had full medical coverage since the age 35, but not via a South African Medical Scheme, and thus I am not a free loader. Secondly as I am good health I would not object to undergoing a medical for the purposes of waiving the penalty. Finally, the late joiner penalty it is being applied in an extraterritorial manner. I lived abroad at the time it came into effect and there was be no logical reason for me to enrol in a Medical Scheme that would have offered me zero benefits while abroad. I believe it would be beneficial if the regulations pertaining to the demarcation between Health Insurance Policies and Medical Schemes also addressed the issue of the late joiner penalty for those individuals who have had health insurance coverage. The manner in which the late joiner penalty is being applied would obligate South Africans over the age of 35 who are contemplating spending a few years abroad to continue with Medical Scheme coverage in order to avoid the late joiner penalty upon their return to South Africa.</p>

## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
2	Individual	<p>I recently became aware of the news about the draft that was sent out in the star on Saturday about wanting to stop GAP cover.</p> <p>I'm going to get straight to the point here but, why are you trying to stop this industry? I know you have been trying to stop this industry for a couple of years, but, it does not make sense as GAP cover is important and needed. This story that GAP cover does the same as medical aids and that GAP cover is destroying medical aids is beyond me. You see, the way I see it is that medical aids DO NOT provide full cover in hospital, none whatsoever cause if they did cover in full, and I mean every little penny then yes, GAP cover will not be needed. BUT, that is not the case right? Medical aids are useless, especially when it comes to them bragging about how great they all are, but, they do not mention the shortfalls when it comes to private rates in hospital that specialists charge, co-payments that medical aids charge, sub limits in hospital for certain procedures, cancer drug benefits that are not covered in full, please do tell me how you can tell me that medical aids cover absolutely everything, if you do, you are lying. Now, when it comes to GAP cover, how can we be doing the same as medical aids, when all we are doing is covering what the medical aids do not cover, we are a top up on the medical aid. I personally think that you do not know the meaning of GAP? Gap cover can only be taken out if you have a medical aid, so, how could we be affecting the medical aid industry? We not taking business away from the medical aids, what we are doing is actually making people stay with their terrible medical aids and providing additional cover over and above medical aids. Oh, and that is the CLIENTS choice, right? You see, I just don't get it. What is the point of FAIS, to protect consumers' right? Well, it's not your choice, it's not the medical aids choice, it's not my choice, but it is the clients' choice whether she or he would like to enhance their medical aid, give them peace of mind that they have that extra cover in hospital, cause as we all know medical aids do not cover everything. Now, FAIS goes on about us brokers need to protect and give correct advice on products, recommend something that will benefit the clients wants and needs, GAP cover does that for many people thousands and thousands of people who are worried because they know that medical aids do not cover everything, it's actually scary, don't know if you realize that. By you guys stopping this industry, that is not in the best interest of that client, many clients that have GAP cover to protect themselves and their families financially, unless you guys are going to cover that cost, which I really doubt will happen, who will then? Yes, the client will be liable for the costs and then be in a bad financial situation all because you taking something good that is needed away from people that do need it and is needed cause medical aids just do not cover everything. You see, I've been in the business for quite some time now and I've seen people that completely lose everything because medical aids do not cover everything and the client then loses everything because he or she has to pay for huge bills. You see, what have you guys done with regards to medical aids not covering and making things better on their side for the consumers. I'm sorry, but I just do not understand the thinking behind this, to me, whether your thinking is correct or incorrect, I personally think its disastrous and will have a huge negative affect on a large industry and also medical aids without you even realizing it or them. Oh, and let's not forget that if you do go ahead with this outrageous move, what about Jobs? Including my</p>

## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
2	Individual	job that specializes in making people happy and enhancing people's benefits, you just going to turn around and make it our problem? What about the whole creating jobs in SA, oh never mind that, let's just stop a huge industry cause it's not the correct decision, not at all. You make hundreds and thousands of brokers out there write regulatory exams then the next second you want to stop an industry that protects consumers, which now you want to take away from consumers? I do believe that we can improve the way things are done, but at the same time, I do believe that your decision is completely outrageous and not right for consumers. I do hope you make the right decision which will benefit everyone, not just you.
3	Mike Stow Hold Consulting	PDF/ Fax- Annexure A_Mike Stow Hold Consulting
4	Kate du Randt Wynsam Wealth	My experience is Members do not buy down after they take Gap cover, the truth is that the cost difference between a plan offering 100% cover and 200% is so high for the average family that regardless of if they have Gap or not they will take the cheaper option. Affordability is the main issue, for our average client their medical aid premium constitutes around 10% of their household income, they will not upgrade when GAP cover is no longer there as they cannot afford to. I also have issue around cancer and co-payment Gap specifically - many schemes now have a flat limit for cancer cover regardless of which option you are on, GAP cover is the only option if you need more cover. Dread disease cover as sold by life insurance companies is too expensive to be an alternative to GAP.- co-payment on procedures like MRI scans, scopes and other specialized procedures are in place no matter which option you are on. Upgrading on the medical scheme will not solve this issue. Personally I do not see what has changed since the guardrisk case, except maybe that the practical need for GAP cover has only increased. Regards Kate du Randt
5	Individual	So what do all the GEMS members do if they want to increase their tariff gap to 300%/400%/500% of medical aid tariff? As none of the GEMS options offer better than 100% of 'scheme rate', does this mean if the GEMS member wants to 'buy up' to cover additional costs charged by the Anaesthetists and Surgeons, the member will have to resign from GEMS and join another scheme that does offer better than 100% of tariff?

## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
6	Individual	<p>As an individual, 60+ member of a medical aid, my views are as follows: The price of a full medical aid is unaffordable – with any of the companies Even on the top plan, the cover is not adequate There is always a shortfall in hospital (gap cover deals very well with this) There could be a shortfall in oncology cover (dealt with via dread disease cover on a life policy) Medical aids are adding more and more co-payments (gap cover deals with this) If late joiner penalties are applied – this is very expensive on the top plans. It is far more practical to take a lower plan with gap cover. More and more people want to have some cover as the Provincial hospitals are a health risk and NHI is unlikely to work – in my lifetime. It has or is failing right around the world. I think that the regulators should encourage more and more people to take private medical aid. Taking a lower plan with gap cover ensures that hospital treatment (the most costly) is then covered. The more people that take this option, the easier it will be on the Provincial hospitals Younger members DO NOT subsidise older members – the younger members abuse the plans! Doctors overcharge, they are the ones that need some regulation! Medical aids are making bigger and bigger profits – there should be a ceiling on their annual increases. They “pretend” to keep premiums within CPI but at the same time reduce the benefits each year! As a member we pay more each year and receive fewer benefits. The option of gap cover gives us the option of taking the best cover we can at a price we can afford. It creates some flexibility and doesn’t leave us totally in the hands of the medical aids.</p>
7	Leon Wessels Valem Financial Services CC	<p>I am an independent broker which actively market and assist medical scheme members with their medical scheme needs. I work across all income levels In the first instance I would state that I am alarmed at the thought of denying members to ensure themselves against medical scheme costs. They have no way in controlling the cost of health care services. As you are well aware, the increases in medical scheme premiums outstrip inflation and salary increases. Doctors and specialists charge up to 500% of the so called own medical scheme tariffs. How can Government then disallow Gap Cover to members to protect themselves and their families against financial ruin? Further, I believe Government should rather embrace Gap Cover. They should rather attend to medical schemes not paying PMB's from the hospital benefit. I cannot tell you how many battles we have with medical schemes who "conveniently" forget the PMB rules. My wife is a practised pharmacist and she assists my clients with their claims. Then, I cannot envisage a member moving to a higher option with the thought that they will then be fully covered. How can anyone thought that it will work, is ridiculous. Not when the top options pay only 200% / 300% of their own medical scheme tariff. And then we are not even talking about co-payments. It is really absurd. I would rather welcome back a market related price list and then medical schemes can then give accurate information to their members on what they are willing to pay. That would be a major step in the right direction to protect and inform the member what they get for their premium. My apologies if I do sound negative, but it is not nice to sit across the table from a medical scheme member to explain to him why he suddenly needs to pay R5000, R15,000, etc. while he thought he was on a 100%</p>



## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
		medical scheme. On the positive side. More and more people believe they should have medical scheme membership at affordable levels. It is very important to them. At the same time they also understand the benefits that Gap Cover can provide to them. Please consider the value and peace of mind that Gap Cover brings to people, and they can join up to 80 years of age. Best regards Leon Wessels CFP, B.Eng(Electrical) Valem Financial Services CC FSP no 34723
8	Michelle Taylor Neil Viljoen & Associates	Firstly let me state – what a bad idea to even think of removing this extremely valuable cover. At the moment, the highest cover with any medical scheme does not come close to the high amounts doctors are charging or costs of certain procedures. Already medical aid is so expensive that very few are able to afford the most expensive cover (which might cover 300% of scheme rates) and the majority cannot afford medical aid at all. By wanting to remove this cover your will be causing more people to be out of pocket with these type of expenses causing medical aids to be cancelled due to lack of funds. There will then be more people for the state to look after – which is what we don't want. The only way any responsible person can cover these extra expenses is to take out a gap cover policy. It is affordable per month to help with unexpected medical costs. I have just had a pensioner who had a hip operation – R12400 of that was NOT covered by his medical aid which he has been able to claim from the gap cover. No normal person would have had this amount of money to pay these extra costs. Perhaps you should start capping the doctors as they are charging between 400% - 500% of scheme rates which is absolutely ridiculous. Why do you want to cancel the solution – shouldn't you be looking at the problem? I do think the only type of products that should be cancelled are the hospital policies that are promoted as medical cover. I have had quite a few clients receive misleading brochures about these products. Regards Michelle Taylor
9	Individual	Please do not do away with gap cover and drop us, the general public, into the clutches of the medical aid industry. I predict that, if you remove the competition provided by insurance to the medical aid industry, the medical aid cover will become unaffordable and more working people, currently paid for by medical aid and medical insurance, will be forced into state hospitals aggravating the overcrowding in those hospitals.
10	Conrad Gunter Charis	1. It remains the constitutional right of the member/public to engage in taking out additional “cover” over and above their medical aid cover, because as sure as the sun will rise tomorrow, in future specialist rates will increase, surely medical aid premiums will increase and at some stage medical schemes may reduce all cover to only 100% of medical schemes rate. Imagine where that will leave medical scheme members? 2. From a practical point of view, affordability is the bottom line. Members will buy into what they can afford and settle with whatever benefits comes with that option....that's the reality! 3. Will be interesting to see figures on what % of the 16.2% has GAP cover vs. what % of the 84% takes out the “other products” like hosp cash plans etc. Regards CONRAD GUNTER

## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
11	Howard John Charles Silk	<p>I am a consumer and a broker of insurance and medical aid products. I would like to object strongly against the proposal to do away with medical Gap cover. I feel sure that this draft legislation is possibly a reaction to complaints from the medical aid industry. Their products are designed to offer minimal cover unless one is prepared to pay exorbitant fees. I am sure, since the Council for Medical Schemes fought the introduction of Gap cover so vehemently, it appears as if that there is huge behind the scenes pressure on government by these medical schemes to stop the trend of people who are desperately trying to manage their medical costs and survive financially. It seems as if the medical aid industry is trying to swell their coffers even more at the expense of the already embattled consumer! I have been marketing Medical Aid, and more recently, Gap cover for many years and I can prove that most of my clients that use Gap cover are not the young and healthy but older clients. Most medical providers in the private healthcare sector charge between 300% and 600% of the scheme's tariffs. In order to obtain this sort of cover from a medical scheme a family of four would need to take out medical aid at a cost of about R6,600 a month. To top executives and those who have company subsidies (Now effectively removed by the new budget and removal of tax relief!) this might not be a problem. But to a self-employed or middle income family this is a huge amount, almost the cost of a Million Rand bond! The same family can effectively get the same cover for about R2,200 a month with Gap cover and then self-medicate on day to day requirements. That is 1/3rd of the cost and gives the bread winner and family man a bit of relief and peace of mind that he is able to cover a medical emergency if needed. Gap cover takes a bit of pressure off the consumers (old and young and healthy and unhealthy) and it is a vital arrow in our quiver to try to make ends meet in the face of inflation, taxation, fuel hikes, taxi price increases and other pressures that we have to face today! Please do NOT go ahead with this proposed legislation. It is not fair; it will cripple many families who find themselves in medical emergencies and the medical aid companies (non-profit? RIGHT! Then their administrative or holding companies) will continue to declare big dividends and make huge profits, expanding and investing in new ventures such as the VERY silly (and acceptable to government) schemes that pay you "R1,000 a day you are in hospital" insurance policies! I urge you to re-consider and speak to the guys on the ground who deals with this stuff all day, us the medical aid marketers and not the fat cat medical aid companies. Regards Howard Howard Silk (AFP ©)</p>
12	Individual	<p>Whilst not enough thought, consideration or planning went into how the problem or problems needed to be addressed before publishing such an article or how the public will respond; it is quite frustrating on the part of the employee of such organisations that market such products. There has never been a greater demand for such a product (Gap Cover) than ever before. Every medical aid has their specific shortfalls, and whilst it is quite easy to state "You would now need to upgrade your medical aid plan" does not leave the consumer any more covered than he was previous to upgrading. It will definitely infringe on his surplus income if any. Has Government, CMS, FSB and the likes actually thought about how many jobs will be lost because of this? Do we then have the opportunity to move from one job to another given the current climate of job creation in South Africa, or can I safely say that either Pravin</p>

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Comment	Organisation/ Individual	Comment
		Gordhan, the directors of CMS or FSB will create one for us. Hmmmmm, what do you think? I presume we all have no choice but to utilise government hospitals and the likes given the ripple effect this would have. The cause and effect has NOT been thought through and in my opinion the BIG GUNS have started shooting in the dark without putting on their night vision glasses.
13	Guiseppe Michelle Elia Garone Grone Insurance Consultants	<p>This Long awaited draft and the laborious task to read our comments in respect of Pros and cons to this very important matter, which I would like to Thank you for taking your time which effects all of us consumers and agents/brokers and the medical Industry including Long term and Short term. We can all criticize - All the Government Bodies like FSB; CMS; DoH etc. etc who somehow appear to be concerned about the options which are offered to clients by FSP/agents/brokers, and whom are regulated by the FAIS Act- anyway from the present economic situation the consumers ends up paying. Costs are the major problem- medical equipment and most of the drugs are imported - this attracts a major % of medical claims and the Root of the problem is our Tax system starting with our weekly and monthly petrol increases. In concluding " the health care Industry is a vital one" and maybe the Role players should start talking to each other and not just wait for rules and regulations to be drafted which basically like this particular draft has lumped all policies in one pot- terms &amp; conditions might be amended but will it benefit the consumer and the Industry- it's a complex situation, but maybe " Our mind set must change" rather than the policy wording. Once again thanking you Yours sincerely Giuseppe Garone GARONE INS CONS DRAFT REGULATION – HEALTH AND ACCIDENT POLICIES –pg. 2 Statement (4)- POTENTIAL HARM ? How can an additional policy added to a Medical Aid health plan be A potential harm in favour of a policyholder – especially in view of the fact That a Medical Aid attempts to manage risk by creating large pools of Individuals who are asked to pay the same contribution, regardless Of age or medical history- although in the recent years the proposals Appear to have sufficient questions to medical history in respect of the Applicant. Insurance: Whereas the underwriting and the premiums been charged are based on The likelihood of future claims – this means that the insured is underwritten, And those people whose health places them at a greater risk in relation To the average – are asked to pay more – there is a health loading –</p> <p>Sometimes if necessary there are exclusions. Although risk rating has been criticised – because all should enjoy medical Health insurance between good or bad – but our present expensive medical Aid rateing structure and worst still the hospital costs soaring at phenomenal costs-how are we providing the consumer any positive cost effective medical health – and now the joint process between Treasury, the DoH the FSB, and CMS have by some illogical reasoning have concluded that certain Gap –covers and hospital Plans are harmful- is there any stats that proves this statement What is this FAIS Act No 37 of 2002 – which states that it wants to regulate The rendering of certain financial and advisory and intermediary services for Clients and the Code of conduct ( BN 80) to protect and give good advice To the consumer, how can the FSP give good advice if the options have Been withdrawn because they could harm the Medical Schemes- the Positive inclusions will not harm the industry but</p>

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Comment	Organisation/ Individual	Comment
13	Guiseppe Michelle Elia Garone Grone Insurance Consultants	<p>the lack of options will Be much more disastrous. It would appear that there are certain products that possibly are similar to Medical health plans, but then let's identify these policies, but presently Gap- cover can only be effected if the client is on an existing plan and is Not a stand alone contract- at least the consumer enjoys some peace of Mind, knowing that there is some cover in place- anyway none of these Plans are close to placing the consumer in a better position or even Been in the same financial position as before the event occurred. In my opinion reading certain section of the Gazette (no 9706) the draft Has grouped all the gap and hospital plan and adopted a general interpretation Instead of identifying specific plans that maybe could be harmful ie if these Contracts really exist in the market place. Since 1994 the Medical Aid Schemes have gone through significant structural Changes, the stats showed an estimate of 6,5 million persons contributing To health schemes, now 2012, 18 years later the CMS and others are still Trying to identify the similaraties of contracts been sold to the consumer. The Main and prime objective of CMS and others should be to increase Access to affordable healthcare to a much wider spectrum of employed South Africans and to make better use of the healthcare resources in the Private sector. We should rather be positive and work towards a model that will be more Sustainable in the future instead if eliminating cost effective contracts. In brief just to end my thoughts on this draft I wish to point out that the Products offered by the short term industry and the long term companies Were never designed to replace the Medical Aid health contracts but To supplement a medical aid, short term and long term products could Never replace medical aid cover, because the whole concept is totally Different in respect of claims in relation to premiums and one industry Is non –profitable and the other is or should be profitable and cost Effective . Giuseppe garone GARONE INS CONS (FSP 16939) DRAFT REGULATION – HEALTH SHORT –TERM &amp; LONG TERM ACCIDENT POLICIES:- NATIONAL TREASURY PUBLISHES A DRAFT DATE OF ISSUE 3 MARCH 2012 ( SATURDAY STAR 3/3/2012) 1)WHAT ARE THE BASIC PRINCIPLES OF THE HEALTH INSURANCE POLICY: HOW DOES IT WORK? 2)WHAT ARE THE BASIC PRINCIPLES OF THE MEDICAL SCHEMES – HOW DOES IT WORK I would like to mention that around FEBRUARY 2000 – DISCOVERY Devised into their plans an insurance component and according to the Health department the plans did not comply with the New Mediacal Act. At the time Mr Patrick Masobe said that the removal of the insurance Component had resolved the major problem that the department had With the said product.</p> <p>And ( Quoted as per business day February 2000) : “IF THERE IS NO INSURANCE COMPONENT THEN THE MAJOR DEMARCATION ISSUE IS OUT OF THE WAY.” At the same time Fedure health had a similar problem. Therefore the problem was solved there was now a DISTINCT Border between the medical health and the insurance contracts. At this point the Medical Health was exposed,the cover was in sufficient – the benefits afforded on the Medical Health contracts had to many loop holes, there was in other words limited benefits. Mr Masobe said according to the article that the policyholder Would not be jeopardised- what was meant by this? This was a clear cut case that there was no insurance component In the Medical Act and that the two contracts providing benefits Were not in any way similar in that the scope of cover to a lay- Man could appear to be similar but they are not because the top- Up cover only pays</p>

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13	Guiseppe Michelle Elia Garone Grone Insurance Consultants	out a benefit over and above the Medical health And that the benefit can only be effected if the policyholder has A medical health policy with a registered Medical health reg -tered company in South Africa.( ref to para (3))
14	Darrel Morris P3 Business Solutions CC	<p>We have been selling medical aid for the last 12 years and have only started selling Gap Cover in the past year to our members.</p> <p>I do believe that in the past there have been certain products that have encroached on the medical schemes domain, namely the "Liberty Lifestyle" type product, where the public would not join a medical scheme if they had this cover in place. It is our opinion, however, that there is NO conflict between medical schemes and gap cover as the gap cover is sold to complement a member's medical scheme and not as a means to either replace a medical scheme or to downgrade his/her option. In all instances where we have marketed the product, the medical aid option is first selected and only then is the Gap Cover discussed and possibly purchased by the client. The gap cover is community rated for individuals and has the same type of waiting periods and exclusions as a medical scheme (it is not underwritten in the same way as a long-term Insurance product). As we see it, there are more and more co-payments coming into being from the medical schemes and gap cover provides members a way to insure this risk. By removing gap cover from the market, we believe it is only the members who will be disadvantaged, i.e. the very people that should be protected. In my view, the only negative of gap cover is the possibility that service providers may start to charge more, if they are aware that patients have gap cover. This would pose a serious risk to the gap cover is it would then become unsustainable. I believe that gap cover is a valid product that does not encroach on the medical schemes per se and it should remain an option for the public to purchase. I would like to see, however, the reintroduction of some sort of fixed rate ceiling that service providers can charge to prevent the upward spiraling of costs. Kind Regards</p>
15	Individual	Herewith I would like to thank Complimed for the Gap cover Policy. With certain healthcare providers that charge more than the prescribed benefit that the Medical Aid is paying, it would in some cases, be impossible to be able to pay the difference. The Gap cover Policy definitely give me a peace of mind!!
16	Individual	Regarding <a href="http://www.medicalschemes.com/files/Press%20Releases/PressRelease3of2012.pdf">http://www.medicalschemes.com/files/Press%20Releases/PressRelease3of2012.pdf</a> , please can you tell me if there is any law in SA that prohibits South Africans living in South Africa from purchasing international based medical insurance products like BUPA, AETNA, AXA, Interglobal, etc? Surely South Africans have the legal freedom to purchase (on line or via the phone) any medical cover of our choice even if it means purchasing a medical plan not registered with the CMS? I look forward to hearing from you.

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Comment	Organisation/ Individual	Comment
17	Westley Van Rooijen Sure Select Solutions CC	<p>It is of great concern that I write to you upon reading the recent draft regulations of Health Insurance. My name is Westley Van Rooijen, member and representative of Sure Select Solutions CC, FSP27464. As a broker for many individuals and group clients it is my responsibility to give sound financial advice in the best interest of the client. Although I don't offer medical aid, I do however offer GAP Cover insurance. When a client contacts me requesting GAP cover, it is because they have either faced a short fall on a procedure they have had in-hospital or that they have heard of friends and family who have faced financial problems in paying for the short falls on doctors accounts due to the medical aid only paying according to their tariffs whilst in hospital. Upon asking my clients why they have chosen a certain medical aid option opposed to a more comprehensive option, the answer is simply about affordability. With the cost of living, most insurance products are selected by clients based on affordability. An average South African middle class family of four cannot afford the medical aid's comprehensive or top options, they are simply just too expensive. However the costs of undergoing a procedure in hospital are on the increase and medical aid tariffs can be considerably short compared to that charged by a specialist. I believe that the risk pools of medical aids are not affected by GAP cover as such, but more people choosing options that best suit their pockets, and in turn selecting a GAP product to cover the major short falls that do exist on specialists accounts. Removing GAP cover from the Health Insurance sector would have dramatic financial implications on the general public, leaving major short falls payable by members. I believe that GAP Cover insurance is a necessity for all medical aid members, regardless of what option a member has. From my experience having seen many recent GAP claims, specialists are charging more and more above what the medical aids are willing to pay.</p> <p>For your consideration Kind Regards, Westley Van Rooijen</p>
18	Individual	<p>The Gap Insurance is vital to the middle classes. I am in my sixties and all our married lives we were on the top medical cover. Now , as pensioners, we have to be on a lower cover. I had a big operation last year and in spite of asking around, the surgeons all charge between 300-500@ above medical-aid rates. I would have had to consider burdening an already overcrowded government hospital were it not for the gap insurance. I have insurance risk policies to cover all my other needs and therefore I feel that the constitution entitles me to medical insurance to reduce risk there as well. Please legislate these insurances as they are vital to us.</p>
19	Individual	<p>DRAFT PROPOSALS TO ERADICATE HEALTH INSURANCE PRODUCTS: It is with some concern that I have read in the press, that Government has put forward draft proposals to do away with all health insurance products This will effectively be accomplished by amending the definition of a medical scheme, to deem that any policy that helps you to pay for healthcare services, is doing the business of a medical scheme. How this conclusion was arrived at, I have no idea, as most of these policies only seek to reimburse the policy holder, for amounts not covered by their medical schemes. There are also a large number of people who cannot afford to belong to a medical scheme, but who have chosen to take out a health insurance policy of some type, to at least cover some of their medical expenses. These</p>

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Comment	Organisation/ Individual	Comment
19	Individual	<p>people will be denied that opportunity, if the proposed amendment is enacted. This is unconstitutional. I am a pensioner, aged 67, a member of Bankmed, a closed medical scheme, whose members benefits are constantly being eroded annually, while monthly subscriptions are increased annually, by percentages above the inflation rate. With specialist surgeons charging 300% (or more), of medical scheme tariffs, and Bankmed only covering 125% of their (Bankmed's) tariff, I was obliged to take out a Gap Cover policy, at a cost of R100-00 per month. This covers the shortfall between what a surgeon and anaesthetist charge and what Bankmed pays, only for surgical procedures, carried out as an in-patient in a private hospital. In addition, it covers the R500-00 per hospital admission that I have to pay, which is not recoverable from Bankmed. I fail to see how my Gap Cover policy can be "doing the business of a medical scheme", when clearly cover applies to the excess not paid by Bankmed, for surgical procedures only!!! I am already on the highest option that I can afford (their Comprehensive Plan). If I were to upgrade to the next ( highest ) option, the Plus Plan, as has been suggested, it would cost me an additional amount, in excess of R2.000-00 per month, which would be totally unaffordable, on my pension. In the past few years that I have had the Gap Cover policy, my wife has had to undergo various surgical procedures. Had I not had the Gap Cover policy, I would personally have been out of pocket, to the extent of approximately R50.000-00! Where will I find the additional funds to cover these excesses, if my Gap Cover policy were to be cancelled?? I therefore strongly urge Government to re-think their proposals, regarding the doing away with all health insurance products, which will only serve to hurt the pockets of people already buckling under exorbitant medical costs.</p>
20	Individual	<p>My husband and I are members of a fully comprehensive Medical Aid I am 67 and he is 72 We are members of GuardRisk GAP COVER underwritten by Alexander Forbes ----- This GAP COVER has provided enormous relief when I had essential surgery-----one being a knee replacement . If I had not had GUARDRISK GAP COVER I would have had to dip into my Caoital Reserves to pay the Surgeon and the Aneathetist. This in turn woulf affect my monthly income !!!! Surely it is my Constitutional Right to protect myself and my Pension and if I am prepared to pay Guardrisk the premium to do this. It is as much my right to take this cover as it is to take Personal Accident Cover and Life and Serious Illness Insurance Cover. If I do not have this protection who will help me when a need arises? Dr my suggestion is you look at the HOSPITAL CHARGES they are outrageous and are usually covered in full by the Medical Aid. Look at better salaries for Nurses who work so hard for sio little.</p> <p>PLEASE I beg you do not even THINK of removing the GAP COVER facility! Yes make it only available to Members of a Fully Comprehensive Medical Aid so that it is not used instead of a Medical Aid.. Whose side are you on The Medical Aids? or the CONSUMER ? DO you have a vested interest in the listed Medical Aid Companies?You will be putting us in a position where we may be FORCED to pay a much higher premium to the Medical Aid which pays 3X rates which is what most Private practitioners charge and who are entitled to charge for their expertise and years of intense studying to become Medical Specialists.</p>

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Comment	Organisation/ Individual	Comment
21	Individual	<p>With regard to the proposal to stop gap and or other medical insurance I would like to place on record my total disagreement with this proposal. Currently medical aids are costing so much that ordinary citizens (the majority of tax payuers and the ones belonging to these medical aids) cannot afford to belong to them at the maximum option to get proper cover. the cost is not only prohibative but it still does not cover one adequately. So by doing away with this option, which by the way is our right to do, as we are insuring ourselves against a future risk more people will simply forgo belonging to a medical aid and be forced to go to a state hospital instead. These state hospitals already in a disarray will simply collapse under this new flood of people. If medical schemes are complaining about loosing healthy clients maybe they should look at their adminisitrative costs instead to keep prices down. They are all saddled with hghly paid executive staff costing a fortune and with I am sure, very high perks as well. All this means is the government is interffering in an area which it should leave to market forces to sort out. This will only make it work even less. If the medical aids feel they are loosing customers then they should remarket or restructure their product, instead of complaining. These insurance products have come about for this very reason that the medical aids are not providing a comprhensive service and their products have become so complicated and uncertain that this situation has given rise to innovative ideas from others.</p>
22	Nicky Van Dalen Futurum Financial Group Risk Solutions (Pty) Ltd	<p>DRAFT REGULATIONS: DEMARCATION BETWEEN HEALTH INSURANCE POLICIES AND MEDICAL SCHEMES We refer to the Draft Regulations and wish to provide the following comments.</p> <p>FFG Risk Solutions is an established brokerage specialising in consulting to employers with regards to their Employee Benefits and Health Care for their employees. At present we have in excess of 15 000 medical scheme members who are provided with ongoing service and advice with regards to their medical schemes. These members are on various medical schemes and geographically spread across the country. The members, as well as the employers depend on our advice for decisions based on appropriate choices of medical scheme options. We have found the following applicable to members within our employer groups where we are appointed as the health care intermediaries:</p> <ul style="list-style-type: none"> <li>•Members can often not afford the expensive options of medical schemes</li> <li>•Members cancel their medical schemes due to this situation</li> <li>•Members should be provided with alternatives in order to improve affordability and ensure cover</li> <li>•Shortfalls in cover should be restricted</li> <li>•Co-payments/deductibles are applicable to many options of medical schemes and raises another affordability problem</li> <li>•Most medical schemes cover in-hospital benefits at medical scheme rates only</li> <li>•Providers such as specialists, mostly charge rates far in excess of the medical scheme rates leaving members with substantial bills to settle form their pockets which the majority of members cannot afford</li> </ul> <p>As consultants we are of the opinion that Gap Cover products really do serve a purpose in the industry. An example would be a member who is currently on a higher option of a medical scheme which provides cover for in-hospital at 2 or 3 times medical scheme rates, and cannot afford to pay the contributions. Instead of The member cancelling the cover we would suggest that the member downgrade to a more affordable option providing cover only at medical scheme rates and providing a Gap Cover product to cover the shortfall in the event of a claim. The combined</p>



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22	Nicky Van Dalen Futurum Financial Group Risk Solutions (Pty) Ltd	contributions for the medical scheme and Gap Cover would be substantially lower and more affordable and at the same time the member will have improved cover. Co-payments/deductibles for certain procedures on some more options of medical schemes do contribute to the contribution being more affordable, but at the same time members rarely can afford these payments, which could be thousands of rand. A Co-pay product which refunds this payment to the member can again be used to provide members with the opportunity to be on a more affordable option. The monthly contribution of the lower option, requiring the co-payments/deductibles, together with the Co-pay product, results in a substantial monthly saving to members, but still providing good benefits. It is FFG's opinion that removing these products from the industry would greatly disadvantage a tremendous number of medical scheme members as they WILL cancel their medical schemes due to affordability which will place an additional strain on the public sector once again. If the public are not provided with such products and have to rely entirely on medical schemes for cover, we can expect a substantial number of members who downgrade due to affordability and ultimately are on ITC as they cannot afford to pay the shortfalls on accounts from service providers for this in-hospital treatment. The reverse of this is that there are schemes which provide the higher cover, but at a premium most members cannot afford. At present, in many of our employer groups, members contribute a large portion of their monthly salaries to medical scheme contributions. The use of the above products assists us to make medical cover more affordable for our clients. It is important to note however, that a detailed analysis is done with clients before the aforementioned changes are suggested and implemented. We trust the above information is relevant and request that we be contacted should any additional information be required. Yours faithfully NICKY VAN DALEN Director : Client Relations FFG Risk Solutions (Pty) Ltd
23	Individual	The planned intention to cancel GAP cover has not been thought through with due diligence. The reasons behind this action are not sound. Taking this product off the market will not encourage Medical Aid members to upgrade Medical Aid options, which are already unaffordable, to higher options. This is not going to happen. This action will lead to the creation of debt which is unnecessary due to the shortfall of Medical Aid cover and medical costs. Please do not take away my right to protect myself and my family against financial dangers which exist due to the past tragic history of this country, in not allowing its people to be educated and progress so that all could become more productive and efficient. If this had in fact happened the currently, many more people would be able to afford Medical Aid which in turn would possibly lead to lower membership costs. What actually should be considered is allowing the Life Assurance industry to reintroduce major Medical Expenses products which were also stopped about 10 years ago. i believe that the action to cancel GAP cover has come about with good intentions but I believe that this is going to be a major mistake. This action has not been properly investigated.

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Comment	Organisation/ Individual	Comment
24	Geoff Clark Canham Insurance Brokers	Re Draft Regulations in respect of Gap Cover. I am concerned at a single minded approach to Gap Cover being taken, there appears to be no distinction made between products fulfilling a need, and those purporting to be a medical aid. I am a certified Financial Planner (cfp) involved in the financial services industry since the late 1980's and have seen much of the evolution of medical aids and by products. An estimate of the clients I deal with on medical aids alone would be in the region of 250 to 300. You may recall the days when medical aid rates (MASA) existed and life companies brought out life policies with a small savings element to bridge the gap between actual costs and the medical aid rate, they operated according to a schedule of benefits noted in a policy document. Some were even incorrectly positioned as an alternative to a medical aid – much the same as what is happening now. The medical schemes thereafter evolved into plans more aligned to hospital plans with savings accounts to cover day to day expenses etc. Initially, on these new “era plans” (eg Discovery) the cover was at cost, If memory serves me correctly, thereby removing the need for the additional top up cover products and they became defunct. The medical aids were then later adjusted to calculate cover levels at multiples of MASA and not at cost. The current scenario is an even lower percentage reimbursement rate according, not to MASA rates, but at some internal rate set by the medical aid itself, premiums have been increasing at well above the inflation rate all along the way. Where does all of this leave the members? History has run full circle, the need for a gap cover type product is evident. My own experience has been that the cost of upgrading cover on a medical aid scheme to improve one's cover level from say 100% to 200% is very costly. The alternative has been to institute gap cover, remain a member of the medical aid at an affordable premium and enjoy protection against medical costs levied at substantially above tariff (eg specialists). This need is expanding in other areas of the medical aids where limits are applied to say oncology benefits, where is a member to find the money for such after they reach a set ceiling? (aside from PMB benefits) and where plans extend beyond that, at what formulary? I do not think it prudent to legislate fully against gap cover in general, demand should be driven by market forces, but to legislate against misapplication of such products - yes. Gap cover is a much needed safeguard to members financial security given the limitations medical schemes are forced to impose due, they say, to rising claim costs, I say this not intending to indict anyone but rather to consider the realities facing my clients and the affordability aspect of medical coverage in general. Kindly, in your appraisal of these matters give consideration to the fact that members need safeguards against costs which could smash them up financially, but also be in a position to do so without having crippling monthly medical premiums. Thank you Geoff Clark (cfp)
25	Individual	How do gap cover works, regarding my self I am having savings that pays GP's so now I am quite not to sure wht is the gap cover doing. Thank you very much for your co-operation.
26	Individual	As a Financial Advisor who sees clients from all walks of life, I strongly object to the proposal to ban GAP cover from the South African public. I'm not referring to Hospital Cash plans that pay amounts daily when in hospital, at fixed rand amounts that never increase with inflation. GAP policies can only be bought if the person has a Medical Aid, as

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26		illustrated below from this comment made on the News24 website, even though the person has Comprehensive cover which they are paying high premiums for they still have a shortfall because of the costs incurred. These incidents happen on a daily basis, the State hospitals cannot cope due to their “own issues” which results in people having to provide their own protection against what can be astronomical medical accounts. GAP policies provide a means to obtain this type of Financial protection at an affordable cost to the already overburdened South African consumer, and should not be banned from the SA Consumer. Copied from News24 website – Discovery vs GAP Cover “Debora 2012/03/13 Comment #6 " After hours" accident I have just had an accident which (Medical Scheme) deemed as after hours (Sunday afternoon) & as a result not paid some/all of the bills - even though I'm on the Comprehensive option!!! These bills are quite substantial as they include full body CT scans - if it was not for Gap cover, I would need to take up a 2nd job just to pay the deemed " shortfalls" - & I already pay a fortune on monthly contributions! We need to keep hospital Gap cover in place” I hope that you and your committee will reconsider these decisions, as banning the GAP policies which are only allowed if someone has a Medical Aid would be detrimental to many consumers in South Africa, and as illustrated above could leave many people with huge financial bills, and the state hospital with more people to look after, as people will cancel their medical aids because they will become unaffordable.
27	Individual	I am a consumer of medical aid products. I would like to object strongly to the proposal to do away with medical Gap cover. Please do NOT go ahead with this proposed legislation. It is not fair; it will cripple many families who find themselves in medical emergencies. I urge you to re-consider and for once to act on behalf of the man in the street who benefits from this cover. The medical aid societies are already benefiting far more than their clients and it will be a crying shame if you do not act on behalf the less privileged ( who far exceed the more privileged ) in our country.
28	Brian Anderson Brian Anderson Brokers CC	It is with grave concern that I read the various articles being published regarding Governments consideration in abolishing so called “GAP Cover” products! As an expert in this field I find this thought pattern most disturbing and if pursued will and can only lead to members monthly health costs escalating. I have some 1400 members on my books on medical aid, most of whom are corporate clients. As such there is no truth in the rumor that GAP cover is more desired by younger folk? The people who have elected to utilise the benefits afforded by this GAP cover protection range in age and all use this to augment their current medical aid provision. In no way is this marketed as a stand alone benefit. GAP cover benefits compliment medical aid benefits to a very large degree and is a more cost effective solution to upping medical aid benefits. Should this be outlawed members will be out of pocket for in-hospital benefits and will need to find this shortfall somewhere by: educing savings Increasing their home loans (accessing their access Bonds) Borrowing Dipping into savings etc. Using government health services which are already under immense strain Government is trying to get the public to invest more for their retirement to reduce expenses. If this is acted on all it will achieve is a very definate overall negative effect in many areas not only limited to health care. As

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28	Brian Anderson Brian Anderson Brokers CC	an expert in medical aid issues I am happy that you engage with me to deliberate this very sensitive and emotive subject. Why kill the goose that lays the golden egg? Yours faithfully Brian Anderson CFP®
29	Walter Robertson Wally Robertson & Associates	It is with deep concern for my clients that I learn of the CMS intention to once again address the issue of "Gap Cover" to augment medical aid benefits. We have had many claims settled through the medium of gap cover. In most of these cases the clients would not have been able to afford the shortfall that they were faced with. I have been involved with medical aid benefits for 20 years as a broker and gap cover is now an essential part of the claims process. Your Sincerely Walter Robertson
30	Peter Marx Peter Marx & Associates CC	PDF/ Fax Annexure B_Peter Marx and Associates CC
31	Kim Vermeulen Medilusions CC	<p>DRAFT REGULATIONS REGARDING THE DEMARCATION OF HEALTH INSURANCE POLICIES The release on Friday, 2 March 2012 of the draft Regulations on the Demarcation between health insurance products and medical schemes is disappointing.</p> <p>I am a member of Medilusions CC, and currently have about 500 members on my books. As you are well aware, private healthcare in south Africa is expensive, enforcing a lot of members todowndgrade there plan types. To help protect our members for possible shortfalls, we have offered them Gap cover ensuring that they are still able to get the best treatment with a lower premium. In doing this we have been able to save a lot of members from cancelling there medical aid. This cannot be seen as harmful to medical schemes. If Gap cover products are no longer allowed, will only mean that that premiums will increase and that the shortfalls between medical scheme benefits and actual costs incurred may not be met for a lot of major events such as hospitalisation and surgery. Although the PMBs are meant to be paid in cost, (which is less than half of all hospital admissions) members still are not protected against specialists charging higher rates on other admissions. On the other hand, South Africa has a shortage of medical specialists therefore it would be unwise to target specialists to reduce costs. Consumers, therefore do not have the protection from their medical schemes, making gap cover essential if consumers want comprehensive in-hospital cover. In short, if you want to ensure medical contribution increases remain within inflation. Keep specialists in South Africa, and ensure that members are protected against large shortfalls, the solution remains GAP cover. If not, the consumer is going to lose. Hopefully, and a more inclusive and articulate set of regulations will be structured that provides the protection necessary for medical schemes and also, does not leave the consumer exposed to unaffordable private medical costs. Regards Kim Vermeulen</p>

## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
32	Individual	As a prospective Complimed client I would like to voice my objections to the proposed changes to the Short-term Insurance Regulations as they would render my current health-care arrangements unaffordable. Complimed offers a vital product to a large number of South Africans. R
33	Jill Ingram Wealth and Asset Financial Services(Pty) Ltd	I have a large medical aid client base and I am very aware of the short fall in claims my clients have to pay as a result of the huge gap between doctors' bills and the medical aid refund amount. Even on the comprehensive schemes, most only refund at 200% and the gap is still large. Most of my medical aid clients have Gap and thank goodness for this product. In so many cases, the gap claim is higher than the refund of the medical aid scheme. I can categorically state that my clients would have been financially in great difficulty had they not had gap cover. It is their right to pay for other insurance to ensure that they are not out of pocket. Furthermore why should they pay thousands of rands more to upgrade to a higher plan, when this higher plan will only cover them at a max of 300% of medical aid rate? The doctors are charging more than this. It will be a travesty of justice if Gap is not allowed. It is going to be many years before we have a NHI that works (like in the UK) and in the meantime, why should my clients and others suffer because treasury wants to cancel a vital product. There is no way you will convince doctors to change their rates. I hope this email is read and viewed in a favourable light.
34	Michelle Seagreen Seagreen & Associates	It has come to my attention that gap cover products are in jeopardy and I felt the need to air my views. As a medical aid broker, I meet with many clients on a daily basis. I am familiar with Medical Aids including Discover, Momentum, Liberty and Fedhealth. I have come to the realisation that there is no medical aid that fulfils the needs of my clients 100%. In almost every claimable instance my clients have been presented with bills that have been short-paid by their medical aid. I almost always sell a gap cover product now as it is only with a gap cover product that my clients medical needs are met in totality. If gap cover is outlawed, my clients will be severely hampered in their ability to sustain themselves financially. The procedure by which we choose a gap cover product is simple. I discuss what my clients needs are and assist with a certain plan. Once that plan is chosen, I then suggest a gap cover for the shortfalls. This ensures that they get the best possible cover for their needs. If gap cover products are removed from the market it will stop clients from being able to afford adequate medical cover. Regards,
35	Individual	PDF/ Fax Annexure C_

## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
36	Individual	<p>Re: Draft Demarcation Regulations I do not know the detail about the proposed draft. However I've been told this may impact the medical aid gap cover insurance? Here is my story for your consideration; My family and I belong to Discovery health on the coastal saver which pays out 100% of discovery health rate (almost R4000 per month in premiums). The specialists we prefer (Paediatricians, Gynaecologists, etc) all charge way above discovery's rate. The day to day bills can be easily managed. However, I identified a real financial risk associated in hospital admissions: A standard birth for example has a short-fall of up to R8,000 due to specialist fees. An emergency can run in to 10's of thousands. As another example, my mother-in-law, on the same plan, was left with a R8,500 short-fall on a R12,000 operation to her hand. Two choices to reduce the exposure, either pay thousands more in Discovery premiums to increase the % pay-out OR insure for gap cover. Regardless of the fact that my budget doesn't allow for a more expensive plan on discovery, it just wouldn't be a feasible choice in any event; it would be cheaper to save the additional. Using specialists who charge 100% isn't an option - I want my family to be taken care of by the best doctors. Furthermore, in an emergency I'm not going to shop around for 100% rate doctors. The only solution I have is gap cover- The gap cover (complimed) we selected currently costs R105 per month and covers up to R100,000 per person per year on gap payments associated to hospital admissions, I recall it's at 400% discovery rate. The prerequisite is that you do already belong to a medical plan that pays out 100%. This is both very cost effective and greatly reduces the financial risk associated with hospital admissions. I don't have any reserves to cover a shortfall- I'd have to borrow which would have a knock on effect; lose the house, car, (you get the picture). You can't even propose that the medical aids provide a similar product- this would open it up for abuse by all doctors. As the 100% rate keeps prices in check. Thanks for your consideration.</p>

## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
37	Tanya Evans 2Health Consultants (PTY) LTD	PDF/ Fax Annexure D_Tanya Evans 2Health Consultants (PTY) LTD
38	Lance Robert The Robert Group	<p>My name is Lance Robert. I am a financial advisor and Director at TRG Insurance Brokers and have been specialising in the provision of medical aid advice and intermediary service to my clients since 2001. I have roughly 250 clients that actively seek my advice on issues regarding their medical aid services and I am the medical aid specialist within TRG insurance brokers which means that our 5 other consultants rely on my advice in providing medical aid solutions to their clients. My concern regarding the draft legislation is that it suggests that the Gap Cover options that our clients currently have access to do the work of a medical scheme and I would like to dispute this suggestion. My reason for disputing is that Gap Cover only does the work that a medical scheme does not do and so is a top up to the cover that the scheme offers. Of the medical schemes that our company offers an advisory and intermediary service on not a single one offers a plan that would provide our clients with cover for specialists at private rates. For such a plan to be introduced I believe that the premiums charged would be at a level that our clients would not be able to afford due to the fact that benefits offered by medical schemes are community rated and so for an incremental increase in cover the pricing very easily goes beyond what is affordable for the average consumer. As such there will always be a need for a "top-up" type of option which is currently provided under the name "Gap Cover". Providing all benefits under a community rated medical scheme and not having Gap Cover is a noble concept but it would result in every single one of my clients having to increase their cover to a level that is not in any way affordable. My main plan that I deal with is the Discovery Health Coastal Saver plan which covers specialists in hospital at the scheme rate (100%) whereas specialists charge on average private rates (300%). The option for my clients if there were no Gap Cover would be to upgrade to the Classic Saver plan which then covers specialists in hospital at 200% which would still leave my clients 1/3 short on their specialists bill. Here are the figures for a family of 5. Coastal Saver plus Gap Cover: R3,878 Classic Saver: R4,932 Difference: R1,054 Conclusion: For a family of 5 that currently has cover at private rates in a private hospital they would, without the option of Gap Cover, end up paying R1,054 more per month and only have 2/3 of the cover that they currently have for specialists in hospital. I have had many clients comment that Gap Cover is rand for Rand the best insurance that they have when compared to medical schemes that are barely affordable for the already overburdened consumer. Almost every one of my clients are on the Coastal Saver which, apart from network options, is the cheapest plan that Discovery offer and the only calls that I seem to get are from clients wanting to decrease their cover as it is not affordable.. getting rid of Gap Cover would just put clients even further out of pocket so I would suggest that you re-look at the legislation. Kind Regards Lance</p>

## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
39	Tony Golding F1 Financial Consultants	<p>My name is Tony Golding and I have been marketing medical aids for the last fifteen years. In fact, I like to think of myself as a medical aid specialist. My main role, that I hope to consistently maintain, with each of my clients, is to match their medical aid requirements to their financial status. And thereafter, offer a high level of service excellence. Considering the above, the reason for my correspondence to you, Doctor, is regarding the draft regulation and how the regulation will impact on the future of Gap cover. It's not about replacing medical aid with Gap cover, but rather how the gap cover will enhance the medical aid and ensure the clients financial peace of mind, after a hospital event. To counter gap cover, The medical aids suggest that to counter gap cover, the clients should upgrade their plans. Unfortunately, in these trying times, this is just not an option. Personally, I believe that, the medical aids would rather see the back of gap plans, and maintain, their already atrociously high annual profits.</p> <p>While gap cover is available, I will definitely continue marketing to my clients, as a more affordable means of attaining full medical cover. More to the point, the directive from both the Financial Services Board and the Council For Medical Aids was, "that financial service providers, must maintain the practice of good advice, to the benefit of the public", part of the rules of compliance in our industry. Somewhere in this conundrum, is the medical aids future concerns, over the new National Health. Maybe they see this as an all-out assault on their proverbial "money bearing tree". And, although not openly vocal in this debate, I am sure that they have a lot to lose, with the ongoing existence of gap cover and just over the horizon, the government's future implementation of the national health plan.</p> <p>Dr. Sheoraj, I appeal to you and your committee, to please consider the effects on the public, should Gap cover no longer be available. Should you need any further input from me, please feel free to contact me on this e-mail address, Regards Tony Golding.</p>
40	Orrin Shand South Western Brokers Kokstad	<p>Firstly let me introduce myself, my name is Orrin Shand I work for a Brokerage called South Western Brokers Kokstad, which is licensed to provide advice on both Short-term and Long-term insurance products. Through this letter I would like to express my concern with regards to the draft legislation which aims to remove the benefit of GAP cover. I would like to start by adding that we are by no means a huge brokerage only having close to 104 clients who are currently on GAP cover, thus our concern is really based on a good product being removed from the market, a product that is not only a good product but an affordable product as well. With the rising medical costs GAP cover has almost become an essential, these medical costs are often way over the rates which medical aids are willing to cover and may often leave families financially crippled. When it comes to medical it is not as if you can go without it, it comes down to a situation of get the treatment or live with the pain and in bad situations die. What GAP cover does is provide people with an affordable product that covers any shortfalls of the medical aids IN HOSPITAL. One must remember no sane person goes to hospital by choice; they are usually forced into the situation. At the end of the day GAP cover is an insurance product based on "Placing the person back in the situation they were in prior the loss." If the ultimate decision is passed to remove GAP cover surely the whole Insurance industry must be done away with</p>



## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
40	Orrin Shand South Western Brokers Kokstad	then. Surely by removing this benefit it contravenes some area of the Consumer Act, where is a person's freedom of choice? Here is an actual situation that happened to one of our clients he was on a medical aid where he was covered at 100% of medical aid rate the doctor charged R20 608.90 for the procedure. Medical aid was willing to pay R6 652.12. Which resulted in a Shortfall of R14 303.35. Which was refunded by the Gap cover company. In this case the doctor charged 300% of medical aid rate. Now if you know the cost of a medical aid that covers 300% of medical aid rate, that alone is enough to leave a family financially destitute. In my opinion Government has bigger issues then GAP cover to look at; if government decide to remove Gap cover it will have a knock-on effect as doctors will not be able to charge more then medical aid rates hence resulting in more doctors leaving country to look for greener pastures, adding to the ever declining shortage of medical professionals in the country. I would further like to add that in 2008 the Supreme Court of Appeal of South Africa ruled in favour of GAP cover and installed a section into the Medical Schemes Act stating I quote "22. Practical reality has shown that there exists a need for this type of insurance and there seems to be no reason why it should not be permitted" Now if this benefit is to be removed is government going back on its original decision. Personally I feel there are many factors and business sectors that will be affected should government decide to remove this benefit from the public. People/citizens will ultimately be placed in a worse off situation. Hoping the above is in order. Regards Orrin Shand
41	Individual	As a consumer with incurable tumors growing constantly inside me which needs constant surgery. I would not be able to afford to have any type operation to remove these tumors even with medical aid cover as the most expensive options available still do not cover the specialist costs in full As we cannot dictate what doctors can charge for their expertise we have to cough up and pay the short fall. Last year the shortfall between what the medical paid the anesthesiologists and the surgeon was R 35 000.00 it is not like shopping here you cannot shop around for a good deal. You have no choice but to use those specialists who have expertise in certain fields. We have this mass exodus of skilled people leaving South Africa . Those that remain behind can name their price. So I seriously object to medical aids dictating to the public and the free market out there what insurances we can or cannot have it is about time the medical aids of South Africa had some competition and with these products we can honestly see how the South African public are been ripped off.
42	Jane Kemp Healthcare Associates	PDF/ Fax Annexure E_Jane Kemp Healthcare Associates
43	David Lambert Lambert Brothers CC	PDF/ Fax Annexure F_David Lambert Lambert Brothers CC

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Comment	Organisation/ Individual	Comment
44	Individual	Medical services and medical aid is not a free market system. Therefore when one has a accident or gets ill, one want the best care and is willing to pay for it. How can government try and stop GAP cover helping people out only for in hospital cost, without the regulating what doctors and hospitals and medicals aids charge? Surgeons charge 3 to 4 times what medical aid covers, To get proper cover costs all most R3000 per person and then you are still not covered for everything, and there can still be short falls Either leave the market to do its thing, hence the reason GAP cover came to being, because people could not afford the bill hospitals send to them even though they pay more than R1000 a month for medical aid? Or regulate every one from the doctors to the medical aids schemes and what they charge. But this draft means that doctors, medical aids and hospitals can charge what ever they want , and we are not even allowed to cover our self against the risk. How silly of Government!
45	Individual	PDF/ Fax Annexure G_
46	Yezdi Phiroz YEZDI PHIROZ Insurance Brokers CC	<p>I am Yezdi Phiroz, an authorised financial services provider with 32 years experience in this industry.I am the third generation in our family to have taken over the reins of this business which has a record making 102 years in existence within our family and therefore have a long standing loyal client base that rely on my knowledge, experience and expertise in guiding and advising them in this sphere. I was taken aback on reading an article in the Personal Finance that the Treasury Department was proposing outlawing Gap Cover. On reading the reasoning behind this proposal I felt compelled to make an educated submission as in my opinion it will be one of the greatest disservices government could make to the public. Currently Gap Cover serves an integral part in offering protection to medical aid members who in their darkest hour, when they are ill or need an operation, find themselves plunged into debt by the medical fraternity who, strangely are not regulated as to what they can charge a patient, thus creating a dire need for the Gap Cover product. It is glaringly obvious that Treasury is not identifying the cause of the problem and fixing that i.e. the medical fraternity who refuse to work for medical aid rates and instead are proposing taking away the solution to the unscrupulous overcharging of medical specialists.</p> <p>From my experience I have established that Gap Cover does not appeal to the young and healthy risk pool instead it appeals to middle and older folk who are more likely to need an operation.</p> <p>I can give you a first hand insight into how the system actually works, in practice. In 2010 I required to undergo a heart bypass operation. The anaesthetist came in at 20:30 the night before this major surgery and in conversation, advised I need to sign an acknowledgement that I will pay any shortfall between medical aid rates as he charges 300 % of medical aid rates. An hour later the cardio thoracic surgeon came in and exactly the same thing happened i.e. I was asked to sign consent for him to charge 300 % of medical aid rates. At that late stage I was powerless to negotiate or argue and had no choice but to agree to their rates.</p> <p>Just between these two “ambushing” specialists their overcharge was a whopping R 49 711.00 ! Luckily I had Gap</p>

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Comment	Organisation/ Individual	Comment
46	Yezdi Phiroz YEZDI PHIROZ Insurance Brokers CC	Cover and it proved to be a most invaluable benefit in my hour of need. This real life example of how the majority of medical specialists in SA corner their helpless patients will show without a shadow of doubt what an important part Gap Cover serves in easing the consumers' plight. Consumers will always expect their medical aid to pay in full and for the medical industry as a whole to charge accordingly but instead these unregulated medical specialists place consumers into massive debt. .Outlawing Gap Cover will only be a great disadvantage to the consumer as the medical fraternity will continue to overcharge with impunity and use heavy handed tactics to recover those overcharged amounts. Thanking You Yours truly, Yezdi P.Phiroz
47	D J Watterson Watterson Agencies	I have been in the industry for 20 years and look after over 200 people many of whom have Gap cover attached to their present medical aid. Not one has downgraded their medical aid. I myself have had the benefit of GAP cover helping with certain accounts which my medical aid did not pay. I don't know what I would have done without it. A number of my clients have benefited from having this extra cover as well and would have suffered financially if they did not have it. I can't understand how it can replace or infringe on a medical scheme. The majority of people today can't afford the top medical aids and at the same time can't afford to be without a medical aid. The majority end up with the lower end medical aid and when they go to hospital they end up in a financial catastrophe as these lower end medicals usually pay out at 100% when the specialist are charging between 400-500%. The comment which I hear of that people should upgrade their medical aids is crazy. If they could they would but can't afford to. I honestly feel that the interests of the Medical aids are being favoured in preference to the working man in the street. By denying them the use of a product like GAP is grossly unfair. I could understand the situation if the medical aids guaranteed that there would be no shortfall, but they cannot. If we could go to a government hospital that was of the same standard of a private hospital, it would be great but we all know the standards of the majority of our government hospitals. Hopefully the powers that be do the correct thing by allowing the people to make their own choices which they can afford instead of exposing them to financial hardships by taking away this product. Yours sincerely D J Watterson
48	Sandy Watson Structured Wealth Management	I actually could not believe what I was hearing regarding the issue of getting rid of 'Gap' cover. I am a Broker that sells Discovery Health and not one of my existing clients have downgraded their Medical Aid plans and taken out Gap Cover with Complimed. All the new clients are adding Gap cover on to the Medical Aids that they can afford, there has never been a situation with my clients where someone has downgraded when the Gap has been taken out. Buying up on a Medical Aid plan would not be an option, because of affordability and, you will still not get full cover, because the most cover you can get on a Medical Aid plan in hospital is 300%, there would still be a shortfall for the patient as most Specialist charge more than that. Complimed give you up 500% and the premiums are nominal. I have also been informed by some client that when they go and see a Specialist, prior to an operation they are asked by the Specialist if they have 'Gap' cover. I believe the Specialists are loving this as they can charge anything up to

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Comment	Organisation/ Individual	Comment
48	Sandy Watson Structured Wealth Management	500%, and the patient is also happy because he will not be out of pocket for thousands of Rand. Who will be covering the clients costs if this 'draft' goes through? I believe the Government should be delighted that someone has come up with the concept of 'Gap' cover, which makes the Specialists and Patients happy, something unheard of in the past. I am not sure who is objecting to us having 'Gap' cover, but it makes no sense to me, why take something away that has been put in place to make the man in the street better off. My view is that Gap cover per say, does not replace a medical scheme, and does not negatively affect medical schemes, but rather, that 'Gap' cover adds much needed value to a consumer's overall healthcare.
49	Glynda Fowle GLYNDA FOWLE BROKERS	I as a broker, who predominantly deals in medical aid, am most concerned with this new draft regulation to remove any type of "follow on" to medical aid cover. I am an independent, sole trader, broker with a small book of only about seven hundred clients, but my clients' welfare is extremely important to me. Out of my book of clients I would estimate no more than 20 clients are able to afford the premium of one of the few 300% schemes still in existence. Approximately 60% of my clients are either on a "hospital" plan or capitation scheme, with one of the eight companies I have contracts with. As an example one of the very well know schemes out there has a bottom of the range (salary banded) package giving comprehensive, basic, primary, private cover. For the principal member on the capitation package the premium ranges from R465,00 (lowest income) to R1211,00 (income above R8301,00 per month), to the 300% package being R3365,00 for the first member. As you can see the affordability of the 300% package is out of the question for low income earners, first time principal members, young families. Also, the average member simply does not need to have all the other cover provided by the few remaining 300% packages (which are designed for high risk members). Simply by adding a small amount, per month per family, you get extremely comprehensive private health cover. I feel that people are buying as much medical aid as they as individuals or families can afford. We are in an extremely difficult position in this country, at this time with regards medical cover, for many and varied reasons. It makes simple economic sense to purchase a 100% (or 200% in some cases), whether, capitation, hospital plan or full package, and purchase your necessary up-grades as needed by each individual family. In my opinion, everyone should have the right to purchase as much or as little medical cover as they want or can afford and the most effective means (cost and cover wise), is to have your medical aid, gap cover, dread disease, critical illness, disability, income protector etc, separately. Sincerely, Glynda Fowle
50	Tasha Fourie Royal Union Financial Services (Pty) Ltd	As an independent broker we would like to express our concerns over the current Regulations Draft. We market Complimed – Gap cover in conjunction with our Medical Aid cover as a recommendation. We fear the loss of Gap cover and the burdens thereof, some points we have considered and thought we would share to express our concerns. COST: - Currently as statistics (Stats S.A) show the balance of our S.A population are unable to afford private healthcare thus hinder the NHI coming into effect as there is a lack of medical funding in our country.-The Complimed – Gap cover assists members in obtaining private healthcare at a lower level and extending their private healthcare by purchasing Complimed Gap cover.-Complimed Gap cover charge a family rate vs medical aid per

## PUBLIC COMMENTS RECEIVED

Comment	Organisation/ Individual	Comment
50	Tasha Fourie Royal Union Financial Services (Pty) Ltd	dependant.-Complimed is risk rated (price can fluctuate if this risk increases to protect its insured) vs Medical Aid Underwriting (set premium).-Complimed does not charge LJP's Vs Medical Aids can charge up to 75%: (older members to use a lower medical aid plan with Gap so they can afford private healthcare). WHY MEMBERS NEED BOTH MEDICAL AID AND GAP:-Gap is a short term insurance vs Medical Aid benefits regulated by the Council (members are guaranteed cover as they are supported by the Council and Regulations)-Gap is capped and risk rated with only in hospital top up Vs Medical aid having PMBs and day to day cover.-Medical Schemes cover at their stipulated tariff but Drs charge more which Gap covers.-We are short of Healthcare professionals and should Gap discontinue we will have more Drs leaving our country due to further income restraints.-Most schemes only cover at 100% scheme rate, VERY few schemes provide additional cover to 200% or even 300%. Leaving every member with in hospital shortfalls each time admitted and using a specialist whilst in hospital.-Stats show Drs charge an average of 350%, where there is a shortage of Drs this can exceed 450%.-Medical Aids impose co – payments / deductibles to reduce their risk costs but Gap can be purchased to cover this (shifting the risk cover to Gap voluntary to keep medical inflation down). CONCLUSION:- In short, we will lose members to private healthcare sector in South Africa due to affordability of comprehensive medical cover. (Remember: these big medical aid schemes fund items like cataract surgery / sporting events for the less fortunate, this won't be affordable in future scenarios as their admin costs will be decreased to absorb medical expenses in their schemes).-We will lose more Healthcare Professionals due to loss of income (only guaranteed to earn what medical aids will pay) -Both of these instances will burden N.H.I and cause a negative effect on our country – more state medical usage and less healthcare professionals (Drs). I hope the points I have raised influences the regulations draft and keeps gap cover in place as we feel our country benefits from this and relieves some financial burden from members / state and medical schemes. You are welcome to contact me for further feedback.
51	Stephen Hanssen Catalyst Group	I refer to the recent publishing of the above. As a provider of wide ranging financial services products, we strongly oppose this draft legislation. Gap products provide an import solution to the vast majority of the lower to middle income earning population. It is only the exceptionally wealthy that can afford full cover medical aids. Regards STEPHEN HANSSEN
52	Lyn Miles Medichoice	PDF/ Fax annexure H_ Lyn Miles Medichoice
53	David Sutherland Watney-Vineyard Insurance Brokers	I refer to the above and would like to comment as follows:- 1. I am the owner of Vineyard Insurance Brokers, and our business actively promotes the sale of short-term insurance GAP policies, to both individuals and groups. At present we provide cover to 265 families, and the numbers are growing quite quickly. 2. We have found that there is an urgent requirement for this product, among private families and commercial groups. 3. Our clients have expressed the following benefits from the GAP insurance policies:- The burden of risk that they carried prior to the GAP

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Comment	Organisation/ Individual	Comment
53	David Sutherland Watney-Vineyard Insurance Brokers	<p>insurance was extremely high, with the full spectrum of clients (young to old, healthy and unwell, male and female). - Clients have expressed that in some cases they had been unable to afford the shortfalls from medical scheme and had therefore been unable to follow the doctor's advice regarding medical interventions. - The product is simple to understand and faithful in claims settlement. - The product is very affordable across all economic profiles. 4. The product administrators are faithfully paying the claims. 5. The product does not keep the public away from the Medical Aid schemes, but rather drives the public to join a scheme, as the public cannot have the GAP cover unless they are indeed members of a Medical Scheme. 6. Our clients have expressed that prior to availability of the GAP policy, they had suffered financial stress due to the extremely large shortfall payments from their Medical scheme, due to the disparity between the Medical Aid rate and the Premiums charged by the Specialist practitioners. In almost every case the health care professionals are charging between 3 and 5 times the Medical Aid rate, leaving our clients severely out of pocket following major (and sometimes minor surgeries). 7. I do not agree that Medical Aid service providers will suffer as a result of the provision of GAP policies, as only participants who purchase Medical Aid can partake in the GAP offering. In rare cases a member may elect for a lower priced Medical Plan, but then the Medical Plan providers can easily adjust their modeling to counteract that.</p> <p>In conclusion, should the government determine that the GAP policies are to be outlawed, I am convinced that the public will be severely affected financially, and in many cases could lead to financial ruin or physical suffering as a result. I trust the government will consider my points. Yours sincerely</p>
54	Individual	<p>1. I wish to make my submission with reference to the above. 2. The issues on the table are clear that the gap cover is reducing the Rand value in favour of the medical aid. 3. The medical aid premiums just rocket up every year. 4. This further reduces the cover that we are allowed when one is in hospital which results in us having to pay large sums in addition to what the medical aid pays. 5. The Insurance Co. has come to the rescue by offering the GAP COVER at AFFORDABLE PREMIUMS. 6. The Minister's attempt to take this funding away will mean the member must fund the shortfall, this will create huge difficulties for us. 7. The members will not be able to be treated and have the necessary operations done resulting in DEATH. 8. I hope you are seeing the event from the members side by now. 9. I want the Minister to consider very clearly what will be the result of this action. 10. The members will SUE THE MINISTER for the amount of the shortfall if one was able to somehow pay it. 11. The family member may SUE for the death of the loved one because they were unable to pay the shortfall and were unable to receive the medical treatment required. 12. The minister to the best of my knowledge has not PROVIDED for the SHORT FALL and by taking this facility away will certainly result in CLASS ACTION against the STATE. 13 The conditions at the State Hospitals are very unacceptable. 14 We want the Minister to consider his actions and remember what will be the results of an ill advised action. 15. We just don't have the funds to pay the extra cost and rely on the insurance industry. I wish to thank you for accepting my email Sent from my BlackBerry® wireless device</p>

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Comment	Organisation/ Individual	Comment
55	Individual	I have been in the Healthcare industry over the last 12 years and find it extremely concerning that Government is looking towards passing legislation to abolish gap cover. Gap cover was brought about to assist all members on medical aid from the highest plan to the entry level plan based on the private rates being charged across the entire medical fraternity which puts the individual out of pockets based on the ridiculous private rates being charged in some cases in excess of 350%. Taking the current socio economics into consideration the general public don't have excess funds to bridge the gap between tariff and private rates hence the need for gap cover which costs a mere R105 to have the entire family covered to avoid these excessive costs. By removing gap we are further burdening the general public as providers are allowed to charge as they please. In most cases these providers demand cash upfront as they refuse to deal with medical aids and request that the member claims back from the scheme only for the member to learn that he has been charged above tariff. All is all government should be looking at the needs of the general public and consider by passing such a legislation are we assisting the very people that voted the decision makers in or are we burdening and putting holes into the pockets of small population that can afford medical aid.
56	Andrew van Dam FinBofs	As a Financial Planner I read with great concern the intended 'closure' of companies providing Gap Cover in the medical insurance field. The Gap Cover industry is thriving which proves to me that there is first of all a Gap, and secondly that the cover provided by Gap cover is fulfilling a real need. "If it's not broke why try to fix it"? If Gap Cover is removed from the scene, what are we as advisors supposed to advise our clients to do? There will again be a void without a solution. I have also learnt that Discovery is dead against Gap Cover and can imagine they are behind this. They are the cause of the problem with all their exclusions and shortfalls in payment for legitimate expenses incurred as a result of medical conditions, so why are the 'authorities' pandering to their desires? I fear some sort of underhandedness. We as professional, honest and 'fit and proper' financial planners are strongly opposed to the removal of a very useful solution to a real problem all of our clients face and I hereby would like to notify you of our strong disapproval of the intended removal of a financial product that meets the real needs of our clients. Kind Regards
57	Ruby Steenkamp LMS Life Counselling CC	I've been involved in the Medical Industry (schemes and insurance) for more than 15 years. I think that the so called Gap Cover do have a place in this industry. None of my 900 clients have down graded because of Gap Cover. The Gap Cover only gives peace of mind when least expect a big bill from a medical services provider. With FAIS in place, control and compliance in our daily business it will definitely not be possible to give the clients a product that they don't need or want. I hereby please ask you to reconsider taking away this great product. Many thanks Kind Regards Ruby Ruby Steenkamp LMS Life Counselling CC Financial Services Provider: 42437 Council for Medical Schemes: ORG 3706 BR23568 & BR679 041 374 4561
58	Leon Labuschagne Skywide Telecoms SA	The Gap Cover Products are a necessity because of the costs in certain procedures and Hospitals medical bills as medical funds do not provide 100% coverage and service providers do not want to reduce their rates. As a member of a scheme I feel strongly that the Gap Cover assist me when I need to pay such costs. Best Regards Leon Labuschagne

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Comment	Organisation/ Individual	Comment
		Co-Owner Skywide
59	Individual	<p>We are greatly dismayed that legislation is threatening to destroy the olive Branch that has been offered to so many consumers to affordably supplement their Medical Aid which are prohibitively expensive at the top end of the scale. This support insurance practise has proven itself beneficial to the average family again and again here in SA in our challenging times as well as many other established and Socially minded Countries around the world.</p> <p>We therefore vehemently object to this well meant perhaps..Market interference as it will do more harm to an already very challenged reality.</p>
60	Karen Rawson	<p>I am a medical aid member of a reputable and well known medical aid. We are a family of 5 and have recently upgraded from a hospital plan to a basic medical aid with a small savings account. We have contributed towards a gap cover for the last 4 years and have not had to make any claims until recently. In January, my son was assaulted and needed surgery to repair the laceration to his face as it was split right through and the 3 muscle groups were severed. He required 1 hour of surgery under general anaesthetic to repair the damage. The surgeons bill was R 8600.00 of which my medical aid covered R 2 500.00 (a R6 100.00 shortfall!) and the anaesthetists bill was R 3 740.00 of which the medical aid covered R 1200.00 (a shortfall of R 2 500.00!). Although they covered the hospital bill in full I was left with a shortfall of R 8600.00 to pay myself. This is crazy, giving we pay R 4000.00 a month for medical cover. As with all medical aids they have loopholes everywhere as to why they don't cover in full . Then of course there is the Prescribed Minimum Benefits act which I thought might be able to help me. I thought I would be covered in full because it was an emergency and he needed hospital admittance and surgery on a Saturday morning and could not have waited until Monday. But no, the medical aid doesn't classify it as an emergency and the doctors used were not part of their network. We are under debt review, have lost our property to quicksale via the bank and have huge debts and were now faced with another huge debt to try pay off. I am so so very grateful to the Gap Cover we have as I submitted the bills at the end of February and the shortfall was paid in full within one week of submission. I thought I would be in for another fight because they would find some way to get out of paying even a portion to us (like the medical aids). I was so relieved and grateful because we would never have been able to pay this up front and then interest would have been added to the accounts in arrears and another vicious cycle of debt would have been started. I cannot believe the government is planning to stop these gap covers that really help the man on the street who is unable to afford the outrageous fee medical aids charge, their shortfalls or to upgrade their medical aids to fully comprehensive (and even then you are still not safe from having to fork out for shortfalls between doctors fees and medical aid tariffs). Why do you think they are so popular and why people choose to have them? Because it helps us!!! The medical situation in our country is crazy. You have to have a medical aid because the government hospitals and service are so shocking, you pay a fortune every month but that doesn't cover your medical expenses even in an</p>



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Comment	Organisation/ Individual	Comment
60	Karen Rawson	emergency. Isn't it the governments job to look out for & protect the man on the street and not make the wealthy business owners, CEO's & managers wealthier? Well by taking away the gap cover we have to have to protect us, you steal from us to give to the big corporate medical giants. This decision is another symptom of an ill leadership. I am very against your decision to not allow these gap products to be sold anymore and hope you take into consideration the huge impact it will have on the people of South Africa. Karen Rawson
61	Allan Brightman MEMP Financial Services	As one of the leading Healthcare Consulting companies in East London we object strongly to the fact that the Registrar of Medical Schemes is defaming us and our colleagues by claiming that consultants are influencing medical aid members to "buy down", or downgrade their medical aid to a lower cost benefit option. This, he claims, is in order for us to profit from the availability and more attractive margins of "gap" products. At no stage can or will gap cover or any of its allied products be able to replace members' existing options. Whilst we have no mandate to speak for our colleagues in the Eastern Cape, we do know that our company, and the industry, is bound by legislation and indeed by ethics to provide medical aid members and potential members with the best and most appropriate advice. Hence we offer gap products only as add-ons to existing benefits structures, and only when the circumstances of the client indicate that this is in his or her best interests. We would not advise a client to downgrade medical aid cover unless that by doing so the member would achieve a more affordable, or more appropriate level of insurance. To suggest that we would behave otherwise is unfair, and defamatory. We know that gap cover plays a very important role in medical insurance at present, but we have no mandate, motivation or intention to replace medical aid cover with gap insurance. In many, possibly the majority of cases, the options available on a member's own medical aid do not offer sufficient cover to pay the excess charges made by service providers for in-hospital procedures. Gap cover is then the only way that most medical aid members are able to insure themselves cost-effectively. As evidence of this I must mention the well known fact that a number of closed medical schemes (Available only to employees of a particular firm) have gap products built into their cost structure to alleviate the financial burden placed on their employees. Yours faithfully Allan Brightman PRINCIPAL MEMBER & KEY INDIVIDUAL
62	Individual	I'm writing in response to the article in Personal Finance dated 10th March, 2012, and hereby give my written objection to the proposed draft legislation; pertaining to my gap cover. This legislation is totally unlawful, as it infringes on my right as a consumer. I will do everything in my power to ensure that this law does not get passed, as I am extremely irate that someone who feels they don't have a need for the policy, is now making a decision on MY behalf to stop it. I think the reasoning behind why government want to 'ban' gap cover is totally unfounded and they have not done their homework on this. I await a favourable outcome on the draft legislation, and trust it won't be

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Comment	Organisation/ Individual	Comment
62		necessary to have to fight for my constitutional right, in a court of law.
63	Individual	I am a pensioner on a limited income and I noted with extreme unhappiness that you wish to remove gap insurance meant to assist us in coping with the extremely high medical aid rates. Clearly the medical aids have been motivating to government to increase their profits at the expense of the health of especially pensioners and the elderly. As is usual government panders to the profiteers in this industry instead of requiring them to review their business model to make it more cost effective and accessible for us. Removing gap insurance will not force us to take the more expensive options as these are not affordable. Once again your slogan of "a better life for all" is but an empty vessel.
64	Individual	I service a client base of over 800 clients and Gap Cover is becoming a critical add on to give the client comprehensive cover. The cost of shortfalls is too high to fund and they need to complement their health cover with Gap cover. Majority of my clients that I have Gap Cover invest in it because they cannot afford a comprehensive scheme. This will have serious repercussions because should Gap be removed clients will be out of pocket. With the cost of medical aids and associated cost increasing it has become necessary for many clients to down scale. In many instances clients have had to cancel their medical health schemes. The removal of Gap cover will impact negatively on payments to service providers. It will also result in many people stopping their medical aid as they will not be fully covered, and will not be in a position to enhance their existing medical aid which is already unaffordable to the masses. We live in a democratic country and the legislator must stop controlling our freedom of choice.
65	Individual	I hereby wish to submit a written objection to the draft Regulations on the Demarcation between health insurance products. I identify a very real need for Medical Gap cover.
66	Jamal Ismail Igennix Financial Services CC	<p>Firstly, I would like to say that I was quite surprised to read about the probability that gap cover short term insurance policies will no longer be allowed. Personally I think that gap cover and other health insurance copayment products makes a lot sense for most medical aid members for the following reasons: •Most medical aid options do not cover private rates and only the top options cover at private rates. These top option are rather unaffordable to most medical aid members and Gap cover along with these medical aid options makes it affordable for medical aid members to visit the specialist of their choice. •Some medical aids such as Gems do not have any options that would cover for private rates for specialists, and thus a product like Gap Cover is rather necessary for all their options. •</p> <p>Also with regards to copayments, a lot of medical aids are now charging copayments for certain elective procedures, and thus the copayment products make a lots of sense. From my understanding, one of the aims of NHI is to make health care cost more affordable. Gap cover is definitely a product that achieves this, as and as a medical aid user and broker, we cannot afford to be without Gap Cover Jamal Ismail Certified Financial Planner®</p>

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Comment	Organisation/ Individual	Comment
67	Individual	<p>I am an independent broker from Royal Union Financial Services, we market a few medical aids with Gap cover (Complimed).</p> <p>We have read the publicity on the draft of the new Regulations and wish to express our concerns of the possible Gap cover withdrawal. We recommend that all our medical aid clients consider taking Gap cover, this helps members reduce their medical expenses by choosing a lower medical aid option and topping up with gap cover. Gap cover also covers members for co -payments / admission fees that schemes use to lower their premiums. This is a safe guard for our members to ensure they do not suffer loss due to medical expenses. We also market the cancer enhancer to assist members on huge expenses of oncology treatments, most medical aid plans only provide R200 000 oncology cover, once this is exceeded members have a 20% co –payment for the remainder of their 12 month treatment plan. The 20% can equate to huge financial costs and during the time of serious illness and huge medical expenses Gap comes as a financial relief to ensure the members 20% portion is paid. Members are unable to work during chemotherapy / radiotherapy due to their illness and the additional medical aid expenses add huge burden to these members. We value the Complimed products as this provides opportunity for us to assist lower income earners (Blue collar workers) with private healthcare as most employers are happy to use a basic medical aid plan with Gap and provide a subsidy. This helps the main bread winner of many families get well and recover quickly to once again provide for his / her family. Thus in turn helping curb poverty in our country. With HIV / Aids in our country and the costs thereof members can now obtain private healthcare and at the cost of a medical aid scheme with Gap opposed to the state funding thereof. This helps the government provide to those who are in need and relieves the government of further financial strain. I hope you find my appeal appropriate and consider the value of Gap cover in the market place in this current economic situation. Please contact me should you require further feedback.</p>
68	Seema Mohanpershad Reid Raetzer Insurance Brokers (Pty) Ltd	<p>I think it's very unfair that we the "patients" have to suffer and be out of pocket because the government want to now cancel Gap cover. Medical aid tariff increase each year however our cover reduces. How is this fair? Why not get medical aid cover to change? We as consumers do not have cash lying around to pay for medical aid shortfalls. Kind Regards Seema Mohanpershad Claims Administrator Reid Raetzer Insurance Brokers (Pty) Ltd</p> <p>Authorised Financial Services Provider FSB Licence no: 5856</p>
69	Individual	<p>It is with dismay that I read that Gap cover policies are to be legislated against. Firstly I, as a product provider, and policy holder strongly object to the proposed changes, and wish this to be noted. Gap products are not a replacement for Medical Aids, and are a necessary policy which works hand in hand with Medical Aids. Since the Council for Medical Schemes and the other regulatory bodies in their wisdom, scrapped contracted in and out rates for medical practitioners, and subsequent scrapping the National Health pricing regulations, Doctors have, excuse the pun, taken the GAP , and are charging up to 500% of the Medical Aid company rates. If one looks at Discovery Health, the biggest open scheme, their maximum rate they pay on their top plans is 200%. If the gap products are stopped, will it then become the governments duty to pay these excesses, because Medical Aid members face having to sell their houses</p>

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		and assets, to cover them. Is it the councils intention, should a member have to undergo an expensive procedure, to be placed in liquidation, because of the difference between what medical Aids pay and the medical practitioners charge? Whilst I may concur that there may be some products which are trying to replace Medical Aids, the majority of Gap products do an important job, in protecting consumers from the exorbitant rates Doctors are charging for their services. It never ceases to amaze me that whenever something works in favor of the consumer, there is always some bureaucrat that, in his or her wisdom, wastes taxpayers money trying to impose some archaic reasoning to change it. It seems the new phrase is "If it works, change it". I sincerely hope that this new proposal will end up in the rubbish bin where it belongs, and those in charge of looking after the public's interest will spend their time perusing more constructive ideas, with the general public's interest at heart, and not waste taxpayers money doing irreversible harm.
70	Individual	This was my letter that was published in THE WITNESS (Pietermaritzburg) On Friday, 2nd March, Draft Demarcation Regulations were gazetted by National Treasury spelling out what may in future constitute a health and accident policy both in the Long-term and Short-term Insurance Acts. The draft regulations are intended to stop any Gap or Top-up cover, Personal accident Cover, Hospital Cash plans and any insurance that defrays medical expenditure other than AIDS/HIV Programmes and Emergency Evacuation Services. Top-up cover that pays out when you exhaust your medical scheme benefit or annual limits, dental insurance that provides fixed benefits for specific dental procedures, and health policies that provide top-up cover and daily preventative healthcare services could also be outlawed. To have AIDS/HIV as exceptions is discriminatory against the likes of cancer, strokes, heart disease, diabetes and other life threatening ailments. Top-up and Gap insurances were introduced by the insurance industry because of short falls in medical scheme pay outs. These gaps and shortfalls have widened as medical costs have increased where the gap between what doctors charge and what medical aids pay, is continually increasing. The argument by the authorities that these insurances draw funds away from medical schemes are unfounded and is utter nonsense. These policies do not and were never intended to replace medical aid cover – they are not obtainable as free standing benefits. Many medical scheme members who top up their cover with gap cover policies may have to consider upgrading their medical plans after the government indicated yesterday that it wants to ban these policies. Should this proposed legislation be passed, it will mean that people who have added Top-up and Gap cover, which costs on average less than R200 p.m., will, in order to enjoy the same benefits through their medical scheme, have to pay anything from R400 to over R1000 extra per month to go onto a higher costing medical aid option. A further benefit to have Top-up or Gap cover is that their rates seldom change. The widening gap between costs and medical aid pay outs, means that Top-up and Gap cover costs must also increase, and therefore one would expect their rates to increase proportionately, which is not the case. The cost of Top-up and Gap cover I market has remained unchanged for a few years now. A further tragedy to such foolishness, is that many jobs will be lost as thousands of people's livelihood depends on the Top-up and Gap cover industry. This proposed legislation is thoughtless in the same vain as the costly

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70		tollgates in Gauteng. This proposed draconian legislation should be fought with tenacity.
71	Jean Robert The Robert Group Insurance Brokers	<p>I have been in the insurance industry for 27 years , 25 as an agent with Liberty and then 2 as a Broker. I first started doing medical aids and insurance related products in 1991 when Liberty launched their Medical Lifestyle Product which was designed to cover shortfalls that clients experienced when been hospitalised. Liberty at that time had two options :</p> <ol style="list-style-type: none"> <li>1) Extended Cover which was there to cover shortfalls and</li> <li>2) High Cover which was to either replace medical aids or allow clients to have some form of medical cover.</li> </ol> <p>After Liberty launched their products others followed and for very good reasons these type of products were stopped , I say Good reasons because the ‘High” cover option could never replace a medical aid and many people were going for that option. However the “Extended” cover I felt was very important to stay as there was a very real need for that type of benefit purely because Medical Inflation was rising much more rapidly than normal inflation (that is still the case today) and the margin what medical aids paid compared to what Dr’s charged grew dramatically , so clients need that protection and medical lifestyle extended covered served that purpose. Liberty were forced to stop marketing that product but the policies in force were allowed to continue and for years I never recommended one client stop that policy. I am not sure when GAP came onto the market but the way it was structured was far better than what Medical Lifestyle Extended Cover had to offer , it offered better protection in that it covered the actual shortfall and for better value for the clients and over the years I have encouraged my clients to stop the Medical Lifestyle range for the GAP Cover. An example why I did that , was my own policy where I was paying at the time of stopping (about 2008) about R900 p/m where now I am paying R200 p/m. Sure the Medical Lifestyle had cash values so over time I would always get some money back and that was irrespective of claims , GAP cover has no cash values but a saving of R700 p/m. I can still remember very clearly in 1991 telling people about the Medical Inflation and how it was running away and that in our life time that variation would continue , which meant that for those lucky enough to be on a medical aid they needed to be aware of the ever increasing costs of firstly medical aid premiums and secondly the shortfalls one would experience for operations. 20 years later everything that we told clients then has not changed and people are looking desperately at ways to be covered well but at affordable levels. If I take an example of a normal family with 2 children with a Discovery Medical aid , in the past many families went for the top of the range medical aid and in Discovery’s case today that would be the Executive Plan and would cost that family today R8 006 p/m. Today there are very few families that can afford that plan so they look at the Classic Saver (R4 272 p/m) or Coastal Saver (R3 260 p/m) and they take Gap cover with it which would cost them at most R200 p/m but have a substantial saving. The problem clients have , even with the Executive plan is Discovery cover them at 300% of the rate and as you know Drs can charge more than that , so even at a 300% plan there are shortfalls so GAP cover is still</p>

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71	Jean Robert The Robert Group Insurance Brokers	required. Over the next 20 years and more the Gap between what Drs charge and medical aids pay will continue and medical aid premiums will increase well above inflation which in turn will turn more and more people away from medical aids altogether. So the only way people can afford to keep making sure they are covered is to take out GAP cover and probably move to a lower medical aid type plan. By removing GAP cover all that will happen is either people will fall away from medical aids in total or they will be left with no choice but to upgrade their medical aid and still have shortfalls. , but only the wealthy will be able to handle these increases and shortfalls. From a Broker point of view the commission we earn from GAP cover definitely doesn't cover our expenses but if we are in this business to offer best advice and give clients best value for money we are left with no choice but to make sure GAP cover is offered to our clients in the format it is in today , so please look at the importance of what GAO does and how it is administered and you will see it offers great value for everyone. Regards Jean Robert
72	Travys Wilkins Bay Union Investment Planning Services (Pty) Ltd	My name is Travys Wilkins, a Healthcare Advisor at Bay Union Investment Planning Services (Pty) Ltd. We currently have approximately 3000 clients that rely on us for Healthcare advice, and around 2000 that rely on us for advice on GAP cover products. The purpose of this letter is to highlight a few concerns we have with regards to the above proposed legislation. •The main concern that we have is that if all forms of medical insurance products are outlawed, the consumer/client will be adversely affected. The bulk of the argument is against the proposal to ban GAP cover products. These products, for the most part, are designed to supplement Medical Aid Plans and fit the shortfalls that clients experience due to the unregulated charges from specialists. It is not viable for schemes to cover these exorbitant costs due to regulations in place and even at these lower cover rates, schemes are still becoming insolvent. • We feel in certain instances, where insurance products do in fact intend to replace a Medical Aid, there is room for legislative improvement. These need to ensure that insurance products are prevented from providing benefits that replace benefits offered by Medical Schemes – this is justified and fair. We recently viewed a statistic from one of the largest open schemes showing that the average movement of clients into 2012 were members upgrading their plans, not downgrading as many schemes will claim due to GAP cover. When a client selects the option of taking GAP cover, it rarely makes any difference to their Plan choice with the Medical Aid scheme. This is due to the fact that a client will take a more comprehensive plan for the Day-to-Day benefits. Most plans only cover at a max of 200% for hospitalisation, so for a healthy or young client, we generally put them on a basic hospital plan or a plan with minimal Day-to-Day cover. In summary we feel that there is definitely a place for the proposed legislation but it needs to take various factors into account, such as the implications on the consumer/client. If further input is needed, please don't hesitate to contact me on the below details. Kind Regards TRAVYS WILKINS Healthcare Advisor Bay Union Investment Planning Services (Pty) Ltd FSP No: 645

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73	Alan Halvorsen AGM Mapsure Financial Consultants (Pty) Ltd	<p>28 March 2012 Draft regulations published by National Treasury - Demarcation of Health Insurance (Notice 2) I am an Independent Broker working within an registered FSP and I have marketed and serviced the medical aid market since 1994. I service 600 existing medical aid clients and have serviced in excess of 1800 medical aid clients during this period. Based on my experience in this market, this draft proposal would have a negative effect on so many medical scheme members. This announcement and/or draft regulation to cut medical Top-Up and GAP Cover could and will affect middle to low income consumers the most. The thinking and/or announcement itself highlights the importance of establishing a master plan of healthcare funding as well as the need for a regulatory framework to ensure that the entire healthcare system is working towards the same goals. These ad-hoc and interim steps are being taken to change legislation and are rather short sighted, where decisions should rather be driven by strategic thinking and planning. The latest changes follow years of debate about whether short-term medical insurance products undermine/under value the business of medical schemes. Consumers spend millions each year on Top-Up and GAP Cover as this form of insurance plays an integral role in assisting existing medical scheme members by ensuring that they are not out-of-pocket when using providers who charge in excess of medical scheme rates. Medical scheme contributions increase significantly each year, putting private healthcare out of reach for many South Africans and therefore it's often lower and middle income members who opt for this type of insurance. I am concerned that cutting Top-Up and GAP Cover will leave this market segment out-of-pocket as it will not necessarily encourage these consumers to buy up into more expensive benefit options. The knock-on effects of this could negatively impact consumer spending and therefore the broader macro economy. Instead I would suggest a strategic approach which addresses the underlying causes of spiralling private healthcare costs, be used to make healthcare more affordable. In particular, Prescribed Minimum Benefits (PMB's) which have become increasingly expensive for schemes as well as a lack of standardised tariffs following the demise of the National Health Reference Price List in 2010. PMB's were introduced when government was considering making medical scheme membership compulsory for all formally employed South Africans under a social health insurance system. Since then, this has been replaced with governments National Health Insurance (NHI) strategy and medical scheme membership has remained stable at 8 million plus members, leaving the current market reach to deal with the increasing cost and not cross-subsidising benefits with additional membership. If medical scheme membership increased to around 12 million formally employed citizens and their dependants, it would have been possible for medical schemes to cross-subsidise the increased cost. However, schemes remain hamstrung by current regulations which leave little room for the industry to reduce its costs. I do think that some products do need closer regulation, especially hospital cash plans which some consumers buy as an alternative to medical scheme cover, but often have extensive exclusions and limitations. It's a good thing that the Council of Medical Schemes (CMS) monitors and regulates all products more closely, but this should be done on merit/a case-by-case basis. The demarcation debate between insurance products and medical scheme cover should follow a constructive approach based on sound business principles. I believe that, rather than</p>

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73	Alan Halvorsen AGM Mapsure Financial Consultants (Pty) Ltd	undermining the business of a medical scheme, Top-Up and GAP Cover should assist existing medical scheme members and encourage them to stay in the system. If Top-Up and GAP Cover is eliminated, it could cause more members to exit medical schemes as they may not see value in purchasing monthly medical cover. It is integrally important that low-risk consumers stay part of the medical scheme system for it to remain viable. We need innovative thinking, guided by a well-planned, well-thought out national strategy on the future of healthcare funding between all the roll players. Alan Halvorsen
74	Leana Louw Vision Private Wealth	PDF/ Fax Annexure I_Leana Louw Vision Private Wealth
75	Individual	I refer to the Draft Regulations on the Short-Term Insurance Act, 1988, published by the Minister of Finance and his invitation to interested parties to comment on the proposed regulations. My specific interest is in the field of International Travel Insurance. At the moment short term insurance companies are only prepared to insure travellers for "Pre-existing medical conditions" up to the age of 69 years. An exception is ABSA, which is prepared to insure up to the age of 75, however, with the provision that their coverage excludes "Cardiac Arrest". This provision effectively invalidates the insurance cover and the age concession is obviously only made to convince more people to take out their international insurance cover without the risk of making any payment. In my opinion this practice discriminates heavily against older people who have had the misfortune of a previous medical condition and, in fact, excludes them from travelling internationally in view of the risk involved. This situation obviously concerns a large percentage of our population and I, therefore, believe that I can speak in this respect on their behalf and for their benefit. In view thereof I would like to specifically draw your attention to my own situation: 1. On 28 October 2012 I will be turning 70 years old, and I had a mild heart attack about 14 years ago. A stent was placed in one of my arteries and I am fortunate that I enjoy very good health and I also practice a healthy lifestyle. 2. I still work fulltime in my own business and, as a result of the work I do for an international company, I need to travel regularly to Europe and certain African countries. 3. Up to now, I regularly took out medical insurance with TIC, and I requested them to extend the age for coverage in my case. In support of this application, I submitted documentation from my Cardiologist as well as blood test results to prove to them my fitness to travel internationally. I also undertook to undergo any medical examination prescribed by them (at their cost) to put their minds at rest. I received a reply the same day declining my application – obviously not even applying their minds to my request. 4. As a result, I might have to discontinue my work for the international company, which would place a heavy financial burden on me. 5. I might add that, from my personal view, I do not have any objection to a reasonable increased premium above the age of 69 to provide for the insurance company's "higher" risk. It would appear from my limited legal knowledge that Part 7.2 of the draft regulations (and specifically Part 7.2 (2) (b) ) has, at least in part addressed my concerns and, should this assumption be correct, please accept my apologies for taking up your time. However, the age limit would then still be a concern. I



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75		humbly request that my comments be taken into consideration for the following reasons: 1. I believe that discrimination against people above the age of 69, and especially people who are still healthy and fit to travel, is in essence wrong and contrary to our Constitution. 2. Presently people tend to live longer and are healthier because of advanced medical treatment available and should not be precluded from living decent lives because of archaic views of insurance companies. 3. People above the age of 69 can still make a positive contribution and should not be treated as though they are worthless. 4. It might be argued that the risk becomes too high, but then again this is what insurance companies do – they insure risks. I am quite prepared to appear before you or to submit any further documentation should you so request. Your kind consideration of my comments is appreciated
76	Individual	PDF/ Fax Annexure__
77	Individual	PDF/ Fax Annexure K__
78	Individual	PDF/ Fax Annexure L__
79	Yaseen Kamroodeen afrocentric consulting	As a young, independent financial advisor I would like to place on record my objection to the proposed scrapping of GAP cover products. My objections are based on the following issues: 1. Budget: GAP Cover products are being utilized to cater for individuals that simply do not have the budget to contribute to more comprehensive medical aid options. Any halt in the provision of GAP Cover products in the market will not necessarily translate into a movement to superior medical aid plans by the masses. Clients may be able to afford the relatively cheaper GAP Cover premiums however generally do not have the budget to contribute larger amounts to more comprehensive options. Thus, the scrapping of GAP Cover has the adverse effect of client's spending their money on items that will not provide them with any protection. 2. Ripple effect: The high cost of private healthcare in SA will result in individuals having to foot the bill for "beyond medical aid rate" fees. Money that would have ordinarily been spent on the economy or put into a savings product will thus have to paid to highly profitable, private healthcare institutions. Thus, money will be moved away from a number of individuals and will rest in the hands of those that are at present already sufficiently remunerated. 3. Client take up: Many clients question the comprehensiveness of medical schemes when they have to pay out of pocket for medical rates that go beyond what their provider is willing to cover. When clients need to pay for hospital bills even though they have healthcare products they become despondent and question the need for medical aid cover. Products such as GAP Cover therefore also serve to protect the interest of medical aid providers as it provides the additional cover required to keep the market optimistic. 4. Employment – The GAP Cover market has grown to now include new players adding to a competitive environment and pricing system. With the establishment of new players, comes the need for human resources. Thus, the formation of new and existing companies provides for much needed job creation and job sustainability respectively. Existing companies have also expanded their personnel base due to the demand for GAP Cover products. In addition, there are various brokers and advisors out there that rely on the income provided by Product Providers. Office administrators and sales personnel are often needed even within smaller brokerages to monitor claims, process business and amend policies. Removal of

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79	Yaseen Kamroodeen afrocentric consulting	GAP Cover products will thus create a problem. In my opinion, we should be geared towards job creation. Thank you for sparing time to review this email. We trust that you will give due considerations to the content provided above. Regards Yaseen Kamroodeen (BSocSc:Hons, RFP) Director / Financial Advisor
80	Wendy Tooley Insuresafe	PDF/ Fax Annexure M_Wendy Tooley Insuresafe
81	Individual	<p>RE : MY OBJECTION TO THE PROPOSED REMOVAL OF TARIFF GAP COVER I as a member of the public and already overstretched consumer wish to place on record my utter dismay at learning that the government has proposed to do away with this invaluable yet affordable benefit. It one of the few, if not the only, invaluable health benefit at an affordable price in South Africa currently. I was forced to join a medical aid after receiving sub standard treatment at various government hospitals. The government hospitals are understaffed usually by rude and seemingly frustrated and unmotivated staff. Negligence is rife at these institutions and I have lost family members due to all these factors. I wish to question the rationale behind such a proposal because the way I see it Gap Cover does not replace medical aid cover instead it gives us the consumer peace of mind from sudden, unexpected medical costs when we are admitted into a private hospital. There is no way we can know when illness or accident can afflict us. It's even more impossible to plan for this unknown cost which, with the tariffs specialists in South Africa are being allowed to charge is usually astronomical and almost always way higher than even a 100 % of medical aid rates payout.</p> <p>The government must look at the cause of the problem instead of targeting a viable solution like Gap Cover. The medical aids are in no danger of losing revenue because Gap Cover only works if you already have medical aid so it does not replace the medical aid.</p> <p>On the point of the medicals aids bemoaning that members are moving to lower plans and they are losing out, I think that is nonsense. I don't see any problem with that because they have costed the lower premiums for even lower payouts so I don't see how they can be adversely affected in any respect – basically you only get what you pay for – very simple. Only the consumer will be done a great loser and be done a huge disservice by the government. Let me give you a live example that I know of first hand. A family of 3 kids and parents did a road trip to Johannesburg. On the way they were involved in a serious accident. They were airlifted and ambulated to various hospitals according to their injuries and treatment each required. The wife eventually died after 18 days in ICU while the others members underwent operations and a long period in hospital followed by specialised rehabilitation of 6 weeks for one child. I will challenge any government official to guess what their total shortfall this traumatised family was left to face. I expect their reply to be a shrug of their shoulders and this is exactly my point – we will never know what shortfall we will be faced with after a hospital admission. They pay R 4700 p.m. in medical aid contributions but didn't have Gap Cover of R105pm which would have paid the shortfall totalled R 162 765.32. The Dad has been listed on ITC by certain doctors debt collectors and his life is spiralling downwards daily because of this accident and the resultant shortfall and I cannot imagine this is an isolated example, its just one I happened to know of. Shortfalls between medical aid</p>

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81	S Goolabchand	and specialists in the South African medical field have become a norm rather than an exception so Gap Cover is the only protection we consumers have until the government is able to get root out the overcharging and over servicing problems in the private health care sector.
82	AD Trytsman The Lion Match Company Pty Ltd	PDF/ Fax Annexure N_AD Trytsman The Lion Match Company Pty Ltd
83	Individual	I write to you in the capacity of an intermediary in the Financial Services Industry & specifically refer to the pending consideration of taking legal action against GAP cover products. I cannot understand the logic of this course of action as such a move would only impact negatively on the health industry. As you are well aware GAP cover is not a medical plan & is purely designed to pay for shortfalls experienced by medical members for charges made by doctors & specialists for in-hospital procedures & thereby give peace of mind for payment of possible shortfalls. Surely to remove this voluntary benefit would be unconstitutional. It is in my opinion that the only way in which the issue of shortfalls could be solved would be as follows: 1. Have an agreement put in place between medical schemes & all doctors & specialists within the health industry on rates. 2. Government settle all shortfalls. 3. Allow GAP cover products to continue. I believe that if GAP cover were to be outlawed, problems within the health industry would be exacerbated. Members would downgrade or cancel their medical plans, which would automatically put added pressure on state institutions. I respectfully urge you to allow GAP cover products to continue.
84	John Fourie	I do not agree to the proposed removal of GAP cover policies. Is Treasury going to stand in for the medical shortfalls of my personal accounts in future? If your reply to my question is “yes” by all means carry on. I cannot see the reasoning of not allowing GAP cover if it is not costing the state anything at all. I am sure it is my constitutional right to have insurance for something that I will not be able to afford. The suggestion to move to a more comprehensive plan, is absurd. I personally am a pensioner and can barely afford the hospital plan and gap cover that I am on at the moment, how am I going to afford a comprehensive plan that will cover everything. Regards John Fourie.
85	C Buntzen & M Pedler Corporate Advisory Services	PDF/ Fax Annexure O_ C Buntzen & M Pedler Corporate Advisory Services
86	Sean Rayne Turnberry Insurance Group	PDF/ Fax Annexure P_ Sean Rayne Turnberry Insurance Group
87 87	Daniel Holland NITSAC CC	I must express my disagreement with the draft regulation & it's impact on myself as a consumer in this tough economy. In these tough financial times we are forced, as consumers, to find ways to maximise the reach of our monthly budget, one of the easiest ways to achieve this is to maximise the return on monies spent on insurance and

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		streamline the costs thereof without sacrificing benefits. I feel that companies that have come out with products that enhance the efficiency of high (almost unaffordable) costs of private medical insurance should be lauded for their efforts. They have made it possible for me to maintain a medical aid plan with benefits and enjoy cover over and above the plan that I am currently on. I feel that there should be more emphasis placed on regulating the rates and nominal charges that medical professionals and institutions are allowed to charge us. Younger and healthier people will always subsidise the older & less healthy, this is a function of insurance – low risk subsidising high risk, however, low risk members should not have to bear the brunt of high-costs as a result of exorbitant charges and corruption. Kind Regards Daniel Holland - Project Manager
88	Individual	In my opinion banning gap cover will not force members to upgrade to a higher medical aid plan due to affordability. Members are faced with specialist fee shortfalls, co-payments and sub-limits on cover. Some schemes like Transmed do not have a high end plan that covers all costs, i.e. plans cover specialist fees at Medical Aid rates only (100%). In fact I have not come across any scheme in the market that covers the member in full when hospitalised. Herewith some Medical Aid Schemes top end plans which all have shortfalls that significantly affect the member: Discovery Executive – Limited Oncology cover with a 20% co-payment and co-payments up to R3300 on in-hospital dentistry. Fedhealth Maxima Plus – Admitting specialist covered up to 200% and other specialists 300% plus co-payments for procedures ranging from R1700 to R5000. Liberty Platinum Complete – Specialists covered up to 200%, 10% co-payment for specialised drugs, sub-limit for MRI/CT Scans. MediHelp Plus - Specialists covered up to Medical Aid rates (100%). Medshield Premium Plus and MediBonus - Specialists covered up to 200%, Sub limits on Oncology with co-payments (Premium Plus), Sub-limits on MRI/CT Scans with co-payments, Other Procedure co-payments. Momentum Summit – R1700 co-payment for MRI/CT Scans. Nimas Supreme - Specialists covered up to 150%, Sub-limit on Oncology, Limited MRI/CT Scans, Co-payments of R850 per MRI/CT Scan and Other Procedure co-payments. Pharos Rainbow Comprehensive – Specialist covered at 300% BUT for investigations such as IVP, Scopes and Scans only covered at medical aid rates (100%), Sub-limit on Oncology with a 20% co-payment, Co-payment of R1500 for in-hospital dentistry. Spectramed Cobalt - Specialists covered up to Medical Aid rates (100%), Procedure co-payments ranging from R1000 to R1500, Co-payment of R1500 for MRI/CT Scans. I believe that all Medical Aid Members have the Constitutional right to purchase a product like gap which protects them financially. It would be like me purchasing a motor vehicle costing R500,000 and then only being allowed to insure it for R200,000 because that is all the Short Term Insurance companies are prepared to cover it for. This in my opinion is what the medical aids are doing – buy our plan and just accept the specialist shortfalls, co-payments and sub-limits because they are in place to protect us and Oh by the way GAP cover is to be stopped/maybe illegal so the shortfalls all remain for your account and you cannot take any insurance cover to protect yourself. The biggest lie ever told at numerous medical aid launches is “Specialists only charge 300% because the medical aid pays 300%” so this justifies us dropping it to 200% or 100% and going forwards the specialists will drop their rates. Never – the member now has a shortfall which the

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88	Individual	<p>member now has to pay. Prescribed Minimum Benefit (PMB) cover is also a farce as some medical aids only cover PMB's in a state facility. My personal example – my husband was in a head on collision in September 2010 where a hijacked taxi going North crossed through the middle of the highway on the N2 in KwaZulu Natal and hit my husband who was going South head on. My husband was cut from his vehicle and airlifted to St Augustine's hospital with head trauma. He spent one month in ICU in a coma. The Anesthetist bill came to R52,180.47 and my medical aid paying 150% specialist tariff paid R27,073.33 leaving me with a R25,107.14 co-payment. When I queried why the bill was not paid in full as it is a PMB I was told that once he was stabilized I should have requested he be transferred to a State facility and then it would have been covered in full. Luckily I had COMPLIMED GAP cover which covered this for me. In fact with all the procedures and operations my husband endured due to this accident Complimed covered R27,508.26 in total. Also luckily for me the Neurologist who treated him also only charged medical aid rates (100%) as it was a PMB. If he had charged 300% like most other specialists do I would have been out of pocket closer to R50,000. Where would I have found this money bearing in mind the major bread winner was and still is unable to work to his full capacity? Unless specialists are forced to only charge medical aid rates (or rates as per members scheme) AND set fees are put into place for procedures and prosthesis, etc. AND medical schemes are banned from putting co-payments into place the ongoing shortfalls in medical cover will continue to rise. In reality the specialists are not going to reduce their fees, hospitals and other providers will continue to charge as they will and medical aids will continue to increase their premiums and reduce benefits all at the consumer's expense. Perhaps one should look at the medical aid schemes themselves. Profitability, conference fees, advertising/marketing fees, sponsorship of sporting events, etc. all drive up the costs and should be cut effectively. Gap cover is the only resource a member has to protect themselves. Doing away with this cover will affect the members pocket considerably. If the medical aids wish to rid the market of the cheaper hospital insurance product then no problem BUT to lump Gap cover alongside this type of cover is short sighted to say the least. Kind regards</p>
89	Ian Dodds Fundamental Investments (Pty) Ltd	<p><b>OBJECTION TO NATIONAL TREASURY PROPOSED REGULATION</b></p> <p>We are totally opposed to the proposed regulation that pertain to the demarcation of short term insurance policies. It is my democratic right to be able to choose and pay for whatever medical cover I may need. It is NOT my responsibility to subsidize the fund - and NEITHER IS IT MY RESPONSIBILITY to subsidize the medical aids for the masses , that is the States responsibility.</p>
90	Hans Coetzee Caro Brokers CC	PDF/ Fax Annexure Q_ Hans Coetzee Caro Brokers CC
91	Annemie Walton Tropical Eden Trading CC	I have been in the medical aid industry for the past 16 years and found that Gap Cover as essential as a medical aid to members.
91	Annemie Walton	With the schemes increasing their rates at an alarming rate, members simply cannot afford to have full cover, as they

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	Tropical Eden Trading CC	would have preferred – thus the top-up cover giving peace of mind for the additional costs incurred during hospitalisation. The majority of members tend to be in the middle to lower income grouping and to have the additional benefits available to them, is absolutely essential. Best Regards Annemie
92	Ashleigh Rencontre Stratum Benefits	<p>Gap cover is not a substitute to medical aid cover, it compliments it, thus gap cover cannot be taken out without medical aid cover and cannot replace medical aid cover. The effect on the medical scheme risk pool is minimal as in today's current economic conditions, money is an overriding factor which individuals consider first and foremost. Gap cover premiums are relatively affordable and considering the difference in medical aid premiums between the next level of cover, the additional costs for more cover cannot be compared to additional costs of taking out gap cover.</p> <p>Gap cover allows the average individual access to affordable cover which they would not have access to if they were limited to the only option of increasing the cover with their medical aid.</p> <p>The advantages of gap cover companies remaining in business are paramount: Individuals have cover they would not be able to afford if limited to medical scheme cover only. Job creation as the gap cover industry is growing at a rapid rate. Stratum Benefits is one of many examples with increasing employment by almost 50% in the current year (not to mention brokerages and their employment opportunities created) VAT registered companies, increasing revenue collected by SARS to facilitate the country's development. Taxable profits also increasing revenue collected by SARS. Stratum gives back to the community by getting involved with NPO's and local charity organisations annually. By removing gap cover companies from the market, individuals will be affected by not having access to more comprehensive cover. As loyal citizens of the Republic of South Africa, we have a right to affordable options to enhance our standards of living. I do believe with thorough consideration, the draft regulations will be reconsidered to include the best interest of all affected stake holders. Kind Regards Ashleigh Rencontre   Stratum Benefits</p>
93	Barbara Comley People's Dispensary for Sick Animals (SA)	<p>I was most alarmed to hear that the Government is looking at banning Gap Cover insurance. As we all know, the costs of many treatments continue to rise and the Medical Aid companies then have little choice but to react. They will either increase the contributions that members pay or reduce the benefits offered. The last option is for them to increase the Gap. Also, specialists often charge up to 300% of the recommended Medical Scheme Tariffs and there is nothing in place to stop them doing this. In addition, with chronic meds it is common to reach the limit on a scheme and then have to pay extra to continue with treatment.</p> <p>All the above issues will continue to widen the Gap notwithstanding the fact that I am on Discovery Health's Classic Comprehensive Plan, which is one of the more expensive plans.</p> <p>I have never seen the Gap Cover as doing the job of a medical aid, but rather an affordable option that gives me piece of mind that my finances will not be ruined when I have to look after the health of my family. I sincerely hope that the Government understands the crucial role that Gap Cover plays and that they do not take away my only affordable solution for health care.</p>

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94	Dylan Tuna   Stratum Benefits	I believe that gap cover provides an excellent money for value product. If you look at how much you pay for what you get as appose to medical aid and what you get from them, we are doing the public & medical aids justice by doing what we do. We also create jobs & add to the economy.
95	Mike Rash	On behalf of our company, and in the capacity of Medical Aid facilitator, I wish to register our strong objections to the proposed removal of Gap Cover policies as an option for funding “in hospital” costs. Our employees, who are using this cover to supplement the Medical Aid company’s poor cover for specialist services in hospital, come from the whole spectrum of ages and family health status. We fail to see why our employees must be disadvantaged financially to prop up and protect one portion of the health care industry. Should the employees be forced to upgrade their Medical Aid option, it will cost them substancially more in premiums and they will still only have half their present protection against exhorbitant specialist fees. These “in hospital” costs are after all the most serious threat to a persons financial state and, therefore, are logically the most important area of a person’s medical aid cover. To us, removing this option is unthinkable as a logical and reasoned approach. Again we lodge our strong objections to your Department’s proposals and urge you to do the right thing and withdraw them.
96	Individual	It is with dismay that I learn of your Department’s proposals to remove the option of “Gap Cover” with which us medical aid members are protecting ourselves, to some degree, from potentially ruinous “in hospital” costs. Forcing people to go to much higher costing medical aid options, with inferior benefits, is only fuelling medical inflation and exposing medical aid members to greater financial hardship when trying to cope with hospitalisation costs. What has happened to the spirit of the Consumer Protection Act and Competition Commissions? It appears that if an organisation comes up with a winning solution which greatly assists the consumer, but is a bit uncomfortable for other industry players, you simply outlaw their product. I would like to add my voice to those urging you to abandon these very consumer unfriendly proposals.
97	Anthea Wilkins Proper Healthcare Services CC	Thank you for the opportunity to respond to the draft regulations on the Demarcation between health insurance products that was released on Friday 2 March 2012. Currently our brokerage consults to around 5000 medical scheme members with the spread of risk spanning across some eight medical schemes. Within this member base we have around a 42% uptake on GAP cover. It must be pointed out that we are somewhat disappointed that GAP cover has been included in the category of “Health Insurance Products” as we feel that these GAP products are not infringing upon the business of a medical scheme but rather complimenting the cover that the medical schemes offer. Our rationale behind this statement can be supported by three main areas namely: Rate of re-imbursement Affordability Unforeseen events (risk purchasing). Rate of re-imbursement We are certainly mindful of the fact that medical schemes do offer products within their range of plans that cater for 200% and some at 300% for specialist services rendered in hospital, however, in the absence of a set tariff charged per procedure, members are often exposed to specialists charging well above this level and in some cases up to around 500% of the medical scheme tariff. This would certainly still leave members exposed in terms of shortfalls

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97	Anthea Wilkins Proper Healthcare Services CC	<p>experienced. It must also be noted, that even if a member elected to “buy up” to the best cover at 300% on the most expensive plan, they would still not have adequate cover to fund the cost of a procedure where the rate charged is up to 500%. Dependent on the medical scheme chosen, members are, in some cases, given the opportunity to utilise specialists that have a negotiated tariff arrangement with the medical schemes for in hospital procedures, however, this is not always possible. In our experience, our members have not had much success in this area due to the lack of provider networks set up nationally by the schemes. Larger schemes like Discovery that have economies of scale to their advantage have negotiated provider networks and payment arrangements for their members have certainly seen more success in this area. The same cannot be said for smaller schemes, as they do not have the same provider Networks in place and this would certainly be where GAP cover products would make a huge difference to members to alleviate shortfalls.</p> <p>Affordability and unforeseen events Given that plans re-imbursing at 300% are the most expensive plan options within a scheme, it is certainly not affordable for the majority of members to purchase these options. This is particularly true in the event that a member is not able to predict when a hospitalisation would occur and is often unaware of the potential shortfalls if they had chosen a plan covering 100%. This becomes more pertinent when looking at events that take place that are NOT classified as a PMB and where the member needs one or more specialist to tend to them in hospital for an unplanned event. This could often lead to the member being out of pocket for thousands of rands without any help from the scheme benefits (even if they had purchased the highest plan available they would still be out of pocket). What must be noted too, is the fact that when a member makes their plan choice for the following year, they base it on their previous history and an unplanned procedure is certainly not considered. Even if they wanted to purchase the highest plan to alleviate any possible risk, it would still be unaffordable for them as the contribution differential is too great. If members purchase higher plan options with the sole purpose of obtaining a higher rate of re-imburement, the monthly contribution to this plan is far higher due to the member now having additional day-to-day benefits, which sadly, may not be utilized and in effect, the member would be over insured from a day-to-day perspective but would still be exposed from a risk perspective. This, in our opinion would not make economic sense and would not be something that we would advise our clients.</p> <p>We would like to give an example of a case history to demonstrate the above points: Case history – Discectomy and Dynesis implant A member had purchased the Coastal Saver Plan on Discovery which covers specialists at 100% of the scheme rate. Member had a horse riding accident in December 2005 with a compression fracture of the spine. This was treated successfully and the member was fine. After three years, in January 2008 the member noticed pain in her left foot and it became progressively worse over a few days and eventually the foot became numb and was “drooping”. Having already made her plan selection for the year (decisions are made in November/December the preceding year) which was based on her and her families excellent health, it was not necessary to upgrade her plan. She did NOT have GAP cover. After consulting with her GP he referred her to the specialist. The member realizing via</p>



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97	Anthea Wilkins Proper Healthcare Services CC	<p>the doctor that she may need surgery tried to consult with a doctor on the Discovery “preferred provider” network and the only neurosurgeon that was on that list at that time (Dr Dasi) was away overseas at the time. As they could not wait, she consulted Dr Stephan Joubert at Umhlanga Hospital. His medical opinion was to immediately have surgery as the disk between L4 and L5 had completely ruptured and was compressing on the nerves. She was advised to have a device fitted to keep the disk space open. Once the quotations were received, she submitted this to Discovery and was shocked to see that the difference between the medical scheme tariff and what the specialist was charging (400%) was around R20,000 that the member would have to fund. She then went for a second opinion as she did not have these kinds of funds available. The second neurosurgeon Dr Naidoo also gave the same medical opinion. His quotation meant that the member would still be out of pocket for R15,000. It must be noted that even if the member had predicted the operation and had bought up to the highest plan on Discovery, she would have still had a shortfall! As the member had no choice but to have the operation as she could not walk properly or drive and had two small children, she had to apply for a loan to pay off the difference. The above case proves that even though this member had bought the appropriate plan at the time</p> <p>of making her choice for the new year, she experienced an unforeseen event that led to her being out of pocket for around R15,000. As this case was not a PMB, the member had no choice. If she had GAP cover, this would have been refunded to the member. We certainly feel strongly about allowing GAP cover products to have a place in the market as they genuinely complement medical scheme benefits and provide consumers with the ability to buy additional risk cover at an affordable rate.</p> <p>We believe that it is the consumers right to be able to mitigate future expenses by purchasing GAP cover products and feel that if these products are removed from the market, it would certainly leave many members out of pocket and worse off, even if they have bought the highest medical scheme plans. We sincerely hope that you take all the submissions with regards to GAP cover products into consideration and find an appropriate way forward. We do not believe that GAP products should be grouped together with the other “Insurance Products” as GAP offers a unique benefit to almost half of our member base and as consultants, we would not be able to effectively consult with our clients going forward as GAP cover is an integral part of the consultation process. We thank you for your consideration in this matter.</p>
98	Individual	<p>COMPLAINT THE JOINT EXPLANATORY PRESS STATEMENT BY THE NATIONAL TREASURY AND THE DEPARTMENT OF HEALTH ON DRAFT REGULATIONS ON DEMARCATION BETWEEN HEALTH INSURANCE PRODUCTS AND THE BUSINESS OF A MEDICAL SCHEME The recent joint press release on 16 April 2012 by Treasury and the Department of Health regarding the Demarcation Regulations seem very different from what is contained in the draft demarcations regulations. The regulations outlaw any health insurance other than income protection due to disability, third party liability, travel insurance and only permit products that defray medical expenses for those who require frail care and those who are HIV Positive. It includes emergency evacuation by private ambulance, but clearly classifies stabilisation</p>

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98	Individual	<p>in hospital as the only means for which an emergency event may be provided for. No consideration whatsoever was given to those socio-economic groups that cannot afford medical scheme membership. In this instance it is the good of the few that outweighs the good of the many. I believe it appropriate to offer insurance products that provide at least a basic level of cover to the individual consumer. An example of affordable health insurance is personal accident insurance that covers an entire family for less than R100 a month. On 16 August 2011, a media statement by Minister of Health that released the Green Paper on National Health Insurance conceded that the quality of care in public health institutions is often totally unacceptable, the minister added that injury and violence contribute significantly to the burden of disease and that of note is the significant proportion of injury associated with road accidents and inter-personal violence, particularly, violence against women and children. With this in mind the proposed regulations outlaw over 1 million individual's choice to purchase affordable insurance cover in the event of an injury that provides genuine health service in the private health sector. Surely such insurance cover must contribute significantly towards removing some of the burden to the public sector. The Draft Regulations should not be passed until such time as NHI is in place. It is my view that Government has an obligation to encourage the private sector and insurers to create and provide affordable health packages for the vast majority of South Africans who cannot afford medical aids. Dreaded disease cover, critical illness and hospital cash plans have been either completely outlawed by the Draft Regulations or limited to an extent that it no longer provides a benefit for what these products were set out to provide. Gap Cover The joint press release stated that "The draft Regulations do not propose the phasing out of all health insurance products, but only those which compromise the key principles of social welfare, solidarity and cross-subsidisation found in medical aid schemes (e.g. gap and top covers). A health insurance policy is not a substitute for being a member of a medical aid scheme." Such a statement is completely unfounded. Gap cover is not designed to substitute medical schemes; in fact it requires that policyholders are members of a registered South African Medical Scheme. Gap cover simply provides much needed cover to the consumer in the event that a Medical Practitioner charges a higher tariff than what is provided by the medical scheme during a major medical event. Such shortfalls in tariff may vary between R2,000 and R35,000 and will almost certainly occur if one undergoes surgery under general anaesthetic. The reality is that Gap cover is absolutely essential for those who cannot afford comprehensive medical scheme benefit options. The highest benefit option on most medical schemes do not provide for tariffs greater than 300% of the scheme's tariff. Our experience shows that certain medical specialists charge on average between 350% and 440% of scheme's tariff. Specialists have even adopted a two-tier billing system where a scheme is billed and the rate above scheme tariff billed to the individual consumer. National Treasury is not well informed as to who is purchasing health insurance; it is not only the young and healthy, it certainly includes the aged, the sick and those who cannot afford to be out of pocket in the event of hospitalisation. The insurance industry has also applied in their product design the very social reforms that were introduced to the Medical Schemes Act in 1998; premium rates are community based and underwriting resembles that of the Regulation 11 of the Act which provides for waiting periods</p>

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98	Individual	<p>and premium loadings for “late Joiners”. In the past the Council for Medical schemes has argued that Gap cover should be outlawed for no reason other than it results in members buying down to cheaper options. This is so as no other logic exists as a reason to outlaw these products. However, in the latest Council for Medical Schemes Annual Report (2010 – 2011) the Registrar provided details of an online study done by the Office of the Registrar of Medical Schemes on why members are buying down or selecting benefit option that are cheaper. The finding where reported by the registrar as follows: “The study revealed that the most common reason why members change from one option to another is due to affordability, i.e. when contributions become too expensive and unaffordable, members buy down to cheaper benefit options” and; “The other common reason for changing benefit options was limited access to benefits, i.e. when members feel that they do not have adequate benefits in their current option, they seek out an option that offers the benefits that meet their needs.” I am aware that this is the case; affordability is the key factor as to why there is a buy-down in medical scheme benefit options. Medical scheme benefit options are not arranged in a manner that allows the consumer to cover this unpredictable and costly risk of providers charging a higher tariff. The increase in benefit options provides a variety of other more costly benefits that may not necessary cover to the individual consumer. Practical reality would have it that the individual consumer should have the choice of selecting the most appropriate medical scheme option and to provide for these unforeseen events by purchasing a R100 a month Gap cover policy. Based on the Council for Medical Schemes Annual Report of Open Medical Schemes (2010 – 2011) plus both Gems and Bankmed of which benefit information is available, there are and 51 993 members on medical scheme option that pay a tariff of 300% of the schemes tariff, 681 224 pay 200%, 32 292 pay 150%, 85 928 pay 125% and 2 075 170 (almost 70%) pay only 100%. The joint statement is misleading. It is misleading to state that the draft Regulations do not propose the phasing out of all health insurance products. The draft regulations do outlaw affordable insurance products that provide for the most basic of health care benefits for 83% of South Africans who cannot afford medical scheme membership. It is misleading to state that gap and top covers are the only products of concern and then add that a health insurance policy is not a substitute for being a member of a medical aid scheme. Gap and top-up covers are not intended nor sold as a substitute to medical schemes, they simply augment what most medical schemes benefit options lack in the form of costs over and above medical scheme benefits. These products allow the individual consumer the protection that is not provided by an overwhelming majority of medical scheme benefit options. It is in my opinion misleading to say that Gap cover policies compromise the key principles of social welfare, solidarity and cross- subsidisation found in medical aid schemes. The dire effects of the Draft Regulations to the individual consumer. 1. The draft regulations will require that majority of South Africans no longer have a choice, they must make use of public services or borrow in order to meet the cost of private healthcare, this is so as primary care plans, personal accident health insurance and hospital cash plans have been outlawed. 2. The consumer is no longer suitably covered for a dread disease or critical illness. 3. The medical scheme member will either pay additional contributions worth tens of thousands of Rands, borrow in order to meet the additional unforeseen costs of surgery,</p>

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Comment	Organisation/ Individual	Comment
		or make use of public institutions for any hospital admission.
99	Individual	<p>Objection to the cancellation of Gap Cover Insurance We were extremely upset when we heard the news that the Government is trying to have 'Gap Cover' insurance banned. Without this cover, I hate to think what could happen should myself or my family need an operation with a Specialist that does not charge medical aid rates (which are few and far between)! We are currently on the Coastal Saver plan with Discovery, which only covers 1/3 of Private Rates for in hospital procedures. Our financial situation does not allow us to upgrade our cover to another plan! Even if we did upgrade we would have to go on to the very top plan in order to have private rate cover, which would cost about R7000 p/month for just 2 of us!! I don't know many people that could afford this monthly amount and even if we were on this top plan, we could still face a shortfall as Specialists can charge what they want to, sometimes way above private rates and so we could still face a nasty situation. With Gap Cover at least I have the peace of mind that should I need to go into hospital and the Doctor is charging 5 x the medical aid tariff, I would not be out of pocket but would have the cover I needed and not be ruined financially. I work for a Brokerage and we deal with Gap Cover insurance and claims daily, this has saved so many of our clients from financial problems and I would be extremely unhappy for myself personally if it was cancelled, as like I said I cannot afford to upgrade my medical aid plan. Without Gap Cover I sit paying over R2000 p/m on my medical aid but I then still run a high risk of a financial crisis in the event of a shortfall on the Doctor's / Anaesthetist's bill for a procedure.</p> <p>I would then not only have to worry about my cover but also that of my parents. My mom in law who is on Fedhealth had to have an operation last year by a Specialist (1 of only 2 that was capable of doing the special surgery she required) and she had a R28 000 shortfall, fortunately Gap Cover paid R18 000 and she only had to pay R10 000 but still this set them back as they had to take a loan to pay it. If they had not had the Gap Cover then no doubt we would have had to try and come up with the money somehow for them, as they are pensioners and struggle to pay their medical aid premium as it is, never mind having to foot the bill for such a big shortfall. Not having the Gap Cover option would put so much additional pressure on so many people, as medical aid's DO NOT provide adequate cover by any means. Medical aid is already so very expensive that it is impossible for most people to afford to upgrade to the top plan in order to get private rate (still not sufficient) cover. The Gap Cover insurance is affordable and an absolute necessity that we cannot afford to be without!! I therefore kindly implore you and your department to reconsider the cancellation of this most essential, valuable cover.</p>
100	Individual	<p>I would like to give my comment on this amendment bill. I am a young south african woman and as such understand that as a young person, my medical aid contributions are ultimately subsidising those of the elderly - I have no issue with this. I also have no issues belonging to a medical aid in principle, as I believe it is an essential product everyone should have. I do however, have an issue with the falling level of cover provided for by Medical Aids combined with often above inflation premium increases. Because of this (for my peace of mind) I recently purchased a Gap Cover product - it should be noted that I had to be a member of a medical aid in order to do so, so the gap cover was not an</p>

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Comment	Organisation/ Individual	Comment
100	Individual	alternative to medical aid, only an addition. Two months after purchasing the gap cover, I was hospitalised unexpectedly. My medical aid paid the hospital fees in full, but only 40% of the specialist fees which left me with a short-fall of over R20 000 in specialist fees. My medical aid covers specialists at 200% of the medical aid rates - my specialist fees were charged at over 500%. The gap cover policy paid out the majority of the difference in 10 days of receiving my application. Without them, I would have been in serious financial trouble even though I have a medical aid. If for instance, I was on the top level of cover, the most I would be reimbursed for specialist fees would be 300%, still leaving me with a short fall of 200%, not to mention the additional HUGE increase I would be paying in premiums, and hence cannot afford. Gap cover products are the only thing preventing medical aid members from leaving their medical aids altogether in favour of some sort of savings plan. Either, Gap cover products should be left alone as they are essential for consumer peace of mind, or the NHRPL tariffs should be reinstated and heavily enforced. I do not know whether specialists are taking chances and charging whatever they like just because no-one is policing them, or if the medical aids have unrealistic pricing structures when it comes to specialists, or a combination of the two. Either way, the patient loses. I also feel that medical aid members shouldn't be 'forced' to choose specialists that are affiliated with their medical aid or suffer the consequences of unpaid fees. It should be law for all doctors and specialists to comply with a standardised pricing structure. When this happens, no one will need products like gap cover.
101	Seshnee Moodley Stratum Benefits	I would like for gap cover to stay as it is , merely because it's an excellent product that helps people cover the gap in hospital a lot of people depend on this cover and to take it away is unfair, not only to our existing clients , but also to the people that work for gap cover industries. I really do not see anything wrong, bad or even remotely incorrect about the service we as a company provide .
102	Julian Mohamed Stratum Benefits	The government can't get the public health care right , why do they want to mess up the sector that is working. They always talk about JOBS but now they to contribute to the unemployment. They Say that the NHI will take 14 years to implement, now happens in the intern???
103	Robert Putzel Silver Oak Investments	I am a financial planner who represents over 20 clients with medical gap cover insurance policies and over 100 clients with dread disease insurance cover. I would like to lodge my complaint in the strongest terms to Government's intention at this stage to cancel all medical and hospital gap cover and dread disease insurance plans at this stage. Gap cover is not designed to substitute medical schemes. In fact it requires that policyholders are members of a registered South African Medical Scheme. Gap cover simply provides much needed cover to the consumer in the event that a Medical Practitioner charges a higher tariff than what is provided by the medical scheme during a major medical event. Furthermore, Dread Disease cover in almost all cases, is not intended to take the place of medical aid. But is intended to fund for the changes in lifestyle and occupation that invariably follow a dread disease occurrence. In the future, once, and only after medical aid is in place and covering the whole population, and all medical aid cover includes full costs of medical practitioners and hospitals, including private hospitals, as well as lifestyle changes after

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Comment	Organisation/ Individual	Comment
103	Robert Putzel Silver Oak Investments	major trauma events, only then should we as a country consider cancelling separate medical insurance such as gap cover and dread disease insurance. I submit that you will probably find it is against a citizen's rights in terms of the Constitution, to insist that he may not buy certain additional plans or products to improve his own lot in life. Kind regards Robert Putzel
104	Rudolph Ackermann CURA ADMINISTRATORS (PTY) LTD	PDF/ Fax Annexure R1, R2 and R3_ Rudolph Ackermann Cura Administrators (Pty) Ltd
105	Individual	I have personally seen Gap Cover "rescue" people from crippling medical costs due to their being no limit to what a medical professional can charge the public, in the private sector. Why they start with the root of the problem is beyond even my common sense. I have read the recent joint press statement by Treasury and Health. I subsequently did some investigations of my own and disagree with the statements made, which are in fact grossly misleading. It doesn't even reflect that the powers that be even have a clear understanding of the Gap Cover products. Let me give you a few very basic examples : • A Gap Cover policy does not refuse you cover, like the medical schemes it places waiting periods simply to protect the risk pool, which is ultimately beneficial to their members. • No higher premium for older ages – all pay the same premium for the same level of cover. An example Liberty Life will issue a Gap Cover policy for a 100 year old at the same premium as a 20 year old – now that is a fact. Where exactly do these regulators and "experts" get their basic facts from? When a major medical event befalls a loved one or yourself the very last thing you need to be worried, concerned, afraid and stressed out about is how much the excess medical accounts will come and how you are going to get the money to settle them. Nobody but a Gap Cover policy will help in that scenario. I feel so strongly about Gap Cover because I have seen for myself how invaluable and cost effective Gap Cover actually is. My husband underwent a bypass operation and stayed just a week in hospital and it all went off without any complications. AFTER negotiations with the medical service providers for lower fees there was still a shortfall of R 57 235.87 and that amount could have very quickly escalated if complications arose. How can Gap Cover replace or mimic medical aid cover when a client cannot take Gap Cover unless they are already a member of a medical aid scheme? Why the government departments want to outlaw something that is beneficial to the consumer and is funded by the consumer to protect his family and himself against the unregulated medical service industry when the government still cannot provide mediocre basic health care in the public sector is beyond belief.
106	Individual	This email is an objection to the proposed legislation of wanting to get rid of Top up covers for medical aid. As an individual i cannot afford the highest medical aid option. For under a R100 i have myself covered for the maximum rates of most doctors and hospitals and ensures i have a comprehensive cover. I cannot undersand why you want to get rid of this affordable benefit.

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Comment	Organisation/ Individual	Comment
107	Jill Douglas JKD FINANCIAL SERVICES CC	<p>I have to express concern on behalf of my clients and myself that the GAP cover debate has been raised yet again. I am inundated with queries and concerned clients that the government is going to remove their GAP cover as they cannot afford to go up to a comprehensive cover of 200%+ , as this will not do away with the necessity for the product – there are still co-payments and shortfalls on every medical plan and affordability becomes a HUGE issue. Doing away with GAP cover is going to have a real impact on whether or not one has a medical aid or not, not on the option selected. With the rising cost of living a medical aid is fast becoming a luxury for the average man – add to that the rising cost of a basic medical aid as well as the reduction in benefits (3 years ago your average hospital plan covered you for 300% and your bills were covered in full, now those plans are 200% and co-payments have been introduced as well) the average man in the street is having to pay more and more for less benefits, the GAP cover give him peace of mind that where his medical aid falls short the GAP cover will take up the slack and ensure that he is not out of pocket. I have just submitted a maternity claim for over R6,500 shortfall and this is the average shortfall on birth. How is the average man supposed to get an additional R6000.00 in one month. Please look at the impact that removing this very valuable product will have on the man in the street, we as buyers of the product have peace of mind, there is a HUGE need for it and it is not doing the work of a medical aid at all, the medical aids themselves are introducing GAP (Liberty, Resolution). Rather let the medical aids stop sponsoring sports teams and start sponsoring benefits for their members, let Lotto sponsor sport. Prescribed Minimum Benefits should be reimbursed at the rate selected on the medical aid plan and not unlimited cover at whatever rate is charged, this will free up funds in the medical aid too. Thank you for your consideration.</p> <p>Yours Jill Douglas</p>
108	Individual	<p>I wish to strongly voice my objection to you doing away with top up medical cover. As a single mom I cannot afford medical aid so am presently on a hospital plan with top up cover from complimed. If this is taken away it would cause dire consequences for me and my children.</p> <p>Sent from my BlackBerry® wireless device</p>
109	Clement R. Human Oasis Tanning Company (Pty) Ltd	<p>I wish to register my objection to the proposed health plan, the Finance Minister stated that the intention is to bring health cover to the masses but it is clearly dishonest as the masses will never be able to utilise any tax benefits due to the poverty that prevents this as their annual incomes are insufficient. If the government truly does care for the poor (I doubt this seriously when I look at their lifestyles), they will do this in more honest mechanisms such as proper job creation and not the disgraceful and artificial BEE and AFIRMATIVE action policies which are a dreadful insult to those whom it purports to help (whose personal intelligence lacks the capacity to comprehend this). The social engineering plan of the ANC is not bringing up the masses but impoverishing the tax base currently found in the middle classes. The tragedy of apartheid is now being exploited by the so-called champions of the poor for their own enrichment. Consequences will inevitably be reaped in the not too distant future but the bitter harvest will devastate our future generations. Regards Clem Human</p>

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Comment	Organisation/ Individual	Comment
110	Individual	Att DR RESHMA SHEORAJ.i strongly object. I have been paying approx..R 6500 PM FOR MED AID FOR MYSELF &WIFE BUT FUNDS HAVE EXPIRED AFTER 3 MONTHS.
111	Individual	PDF/ Fax Annexure S1, S2_
112	Individual	Outlawing GAP cover shows a significant failure by Treasury and the CMS/Dept Health to understand its operation and target market. The very real NEED that is successfully addressed by these gap cover products CANNOT be removed by legislation.All that you are doing Is proving once again, our governments INABILITY or UNWILLINGNESS to listen to the people who are experiencing the additional costs of health care That is not provided adequately by their medical scheme. Listen to the people, we do not need a BIG Brother approach to this problem.
113	Individual	PDF/ Fax Annexure T_
114	Margaret Sylvester Classis Wealthcare Solutions (Pty) Ltd	PDF/ Fax Annexure U_ Margaret Sylvester Classis Wealthcare Solutions (Pty) Ltd
115	Lize van Zyl DBApparel South Africa (Pty) Ltd	PDF/ Fax Annexure V_Lize van Zyl DBApparel South Africa (Pty) Ltd
116	Andrew M van Dam Intelligent Asset Minders CC	As a concerned Certified Financial Planner, I'd like to have my 5 cents worth and give you my opinion based on 20 years of practical experience in the job of giving 'financial advice'. The way I see it is that there are reasons for your concern and reasons for demarcation. However, lets not throw the baby out with the bathwater. There is a real need for top-up cover, since medical schemes are simply not providing sufficient cover for their members. I had a case today where a client on the 'Executive plan at Discovery had had a fairly serious operation and was left with a R45 000 shortfall. There is no better plan, yet he was still left with a significant shortfall, hence the need for a top-up insurance and for +/-R200 pm he would have been able to cover the R45 000 shortfall. On the other hand, you are justifiably concerned about medical insurance, since many are opting for it instead of cover by a medical scheme. This trend will lead to the numbers on medical schemes declining rather than increasing and a general deterioration of the health of medical schemes which will spiral into 'failure', not desired by anyone. A simple solution would be to restrict short term medical insurance to top-up. Legislate that for short term medical insurance a membership of a registered medical scheme is a pre-requisite. Save a lot of people a lot of money and time and prevent a major headache in the financial advisory field. Kind Regards Andrew M van Dam CERTIFIED FINANCIAL PLANNER®
117	Maretha Smit South African Dental Association	PDF/ Fax Annexure W_Maretha Smit South African Dental Association



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Comment	Organisation/ Individual	Comment
118	Robert Fischer Fischer Safes and Security Solutions	I am totally opposed to the possible expulsion of top up cover. How will people be able to afford R350 per person on a medical aid plan unless their family income is around the R60 000 per month after tax. What about the all the people who have been paying into top up schemes diligently... What are your arguments, please let me know how you can support the theory behind all of this, maybe I'm missing something. With Safest Regards Robert Fischer
119	Individual	PDF/ Fax Annexure X__
120	Anthea Engelbrecht Stratum Benefits	Comment of a staff member who works for a gap company. My first reaction when hearing about the article was fear at the possibility of losing my job. I wondered why make a generalisation, why try and get rid of companies that actually benefit the consumer like Stratum Benefits. Stratum provides an invaluable service to consumers and does NOT do the work of a medical aid. Firstly, a client has to be on a medical aid in order to benefit from our products. Secondly, for the benefits provided it is a very cost effective product. As doctors and specialists are not regulated and can therefore charge up to 500% for a procedure, and with medical aids covering only 100% or 200%, where would that leave the consumer? Also, there are certain procedures that require co-payments (deductibles), some, depending on the procedure can be quite steep, as a gap company we are able to offer the consumer financial respite as they are able to claim that cost back. Having complete faith in the products that Stratum offers as a gap cover company, and knowing that it benefits all our clients of all ages, I urge that the matter be carefully considered and regulate only the companies that infringe upon the duties of a medical scheme.
121	Yolanda De Klerk Stratum Benefits	I feel that Gap should continue because it is beneficial to the public. It is not replacing the medical aid it is here to enhance it. Gap also creates job opportunities and do charity work as well as pays Tax. Everybody will lose out if Gap is stopped. Thank you Kind Regards, Yolanda De Klerk  Accounts Administration – Johannesburg
122	Danielle Whitten Stratum Benefits	"Gap cover is not only a product but also a corporate citizen within itself. Gap cover companies do not only offer benefits to clients but also job creation for an up and coming market. Government stands for job creation, would it be fair to close down a corporate organization that is not only employing staff but growing and educating them? Gap cover is around for people who cannot afford to pay money from their pockets for procedures that could save their lives." Thank you Kind Regards, Danielle Whitten   Accounts Supervisor
123 123	Chadwin Fasser Stratum Benefits Chadwin Fasser Stratum Benefits	Since I have been working at Stratum Benefits I have noticed what a huge benefit it is to have a cover like this. It really helps people out a lot if you think about it. I don't think the Government should cancel or discontinue a product like this. Allot of people are benefiting from this product. If the Government goes ahead with this the they will be contributing to the unemployment rates in this country( basically shooting themselves in the foot ) , which I really don't think we need. The Gap cover industry has been coping well over the years and should continue providing since

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Comment	Organisation/ Individual	Comment
		an astonishing service to the public. I AM FOR GAP COVER Kind Regards, Chadwin Fasser   Membership Administrator
124	Thandiwe Mnguni Stratum Benefits	Kindly consider the following prior to any decisions to be taken on the Gap Cover: 1. Job losses 2. More debt in our society 3. Higher crime rate 4. Higher taxes to accommodate the increase of people claiming from government grants 5. Higher rattles lending 6. More people to consult the already burdened public health facility I work for Stratum Benefits and if this law is passed I WILL LOOSE MY JOB. This law will affect me and my child in more ways than one. It will affect my family and our community. The country does not have jobs now, you close GAP Cover companies like Stratum where will the 30 people (and more) get new jobs, how will their families survive? Gap Cover has been around for more than 5 years and I believe that it helps people financially more than they would ever realize. I have worked in a medical aid company as much as the medical aid gives you cover the are things that they do not cover and I feel for patients who have an emergency and end up with a huge bill that they have to settle their doctors from their own pockets after the trauma they have had. Instead of this law being passed I think the nation needs to be educated about Gap cover as it a huge benefit to have. In life we all at one point or another will need to be hospitalized and we all need the best medical cover without thinking of the cost as much as we all want the best medical care. Kind Regards, Thandiwe Mnguni  Accounts Administration KZN
125	Bradley Stander Stratum Benefits	Before I worked for Stratum I didn't think Gap covers were a product that was needed by our society, but when I started working for Stratum I learnt a lot about the product and it changed my views on it. I think it is a great product for people to have. The product doesn't let people down and as being one of the many suppliers of providing Gap covers to people we do give great service and strive to keep the clients happy. If you take the Gap cover policy away a lot of people will lose their jobs and be jobless. This country is meant to be creating jobs not taking them away. Thank you Kind regards, Bradley Stander   Membership Administrator
126	Sharon Tommy Stratum Benefits	There has been a lot of negative feedback in the press with regards to Gap Cover. We always talking about a free democracy and want to live up to the first world countries, but government is taking away the last slice of bread out of mouths. Being: Jobs Crime Rate Increase of petrol Increase of electricity Increase of water When/If Government decide that Gap Cover is no longer required what is going to happen to the thousands of people that would lose their jobs, the thousands that are still walking around still looking for jobs. Then they should reconsider what the consequences are going to be – people losing their houses, cars etc. – the increase of crime will be the worst ever this country has ever experienced. How do tell my daughters that I can't afford there University fees or put food on the table at the end of the day. Stratum Benefits operates as a distribution management company within the financial services industry focusing on short term insurance products designed to enhance benefits in the healthcare environment. Stratum benefits (PTY) LTD is committed to providing essential easy to understand insurance products to the public through our panel of intermediaries. Actual examples of claims paid PROCEDURE SCHEME TARIFF
126	Sharon Tommy Stratum Benefits	

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		<p>ACTUAL COST GAP PORTION Breast Biopsy (Specialist costs) R 3 780.57 R 7 057.52 R 3 276.95 Back Operation (Specialist costs) R 3 207.20 R6 180.00 R2 972.80 Spinal Fusion (Specialist costs) R 18 503.90 R55 0.46 R 36 816.56 Cystoscopy (Specialist costs) R 7 825.00 R 16 264.20 R 8 439.20</p> <p>Spinal Cord injury (Car accident) R 10 464.40 R29 877.00 R 19 412.16 Caesarean Section (Specialist costs) R3 984.24R 12 507.39 R 8 523.15 Does the man in the street have the cash available in his/her bank account as he/she is liable for the gap portion. Kind Regards Sharon Tommy   Accounts Administrator   Western Cape</p>
127	Daphne Louw Stratum Benefits	<p>Please see below comments regarding possible decisions to end Gap Cover. After working and studying, I have accumulated 12 solid years of experience and knowledge in the medical and healthcare field, and only up till recently was introduced to the “Gap” facility offered in this vital market. I find that the concept of “Gap Cover” has been sadly misunderstood and should be seen for what it is, Gap cover is designed not to compete with medical funds in SA but rather compliment them. In my experience I have composed and compiled many a case where the single mum, with two kids being the soul provider in her household plead to schemes to cover the full costs of healthcare providers where schemes have paid up to scheme tariff and service providers have claimed above these tariffs. To be an answer to that overbearing cost must be in my definition only Gods answer to a prayer. We have seen that government have come to the table in assisting our South African citizens in regulating schemes to pay at cost for events that are PMB (prescribed minimum benefit) related ensuring that health events that where vital to sustain life and its quality where not compromised by funding. But have we taken too consideration those events that are not PMB related that could also run into huge amounts for the average citizens pocket, and that is where Gap cover comes in. We aid and assist those medical procedures that are warranted yet fall short of being considered PMB related. I myself am a mother of two kids and a wife in a dual income household and know that if gap companies are put an end to not only will the so many lives we touch be deprived of assistance but also my household will be deprived of the few extra necessities we now can afford as a dual income household.</p> <p>I am always hearing via the media how Government assists in alleviating unemployment rates and encourage entrepreneurship to boost our economy does it makes sense then to grant an end to a field that is vital and leave a number of citizens without employment. I duly think that these unemployment figures should be first considered in making such decisions and the role that gap cover companies play in our economy. I grew up with a theory that if it works don't mess with it. Kind regards Daphne Louw   Broker Relations Officer</p>
128	Individual	<p>Perhaps there may be brokers who are stupid enough to try and sell a GAP product, or medical insurance product as a Medical aid ! however I find it inconceivable that government wants to protect consumers from such unscrupulous brokers, and in the process leave them open to bankruptcy from the medical fraternity. Those of us ( who I can promise are in the majority) who use these products ( particularly GAP products which fall under Short term Insurance act) , and the product houses who Market said products, do so responsibly. I personally don't sell a medical aid without GAP cover if the client can afford the additional premium. To do so is to be criminally negligent towards</p>

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Comment	Organisation/ Individual	Comment
128	Individual	our clients and their successful financial protection around medical issues. Nothing is going to cause a client to rebond their house quicker than exorbitant unexpected medical costs, and until government wants to come to the party by dictating how much medical practitioners are allowed to charge, and what hospitals are allowed to charge for, then I request that they stay out of the decisions we make to protect said consumers against the extortion ! Leave the products alone ! for most of us they work well ! Responsible GAP Seller Financial Advisor
129	Individual	We are a retired couple who have taken out a gap cover policy. We are already on the highest bracket of our medical aid, but find this is not always sufficient. Last year my husband had to go through emergency brain surgery, & we would have had a real financial battle without the gap cover. Changing the existing cover would be really detrimental to pensioners whose medical aid does not cover the shortfall.
130	Individual	We have medical aid cover for our family which is expensive to say the least. Our young son has had to undergo 2 operations in his short life and we had a shortfall of R33,000 in total which we certainly could not have afforded were it not for our Gap Cover. We already pay R3,000 per month for medical aid for 3 people so the idea of Gap Cover policies being done away with is ridiculous! How on earth are we supposed to afford more than R3,000 pm JUST in case something goes wrong in the future?? This small insurance policy provides peace of mind should something unforeseen happen to my family and we couldn't live without that safety net. On behalf of MY family, please reconsider this proposal. Regards
131	Individual	I am sorry to receive notification from Complimed on the fact that National Treasury is considering discontinuing their product and services. I have been a client of theirs for some time now and have had reason to claim under their policy on a few occasions. The product and the services provided are nothing short of outstanding and it would be a huge pity to all of their clients if this was to be discontinued in any form. I trust the interests of their client base is taken into consideration when making any form of decision.

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Comment	Organisation/ Individual	Comment
132	Individual	Please be informed that I have been notified by my gap coverage provider, Complimed about the new proposed removal of gap coverage as a viable option. Please note that I am vehemently opposed to this proposal as I have had first hand experience, only last year, of how inadequate my medical aid coverage was for a knee operation that I had. If it was not for my gap cover, I would not have been able to have the operation until much later, as I would have had to save for the operation even though I'm on a medical that I contribute R1400/ month for one member. I will not be able to afford to go onto a higher paying scheme and due to specialists charging such high rates above medical aids rates, if it were not for a gap provider, who knows what would happen to most people and their health- we would be in dire straits! Has the nation's health care become such a none issue, are we (those who still pay for health care-to the best of our abilities) now not obliged some needed help, because medical aids are just not cutting it for us anymore. I do not understand the logic in this possible action at all. It is absolutely ludicrous when all costs are continuously increasing beyond reason to now want to put our future health in jeopardy as well, because without gap cover, many would just not be able to sort out their health issues. Please consider the logic and human care issue of my argument with regards this upcoming proposal. Kind regards,
133	Greg Shartin Leather Power CC	I would like to lodge my complaint regarding the new legislation pertaining to Complimad's Gap cover. This cover was absolutely invaluable to me in my disc replacement operation last year, whereby the Gap cover picked up the entire "Gap" between what my operation costs were and what the medical aid allowed. Had it not been for the Complimed Gap cover, I would have been liable for accounts which I would not have been able to pay. I urge you to be instrumental in striving to have this Gap cover remain in place. Thanks and kind regards Greg Shartin Leather Power cc
134	Individual	I hereby voice my strongest objection to GAP cover being discontinued! IT'S A VERY GOOD THING to subsidise my Medical Aid with! Why should I be denied the RIGHT to have access to it? PLEASE think out of the box and see the benefit of it. It's for everyone's benefit!!
135	Individual	I refer to your recent press articles regarding the above cover. I do believe that this is totally up to an individual to have this right to have the cover they need, it is our money and we are paying for this, Government Health should have no right to decline us the right to what we require for our own medical benefits. I had my daughter in hospital for a week last year, the Paditrician charged me 400% of Medical Aid Rates, what a rip off, I queried it and they said sorry that's the charges. I was none the wiser at the time, and therefore had to pay the account. Times are extremely tough out there and people are trying to cut costs where they can. At that time I did not have gap cover but was advised by a friend to get it as it is well worth it. Who do you think has money lying around just to pay for Drs who charge the earth. We don't have a choice in the matter. I cannot even afford a full medical aid and therefore only have hospital plan. I think you need to sincerely consider this decision.
136	Individual	Personally I cannot afford to upgrade my medical aid due to financial issues. Secondly why must people interfere with things that work for the ordinary person. I vouch and stand by the gap cover because my son had a cornea transplant

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		last year and my gap cover paid without any issues for my shortfall.
137	Individual	Our gap cover provider Complimed has brought this new draft to our attention and we object to this draft and reject it is the strongest way. We believe that this new draft will cause unmanageable financial strain in already tough times and we oppose this.
138	Individual	I am rather distraught to learn that the National Treasury is suggesting that the Gap Cover be removed. I am a household of 4 and in today's economy I certainly cannot afford to upgrade my existing medical aid! I have made use of my Gap Cover on numerous occasions due to major shortfalls in hospital cover. Removing the Gap Cover would be a huge financial blow to my family as we certainly cannot afford to update our medical aid. PLEASE do not remove the Gap Cover, having this cover helps me and my family sleep better at night knowing we have this cover to fall back on should something happen to one of us. With Kind Regards
139	Individual	After reading the debate about gap cover and medical aid, Please do not cancel the gap cover agreement, at what the hospitals charge and what the medical aid covers is great and a lot of people will not be able to afford this thanks
140	Individual	<p>I have read various articles on the demarcation issue of gap cover and would like to add my comments as follows: Firstly I do not agree that the rates are based on health, age and salary, that is totally not true. They are based on one premium irrespective of whether it is an individual or a family depending on which option is chosen. Secondly there is no way that gap cover reduces the reserves in a scheme, as an example a person on Discovery Health Classic Core option is not suddenly going to go to Classic Comprehensive if gap cover is not present...why, well because all Classic plans cover a member up to 200% of the DH rate in hospital so it makes no difference what so ever. Lastly gap cover has become a necessity and not a luxury as it is very helpful due to there being no "watchdog" for doctors and specialists who mostly charge way above what medical schemes can pay. Discovery has a specialist network direct payment arrangement, I think this is one of the main reasons why gap cover is being questioned BUT even with these networks doctors and specialist still charge above the medical scheme rates (I have experienced this for myself) so there goes that argument out of the window.</p> <p>I personally have gap cover and I am very happy to know I do as it gives me peace of mind along with thousands of other satisfied customers, please do not take our life line away from us, that would just be hostile and very nasty.</p>
141	Individual	We Morris Phillip Kretzmer and Maizie Kretzmer wish to record our objection to the proposed cancellation of the Top up cover for Medical Aid Funds. I am an elderly man of 80 and my wife will be 79 on the 29th of May 2012 If the Top Cover is abolished we will be unable to afford Medical Treatment as we are both retired and our income is limited.
142	C De Jager Lion Match Products (Pty) Ltd	PDF/ Fax Annexure Y_ C De Jager Lion Match Products (Pty) Ltd
143	Individual	I, Rodrick Robinson, would like to lodge my objection, to the intention to remove the right for me to choose, if I wish to insure myself, when the medical profession charges well over the PMB rate. Gap Cover. Surely this would then become a constitutional court issue as the Government is removing my freedom of choice, a Communistic State

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		comes to mind. Surely it is MY choice, as to what I insure myself against, and being on Pension, I can ILL afford to pay the Medical Profession, their exorbitant rates, that are charged at Private Hospitals. Perhaps that is where the Government should start looking at the Vultures that fly around the Hippocratic Oath.
144	Dale Piper Hastie and Piper Health Consulting CC	PDF/ Fax Annexure Z_Dale Piper Hastie and Piper Health Consulting CC
145	Individual	As I understand it there are some proposed amendments to the amendments to the Short Term Insurance regulations which would impact on Medical Top up schemes. I am a member of such a scheme (Complimed) and I have benefitted substantially in respect of a back operation which I would not have managed to afford were it not for the benefits I received from Complimed in respect of this surgery. I could be disadvantaged in the future if these amendments are introduced. Please do not take away this benefit. The cost of going onto a superior category of Hospital plan cover is too much and even then we could end up having to personally subsidise huge amounts in the event of any possible hospitalisation.
146	Individual	I would like to comment on the proposals to eliminate gap cover as a form of medical insurance I dislocated my knee almost a year ago, and was obliged to undergo emergency surgery. I pre-authorized the procedure and believed I was covered in full. This was only true in respect of my 47 000 rand hospital bill. In respect of my surgery, and anaesthetist bills I would have been out of pocket to the tune of almost R 30 000 This was despite the procedure falling within the limits of a prescribed minimum benefit. Discovery argued that I had not used a designated service provider, but since the procedure was performed on an emergency basis, I was not really in a position to choose a provider. If I had not had Gap Cover from CompliMed I would have had to incur a significant cost. Talk about adding insult to injury! A more comprehensive policy would still not have covered me in full, since I understand that they often only pay 2-300% of the DSP rate. My surgery fees (R 34 000) were approximately 450% of the DSP amount (R 8000 )Frankly I don't believe these DSP rates are realistic – I would not expect a highly qualified and experienced surgeon to perform a very long (3 hours) , technically demanding operation for R 8000. In these circumstances I believe Gap cover is the only realistic solution.
147	Individual	I am writing to express my disagreement to the proposed legislation above. I have been a client of Complimed for the last few years and have had to use the Gap cover following the implantation of a pacemaker 2 years ago. I would not have been in a financial position to have the procedure without the cover. I will be turning 65 in June this year and my financial plans for my retirement have relied on the gap cover to cover any shortfall in my medical aid. Any changes to the current legislation will effect me adversely and impact on my quality of life during my retirement if I have to undergo any further hospitalisation. Thank you
148	Individual	I have recently received notification from Complimed about proposed changed to Complimed, and my gap cover. Not only am I apalled by this, I am also angry and very worried about what will happen to me and my young son. I

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		currently pay a large sum for medical aid, a sum i can barely manage to afford, and last year I had back surgery which would not have been a possibility had I not had my Complimed gap cover. I have had to have 2 more scans on my back this year, so by March I already had no more cover left on my medical aid and a big credit card bill! Yet I continue to pay. If I continue to pay and my son or I need an operation, what would the point be if we did not have gap cover for the excess of the operation? I am a single Mom with a young son and I work full time. I suggest you find something else to focus your time on instead of making life even harder for us middle class South African citizens who try our best. No wonder everyone is either sick or poor or struggling or leaving this country. Leave our gap cover alone. It is one of the only positive things being done for us South Africans, especially someone in my situation. My back is not going to miraculously get better and without that cover I will eventually just become cripple as I CANNOT afford the extra covered by my gap cover. Like I said, for my last op the gap cover was my saving grace.
149	Individual	I totally object to the proposed policy of a replacer type policy as i am a medical aid subscriber and i have used the gap cover many times due to shortfalls in payment of medical aid and due to some doctors charging much higher than the prescribed medical aid rates. It will be of a huge detriment to my financial cost for medical bills if the gap cover is removed. I cannot afford to upgrade my medical aid to a higher plan and the gap cover assists me in meeting my shortfall of medical bills. therefore i totally object to the new proposal with thanks.
150	Individual	It is with utmost regret that I have read of the deplorable change to Complimed because of personal shock and what they offer to dependable patients. The only reason I use Complimed is because of the demonstrative and deplorable cost of the Medical Industry. I have been fighting cancer for 18 (eighteen) years, and the medical costs have cleared me out financially. I have had 167 sessions of radiation. I have lost my left ear and down my left ear canal causing me to be deaf. I have had my right jaw and right ear re-constructed after many tumours removed. I had my prostate removed 2 years ago, within weeks of death. The story goes on, and I can provide all my details if you do not believe me. The damage of the radiation has damaged my brain, causing uncontrolled fits. It has created a cyst on my brain which cannot be removed. I cannot drive a motor car anymore, and am forced to work from home. Last year I had another tumour removed from my neck, and the cost from the one doctor alone was R38 000. Because of "....Rules" from him, the Medical Aid only paid R8 000. Complimed helped pay most of the outstanding balance. If it was not for the policy I have with Complimed, I would have had to sell my house to pay the balance to ONE doctor!!! The reality is for you to RATHER dig deep into the outrageous activities and costs in the Medical Industry, and the shocking results they have on every struggling patient in South Africa. Look at the mess at Government Hospitals. Rather concentrate there with the bad and incompetent service and theft of all items from bed linen to tablets. Get real and concentrate on realities in South Africa, not small financial tid-bit "problems". I am challenging you to a personal meeting to discuss what the help of Complimed has been to me and my family. I also think this case be highlighted to Carte Blanche on M-net to discuss the abolishing "idea" of Complimed to the whole of South Africa via television, and also to John Robbie on 702! I also pray that reality will be found within you to consider what doctors were taught ..... You



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		as a doctor may be financially well off. Thank God. Consider all those who are not and struggle, like me on a daily basis just to survive and live within the tension of the next cancer attack and the loss of income thereof. To finish off, ALL doctors were blessed by accepting the Hippocratic Oath. We all know what that means, especially for "doctors", but I'm afraid in the past number of years, to me it has become the HippoCritic Oath! Please take note of my wording, my suffering in life like thousands of other people, and arrange a "life" meeting to discuss this hypocrisy.
151	Jonathan Dunwoody HDIFS Planning CC	PDF/ Fax Annexure AA_Jonathan Dunwoody HDIFS Planning CC
152	Individual	<p>My name is Brad White and I am a financial planner who has been in the industry for the past 12 years. One of the main areas I pride myself in is assisting my clients to obtain sufficient and affordable medical scheme cover, thus enabling them to be able to receive private healthcare. These clients range from young new entrants into the working sector to those that have reached retirement. At this point I have over 500 clients relying on my advice and assistance to try and alleviate the exorbitant costs that the medical sector throws at them. It was very concerning when we heard of both the proposed regulations to stop gap cover products, and the fact that they have been placed in the same basket as that of health insurance products. I feel it is very narrow minded and that no clear understanding of how a gap product actually works has been taken into consideration, not to mention the benefit the gap cover provides to that of the middle to low income earners. It is frightening to think that a proposed solution is to upgrade your existing medical scheme to a more comprehensive package in order to make up the shortfalls of the costs incurred due to higher than medical aid rate being charged. As it stands, the majority of the population who contribute toward medical schemes can barely afford the current premiums for the benefits provided. Secondly, the most comprehensive packages also require gap cover to assist with co-payments and still have shortfalls with regard to the rates that medical specialists charge, as well as capping certain benefits offered - for example oncology benefits. One needs to look at the majority of the population and who ultimately benefits from the gap cover. This would be the middle to lower income sector who are cut to the bone with regard to monthly expenses and commitments in order to enjoy a very basic lifestyle. Important expenses one needs to cover include groceries, school fees, house mortgages, water and lights, rates and taxes, car repayments, clothing, both long and short term insurances, petrol, maintenance for vehicles etc. What must they cut out in order to pay towards a more comprehensive medical scheme? For many it would eat up more than 60% of their current monthly income. We have seen adjustment to the tax deductibility of medical contributions whereby the lower income earners get a better tax deduction via the new tax credit system. Here is an example of trying to assist the lower to middle class income earner, however now treasury is proposing to take away a benefit which assists them in covering large shortfalls which they do not have available. The proposal is to have a benefit which must be an income replacer product which covers the income lost due to these expenses they have incurred. The shortfalls covered by gap cover does that by covering the capital the medical scheme member has had to pay. Where does this capital come from? It would have</p>

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152	Individual	<p>to be from an individuals' earnings/income. I attract new members to contribute to medical schemes by tailor making solutions, being affordable and as comprehensive as possible, and attractive to the point that they have peace of mind that should they need medical care they have a benefit in place. Gap cover makes it more attractive for individuals who previously have not been members of a medical scheme to join as the total package has a value added benefit. Gap cover does in no way attract the younger healthier market away from medical schemes , it merely makes the contribution to an affordable medical scheme option that much more attractive and most importantly beneficial to them should they be in the unfortunate position of needing private medical care and thus exposed to unrealistic costs imposed upon them by specialists. Regulate the costs a specialist may charge for the services they provide to that of which the National Health Rate prescribes! Then see what the implications will be? If all specialists charged rates at medical aid rates, shortfalls would be not be an issue! Two practical examples I have personally dealt with regarding shortfalls and gap cover assistance are the following: First member needed a spinal fusion. The total payment from the medical scheme was R11522.00. The total cost for the anaesthetist and neurosurgeon was R36436. Gap cover picked up the difference of R24914.00. Second member had a neck operation, where he faced a shortfall of R27000 which Gap cover reimbursed him for. Both these members cannot afford more comprehensive medical schemes and even if they were on the most comprehensive scheme on offer shortfalls of at least R10000 would have been experienced.</p> <p>Where are these clients meant to find the capital for the shortfalls – Will the government provide? Please get a better understanding about the benefit gap cover provides before you even consider them in the same light as medical insurance. Most importantly it is the general public that is being disadvantaged should regulations be enforced.</p>
153	Individual	<p>Please note that I strongly object to the above and do not want any changes. I DO NOT wish Gap cover to be removed. I cannot afford to upgrade my medical aid.</p>
154	Individual	<p>I refer to your recent press articles regarding the above cover. I do believe that this is totally up to an individual to have this right to have the cover they need, it is our money and we are paying for this. Government Health should have no right to decline us the right to what we require for our own medical benefits. It is our constitutional right to decide where and how we spend our money and to make provisions for high medical costs. Doctors often charge far more than Medical Aid Rates, and they very often will not discount their fees at all. Who do you think has money lying around just to pay for doctors who charge the earth and get away with it? Times are extremely tough out there and people are trying to cut costs where they can. We don't have a choice in the matter. We cannot even afford a full medical aid and therefore only have a hospital plan with minimal funds available for extra costs. We would like to keep our Gap cover as it provides us with a financial "safety net" in case of emergency expenses our Medical Aid cannot cover which in turn will ensure that we're not financially crippled during difficult times. I think you need to sincerely consider this decision</p>

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155	Individual	Absolutely No WAY!!!!!!! This goes against us as consumers. This cannot be done!!!!!! I Object to this change.
156	Cheryl-Anne Lawson Cheryl Lawson Financial Consultants	I, and all my clients, am extremely distressed about the issues surrounding the plans to outlaw Gap Cover. Gap Cover is and always will be one of the best products ever to be seen on the insurance market. Gap Cover has never threatened in any way the Medical Insurance product. It cannot, in fact, exist without a Medical Insurance being in place. This has been stated clearly and proof has to be provided that a Medical Plan is currently in place before issuing a Gap Cover plan. Doctors and Specialists today are becoming more and more ruthless with regard to their pricing and are currently charging up to 600% of tariff. They are aware that they are not compelled to charge Medical aid tariffs and we are constantly seeing huge shortfalls that are left for the consumer to pay after the medical aid has paid their regulated tariffs. These shortfalls can range anywhere between 100% to 500%. These are huge amounts for someone to have to fork out of their own pocket in addition to paying their normal medical aid contribution. They simply cannot afford to do this! 2 You will be doing the public a huge disservice if you do away with Gap Cover. Amongst all the other additional increases that the public have to put up with these days eg. Petrol increases, forced toll fees, electricity increases, increased food prices etc., we cannot carry on at this rate. Gap Cover at least provides them with some relief with not having the additional trauma of paying huge shortfalls in medical costs in addition to being ill. If Medical aids paid the full medical bill, we wouldn't need Gap Cover. Clients are not prepared to sacrifice their health to use the inferior standards of Government facilities and should have the right to choose a specialist who is not a designated service provider. We are aware that there are differences between medical schemes and health insurers and are not concerned with the fact that health insurers make a profit, as long as they provide the service that they set out to do which is to pay the balance of the medical bills that the medical aid will not pay, and they do that efficiently and timeously and at a ridiculously low cost. You are incorrect when you say that individuals pay more for Gap Cover depending on their state of health. One premium applies to all ages including people with pre-existing conditions. Yes, they may decline your application if the risk is excessively high, but this is only in extreme cases. Gap Cover can never substitute a Medical Aid Scheme because it is not designed to do so and it was never intended to replace the traditional Medical Scheme. I urge you, on behalf of all my clients, and in the interest of the general public, to leave the Gap Cover in place. I thank you in anticipation of your positive decision on this issue. Kind Regards Cheryl-Anne Lawson (LPTC; APFPP) Broker Principal / Senior Financial Advisor Cheryl Lawson Financial Consultants (
156	Cheryl-Anne Lawson Cheryl Lawson Financial Consultants	
157	Individual	I hereby wish to have my objection against the above-mentioned proposed regulations, noted. Should the Gap cover on my medical aid insurance be removed I have no doubt that the Insurers will raise tariffs which will probably exceed what I am currently paying. As a responsible citizen, I am taking a burden off the State by ensuring that my health insurance is covered privately. I cannot understand why the State would want to strip me of that responsibility.

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158	Individual	I read with concern in the media, about the government's proposed elimination of medical insurance top-up products. We have Gap Cover, which helped us tremendously when a family member was seriously injured in a car accident. ADDITIONAL medical bills not covered by medical aid totalled over R40,000. What would we have done if we did not have gap cover? I think it is unreasonable of government to restrict the freedom of citizens to buy whatever insurance they wish, especially as this reduces the demand on government health facilities.
159	Individual	PDF/ Fax Annexure AB_
160	Paul Leroy	PDF/ Fax Annexure AC_ Paul Leroy
161	Individual	<p>In 2010, I was diagnosed was diagnosed with breast cancer and had a mastectomy. This had a major impact in my life, both financially and emotionally. Although, I'm on a medical aid, unfortunately not all costs were absorbed by the medical aid. The shocking part was that this was in- hospital benefits that were not paid. Doctors bills short paid. The life saver was having Gap Cover. This assisted me greatly in paying doctors shortfalls. The stress of going through Cancer and then the stress of having unpaid bills. This is a time of recovery and recuperation. My in-hospital Doctors bills were fully paid by the Gap cover, which was initially short paid by the medical aid. This was a release of that extra burden, and now I could recover without any unpaid bills.</p> <p>I am upset, because as a consumer it is our right to be afforded this cover, which is not different from any other insurance plan, also it is my right to want this because I am paying for the cover. The government is not paying this policy for me and is not even contributing towards my medical bills. Even with reconstruction surgery, the doctors fees are exorbitant. I could never afford the shortfalls that medical aid has refused to pay. I'm in the second stage of reconstruction and I have more reconstructive procedures to go through. How do I now afford these bills if this cover is taken away. I work a normal administration position, which does not pay a great salary and I would have to cut down on my living expenses, e.g. Food, moving into a smaller place , just to pay the extra doctors bills. Also, living in Gauteng is becoming too expensive with the E-tolling system and increase in fuel prices. Being a single mother, with 3 children does not make my life any easier, and now you want to take this Cover away from me. This is totally wrong and should not be a decision that government should make, as the government is not subsidizing my medical aid or my doctors accounts in any way. If, this cover is taken away, I would be unable to visit the doctors for regular checkups, because bills would not be paid. Who will be responsible then? I, as the consumer have a right of choice and should be afforded that choice. I WANT TO REMAIN ON THE GAP COVER AND OBJECT TO THE GOVERNMENT TAKING THIS CHOICE AWAY FROM ME. This is supposed to be a democratic country. Should you take this Cover away from us, you will inadvertently get the medical aids to increase their contributions.</p>
162	Individual	i here by object to the Gap Cover been abolished, i as a single parent, on the salary that i earn cannot afford to pay the high excess that doctors charge. My medical aid covers 150% and Doctors are charging 300%. maybe it the Doctors who should be brought into line, and made to charge a set fee. My daughter had an operation in December last year, and i have to pay in R6000.00 which is not covered by my medical aid. Every year it gets more difficult to

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		survive, i am on a medical aid because I refuse go to a Government hospital where i have to sit for hours waiting to be treated, where i dont have a choice, hours lost sitting in waiting, my company would not be impressed, if i took off a whole day to see a doctor. For me having Gap Cover means peace of mind, i know that at the end of the day i am not going to be sued for not being able to pay my accounts. thanking you kindly.
163	PADDY BLOUNT Four Sight Financial Solution CC	PDF/ Fax Annexure AD_PADDY BLOUNT Four Sight Financial Solution CC
164	Individual	<p>It is with great concern that I address this letter to you. My wife and I are no youngsters anymore and are working very hard to keep our heads above water financially. The statement in the draft regulations regarding the demarcation of health insurance policies proposing that gap cover and all like policies are having a negative influence on medical aids cannot be further away from the truth. The wife and I cannot afford the extravagant prices of the top plans of the medical aid. We have the Discovery coastal saver option and that does not cover all costs in Hospital. My wife recently went through breast cancer and without our gap cover we would have been in very deep trouble today. Dr Sheoraj, gap cover does not and never has fulfil the role of the medical aid scheme. In fact it compliments it and assists in making medical schemes more affordable. As I have stated above, Without Gap cover we would have had to pay the hospital and doctors R30000.00 out of our own pockets. There is no way in a thousand years that we would have been able to do that. The only alternative would have been to go to state hospital and thus become a burden on the state. Don't you think the state has enough people to attend to without the people that has now got Gap Cover? It is in my opinion that if the national treasury outlaws gap cover they will only give the medical aids</p> <p>1: A bigger monopoly 2: Make private medical aid more expensive 3: Force a lot more people into the state hospitals. Dear Doctor, I am sure you will understand our concerns and reconsider this proposal. Please feel free to contact me in this regard.</p>
165	Individual	I refer to the Draft Regulations regarding Gap Cover Policies, having been a member of the Complimed Gap Cover scheme for a number of years. As a Pensioner in my late 60's, I have found the cover to be of extreme benefit. In the past three years I have needed a Total Hip Replacement and Triple Heart By-Pass and would undoubtedly have been financially embarrassed if I had not had the Gap Cover. The shortfall between what my Discovery Health Plan paid and the charges levies by the Service Providers was considerable. I would urge the Government to consider the seriously bad effect of removing Gap Cover on the elderly who are more likely to require major surgery.
166	Individual	<p>I refer to the recent information regarding the possibility of the discontinuation of the provision of Medical Gap Insurance cover.</p> <p>During the past 1-2 years I underwent expensive surgical procedures the costs of which were less than 50% covered by my medical aid. This outstanding balance was fully covered by my Gap Insurance provider. Being a widowed pensioner, without this cover, I would not have been in a position to meet these costs and, no doubt, further medical expenses that will possibly arise in these latter years of my life. As this will have a seriously adverse effect on my life,</p>

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		as well as the lives of those in a similar position as myself, I therefore respectfully request that you seriously reconsider any changes you wish to make to the provision of this service to the ordinary man in the street. Thanking you.
167	Individual	With reference to the news that you wish to abolish insurance that covers possible short fall of costs should one be hospitalised; this is totally unacceptable in terms of human rights and is possibly illegal in a democratic society. Surely we all have the right to decide these matters for ourselves. Those of us who have worked hard and saved all our lives so as not to be a burden to others or the state should be rewarded not penalized. This sort of action is only going to further burden the already cash strapped medical system and add more cost to the already over stretched free health schemes. The whole idea seems totally incomprehensible; but may be your office has a different slant on this whole issue and can convince us all that it is a very wise and beneficial suggestion? I would also like to make a point that those making use of gap cover are not usually wealthy, on the contrary they are afraid they will not be able to meet their medical expenses, especially in their later years, and are taking responsibility for this. Please advise.
168	Individual	Please be advised that I would like to put forward my objections to the abovementioned Draft Regulations as they would greatly affect my life. My Wife and I are Pensioners who, like many other Pensioners, are trying to make ends meet without being a burden on anyone else. Health costs are at an all time high and we certainly cannot afford them without the help of a Hospital Plan and a Gap cover, which takes care of the shortfall. We had a period of being without either Medical Aid or Gap Cover, when I first retired, and found it extremely difficult to pay for our medical costs. There were times when we did not visit a Doctor when we should have, but did not want to upset our budget. In 2006, my wife's back, which had been troubling her for years, totally collapsed, and she was in such terrible pain. As we had no medical aid, we were referred to Albert Lutuli Hospital, where a MRI etc were done. This showed that she had serious spinal injuries and also had a cyst on the one vertebrae which was pushing on the nerves. As the theatre was so busy for days on end she was sent home to await an opening. She was admitted 3 weeks later, which 3 weeks she spent in bed. She was admitted thereafter and scheduled for the operation, only to have her surgery pushed back again because emergency operations (motor accidents for e.g.) took precedence. Eventually the surgery was done and although the Nurses tried their best, they were not able to take proper care of all the Patients as they were so busy and could not cope with everyone. My wife, not being able to get out of bed for a few days was taken care of mostly, by another patient, who was on the mend. Eventually she was able to come home and recover. The Surgery was a success, but the waiting period before hand was excruciating for her. After this experience we decided that we could not risk having that sort of delay happen again, because of the lack of money. We did our homework and realised that full medical coverage was beyond our pockets, as I am sure it is for many, many pensioners. What we could afford was a Hospital Plan, but this too would not cover the full costs of Hospitalisation. It would still leave us with a large shortfall. We felt it was better than nothing. Then we learnt of Gap Cover and on investigation thereof, realised that, as it was very inexpensive for what it offered, we would take Gap Cover in addition. This has proved to

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168	Individual	be one of the best decisions we have made. We now are covered, at a cost we can afford, and do not have to burden our Children or even the Government to take care of our health matters. As we get older so our medical needs are greater and the cost thereof also become greater. We cannot afford a full Medical Plan, but are very happy with what we now have. Trusting that you will relay this objection and our reasons for it to the Powers that be. There are very many people in this day and age that cannot afford to take out full Medical Plans, and I do not think that they should be so disadvantaged by having the Government taking away their Gap Cover. I am sure that there are equally, many people who can afford their full cover and will continue to support their Medical Aids. It is not a case of us taking business away from the Medical Aids, as I can assure you that if we could not continue to cover ourselves with a Hospital Plan and a Gap Cover, we would not be taking out full cover as we just could not afford that, no matter how much we would suffer. Thank you for this opportunity to voice our objections.
169	Individual	With regards to the above it has recently come to my attention that Government is looking to eliminate all medical insurance top-up products. I am a consumer and currently invest in such top-up policies. I object very strongly to having this facility / product removed. It provides me with the peace of mind of knowing should illness or injury come to me I will be able to afford such circumstances. The very thought of facing financial ruin as a result of illness or injury is terrifying. Given that Doctors charge exorbitant fees for the services they provide. How else is the ordinary man on the street expected to meet the financial responsibility of such illness or injury? My father was diagnosed with a damaged heart valve in October 2009, and as a result underwent surgery to have his heart valve replaced. He also had a triple bypass at the same time. Unfortunately for him this was the beginning of three months of hell for him and he eventually died on the operating table as they needed to redo the valve replacement. Had it not been for his hospital plan and gap cover my mother would have been left destitute. The total cost of his experience was over R1000 000. From my humble perspective there is a great need for products of this nature.
170	Individual	I wish to raise an objection regarding the above proposed Legislarion. My wife and I are retired and are on a fixed income, and cannot therefore afford the more comprehensive Medical Aid packages. We subscribe to the Discovery Health Medical Scheme Coastal Core Plan, which is purely a Hospital Plan, and therefore we need the Comprehensive Gap Cover, (which is not a Medical scheme), to meet any surgical emergencies. For people in our position, it is imperative that we have this cover (at a reasonable cost), as we do not have the financial resources to make up the difference between Medical Aid rates and what the hospitals and surgeons charge. We ask for your kind consideration in rescinding this proposal, as it will bring hardship to many, and also bearing in mind that those of us who have private medical aids are not a drain on Government finances.
171	Individual	We submit this email as a form of objection to doing away with Gap cover insurance (health insurance)cover. The average man in the street can't afford the difference between the charges of the medical professionals and the rates paid by the medical aids. Why do away with an affordable medical insurance product that has worked and is working at the moment.

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172	Individual	<p>It is with great concern that I have just been reading in the Newspaper of the above Demarcation which will affect my Gap cover for procedures /operations. As a Pensioner I would just like to highlight three instances I have faced the past five years</p> <p>I had a major back operation and had to pay R5000 upfront as I did not have “gap” cover.The next year I had to pay R7500 upfront for my knee replacement, both these amounts were paid with my credit card which is still very high as I don’t have much pension left every month to repay that amount. I then managed to join a “Gap” insurance as they had increased the joining age to 70 years, Since then I have used them for another back operation . The medical aid I have is quite a high premium I just cannot afford the higher scheme as that would be approx R1000 more a month and with my Gap cover insurance it is only R207 per month. So you can understand the terrible fear I have of the Demarcation going through. I stay in a retirement home so I write for all the old Folks here as a lot of them have no idea what the Government is proposing. Please Sir I ask you to give this letter your kind attention as it will be such a blow for me if what you are proposing goes through. Thanking you in anticipation,</p>
173	Individual	PDF/ Fax Annexure AE__
174	Individual	PDF/ Fax Annexure AF__
175	Individual	PDF/ Fax Annexure AG__
176 176	Individual	<p>Why oh why when something works does the government try to fiddle with it ! Some facts to consider re the GAP Cover. I am 72 years old, have been a member of Medical Aid for 38 Years. In 2011 I had a back operation with a cost of R100 873.13 My Medical Aid paid R85 452.47 which left a shortfall of R15 420.66 This amount was covered by my GAP cover provided by CompliMed. The above does not include for other procedures that were required before the operation was performed and for which there was insufficient “day to day” funds in the Medical Aid and depleted my small nest egg by several thousand Rands.</p> <p>Please consider if I did not have this extra cover. First off I would not have been able to afford this operation. I would have had to go to the state hospital for relief. At my age I would probably have gone to the very bottom of the bottom of the waiting list to wait for an operation. As my pension is below six thousand Rand a month the cost of the operation would have been mostly at the states expense. If you disallow this type of cover I will lose The government would lose. Why of why would you want to do that ??????????????</p>
177	Individual	<p>The above refers. As a pensioner, I would like to explain to you my position, in regard to the above. I am a member of the KeyHealth Medical Aid, and my wife is my dependent. My wife works as a teacher in order to supplement my pension. I recently had to have a knee replacement at Umhlanga Hospital. The total cost for the surgeon, the anaesthetist and the hospital amounted to R 88711. Medical aid paid R 68428, leaving a balance of R 20283. This has depleted my savings COMPLETELY, and I am paying off all 3 suppliers monthly. In addition, I recently had to have an emergency operation to remove a foreign body in my oesophagus, involving an overnight stay in Umhlanga Hospital. I am awaiting the various bills for this. I had little idea of how the soaring medical fees have outstripped</p>



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		medical tariffs, but I am appalled to see the vast gap between the two. I have now taken out “ gap cover “ , but it only becomes effective on 1st June 2012. In my opinion, if “Gap Cover “ is abolished, it will mean that people in my position will NEVER be able to fund the difference between the exorbitant medical fees and the medical aid tariffs. We will be permanently in debt to the medical profession. I would ask you to seriously reconsider your proposal to eliminate or abolish “gap cover” as it is known.
178	NL Frylinck Niels and Barbara Frylinck	<p>We would like to respond to the proposed amendments to this matter as follows:</p> <ul style="list-style-type: none"> <li>• We have been members of Medihelp medical aid (formerly the Public Servants Medical Aid Association) since January 1973.</li> <li>• Over the past 39 years, we have witnessed the ever-increasing cost of medical aid insurance, while at the same time, the benefits offered by Medihelp have been progressively reduced, i.e. fewer benefits for more money.</li> <li>• It therefore became imperative to find a way of bridging this ever-widening gap – especially as it applied to hospital admissions, surgery and specialist doctors’ costs.</li> <li>• In 2011 I required to have both knees replaced. The medical aid benefit plan we were on (Dimension Elite, the second highest plan offered by Medihelp) did not cover this procedure. We were therefore obliged to move to the highest level of cover (Medihelp Plus) at an ADDITIONAL premium of R4000.00 (four thousand Rand) per month. In order to fund this additional premium, we were obliged to bond the house and borrow from the bank.</li> <li>• While CompliMed gap cover certainly helped bridge the gaps between medical aid payments and in-hospital specialist doctors’ and prosthetics costs, we were placed at a financial disadvantage by being forced to take higher medical aid cover.</li> <li>• We would therefore reject the statement by Treasury that the premium paid on gap cover should be used to purchase higher medical aid cover, as the one does not equal the other.</li> <li>• Treasury’s assertion that gap cover policies undermine medical aid schemes is, in our opinion, disingenuous, as members - of all age groups - of medical schemes will take the cover that best suits their needs at the time.</li> <li>• For medical aid schemes to blame older, less-healthy members (who have mostly paid premiums for many, many years), is inaccurate and discriminatory. I would suggest that if medical aid schemes were run for the benefit of their members and not for the benefit of their shareholders, a far healthier state of affairs would exist.</li> <li>• Older people have paid premiums over many years.</li> <li>• Older people, many of whom are on fixed incomes e.g. pensions, have greater medical costs, many of which are disallowed by medical aid schemes, yet these disallowed claims are often to be expected at this time of life, e.g. joint replacements, heart surgery etc. For those with income restraints, the best form of redress is to apply for gap cover, even though age restraints are applied to this form of insurance as well.</li> <li>• It is feared that the “income replacer” policy proposed by Treasury to replace gap cover would place a further financial burden on already hard-pressed, older members. To us, this is a significant unethical stance taken by Treasury, and we would therefore be opposed to any change of legislation aimed at abolishing gap cover policies.</li> </ul> <p>Niels and Barbara Frylinck</p>

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179	Individual	I write this expressing my opinion as a consumer. Medical Aid schemes vary in price considerably and you get varied cover. I cannot afford full cover and have agap cover that has wonderfully helped us as a family in the past. My son needed extensive treatment a few years back and WE WOULD NOT HAVE BEEN ABLE TO HAVE HIM ATTENDED TO ON THE SALARIES WE HAVE, UNLESS WE HAD THIS GAP COVER. If this is outlawed, it will put us in jeopardy and not able to afford such in the future. Surley you do not want to do this to South African citizens, all of whom are making a concerted effort to get through theses difficult economic times with petrol and electricity and food continuing to soar. Why make it harder to survive? Please rethink your stance, PLEASE!
180	Individual	Comments. 1) Benefits enjoyed by members of Medical Aid Schemes have decreased enormously over the past few years whilst the cost of belonging to a scheme has increased out of all proportion to the income of the average individual. 2) Most Specialists do not charge medical aid rates – that is to say 100 % of the Medical Aid Tariff. The majority of them charge Medical Association of South Africa rates which can be from 200 % to 400 % above the Medical Aid Tariff of 100 %. 3) In addition to this punitive amount, many Specialists have opted out of Medical Aid Schemes and do not deal with them at all. They expect the patient to meet all costs of treatment received in Hospital themselves and then claim the amount from the scheme to which they belong. This is frequently impossible for the patient to do, particularly for Senior citizens. Thus Gap Cover, which bridges the gap between the 100 % benefit provided by the Medical Aid Scheme and a possible 500 % charge, has been welcomed with great relief by individuals who are ever more hard pressed financially as a viable and affordable solution to a serious problem. It is important to realise that the Gap Cover Insurances are not in competition with the Medical Aid Schemes. They do not compete with them but succeed in completing the service offered to the Public by the Medical Aid Schemes. As a Senior Citizen who has recently taken out Gap Cover Insurance with Stratum Benefits ( In Hospital Gap 500 Senior ) I would earnestly request the Government to continue to allow such schemes to operate to the benefit of all their members and indeed to support this important initiative rather than forbid it to continue to operate. Thank you in anticipation of your consideration of this matter.
181	Individual	I am hereby wishing to state my objections regarding the above-mentioned matter. I am a pensioner on a Discovery Coastal Core plan - and without this Gap cover, I would not have been able to afford a much-needed complete knee replacement operation which I had last July 11 2011. Even if I up-graded to a higher plan with Discovery, which would cost me a lot extra over and above my monthly premium I pay for my Gap cover, and would probably still not be covered completely, I just think this Gap cover is an affordable option allowing a lot more people like me to be able to afford major operations and be totally covered with all the outstandings that aren't covered by Discovery. I can't afford to be out of pocket by the removal of this Gap cover especially with the high percentage costs the medical fraternity are now charging through their fees. I, therefore, think that the draft Regulations that are being proposed are going to make an awful lot of people needing hospitalisation and operations etc. unable to be treated because of the cost factor, thus probably making the Government hospitals much fuller in the long run and many more sick

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		people around which will be financially draining on the Government eventually. Thank you
182	Joshua Fisher Integrity Health Services (Pty) Ltd	<p>RESPONSE TO REQUEST FOR COMMENT ON THE DRAFT REGULATIONS ON THE DEMARCATION BETWEEN HEALTH INSURANCE POLICIES AND MEDICAL AID SCHEMES ISSUED 02 March 2012 – Dr J Fisher</p> <p>A. Confirmation of the purpose of the draft regulations In short the draft regulations appear to have as their express purpose the preservation of the existing medical scheme environment presumably until NHI is implemented, almost at any cost. The document purports that these Regulations are required to strengthen and preserve the social solidarity principle that underpins (it is assumed - the viability of) medical schemes. As such the main purpose of the regulations is to address the risk of possible harm caused by health insurance products drawing younger and healthier members away from medical aid schemes and thereby compromising the community risk rating basis of medical schemes whereby the younger and healthier are overtly required to subsidise the cost of care of the older and sicker members. The above concerns would, however, be irrelevant in an environment in which National Health Insurance (NHI) had been implemented. This is because NHI, when implemented, provides universal access to cover for all automatically on the basis of an obligatory tax. It can therefore be deduced that the drafters of the regulations have assumed that:</p> <ul style="list-style-type: none"> <li>• NHI is still some way off;</li> <li>• the financial viability of existing for-profit medical scheme administrators is under significant threat and needs to be protected in the interim against competition so that these businesses are still in existence in order to render administration services in an NHI environment;</li> <li>• the survival of the current medical scheme environment prior to the implementation of NHI is in the best interest of the public and that the failure of this industry would result in a higher patient and financial burden on State facilities.</li> </ul> <p>B. Key assumptions identified in the regulations.</p> <ol style="list-style-type: none"> <li>1. It is firstly assumed that the drafters of the regulations are concerned that prior to full NHI implementation that the purchase of medical insurance products, either in preference to, or in addition to medical aid cover in sufficient numbers will in some way pose a threat to the Department of Health's future NHI plans.</li> <li>2. Because the regulations as currently drafted will result in the closing down of the entire health insurance industry prior to the implementation of NHI, the regulations inherently assume that it is in the public's interest that current health insurance products and the industry of which they are a part should also not be permitted in a post NHI implementation environment.</li> <li>3. The regulations also assume that the current relationship between "not-for-profit" medical schemes and overtly "for-profit" medical scheme administrators is a "healthy" one and reasonably free of significant abuse of members' interests and unethical profiteering and therefore worthy of defending through legislative protection.</li> <li>4. That Medical Schemes are owned by their members.</li> <li>5. That a Medical Scheme member has guaranteed whole life cover and that this guaranteed whole life cover justifies them subsidising other older members when they themselves are young – in the interest of preserving the principle of social solidarity.</li> <li>6. That the preservation of the social solidarity principle is in the interest of members because it makes medical scheme membership more affordable to the average member.</li> </ol> <p>C. Response to the underlying assumptions of the regulations</p> <p>This document intends to provide sufficient evidence that will clearly demonstrate the following:</p> <ol style="list-style-type: none"> <li>1. That Medical</li> </ol>

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182	Joshua Fisher Integrity Health Services (Pty) Ltd	<p>Schemes are not owned by their members. 2. That members of Medical Schemes do not have guaranteed whole life cover. 3. That the current relationship between overtly “for-profit” medical scheme administrators and “not-for-profit” medical schemes is a significantly conflicted one, and one which results in the significant abuse of members’ interests and unethical profiteering by administrators and/or their associated shareholders, and therefore is not worthy of defending through legislative protection, in its current form. 4. That the social solidarity principle is not in the interest of most members of medical schemes for the following two reasons: a. Because it makes premiums more expensive for the average member.</p> <p>b. Because the medical scheme environment provides no guarantee to young contributors who are explicitly expected to subsidise older members when they are younger than when they themselves get old, that they will be able to avail themselves of the benefits for which they have subsidised others for many years. 5. That the future success of NHI is not dependent on the perpetuation of the current medical scheme environment and that the partial or total demise of the current medical scheme environment would not necessarily place an additional strain on public finances. 6. That it is not in the public’s interest that health insurance products and the industry of which they are a part should be effectively legislated out of existence prior to NHI implementation. D. Substantiation of Response</p> <p>1. Medical schemes do not belong to their members.</p> <p>The statement “Medical schemes belong to their members” is made under “Frequently asked questions: Health insurance”. This statement is simply not true as Medical Schemes are not Mutual Companies. They simply provide insured benefits in return for payment of a premium on a pay as you go monthly basis. Currently if no premium is received no benefits are available to the member in the event of a claim even if the member has consistently paid such premiums for &gt;40 years. The only way in which medical schemes could belong to its members would be for medical schemes to become genuine mutual companies in which their members would have shares. 2. Medical schemes do not provide a whole life guarantee of cover to members at any stage The current medical scheme environment provides no guarantee to young contributors who are explicitly expected to subsidise older members over their entire working life that when they themselves get old, that they will be able to avail themselves of the benefits for which they have subsidised others for over many years. If a medical scheme member is either retrenched or if post their retirement they can no longer afford the cost of their monthly medical scheme premiums, their benefits will cease immediately when they stop paying their monthly premium. 3. The interests of for-profit Medical Scheme administrators and not-for-profit Schemes (and their members) is inherently conflicted which can result in the significant abuse of members’ interests and in unethical profiteering by administrators. The following are reasons for coming to this conclusion: a. “For-profit” Medical Scheme Administrators often call themselves by the same (or a similar name) to that by which the “not-for-profit” Medical Scheme is known by, thereby effectively making them indistinguishable from one another in the mind of the public. This often results in members being unaware of the administrator’s profit motive.</p>

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182	Joshua Fisher Integrity Health Services (Pty) Ltd	<p>b. “For-profit” Administrators of Schemes are known to enter into financial incentive arrangements directly with providers of health care products and services to the schemes that they administer and that these arrangements are primarily to the financial benefit of the Administrator. c. Most managed care contracts are entered into with companies that are either subsidiaries of the recommending “For-profit” Medical Administrator or alternatively they have essentially the same shareholders. d. It has been alleged that these “for-profit” administration companies use such contracts with affiliated managed care companies to “siphon” funds out of “not-for-profit” medical aid schemes for very little real (if any) value to the medical scheme member. In addition Medical Aid Administrators and/or their corporate shareholders (as for-profit companies) are known to use demographic and/or clinical risk profile data gained from the members of the “not-for-profit” schemes that they administer in order to price premiums and to sell to these same Medical Aid members other profit making products. This includes Life, Health and Disability insurance products, financial and credit services and short-term insurance products. f. Most medical scheme benefits provided are inadequate to cover medical costs in the private sector. Most medical schemes have their own rates which are substantially lower than the accepted rates charged by health providers and members are generally unable to determine up front how the medical schemes rates compares to the level that they will be charged. g. The norm is for medical scheme administrators to authorise expensive in-hospital care on behalf of a medical scheme member that the administrator knows will be well in excess of what the member’s benefits will cover. i. Administrators do so unilaterally without the member being informed up front of the extent of the “co-pays” that they will later be held liable to settle “out-of-pocket” arising out of the admission. i. By so doing Administrators deprive members (or their next-of kin) the opportunity to make an informed decision as to whether or not they are willing to authorise this expenditure to be incurred. iii. This results in members frequently being financially compromised by their medical scheme administrators. iv. This is a reason why many current medical aid members buy top-up insurance or other forms of health insurance in addition. h. Medical Scheme’s usage of the term “hospital plan” creates the prevalent perception among members that only hospital based treatment is covered which is in contravention of the Prescribed Minimum Benefits (PMB) requirements of the Council of Medical Schemes of South Africa. The Prescribed Minimum Benefits as the term indicates is the minimum set of benefits that are prescribed by law that must be included in even the most basic medical scheme option. This set of minimum benefits includes the full cost of treating all PMB listed conditions for both out-of-hospital and in-patient based care including the chronic diseases listed as Chronic PMB conditions. i. Many administrators either deliberately mislead or deliberately fail to ensure that medical scheme members are made aware of this. j. In terms of making payment for the cost of the treatment of PMB conditions that are both out-of-hospital and in-patient based, many administrators have set up payment agreements with providers whereby they circumvent the legislated requirement to cover the full cost of treating all PMB’s out of the core insured benefit. They do this by structuring contractual payment arrangements such that a substantial portion of the payment to providers of care is made instead from the</p>

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182	Joshua Fisher Integrity Health Services (Pty) Ltd	<p>member's savings account. 4. The social solidarity principle is not in the interest of most members of medical schemes This is both because there is no guarantee of on-going access to benefits for members if they are unable for any reason to continue to fund their monthly premiums and because the principle makes premiums more expensive for the average member which is contrary to the assertions made in the regulations. This is for the following reasons:</p> <p>a. The social solidarity principle removes individual accountability for managing one's clinical risk factors in order to avoid or limit the impact of "chronic diseases of lifestyle (CDL)" on the costs incurred by the scheme. b. In the MRC's technical report entitled "Chronic Diseases of Life Style 1995-2005" Prof Steyn writes: "The adoption of an unhealthy lifestyle as set out above is later followed by the emergence of a range of CDL risk factors such as obesity, hyperlipidaemias, hypertension, diabetes and tobacco addiction. These risk factors in their own right contribute to a range of disease processes like.... c. Based on figures from the Council for Medical Schemes Risk Equalisation Fund actuarial analysis the cost of managing a medical scheme member with more than one chronic disease is roughly double that of a similar aged member who does not have a chronic disease. d. Because the social solidarity principle by prohibiting members with unhealthy lifestyles from being charged higher premiums, it effectively removes individual accountability and responsibility for the impact of chronic diseases of lifestyle (CDL) on the costs incurred by the scheme. This allows irresponsible members to benefit unfairly because the financing of their increased clinical risk is transferred onto members with healthy lifestyles. e. This, however, has the net effect of increasing the premium charged to all members and therefore making the cost of medical scheme membership less affordable for healthy members who otherwise would have been able to afford cover. The growth in individual risk rated products prior to the implementation of NHI at the expense of existing medical scheme products based on social solidarity principles will not prejudice the success of NHI and will not result in a higher financial burden on State facilities in the interim. This is for the following reasons: a. A significant number of people who currently can't afford medical scheme premiums will continue to enjoy some level of medical insurance cover, so while the medical aid premiums of some schemes may increase which may result in some older sicker patients becoming dependent on the State, a much greater proportion of people will enjoy cover in an environment where they are incentivised to improve their clinical risk profile, thereby reducing the total cost of care. b. The increased competition between Medical Aid Administrators one the one hand (who have been accused of drawing a higher and higher proportion of non-health related costs from schemes in recent times) and health insurers on the other will foster a lower cost administration environment for NHI. 6. It is not in the public's interest that health insurance products and the industry of which they are a part should be effectively legislated out of existence prior to NHI implementation because post-NHI a legitimate health insurance industry that complements NHI would be in the public's interest for the following reasons: a. In order for NHI to be affordable it will not be possible for it to provide comprehensive cover for all health care benefits. b. Members should therefore be permitted to choose to insure for these additional benefits if they so wish. c. The draft regulations will effectively put the current industry that</p>

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182	Joshua Fisher Integrity Health Services (Pty) Ltd	<p>provides these products in the current environment where medical scheme benefits are also limited, out of business in the interim. d. The only winner in this scenario would be the current medical scheme administration industry which, with current competitors removed by this legislation, would be well positioned to exploit this business opportunity post NHI. E. Recommendations to address deficiencies in the medical scheme environment to protect the public's interest</p> <p>1. Abuse of confidential Medical Scheme member data by Administrators by virtue of their access to this data for their own financial benefit. Such abuse should be precluded and if it occurs guilty administrators should be severely sanctioned. a. To limit the risk of this, neither an administrator nor its shareholders should therefore be allowed at the same time to own shares or have any financial interest in business(es) that sell Life Insurance and/or Health and Disability products. b. In addition if such medical aid administrator should elect to cease from continuing to offer such services in order to sell such Life Insurance or Health/Disability products it would be precluded from soliciting such business from the members of schemes which it previously administered. c. In addition when a medical aid administrator ceases to administer a scheme for any reason both it and its corporate shareholders and affiliated businesses would be required to delete all demographic and/or clinical risk profile records from its systems of all Medical Aid members and their beneficiaries who belonged to schemes which it no longer administers. 2. In order to achieve what the draft regulations assumes medical aids to be and therefore worth protecting namely that: Medical Schemes are owned by their members ii. Members have guaranteed whole life cover which justifies subsidising older members when member are young ...will require the following: a. Medical Schemes will need to become MUTUAL companies as this is the only known corporate structure where members become owners of the entity to which they pay a premium. b. As a premium paying member of a medical scheme the individual would be granted shares in the company based on the premium paid and the number of years as a member. c. In addition as a shareholder of the medical scheme once they have been a member for a minimum number of years the individual would be granted guaranteed whole life cover at a reduced or no premium to guarantee them the benefit of health care in their old age for the health care that they subsidised for others who were older when they were a younger member d. As a Mutual Company the Medical Scheme should be responsible for its own administration requirements. If it were, however, they were permitted to contract out administrative services; the following restrictions should apply namely: i. the administrator should be precluded from calling itself by any name that was either the same or similar to that of the Scheme, ii. the administrator should be precluded from having any financial conflicts of interests between it and the scheme and its members; iii. no financial incentive arrangements between it and providers of health care products/services would be permitted to be entered into, only contracts between the Medical Scheme as a MUTUAL company and the providers of such service could be entered into. 3. In terms of Managed Health Care Contracts: i. No company rendering Medical Aid administration services would be allowed to own any shares in a Managed Care company, nor</p>

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182	Joshua Fisher Integrity Health Services (Pty) Ltd	<p>would any corporate shareholder in an administration company be able to own shares in a Managed Care company.</p> <p>ii. The objective of this recommendation is to preclude the current practice of for-profit administration companies using managed care contracts with managed care companies they own to siphon funds out of not-for-profit medical aid schemes for very little real value to the medical scheme member. 4. Medical Scheme's usage of the term "hospital plan" should be prohibited; as this creates the perception that only hospital based treatment is covered from the core insured benefit which is a contravention of the PMB requirements of the Council of Medical Schemes of South Africa. The use of the term PMB plan or Core plan should be required.</p> <p>F. The root of the problem is that Medical Scheme membership is both unaffordable and not perceived to deliver value 1. The reason for the growth in health insurance products is largely for the following two reasons: i. Medical scheme premiums are unaffordable for most South Africans</p> <p>ii. Medical scheme benefits are not adequate, and members are seeking additional cover. 2. Medical Scheme membership is completely out of the reach of the vast majority of South Africans and is therefore elitist. While the document indicates that strategies have and are being pursued to make medical scheme premiums more affordable, it needs to borne in mind that this has been a strategy of the Council of Medical Schemes for the past 5 years and yet the average premium per beneficiary in 2011 was R1042.80. For a family of 5 this requires a premium of over R5200 per month. Only the very wealthy can afford such cover. What is worse is that this cover is not comprehensive – members are still left with co-pays. The bulk of ordinary South Africans are left without cover. It is not surprising therefore that the bulk of the members of health insurance companies fall into the lower income brackets. G.Recommendations regarding Health Insurance Products</p> <p>a. Need for regulation of Health Insurance Products</p> <p>b. Products that don't provide real value to clients should be prohibited i. Hospital cash back plans that pay only after the third day at levels that are completely inadequate ii. Health Insurance companies that amend rules at will to suit themselves</p> <p>iii. Health Insurance companies that find ways of getting claimers off cover iv. Underwriting profit needs to be capped.</p> <p>c. Recommend that they fall under the ambit of a regulatory body similar to the Council of Medical Schemes d. Recommend that individual risk rated Health Insurance products be allowed to be sold in competition to medical aids</p>
183	Individual	<p>I am 60 years old and cannot afford a more comprehensive medical aid cover as I am not a high income earner. In 2011, I had major back surgery and would have had major debt if I not have gap cover. Also, I will need a knee replacement in the near future. Gap cover is an essential service for those who cannot afford a more expensive medical aid cover.</p>
184	Vanessa Brummer Midalpro CC	<p>As a satisfied client of Complimed GAP cover, I object to the draft regulations regarding the Demarcation of Health Insurance policies. We have benefited from and relied on having gap cover over the past year. Unfortunate</p>



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		circumstances would have crippled us financially, had we not had the extra cover. As Discovery did not cover the costs of anaesthesiologist and specialist accounts completely following three operations, we relied on Complimed to cover the balance. If this cover is to be removed, many people will be very negatively affected. Please reconsider this matter. Regards, Vanessa Brummer
185	Individual	May I express my absolute horror at this intention, as without the gap cover on my recent medical episode I would have been placed in a most invidious financial situation. I strongly oppose this proposal as I am a pensioner and not financially able to upgrade to a more comprehensive medical cover. I am fully behind Compli Med in apposing the Treasury regarding their draft regulations to remove Gap Cover. Thank You Plus Annexure AH_
186	Individual	As a very satisfied Gap Cover client I am terribly concerned about the proposed legislation to remove Gap covers. I have personally had two hospital stays in the last 2 years and having medical aid, with my cover being one below the most comprehensive over, I still incurred thousands of rands of shortfalls and had it not have been for my Gap cover, I would've been severely out of pocket and would've had to have made some sort of plan to pay off the shortfalls which we know hospitals and doctors are not fond of doing but are forced to given their astronomical charges! To remove Gap covers, would be to the detriment of many South Africans and medical aids will surely not revise their rates and payment options to make more coverage more affordable? Doctors will certainly not drop their rates so what are we supposed to do??? As a mom of two small children, we are all aware of medical costs that children have and a Gap cover is the only way to go if you have a family and to lose this benefit will be a true tragedy. We cannot rely on the public health system. Don't take away Gap covers! Regards
187	Individual	My husband and I are members of Complimed's Gap cover. We are two pensioners, my husband retired on a small pension and I am fortunate enough to still be working half day. We are finding it increasingly difficult to manage and are in no way able to step up to a higher level of medical aid. We are very careful with our medical costs but would find it impossible to find the extra funds necessary if either one of us had to go into hospital. The Gap Cover gives us peace of mind and the low cost involved makes it affordable. We are moving at the end of the month to Riverside Park which is a retirement village as we are finding it impossible to keep paying the high rates and other expenses involved in running a bigger house. As most other pensioners we are doing the best we can to survive and would like to request that every consideration will be given to allowing anyone irrespective of age, who has the gap cover, to be able to continue to count on it in times of illness and the need for hospitalization.
188	Individual	Please receive my comments and communication in respect of the proposed amendments to the regulations governing health policies. Policy reference: 2010COM79971 - EWEG M I am firstly grateful that these intended changes were brought to my attention by Complimed who is my service provider in respect of a medical 'GAP' cover policy. There is no way that I would have been able to ferret this information out of the multitude of documentation and changes that are proposed, so in that way I am appreciative that someone is looking out for my interests. My

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188	Individual	<p>concerns are echoed below. 1) As a citizen of South Africa a democracy I should be in a position to make my own choices as to who I wish to associate and contract with in respect of medical cover as well as the level and type of cover. I do not feel that this is an area in which the National government should regulate an interference. 2) I recognise the importance of the Governments position in making medical cover affordable for all citizens, but reserve the right to privately associate and contract. I do not need an income replacer type of policy to provide hospital shortfalls. The policy I would like must directly cover the TOTAL shortfall with the Hospital or at least reimburse for this amount.</p> <p>3) If the many hospitals and doctors who perform medical procedures were not charging the rates they do (I am in no position to determine justification) there would be no need for 'GAP' cover. 4) There is no possibility that the majority of medical aids at the current status in South Africa are able to adequately provide without a substantial affordable increase in contributions. 5) I do not as a healthy 57 year old person wish to add any expense to my existing less expensive medical aid option. 6) I have been the recipient of a very satisfactory 'GAP' cover benefit 18 months ago with Complimed and it is for this reason I wish to retain this very affordable and satisfactory 'medical insurance' cover. 7) I am an independent self-employed consultant, many of my assignments are outside South Africa and for this I need a guaranteed assurance of suitable cover. I trust that these comments will be well received and considered.</p>
189	Individual	<p>As a resident of South Africa, I would like to record my concerns and objections regarding the Draft Regulations regarding the Demarcation of Health Insurance policies, and in particular the issue of Gap Cover. I am a member of a reputable Health Fund but still find it beneficial to have extended gap cover. My purchase of gap cover in no way substitutes for standard health cover, but rather is an insurance policy should I, or a member of my family, be hospitalised for any reason. Charges tend to be above the medical scheme tariffs and, as such, I will be out-of-pocket should need to pay these. It is my considered opinion that, should gap cover be discontinued, medical scheme rates would need to be raised to cater for the higher costs, and this in turn would make it unaffordable for a number of people. I do not believe that this is the intention of National Treasury. I feel it would be in the interest of everyone in South Africa for there to be affordable medical aid available to every citizen, and then allow people to select whether they wish to have the added insurance of gap cover. This benefits everyone and meets each ones requirements. I need to add that I am past 50 years old and I still see the need for this cover. My parents –in-law also have gap cover as they are pensioners who would be in a dire financial situation should one of them be hospitalised. This is to point out that gap cover is not something for younger people only but benefits the entire population. I am firmly of the opinion that the government should be ensuring that every citizen has affordable medical aid cover. I would, however, request that National Treasury reconsiders its standing on Gap Cover Insurance policies, and allows these for those people that feel they need them. I trust that this request is accepted in the spirit it is intended and I look forward to seeing the future of gap cover policies secured.</p>

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190	Individual	<p>I strongly object to this proposal. Firstly, this proposal contravenes the constitution in that it proposes to directly remove our right to insurance. What next, we won't be allowed to insure our homes or cars? The fact that government is not interested in stopping our car insurance but wants to get involved in our health insurance, clearly shows that they are going after a target that could affect their coffers as they are trying to force people to buy into the national health scheme. If the national health were able to function effectively and efficiently, people would choose to use it – but the facts speak for themselves. People are dying while waiting years to be attended to by government hospitals. What is going to change with them calling state facilities, “national health”? It's just a change of title and yet another money making scheme to further enrich the government by further crippling their already tapped out citizens. Complimed is an approved service provider and I am a customer. According to our constitution, service providers have the right to sell services and consumers have the right to purchase those services. If the government wants to be a service provider, that is fine, but they do not have the right to force consumers to buy their product. Just like Pepsi and Coke have to market their products and will have buyers for both, so too the government can market its product but the consumers should continue to have the right to choose which service they wish to purchase. Government's narrow minded statement that people must increase their medical aid options to higher plans is impractical as we all know that even the top options of some medical aid schemes do not offer more than 100% cover in hospital (GEMS – The Government Employees Medical Scheme being a case in point. Even on their top scheme, they only pay 100% of the medical aid rate.) We all know that specialists can charge up to 400% of the rate – which leaves consumers vastly under-covered in their greatest time of need. GAP cover has been a necessary and welcome service that many of us have benefited from and many others are prepared to pay for the peace of mind should something unforeseen happen. Government needs to take a step back and look at how effectively medical aid schemes were run back in the 80s and 90s. All medical schemes were comprehensive and did not cost 50% of an average employee's income. What has changed since then? In closing, I wish to add that it would be much more beneficial to the citizens who have entrusted the country to this government to start investigating ways of improving the lives of the hungry and impoverished and homeless and unemployed, rather than looking for ways to force citizens to part with more and more of their hard earned income.</p>
191	Individual	<p>Is this response what you are looking for?? It is with shock and disbelief that I heard this topic earlier in the year, I WANT IT RECORDED that I strongly detest the fact that Government want to stick their noses into the private sector and individual health provisions, surely there is enough corruption to keep all the officials, the SAP and defence force busy in South Africa for the next 100 years and if 5% successful there will be enough money to give every person in SA free medical, just look at first world countries where this is happening and simultaneously there is virtually no crime. What has happened to the Freedom of Choice???? I am definitely against this and will not agree unless I get guarantees from government that state owned property including hospitals is not going to be mismanaged and plundered by both employees and public as currently is the case. Almost 20 years into democracy and we have</p>

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		moved from 3rd world to 3rd world 3D. Sorry I do not and will not support such interference in my private life, as is my taxes are already high and subsidising the greater part of non-contributing citizens.
192	Yolande Edwards Stratum Benefits	<p>I have been an employee of Stratum Benefits for the past year, servicing a large portfolio of financial providers/brokers who are contracted to market our gap products to their clients. In all this time, I have not once heard or been told that it is because of gap cover that medical scheme options become unsustainable or that gap cover encourages or entices clients to downgrade. If gap cover is not “best advice”, then surely our financial providers and brokers wouldn’t promote or sell a product that they feel is not enhancing, improving or adding value to their clients. One of the biggest medical schemes in South Africa has in fact shown an increase in the total number of upgrades that were requested by members during the 2011 year end revision period compared to the previous year. If medical scheme members still upgrade to more comprehensive options, how can gap cover be blamed for the reverse effect? There are a number of reasons why medical aid members cannot afford their premiums, here are just two reasons –</p> <ul style="list-style-type: none"> <li>• The open-ended Prescribed Minimum Benefit structure</li> <li>• The scrapping of the National Health Reference Price List. This opened the field for private doctors and specialists to increase their rates even more. Can this be blamed on gap cover? Members are downgrading to cheaper options because of affordability, not because of gap products. And should a member choose to downgrade his/her medical scheme option due to affordability and take a gap product for top-up cover, then at least the medical scheme retains the member. The gap product is merely there to cover unforeseen shortfalls and it’s doing a pretty good job at assisting many medical scheme clients who would otherwise face financial difficulties.</li> <li>• We are not performing the function of a medical scheme.</li> <li>• A client needs to belong to a medical scheme in order to qualify for gap benefits.</li> <li>• We are not paying for benefits that a medical scheme wouldn’t pay for, so we are not undermining medical schemes nor do we profess to replace medical scheme benefits, we are simply providing the client with a solution. I hope and trust that all the comments you have received, will be considered carefully in the decision making process. Kind regards. Yolande Edwards (Proud employee, client and supporter of Stratum Benefits)   Business Development Consultant   Stratum Benefits</li> </ul>
193	Individual	I send this email on behalf of someone who strongly objects to this proposal. She is a pensioner who is currently on a hospital plan "only", and opted for the GAP cover as a means of assistance should there be a need for her to be hospitalised. With hospital costs rising on a day to day basis the additional cover is considered as a necessity and not a luxury. She trusts that the government will reconsider their plans to do away with this option as there are people out there who are willing to sacrifice certain to things to be able to afford better health. Thanks and Regards.
194	Individual	This letter serves to put into writing by strong objections into the outlaw of GAP cover. I am a Public servant employee and currently have GAP cover. I realized the need for GAP cover when I was hospitalized for the birth of my baby as well as when my child was hospitalized for surgery. My medical aid did not cover a large portion of the medical expenses and I experienced difficulty with having to settle the accounts from my own pocket! Now that I

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		have GAP cover, I have peace of mind should I or any of my family members be hospitalized. It will no longer be a huge financial strain. Further to this, it greatly disappoints me that the government cannot take care of ALL classes of people within the country! I am a working class person, who is a tax payer. I therefore have to contribute towards NHI – which I have no problem doing at all. Why can't the government at least consider those people that are working hard to try and have a better life for themselves and their family! GAP cover is no way subsidized by the government, and serves to help people like me in a time of great financial need! I therefore wish to formally state that I am STRONGLY opposed to the outlaw of GAP cover. Kind Regards
195	Individual	The attached notification relating to Government's draft Regulation on the Demarcation proposal refers. I am a pensioner earning a moderate pension of around R5,500 per month. After I have paid my rates, electricity, bond, insurances, medical aid and petrol, there is barely enough left to afford the basic food essentials. Unfortunately, for me and many others like me, a comprehensive medical aid scheme is just not an affordable option. Why is government trying to take over the private sector? Surely they have enough to keep them busy, what with poverty, crime, lack of education, lack of basic service delivery etc. If government could prove themselves by getting the potholes out of the roads, the crime out of our community, jobs to the unemployed and HIV under control – then perhaps people would have more faith in their abilities to take over our health care insurance, but until that time comes, I don't believe government has the right to just remove our rights as per the constitution that they themselves drew up with the vote from their population. Respect is earned, not given, and Government first needs to get their house in order – by upgrading the state hospitals as well as the way in which these hospitals operate, before they can restore their voters' faith to provide them with health services. I object to the removal of GAP cover and quite honestly don't see why government is involving itself in this matter which is a legal contract between service provider and customer. In South Africa we have the right to freedom of choice. I choose to keep my gap cover. Thank you
196	Individual	I strongly object to this proposal. Complimed is an approved service provider and I am currently a happy customer with them, and should have the right to continue to with them. GAP cover is a necessary and welcomed service that many of us have benefited from and are prepared to pay for the peace of mind should something unforeseen happen. Thanking you and kind regards
197	Individual	PDF/ FAX Annexure AI_
198	Individual	I wish to object to the government's proposed elimination of all medical insurance top-up products, including gap cover. My contention is that gap cover does not replace my medical scheme, nor does it negatively affect it. Gap cover adds much needed value to my overall healthcare cover, and although it does not fulfill the role of a medical scheme, it complements it. To give an example, a year ago, before I opted to apply for gap cover, I underwent surgery. Although my medical aid paid 100% of the surgeon's fee, his tariff was 300%. I had to pay the difference. It was the same for the anaesthetist. As a result of this, I was substantially out-of-pocket. Shortly thereafter, I decided to opt for gap cover, which would, in future, make up the difference where the medical aid would fall short. By

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		outlawing gap cover, ordinary taxpayers like myself, will be at a disadvantage. By opting to take gap cover top-up, we are ensuring that we are protecting ourselves against possible future debt. The gap cover assists with shortfalls in tariff not covered by medical aid, by providing a benefit equal to the charges levied by medical practitioners for in-hospital procedures. The only other alternative is to upgrade to a higher medical aid option within the medical aid scheme, at a significantly higher premium; this is not an option. Kindly acknowledge this email, and I would appreciate your taking my objection into consideration. Kind regards
199	Individual	I refer to the notification relating to Government's draft regarding the Demarcation of Health Insurance policies and strongly object to the removal of GAP cover. I honestly do not understand why government is involving itself in this matter as this is a legal contract between the service provider and customer. GAP cover is not a luxury, however a necessity, due to the rising costs which take place in hospitals on a daily basis. Suggesting we move onto a better plan is of no benefit either as regardless of the plan, you are only covered up to 100% in hospital. In South Africa we have the right to freedom of choice. I choose to keep my GAP cover. I trust this this request will receive your favourable consideration. Thanks and regards
200	Lindsay John Curran M and L Medical Suppliers CC	I am a member of a Medical Aid Scheme ( NIMAS), and also took out gap cover when selecting my plan. In 2010, I required quadruple bypass surgery. The total cost of the procedure was R320,000. Without gap cover I would have had to finance an amount of R62,000 which my funder did not cover. I am 55 years old and have not downgraded my medical insurance as a result of gap cover. I have been a member of Discovery Health for 20 years and NIMAS for 5 years. In my opinion gap cover is not driving members to downgrade their healthcare insurance or that gap cover results in healthcare professionals increasing their costs of treatment. I have been active in the healthcare supply chain for over 35years and can testify that the rampant inflation in SA is due to other factors in the supply chain. Regards Lindsay John Curran M and L Medical Suppliers CC trading as VIVA Medical
201	Anesh Maharaj NU-ERA Insurance Brokers	I have been in this industry for 31 years and I am accredited with the Medical Council to sell Medical Aid and also for Short Term Insurance. For my medical aid clients the Gap Cover product is a blessing in that it has saved them thousands of rands that they would have had to fork out of their own pockets, due to the exorbitant tariff gaps charged by certain medical providers. There is absolutely no reason for this product to be withdrawn as it suits the needs of my clients that cannot afford the premium on top of the range medical aids. This product bridges that gap whereby our clients can enjoy top of the range benefits at a reduced premium. The fact that Medical Council failed to stop this product at the outset whereby the Court ruling saw the justification in having a product of this nature available to the consumer. I think that this proposal by government to withdraw Gap Cover is merely a case of sour grapes, in that they did not have their way. They alleged that the consumer is mistaking this product for a Medical Aid is totally unfound. The product information provided to the consumer on various internet links is in layman's language and no were on the documents is there any claim that this product is a Medical Aid. Government should ensure that they address more serious matters like providing better medical facilities and proper treatment for the

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		<p>masses of this country. They also need to address the issue of ongoing Late Joiner Penalties that are making Medical Aids unaffordable. There should be a specific period imposed for Late Joiner Penalties Until such time that the above matters can be addressed, government should steer clear of trying to withdraw Gap Cover products. There are various products on the market that fulfill the needs of the Medical Aid consumer. Instead of withdrawing this product, I recommend that government embrace this wonderful product and provide legislation for Gap Cover Providers to ensure that sufficient disclosure and specific warnings are given to the consumer that this is not a Medical Aid.</p> <p>In the present economic climate, government should be warned of and take cognizance of the fact that thousands of people employed by these services would lose their jobs. The consumer will be also out of pocket when they have to pay the bills of unscrupulous medical providers and it is not the best of times to receive extra medical bills when you suffer traumatic illness. The Gap Cover product is a lifeline to the consumer. Government should not interfere with this type of product, until such time that they can provide proper alternatives. Our clients have benefitted from this product tremendously and if necessary they are prepared to endorse my sentiment by way of their signatures hereto.</p> <p>Yours faithfully Anesh Maharaj</p>
202	BA Daniel PN Hyman Complimed (Pty) Ltd	<p>I refer to the recent Draft Regulations regarding the Demarcation of Health Insurance Policies presented for public consumption on 02 March 2012 as well as the more recent Joint Explanatory Press Statement by National Treasury and the Department of Health and would like to place on record, our objection to the proposed amendments. What is clear to us on reading your draft regulations document together with the supporting press release statement is that your department lacks the necessary insight to fully comprehend what it is a gap cover policy actually covers and where it fits in to a consumer's overall healthcare plan. We will attempt to provide some clarity. Complimed is a registered financial service provider that was established in 2003 with the specific objective of providing simple, easy to understand short term insurance policies to assist healthcare members to supplement possible future in-hospital payment shortfalls. In order for a prospective client to qualify for a gap cover policy they HAVE to be an existing member of a medical aid, as the benefits of a gap cover policy in essence, only picks up the shortfall when the specialist has charged beyond what the medical scheme is prepared to pay, for an in-hospital procedure. The insinuation that gap cover is doing the work of a medical aid or even looks to replace a medical aid is therefore difficult to comprehend. Our business was created some 8 years ago as a direct result of medical schemes not being able to provide comprehensive cover for their members. Gap cover premiums are community rated, meaning that they are charged on a per family per month basis. There is no discrimination based on age, size of family or underwriting. In fact, we have yet to turn away any prospective client based on their previous medical history. Gap cover includes a number of waiting periods however, which is standard in the healthcare industry and is really the only form of protection afforded to the insurer's risk pool. The question we would like to ask is what effect your proposed regulations will have on the consumer. We are of the opinion that your draft regulations will remove a</p>

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202	BA Daniel PN Hyman Complimed (Pty) Ltd	<p>facility whereby a cost effective mechanism has been created to insure against unforeseen medical events. The draft regulations propose a cover that looks to provide for loss of income or contingent expenses. This innocuous cover with its limitations will effectively still leave clients with serious out-of-pocket expenses. The assumption that consumers should upgrade their medical scheme is unfounded for two reasons: 1. Affordability: 75% of open scheme medical aid members have for reasons of affordability chosen an option that reimburses at a rate of less than 200% of the medical scheme rate. Option upgrades could result in a 30 - 60% increase in monthly premium 2. Insufficient cover: We have noted from claim assessments over the last 12 months that medical practitioners are charging in excess of 350% of the medical scheme rate. The maximum reimbursement rate offered by Medical Aid Schemes is 300% of scheme rate. The consumer who is able to afford the increase in premium due to upgrading to the highest possible scheme option would therefore, still have a shortfall. The insinuation that medical scheme members downgrade their options due to the availability of a gap product is disputed. One of the largest open medical schemes, recently, as part of their road show to premier Brokers, divulged that over the last three years their statistics have shown that downward movement between scheme options was less than 2%, whilst upgrades were at 4% of total scheme membership. Currently Complimed has in excess of 62,000 principal members under administration. The age of our principal insured's range from 18 to 90. These members have been sold a gap cover policy by one of over 350 contracted and accredited healthcare brokers country wide. In 2011 Complimed paid out over R21 million in gap cover benefits to these clients, providing much needed financial assistance to existing medical scheme members. We project that this figure could rise to as much as R28 million by the end of 2012. This once again forces us to ask the question, how does National Treasury together with the Department of Health propose to replace the current gap cover policy that is providing members with this much needed financial assistance, going forward? Currently consumers have the security that they may purchase a Health insurance product that will augment their medical scheme option in times of financial crisis. Based on the draft regulations, there seems to be no evidence that they will be able to purchase comprehensive cover equal to the potential shortfall. This is the benefit being offered in their current gap cover policy. Surely, this is a breach of their constitutional right to have access to comprehensive health care services. That being said, we have received an incredible outcry from our clients since the publication of your draft regulations document, regarding their rights as a consumer being impinged, by your proposal to remove gap cover and replace it with a benefit that in fact does very little to address their potential in-hospital shortfalls. We acknowledged that there are some health insurance products out in the market that may infringe upon the business of a medical scheme. However, we believe that the regulators have grouped all health insurance products together instead of looking at the various forms of health insurance and determining which products may be harmful to medical schemes, versus those products that may bring value to consumers, and effectively the draft regulations look to have "thrown the baby out with the bath water." We therefore urge you to reconsider your current proposals, to take the time and effort to gather the necessary data and information from all industry role players, in order that</p>



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		you can make a more informed decision in this regard. Yours sincerely BA DANIEL PN HYMAN
203	Chris McCallum ZestLife	<p>Background to ZestLife ZestLife is a registered financial services provider which focuses on the development, distribution and administration of insurance products to individuals. These products are all underwritten on the licence of Guardrisk Life Limited (Long Term Insurance) and Guardrisk Insurance Limited (Short Term Insurance). ZestLife employs approximately 90 staff and it has the following core competencies: •Actuarial including product development and pricing •Administration •Sales and Distribution capabilities •Legal and accounting • Marketing</p> <p>ZestLife performs all the functions of the insurer such as; •Product development •Distribution via its call centre or distribution partners •Premium collection •Policy administration •Claims administration •Client queries and reporting</p> <p>Medical Gap Cover ZestLife markets, distributes and administers the Guardrisk Medical Gap Cover policy known as Admed. The product is sold under the ZestLife brand from the call centre. Liberty Health also sells the Medical Gap Policy under the Liberty brand. ZestLife collects the premium and performs the administration in respect of these policies. Currently ZestLife has approximately 18000 policies on the books and is selling approximately 1000 policies per month. Comments on Regulations Our comments are confined to issues relating to medical gap cover and are aimed at the principles stated below.</p> <p>The purpose underlying the draft regulation is stated to be protection of the principles of community rating, open enrolment and cross-subsidisation within medical schemes. In addition it is stated that a clear demarcation between accident and health policies (providing benefits similar to that of a medical schemes) is necessary to protect consumers from believing that these health insurance products are providing the same benefits as medical schemes or are medical schemes. If it can be proven that medical gap cover does not offend these principles then there is a clear basis upon which gap cover should be allowed to continue. The principles of community rating, open enrolment and cross-subsidisation within medical schemes would be undermined if a health insurance product provided benefits similar to a medical scheme on a risk rated basis where policyholders were charged premiums based on factors such as age and medical history. Such a product would entice younger healthier members to leave the medical scheme which would reduce the cross subsidisation within the medical scheme. Medical Gap cover cannot result in members leaving a medical scheme because medical scheme membership is a condition of acquiring gap cover. Therefore the only way in which gap cover could affect cross subsidy in a scheme would be if it encouraged younger healthier members to take a low medical scheme option with gap cover as opposed to opting for the high comprehensive medical scheme option. Generally there is no evidence to suggest that the availability of gap cover will cause medical scheme members to choose a lower option. The top options of medical schemes provide a comprehensive range of benefits including day to day cover and dentistry etc. and these options only provide a maximum of 300% of tariff for in hospital specialist costs. Surely the main decision driver when choosing a top end medical scheme option is the need for the wider range of benefits as opposed to the additional cover for in hospital specialist cost as this element forms a relatively small portion of the total benefit package. Therefore the availability of gap cover for in hospital</p>

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203	Chris McCallum ZestLife	specialist cost alone ought not influence a member when choosing his medical scheme option. Furthermore even if a member is on the top medical scheme option there is still a need for gap cover because specialists frequently charge more than 300%. In any event even if gap cover did encourage members to buy down to lower scheme options this would not only apply to younger/healthier members and therefore the cross subsidy would not be affected provided that: <ul style="list-style-type: none"> <li>• All Medical gap cover policyholders were charged the same premium regardless of age or medical history. This would mean that there would be no discrimination between younger/healthier members and older/unhealthier members and therefore all medical gap policyholders will be on equal terms when deciding on whether to take out gap cover.</li> <li>• Gap cover policies do not impose underwriting requirements and discriminate based on medical history and no pre-existing condition clauses were included. Therefore if the above criteria were applied to gap policies there would be no chance of the principles of community rating, open enrolment and cross subsidisation being undermined.</li> </ul> Regards, Chris McCallum
204	Individual	As a gap cover holder I strongly feel that the change in policy would be a unfair change to current gap cover policy holders. The need for change should benefit ALL, not move current benefit from one group of people to another group of people. Healthcare in this country is ridiculously expensive and the magnifying glass should rather be moved to the service providers and the rates they are charging rather than us poor souls trying to protect ourselves from ending up in financial disrupt due to not being able to pay the shortfall in hospital procedure and specialists charges. We should rather be praised for taking pro-active steps and taking a Gap cover policy instead of just claiming poverty after the fact and service providers having to deal with bad debts. Regards Leana McPhail Assistant Financial Accountant
205	Individual	This serves to confirm that I am in in objection to the proposed draft to reject top-up cover such as Complimed. Not all individuals can afford a comprehensive medical aid and benefit hugely from the gap cover. To dictate that this be removed is not a good sign of things to come and individuals should have the option to choose this cover. Should you require anything further, please do not hesitate to contact me. Sincerely, Chantal Zaayman
206	Individual	I am a client of Complimed, a gap cover insurance We have a hospital cover medical aid with Liberty Life which we took out some years ago, and at the time seemed to be sufficient to pay for our hospital costs. However, some years later we made our first claim and discovered that it only covered approximately one third of the specialist's fees. We could not afford the treatment my husband needed as a result of this. Now that we have added gap cover we can rest assured that no matter what happens in the future that our medical bills will be covered. If gap cover is taken away we will not be able to afford hospital treatments, but more worryingly - if my husband gets sick and needs treatment, then we will NOT be able to pay for it, and as the breadwinner in our house this would spell disaster. Please reconsider. Regards Linda Sturgeon Umhlali KZN
207	Individual	We have been advised that the Government intends to stop medical gap cover. I would strongly like to object to this as my medical aid does not cover the full costs of say a heart bypass operation, I have taken out the gap cover AT MY

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		EXPENSE (not the Government's expense). Should the gap cover cease to exist and I needed an operation I would not be able to afford it. We certainly would not be able to go to a Government Hospital as health care in those facilities if almost non-existent. As it is being funded by myself by my money and I am a tax paying member of Society I feel that I should have a say on how I want to spend my money. Sue Parkins
208	Individual	My comment is that I feel that I have wasted my contribution for the last 16 months. There seem to be uncertainties with complimed ...since when do you advise clients that you will only have cover to 31 Dec 2012. Will you offer your clients a replacement product? Please advise.
209	Individual	PDF/ FAX Annexure AJ_
210	Individual	We wish to state in writing our objection and great concern at the proposed draft Demarcation Regulations regarding Health Insurance Products, particularly 'gap cover'. My wife and I have been on medical aid for a number of years and have had gap cover for almost as long. We have recently had first hand experience of how this product is beneficial and of great importance to anyone who is a member of a medical aid scheme. My wife had to have emergency surgery and although we are on the 2nd to top tier of our medical scheme (GEMS), when we received the bills there was a substantial shortfall that we needed to pay out of our own pocket. Both the surgeon and the anaesthetist charged at rates way above what was covered by our medical aid. We submitted this claim to our gap cover insurer and received almost the full amount that we had paid back from them. If we had not had the extra cover that gap cover provides we would have been in financial trouble and this was only from a single night stay in hospital and a fairly straightforward procedure. Even the top medical aid cover will not cover what most of these doctors are charging for their services. We therefore urge you to please consider the honest, hardworking South African citizens, who are the unfortunate ones that will suffer if these new regulations come into play. It is the man on the street that will essentially be the victim as he will have to cough up the difference in medical charges without the protection of a gap cover provided.
211	Grethe Prins Prins Brokers CC	Comment on the Draft Regulations regarding the Demarcation of Health Insurance policies I am an independent broker , have been for the last 22 years, and in the financial advisory service industry since 1985. I advise on medical aid cover for clients. I do NOT advise and sell Long term Health Insurance policies I do advise and sell Short term gap cover, as I believe in (and have seen in my practice) the benefits thereof, for the following reasons: • It does NOT replace the medical aid membership - instead medical aid membership is mandatory to obtain gap cover; gap cover ENHANCES medical aid membership • There is no health restriction beyond matching the restrictions of exclusion periods as per any medical aid (3 months general/ 12 months pre-existing condition/ pregnancy) • There is no difference in premium and benefits according to age, except for over 70s (this is still a developmental area) • Very few medical aid options offer beyond 120% of the now defunct medical aid rate for

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211	Grethe Prins Prins Brokers CC	<p>in-hospital procedures, and the singular options that do, have prohibiting contributions, only affordable by the very rich. • Specialists/ Doctors charge a minimum of 220% of said rate, mostly 300 to 400% for in-hospital procedures. This means that the low- and middleincome groups are the most affected by the shortfall on pay-out from their medical scheme, and have the greatest need for this cover. MAKELAARS BK · BROKERS CC PRINS Prins Makelaars BK is 'n goedgekeurde Finansiële Diensverskaffer/ Prins Brokers CC is an authorised Financial Services Provider FSP lisensie/licence nr 12957 Lid/ Member: GW Prins • I have 65 clients on medical aid schemes; 51 clients/ families insured on gap cover, with 14% who have claimed from their gap cover for shortfall on medical aid payments to providers for the last 12 months. The average shortfall was R4 700 per client. One client especially would have had to go into debt for R13 600 in this last year to pay the in-hospital costs not covered by the medical aid.</p> <p>Should these Draft Regulations be passed, I and my clients firmly believe that they will be placed in a worse financial position, and limit their access to available quality health care. Kind regards Grethe Prins CFP® B. Econ</p>
212	Individual	<p>My email is regarding the GAP COVER POLICY. We have been made aware of the possible change in regulations regarding the current Gap Cover, and the Treasury's decision to remove it and replace it with an income replacer type policy. July 2011 – last year was a very trying year, as my husband experienced a heart attack &amp; has a Triple by-pass done at the age of 35. Prior to this he was a healthy, active man. He was taken to the trauma unit and thereafter admitted at Umhlanga hospital – DBN. After M/A paid the hospital + doctors bills, we were left with the below amounts to pay. DR Y.T. SINGH R 8 563.60 DR ASM SEEDAT R 7 667.63 Please find attached related documents. Without my GAP COVER, it would have been impossible for me to have foot this bill. GAP is a GODSEND for people like me, who are of average earning, trying to make ends meet. I, together with many other South African's, beg you to please re-consider, in keeping GAP COVER, as your decision, is a LIFE THREATENING one. Regards</p> <p><b>Plus PDF Annexure K1, K2 and K3_</b></p>
213	Individual	<p>I, as a senior citizen on fixed income, strongly object to the possibility that Gap Cover Insurance may be done away with. This may force me to upgrade my medical scheme (at great expense and which will still only provide 200% of medical aid costs at best), thereby making me hugely out of pocket. This will certainly not benefit older people who have greater need of assistance with medical costs. Last year, after only having Gap Cover for 7 months, benefitted greatly by having this cover as Complimed paid the gap between what medical aid paid out and what was charged by the medical practitioner.</p>
214	Individual	<p>My wife and I are pensioners and although we have a substantial Medical Aid we still find a big difference in the amount paid by the Medical aid Scheme and what is charged by the various Specialists. We think that the Gap cover compliment our Medical Aid Scheme and that if the Gap Cover is outlawed then in future we will be substantially out of pocket in paying for In - Hospital Expenses.</p>

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Comment	Organisation/ Individual	Comment
215	Paul Cox Old Mutual Life Assurance Company (South Africa) Limited	PDF/ FAX Annexure AL_Paul Cox Old Mutual Life Assurance Company (South Africa) Limited
216	Individual	<p>This serves to confirm that we strongly object to the discontinuation of GAP cover for the following reasons: •GAP cover does not compete with a Medical Aid but enhances the benefits. Hospital insurance does compete directly with medical aids and should be strictly regulated. •Due to the exorbitant rates being charged by some practitioners, cover provided by the Medical Aids leaves a financial shortfall. These shortfalls are unaffordable except for the very affluent. These are the shortfalls that are catered for by GAP cover. •GAP cover is therefore an integral part of making adequate financial provision for the shortfalls for in-hospital expenses. •If a short term insurance product can provide the required cover, just as motor insurance, why should we not have the democratic right to cover the risk of having to pay for excessive in-hospital expenses? •It is our constitutional right to decide where and how we spend our money to make provision for our current and future financial needs and expenses. • In a free democratic society, we must have options to be able to provide for, and take care of our financial needs, which includes medical expenses shortfalls, without undue restrictions. •Should GAP cover be discontinued, the question begs: how are the vast majority of patients going to pay their bills? What assets such as investments for their retirement, will have to be sacrificed to pay for these bills? •If GAP cover is not available, many people will have to go into debt to pay their medical bills, which in turn will ensnare them in a downward spiralling debt crisis. •Government has an obligation to encourage and allow the private sector and Insurers to create and provide affordable health packages for the vast majority of South Africans who cannot afford medical aid or the abovementioned shortfalls. •Should GAP cover fall away, people will not undergo necessary medical procedures, which will in turn reduce the level of health in the country, placing a huge burden on the Government in due course. •Rather than discontinuing GAP cover, legislation should be passed to prevent practitioners from charging exorbitant rates which are sometimes more than 5 times the Medical Aid tariff rates. •Medical practitioners ask patients to declare if they GAP cover. Whether a patient does or does not enjoy GAP cover is a confidential matter, and as such should not be questioned by the practitioner providing the service, enabling such practitioner to increase rates. This is an unacceptable general practise amongst medical practitioners. Kind regards</p>
217	Dr Humphrey Zokufa BOARD of HEALTHCARE FUNDERS of SOUTHERN AFRICA	PDF/ FAX Annexure AM_Dr Humphrey Zokufa BOARD of HEALTHCARE FUNDERS of SOUTHERN AFRICA
218	Joy Spencer Harwood & Associates	<p>It has come to my attention that the government intends to stop gap-cover. I do not think that much thought has gone into this decision . I am presently on a hospital plan only (cannot afford a full medical aid) In the past 3 years, I have made extensive use of my gap cover due to 5 x eye operations and 2 x haemeroidectomies Neither of these are due to ill health, but life ailments. WHO WOULD PAY THE HOSPITAL SHORTFALL IF NOT MY TOP-UP COVER POLICY???</p>

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Comment	Organisation/ Individual	Comment
		<p>The government? Certainly not.</p> <p>If one has a means of ensuring peace of mind in the event of hospitalization and full payment thereof, please explain to me why the government would want to take this away. It makes no sense at all and places an additional burden on each and every member of a medical aid. Please do not take away our democratic right Yours sincerely Joy Spencer Harwood &amp; Associates</p>
219	Individual	<p>I hereby object most strongly to the above draft Regulations. My wife and I are pensioners, and in spite of being long term members of a medical aid scheme (L.A. Health – Comprehensive option), we have found that if it were not for our Hospital Gap Cover Insurance provided through Complimed, we would have suffered great financial distress (approximately R60 000) due to my wife requiring a series of operations over the last two years. Full details of these costs can be forwarded to your offices if required. Our medical aid scheme will simply not provide us with any additional cover ( we are already on the top option), which is why we turned to our Gap cover insurers for help. To terminate this invaluable service without ensuring that medical aid members are compensated elsewhere is in my opinion both vindictive and uncaring.</p>
220	Individual	PDF/ FAX Annexure AN_
221	Callie Vorster Table Bay Financial Services CC	PDF/ FAX Annexure AO_Callie Vorster Table Bay Financial Services CC
222	Individual	<p>I am also a registered Nurse and Broker, therefore I do a needs analysis to establish what my client's needs are and I will recommend plans to suit hospital as well as out of hospital needs without considering Gap. Thus I don't consider the fact that a client can downgrade due to gap but ONLY on the basis of what the client can afford. All the medical Aids I market- Discovery/ Liberty/Spectramed/Bonitas/Resolution/Fedhealth have co-payments in hospital for certain procedures and only pay between 100-200% medical aid tariff regardless of the option suggested/chosen. Spectramed only pays 100% medical Aid tariff; has co-payments on a list of operations and has limit on all X-rays/Blood tests in hospital if not PMB across all options. For 2012 Fedhealth has introduced 100% medical Aid as Specialist Tariff if the Dr isn't contracted to Fedhealth Specialist Network, thus now Fedhealth has a larger Professional Gap; deductibles on a list of operations; a small amount for prostheses with a short fall of 12500-15000. If you download the list of Specialists, I doubt if even 20% of Specialists in SA are on the list. On Bonitas 2nd highest option- it only pays medical aid tariff-100% thus when my mother had open heart surgery in January 2012, my parents, on Bonitas STD- 2nd highest option; on pension; had extra costs of nearly R10000 – all different shortfalls/professional fees etc. They haven't got a gap cover so this has put great strain on their funds. These are only but a few examples given. All medical aids have shortfalls in hospital. In SA today there isn't a Medical Aid that hasn't got some shortfall/gap of cost incurred, added to the hospital bill. This cost, that the Medical aid doesn't pay, the client is responsible for these shortfalls/ Gaps. Professionals can charge anything from 200-over 500% medical aid rates. Hardly any Specialists are willing to</p>

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Comment	Organisation/ Individual	Comment
222	Individual	<p>contract to Medical Aids to pay only Medical Aid tariff- they aren't regulated and thus can charge what they want. Why don't the Professionals get regulated instead of wanting to take away a good short term product that helps client pay extra costs medical aids aren't paying for any longer? This gap; especially Anaethetists/Neurosurgeons/NeuroOthopedic Surgeons/Pediatricians/Gynecologists can be astronomical.</p> <p>Many of these clients haven't got R3000-25000 reserve funds, available to pay for these gaps/shortfalls. Every option on every medical Aid, whether the best or the most basic, needs a Comprehensive short term cover to help clients to pay for all extra costs incurred which include shortfall cover for blood tests/xrays and other nappi codes; Gap cover for the Professional Fees charged above medical Aid rate; amount to cover co-payments/admission deductibles as well as sublimit Excess if possible. GAP cover cannot substitute a good medical aid or change the option people choose as it is only a HOSPITAL top-up and nothing more. It doesn't pay for any out of hospital expenses and that's the difference between Hospital plans and comprehensive medical aids= out of hospital limits differ. Thus a client needing more out of hospital cover will need a more comprehensive medical aid option than a young and healthy single male with minimal out of hospital needs. Every option on any medical aid still needs a comprehensive short term product that covers all expenses the medical aid DOESN'T cover. I strongly recommend that short term cover for in-hospital top-up cover be available for people like us- 80% of those on medical aid that haven't got enough reserves available in case of a hospital event. Top up products can never replace a medical aid as its function differs altogether. Top up products are not the reason clients downgrade but the increases in Medical Aid and cost of living getting more and more expensive versus salary increases. They simply just can't afford large comprehensive medical aids any longer.</p>
223	Wayne Gray Be Assured Financial Services	<p>I have been a broker for the past 23 years and it has been my experience that a client can only pay for a medical scheme that he can AFFORD. The issue of a client down buying and then adding a Gap Cover policy is not at all the case in my experience. The medical scheme option is always selected first and only then is Gap cover taken. If a client can only afford a hospital plan and then squeeze in a gap cover policy, he then has peace of mind due to the additional cover that he can benefit from in times of need. Clients who cannot afford to "better" their medical aid will not "better" their medical aid because they cannot. I hope that my few comments are taken into account by Treasury. Many thanks Wayne Gray Be Assured Financial Services FSB 16498</p>
224	Individual	PDF/ FAX Annexure AP_
225	Lyn Miles MediChoice	PDF/ FAX Annexure AQ_Lyn Miles
226	Individual	<p>It is really not a good move; people buy Gap cover as a results of shortfalls in all medical aids, which in past had more comprehensive cover, which has been slowly reduced as a result of medical aid having to accept unhealthy members. A client should be able to make his own decision, as to further cover, at his own will, and with, any additional expense, as long as he can afford to pay for this benefit. We simply need gap cover as it is easier to pay a monthly set</p>

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		fee than to have to fund huge shortfalls in doctors and hospital bills. We object to the proposed legislation
227	Rodney Stein Rodney Stein Financial Services CC	PDF/ FAX Annexure AR_Rodney Stein Rodney Stein Financial Services CC
228	Steve Tennant Tennant Life Benefits (Pty) Ltd	My understanding of the matter is as follows: 1. Fact – gap cover dose not offer any benefits without a medical aid benefit being in Place 2. Fact - Gap cover only covers in hospital events thus has no bearing on a decision to have either a hospital only medical aid (with Prescribed Minimum Benefits), or a comprehensive plan 3. My understanding of Discovery plans is that the level of cover per item / service provider is the same (except for the executive plan) irrespective of the plan. So if (as I have Classic Comprehensive 2nd most expensive plan), I am attended to by an anaesthetist who charges 500% of the whatever price, Discovery will only pay 200%, irrespective of plan choice. The balance will be for my account. 4. From the above I could have a gap irrespective of which medical plan I am on. Removing Gap Cover will lead to deterioration in private health care. We are vehemently opposed to the implementation of the proposed legislation Kind Regards Steve Tennant Tennant life benefits (pty) ltd
229	Jill & Kevin Douglas JKD Financial Services CC	Our book consists mainly of medical aid and Gap cover clients. In our experience the majority of clients are unaware that Gap Cover exists and see the benefit of this important product once they understand what their medical aid plan does NOT cover. The majority of our FNA's completed indicate that client's want to purchase the most affordable medical aid that covers private hospitalization. They are not concerned with day to day benefits as they will pay out of their own pockets. The facts are simple; with the cost of living becoming so expensive and escalating on a monthly basis, (electricity costs, toll fees, school fees etc) has a direct bearing on the decision to purchase an affordable medical hospital plan and then adding Gap Cover. It would be appropriate for the authorities to UNDERSTAND the importance of Gap Cover and place the interests of members 1st. The widening gap between specialist cost and what the medical aids cover will continue to widen in the future. People cannot afford to "BUY UP" to a higher medical aid plan. Government should maintain the Gap cover plans that work and."don't throw the baby out with the bath water". They cannot (in my opinion cancel existing gap policies, does this not infringe on our constitutional rights?) Kind regards Kevin Douglas JILL & KEVIN DOUGLAS JKD FINANCIAL SERVICES CC INDEPENDENT FINANCIAL ADVICE * MEDICAL AID * GAP * LIFE * RETIREMENT * GROUP BENEFITS * FSP19717
230	Jacqueline Havenga Celtis Financial Services	My comments: Most medical aid clients don't even know of Gap or co-pay cover and only wish they had this type of cover when the accounts start piling up. If Gap and co-payment cover is banned, medical aid members are going to have a serious financial problem – as I doubt that medical aids will be allowed to increase their tariff cover above 300% and I doubt if there will be a law/legislation to limit the charges a specialist can ask for – as they are a "species"



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Comment	Organisation/ Individual	Comment
230	Jacqueline Havenga Celtis Financial Services	<p>that's threatened by extinction in South Africa and we want them to be happy and stay here. If this happens, what stops the government from looking at our home and vehicle insurance and stating, instead of just insuring your vehicle you must insure your home contents because the insurance industry is losing on income from premium payers and therefore must up their premiums each year upon review by more than necessary irrespective of your claims history? If they remove our right to insure ourselves, for the areas our medical aids do not cover us – they are in fact removing our right to better health care. They are removing our “back up” to afford a better specialist or a better procedure. They are endangering our lives. It is common knowledge that most hospitals in South Africa are not up to standards and that we have a huge lack of specialists and due to this lack the specialists available are billing what they want as we as public do not have a choice but to pay them for their services. I could understand if they ban this type of insurance because they have made public a charging schedule for services specialist may bill for and by law enforce this upon specialists. This will prepare medical aid members as well as non-medical aid members before hand for the costs a service could</p> <p>result to, instead of playing guessing games and having huge bills for procedures done. I just don't understand why they would turn to such extremes in order to force people to move to a higher medical aid option or at least have a medical aid plan...maybe because they are forcing members to belong to a medical scheme while they get the NHI in place and when people just can't hold onto the high costs of their private medical aid they default to their NHI plan and are just too happy the government had something in place for them to fall back on. This makes me so angry when our freedom of choice to insure ourselves better is taken away. This could result in people not undergoing serious life altering operations because they now first have to save for the co-payment they will have or gap they will have on the procedure – instead of going for it and having your product cover it for you. I hope this possible “ban” is banned! Soon they will be removing Health Cards and forcing members</p> <p>to pay any extra back up plan benefits directly into your medical aid or NHI, taking away freedom of choice and forcing low income members to belong to low options and high income members to belong to higher plans. This is worse than taking away freedom of speech – this is robbery of life support, forcing people who cannot afford medical aid to have nothing or pay up – forcing the people who actually can afford medical aid and the acceptable Gap &amp; Co-pay premiums to fork out more than necessary to still not have 500% tariff cover of R3000 for a Gastrosocopy procedure. By the way, any Discovery broker would have noticed that the person writing the article in the news paper is not familiar with the Discovery medical aid product as the next step to achieve a higher tariff cover in plan order would have been the Classic Core plan offering 200% in hospital tariff cover,</p> <p>or at least the Classic Saver plan instead of jumping to the Priority range to proof the cost difference related to tariff cover. All medical aids have fixed co-payments (some are hidden in the small print), it does not matter how high an option you choose – there will be extra costs on procedures – so why remove our right to insure these costs for less than the medical aid premium? I really don't know what more to say, but that this is an insult to the members who</p>

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		want to insure themselves for as much cover as possible and a sentence to financial ruin for the low income earners who can hardly afford anything. Jacqueline Havenga Celtis Financial Services 28 Koorsboom Avenue Kloofzicht Building Rustenburg, 0299
231	Jenni Peach Profin Financial Solutions	I am a firm believer in selling GAP cover with our medical aid products. The reason is pretty obvious to all of us. The medical aids only reimburse up to 300% (on some plans) and the specialists are charging more than this. If GAP cover is removed, are we not going to be increasing the debt that the country is currently faced with. I mean a person who is already cash strapped and ill, is not going to be able to afford the difference in the reimbursement rate and the actual charge. If the CMS thinks that the Gap Market is detracting young people from joining medical schemes, then I think they have the bull by the horns. You cannot buy GAP cover if you do not belong to a medical aid, so if anything it is encouraging people to also belong to a medical aid. If the CMS want to do away with GAP cover, then they may have to have a rethink at the cost structures currently in place with the medical aids, and possibly bring back a universal "scale of benefits". We therefore object to the implementation of the proposed draft regulations Jenni Peach Profin Financial Solutions
232	Wayne Mann Premier Growth Group (Pty) Ltd	PDF/ FAX Annexure AS_Wayne Mann Premier Growth Group (Pty) Ltd
233	Paul Reed PSR Investments	1. Gap Cover is an absolute necessity for anyone who has a medical aid that has shortfalls on its benefits. 2. Government is and has never been in touch with the reality of sustainable health care, not just SA but around the world, hence the need for gap cover. 3. Gap Cover is part of best advice as a necessity 4. Gap Cover due to numerous shortfalls in medical cover from schemes not only a necessity, but the need has arisen directly as a result in trimmed benefits. 5. the Medical aids themselves along with legislation(government)should be held fully accountable for the shortfalls and have built their own GAP cover into the schemes and costed accordingly (would have been much cheaper too I guess, due to volume) Paul Reed PSR INVESTMENTS
234	Individual	Getting rid of Gap cover is ludicrous first it can spell financial disaster for many people who experience a big shortfall and second it should only be considered once the powers that be guarantee that service providers will charge a rate within the parameters that medical aids are prepared to pay. There are very few options even expensive options on any medical aid that address this shortfall by offering benefits over the 100 % rate.
235	Riaan Smith Paratus Prosapia Brokers CC	I am still astonished at the level of ignorance of the so called leaders in industries in this country. The arguments put against the provision of Gap cover policies in particular are in my opinion short sighted and not based on facts. The consumer is the one that will suffer if this happens – we are in an environment where the majority of MEDICAL AID MEMBERS can't afford to "upgrade" to higher cost options that by and large provide more benefits for day-to-day expenses. Irrespective of option in a scheme – whether on the "Rolls Royce" or the entry level product, the issues remain the same – medical service providers/specialists charge above what scheme's cover when a patient/scheme

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235	Riaan Smith Paratus Prosapia Brokers CC	member/consumer/you/me is in hospital. So the argument that it encourages downgrading options is nonsense! Perhaps these guys that have issues with these products should come out of their enclosed lives up there in the sky where they don't know what's happening to the man on the street, and experience the struggles the majority of people face on a daily basis – especially as far as finances are concerned. Gap cover is one of the few affordable products that save the average man considerable amounts of money in an economy where most our clients are just barely getting by as it is . . . We are totally against the implementation of the proposed legislation Kind regards, Riaan Smith Paratus Prosapia Brokers cc (FSP 43040) Health - Individual & Group Life - Short Term – Business Insurance
236	Individual	Thank you for allowing me the opportunity to object to these draft regulations. I would like to lodge an objection to the draft regulations on the demarcation between health insurance products and the business of a medical scheme. I am on Onyx Gems medical scheme and Gems medical scheme only offers options that reimburse providers at 100% of the schemes tariff. This is the most comprehensive option available on Gems and i thus have no opportunity to "upgrade" my option to one that covers specialists and anaethetists at the rate they charge as is suggested by CMS and the draft regulations. The specialists tend to charge 200% to 300% more than my scheme is willing to reimburse these providers. Our fantastic constitution provides me the right to protect my assets (cash) hence me insuring myself against these potentially devastating,unwanted and really unnecessailly high costs. In the past 3 years, I and my family have had procedures done where my "co-payment" amounted to exhorbitant amounts. Had I not had myself insured against these costs, I would have been financially crippled and am so gratefull for the fact that i could relatively cheaply provide for these circumstances. I do not for a minute believe that members are downgrading options because of Gap cover products. The real reason they are downgrading is quite simply because citiznes cannot afford the costs of comprehensive options - not because of Gap cover. Gap cover can never substitute a medical scheme and merely provides financial relief for that which medical schemes do not/cannot cover. There is a really common trend that members are moving to cpaitation and hospital plans only which can probably be put down to affordability and not necessarily Gap cover. If medical schemes covered specialists in full, then we would have no need for Gap cover, but that is unrealistic and we know that medical schemes would not afford to do that as they are alraedy financially strained. It would just make a scheme more unaffordable as premiums would go up and a scheme may not "underright new members and more members would leave and become reliant on the state for health care. If the prices that specialists charged for there services was capped/controlled, then there would be little to no need for Gap cover. Competitions act wont allow this of course None of these two points can/will happen with the effect that the consumer has to cover these financially crippling costs personally as we are so tied up with regulations. The gap cover serves no other purpose then to cover that which medical schemes cannot do and what the CMS cannot enforce with regards to specialist charges Why would the govenrment want to cripple its inhabitants financially when they get sick, by outlawing these products? Someone with reason must surely relook this!!. Is there physical proof

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236	Individual	that members downgrade to cheaper options because of Gap cover? I would suggest that the answer is no! If there is proof I do not see it in the CMS annual report!! The proof should then be published if it really is there. In fact the CMS report 2010 - 2011 say (result of online study) that the most common reason why members change from one option to another is due to affordability!!!! These regulations in my opinion have been drafted without real thought for the consumer and with little to no regard to consumers financial impact when health care is required. How much consultation has been entered into? The first inkling was the court case 3 years ago and then suddenly draft regulations are put out with little to no time to comment/object are consult what should perhaps be outlawed and what not?? I would perhaps agree that some products could impact on a member joining a medical aid - but that would once again come down to affordability. Put yourself in the shoes of someone earning R10 to R15000 per month. If they can afford medical aid which perhaps does not cover in full and a gap product it is one thing that wont cripple them financially in the event of a health care need. I have seen many people that have been financially "saved" by having a gap product The final impact is that the consumer will no longer be able to cover themselves for critical illness (imagine the field day that loan shark will have!!) The burden on the state will increase dramatically as i believe more people will find less value in a medical aid and will leave and hope and rely on the state. I thus strongly object to my constitutional right being violated in this way and hope that reason and sensibility remain in this final draft and that i as a proud South African have the right to cover myself from such future shortfall.
237	Darren Polzi HDI Financial Services	<p>This letter serves to record my vehement opposition to the proposed changes to legislation that would see Medical Aid Gap Cover insurance outlawed. I have taken the liberty of expanding on the rationale driving my position on this matter, below. The medical aid environment My experience, as an Independent Financial Advisor, advising on medical aid, life insurance and investments for approximately 260 clients, shows that medical aid schemes have, specifically in the last 5-6 years, systematically passed back an ever increasing number of copayments and shortfalls to medical aid members. These have, for the most part, been “below the radar” for most consumers and have been blamed on “greedy specialists, imported medical inflation, non-compliance by the private healthcare providers” to name a few of the more creative ones. This despite above-inflation increases EVERY year. In fact, some of the more well known Medical Aid schemes pat themselves on the back when they attain the “inflation + 3-4%” annual increase target. The overturned NHRPL legislation and an ever decreasing number of highly qualified healthcare professionals has meant that the sought after specialists are in short supply, they refuse to be dictated to by medical aid schemes and they charge more than medical schemes will pay. This exacerbates the hostile environment for medical aid members Medical Aid Client needs and expectations</p> <p>My experience shows that medical aid clients need/expect their healthcare planning to deliver: ☐ access to PRIVATE healthcare rather than state facilities ☐ freedom of choice to use hospitals, doctors and specialists that they think will deliver the best healthcare outcomes especially for life-threatening and/or chronic care ☐ they are prepared to cover some of the day to day expenses provided that ☐ they do not have to cover major shortfalls or co-payments that</p>

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237	<p>Darren Polzi HDI Financial Services</p> <p>Darren Polzi HDI Financial Services</p>	<p>would cause financial hardship It is in satisfying the last need that Gap Cover solutions delivers on a critical component on the medical aid planning process. Whilst some medical schemes promote their negotiated payment arrangements with certain service/healthcare providers as a viable solution to this problem, this infringes on clients' freedom of choice which is one of the primary reasons they pay for private healthcare (see above). Examples of Gap Cover shortfalls</p> <p>The shortfalls for which our Gap Cover clients have been reimbursed are the result of Specialists charging between 280% and 380% of tariff. These have been for fairly routine procedures including child birth, tonsillectomies, wisdom tooth extractions, endoscopic procedures and then accidents like a broken leg requiring insertion of a plate and pins. The shortfalls in these instances have ranged between R3, 500 and R20, 000. 2   P a g e</p> <p>Please be advised that we have comprehensive claims records that demonstrate that shortfalls are widespread, covers a wide range of demographics and can be supplied on request. Impact on clients For clients earning gross incomes of between R10, 000 and R30, 000 p.m. these shortfalls, without Gap Cover, would erode between 2 and 5 years worth of savings! Given that the most recent stats show a mere 6% of South Africans retire financially self-sufficient (probably lower than this after the recession) this erosion of savings, which could even mean the client could not afford their medical aid premiums until they've settled the Specialists' accounts, is a financial planning fiasco.</p> <p>Compounding this problem is that there are a very limited number of medical scheme options that cover tariff above 200%. For all but the wealthiest, these options are prohibitively expensive. Removing access to Gap Cover will be tantamount to removing our clients' right to self protection which will subject thousands of people to avoidable financial risk. To illustrate this point, consider the pricing for some Discovery Health options for a husband, wife and 2 children: Option 1 – Discovery Executive (300%) = R8, 173 p.m. Option 2 – Classic Saver (200%) = R4, 439 p.m. Option 3 – Coastal Saver (100%) = R3, 427 p.m. The simple reality is that R8, 173 p.m. is prohibitively expensive and is NOT an option for most whether Gap Cover is outlawed or not. R4, 439 p.m. might be attainable BUT it will mean: ☐ The client will be forced to compromise retirement, medium or short term savings.</p> <p>☐ the client will STILL be subject to a risk of a shortfall which he will NOT be able to provide for because he's paying more than he otherwise would i.e. no capacity for savings ☐ the client may be forced to seek a private healthcare professional with whom the scheme has a payment arrangement (arguably impacting negatively on his level of treatment) None of these options promotes the advancement of consumer rights, freedom of choice, financial certainty or long term financial security. It may even advantage the medical schemes' ability to drive even higher annual premium increases simply because their members have limited alternatives to meet the stated financial planning objectives. I cannot stress enough that the average medical aid client simply does not have the financial capacity to take on more expensive medical aid options to cover these risks which mean will be financially prejudiced if they can no longer include a R100 – R200 p.m.</p>

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237	Darren Polzi HDI Financial Services	<p>Gap Cover solution in their financial planning. Impact on clients who have decided not to take Gap Cover It is my view that clients must have access to information to make informed financial decisions. In some instances, our clients have elected not to include Gap Cover in the portfolios despite knowing that their scheme is limited to 100% or 200% of tariff. 3   P a g e Where shortfalls have arisen, the result has invariably been one or more of the following outcomes:</p> <ul style="list-style-type: none"> <li>☐ en-cash investment policies (often with surrender penalties)</li> <li>☐ withdraw unit trusts</li> <li>☐ withdrawing their savings deposits</li> <li>☐ take on personal loans</li> <li>☐ use credit cards</li> <li>☐ use overdrafts</li> <li>☐ access mortgage bonds</li> </ul> <p>One does not have to be a financial advisor to recognise that NONE of these outcomes are appropriate, sustainable or financially prudent. Whilst the structural challenges in the private healthcare sector exist, Gap Cover remains the most transparent, affordable and effective financial planning solution to meet the desperate need for financial certainty for common medical events. Outlawing Gap Cover will expose ALL medical aid members to the financial risks described throughout my submission whether they have savings/debt to fall back on or not. I conclude by summarising my views and state, categorically, that:☐ medical aid gap cover does not replace a medical scheme – Gap Cover members are COMPELLED to be medical aid members</p> <p>☐ medical aid gap cover does not attract only younger and healthier lives – our range of Gap Cover clients span all genders, races, ages, health conditions, medical aid memberships, income categories☐ Medical aid gap cover does not negatively affect medical schemes – clients will continue to select their medical aid option based on the benefits and cost of cover as is AFFORDABLE to them. Medical schemes THEMSELVES determine their membership by determining the benefits they offer, the premiums they charge, the freedom of choice they offer and the co-payments they impose on their members. ☐ medical aid gap cover does not encourage clients to downgrade their medical aid option – the simple reality is the persistent above-inflation annual premium increases continues to FORCE clients to downgrade their options because they cannot afford to stay on more comprehensive options. I was brought up with the clear understanding that every conflict/disagreement has a cause and a result and that if you hope to treat the result you have to treat the cause. In considering the medical aid environment, the solutions at our disposal, the financial capacity of clients and the precarious reality of savings for the average South African, I have come to understand that Gap Cover is the result and medical aid schemes’ benefits and rules the cause NOT the other way around as the proposed changes in legislation has suggested. Surely the logical solution is rather to solve the cause by insisting medical aid schemes deliver solutions to meet clients’ needs rather than their own and the need for Gap Cover will fall away by default. In this way consumers overall will benefit rather than being subject to the inevitable financial duress that will undoubtedly result from the proposed legislative amendments. 4   P a g e I welcome your further consultation and or debate and reiterate that I can provide claims statistics and client claims experience on request.</p> <p>Yours sincerely, Darren Polzi Independent Financial Advisor HDI Financial Services</p>

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Comment	Organisation/ Individual	Comment
238	Individual	<p>I am the PO of the PG Group Medical Scheme. A small Scheme with 1200 members, and a solvency ratio of just over 100%. We have one option and it is a condition of service that the employee join our scheme unless they are covered by their spouses medical aid. Review of the Year's Activities. PG Group Medical Scheme had a positive gross healthcare result in 2011 thus enabling the Board of Trustees to approve a single digit (average of 3%) increase for 2012. Although there was a net healthcare deficit, the investment income drove a R4.7 million surplus for the year.</p> <p>GAP Cover Because of the high costs of hospitalisation in respect of the anaethisist and surgeons our members asked for a product to assist in payment of the bills i.e. Payment for the GAP between what the PG Group Medical Scheme pays for hospital and related costs vs what the doctors and hospitals charge. We currently have a GAP insurance product which costs a member R90 for the family. This insurance product offers cover for the applicable in-hospital costs, charged by specialist physicians, which may be in excess of what the PG Group Medical Scheme covers. Our Scheme covers such costs up to a maximum of 100% of the Scheme Rate. The Gap Cover increases the cover up to a maximum of 500% of the Scheme Rate - this would be impossible for the Scheme to cover. Every pensioner member took up the offer immediately for the peace of mind this product offers. Since inception Health and Accident have not increased the premium. Take up of the offer is 98% of the total membership. Payout from Health and Accident have been substantial. Our members would not have been able to afford this and would have then reverted to the PG Group Medical Scheme for an Ex Gratia payment, which the scheme would inevitably had to pay. The Insurance Company has not put up premiums, but has added additional benefits as per the attached. Full benefits are summarised on the attached. <b>Plus PDF Annexure AT_</b></p>
239	AM La Grange bestMed	PDF/ Fax Annexure AU_AM La Grange bestMed
240	Eddie Harwood Harwood & Associates	<p>I refer to the current discussions regarding the health Insurance policies. I am objecting to the proposal to eliminate all medical insurance and top-up products, gap cover included. My reasoning for this is quite simple eg; Member of Discovery health Coastal Core Plan Cost – Pure hospital only as the family cannot afford a more expensive hospital plan Classic Core Principal Member R892 R1229 Adult Dependant (spouse) R669 R 967 Child Dependant (son) R356 R 491 Child dependant (daughter) R356 R 491 TOTAL COST R2273 R3178 Note the difference in cost. However the additional benefits between the two plans are 100% of DHR for Coastal Core and 200% for Classic Core Actual example; The spouse has an arthroscopy in Umhlanga hospital. The hospital bill is covered by DiscH. The surgeons bill is R10212.53. DiscH pay R3404.18, member pays the shortfall of R6808.35. The anaethetists bill is T6605.12. DiscH pay R2201.22, the member pays the shortfall of R4403.41. As the member has health insurance to cover the shortfall, he does not have to find R11008.53. It is the SYSTEM that is wrong not the gap cover. Why does the Council for Medical Schemes, in conjunction with the Department of health legislate that Medical Schemes pay the specialist according to their fees, or have the specialist reduce their fees? There should be a compromise. Once again it is the general public who has to bear the additional cost. Most can't afford the premium for medical aid / hospital plans.</p>

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Comment	Organisation/ Individual	Comment
240	Eddie Harwood Harwood & Associates	Yet, the government want to ban the very essential cover to allow members to pay the specialist the fees they charge and NOT what the medicals aids cover. Each year the council approve what the medical aids pay and each year the members have to pay the shortfalls There are millions of clients who have health insurance and gap cover so that they do not have to pay the additional fees charges by the medical profession Yours sincerely E.A. HARWOOD Harwood & Associates
241	Carla Letchman The Financial Planning Institute of Southern Africa	PDF/ FAX Annexure AV_Carla Letchman The Financial Planning Institute of Southern Africa
242	Yunus Aniff Aon South Africa (Pty) Ltd	Kindly note that I Object to the fact that Gap Cover has being considered to be abolished. I work in environment when I believe that Gap Cover is imperative as we live in medical industry where medical specialist can charge whatever they want. This leave medical scheme member with huge short falls(R1000s of rands). A very uncomfortable situation to be I, especially coming out from a planned hospital procedures. They do not perform the work of the medical scheme but merely compliment the medical scheme, where members options have known risk. Removing such a product would leave us all at risk especially that medical scheme cost as much as they do. We trust that your decision would be based on the best on the interest of the members of the private medic al schemes. Kind regards Yunus Aniff   External Healthcare Consultant Aon South Africa (Pty) Ltd   Aon Hewitt   Healthcare 35/37 Island Office Park   Island Circle   Riverhorse Valley   Durban   4051
243	Marco Fonto Stratum Benefits	PDF/ FAX Annexure AV2_Marco Fonto Stratum Benefits
244	Michael Settas Xelus (Pty) Ltd	PDF/ FAX Annexure AW_Michael Settas Xelus (Pty) Ltd
245	Gary Feldman NMG Consultants and Actuaries (Pty) Ltd	PDF/ FAX Annexure AX_Gary Feldman NMG Consultants and Actuaries (Pty) Ltd
246	Roly Buys Mediclinic Southern Africa	PROPOSED AMENDMENT OF THE REGULATIONS TO THE SHORT-TERM INSURANCE ACT NO. 53 OF 1998 We refer to the above and thank you for the opportunity to comment on the proposed amendments. Mediclinic Southern Africa Limited ("Mediclinic") is a company which owns and/or operates 49 private hospitals in the Republic of South Africa. Mediclinic has a national market share of approximately 23% of the private hospital market. Mediclinic has a material interest in the matters raised in the proposed amendments to the Short-term Insurance Act and wishes to engage with the National Treasury (and, where relevant, Department of Health) in respect of these matters in a positive and constructive manner. This submission constitutes Mediclinic's substantiated comments on the proposed amendments from its perspective as a private hospital group. This submission will focus on the Constitutional right to access healthcare services as well as the potential impact that the proposed amendment could have on the State. These



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Comment	Organisation/ Individual	Comment
246	Roly Buys Mediclinic Southern Africa	<p>topics are succinctly dealt with below as the deadline of 23 April 2012 did not afford Mediclinic sufficient time to pursue our customary rigorous investigations in support of this submission. 1. Right to access healthcare services Section 27 (1)(a) of the Bill of Rights as contained in the South African Constitution stipulates that all citizens have the right to access healthcare services. In an effort to access healthcare many citizens have chosen to belong to a medical aid scheme which will then cover all their healthcare needs as and when these are required. In many cases the reality is that the medical aid scheme cover is inadequate, which then prompts citizens to either forego medical cover and buy hospital plans / equivalent medical insurance or to supplement their current medical aid scheme cover with products such as GAP cover. Not only is this a more affordable means to access healthcare services but it also provides one with the surety that in the eventuality that one requires healthcare services one will not be met with any major financial repercussions. Thus by taking away medical insurance products, the net result could curtail or even prevent citizens from adequately exercising their freedom of choice of insuring a debt which could possibly arise because of much needed healthcare services. This is even more pertinent considering the current economic climate where there is a constant uncertainty with regards to financial security. In order to illustrate the point, an individual could choose to take out insurance cover to secure a future debt or income, such as retail accounts or salary protection where this payment to be made or received falls away. It would be unjust to allow the securing of future debt/income that may be incurred as set out herein, but to disallow the insurance of potential costs associated with the receipt of healthcare services. The removal of this type of insurance in effect removes the right of these individuals who make use of this type of cover to exercise their freedom of choice as to where they may wish to receive medical services. 2. Impact on State The corollary that would flow from the removal or curtailment of healthcare insurance products would be that the state healthcare services would be further burdened in managing these patients, who can no longer access a sum of money readily available to cover the costs of private care. The maintenance of the current GAP cover and similar products would allow citizens the freedom to choose whether they want to make use of the state healthcare facilities or to use their own funds in the private healthcare sector. It is our submission that it would be unwise to burden the state facilities further with patients who, in maintaining their medical insurance cover, can access private facilities. Furthermore, Mediclinic kindly requests National Treasury to provide clarity (and, where possible, data) to evidence the effect that medical insurance products, such as GAP cover are having on the medical schemes market in an effort to understand the concerns which this proposed amendment seeks to address. We once again thank you for the invitation to provide comments and trust that our submission will be taken into account when deliberating on the promulgation of the aforementioned bill. We welcome the opportunity for further discussion and debate on the topic. Yours faithfully, Roly Buys</p> <p>Executive Manager   Funder Relations &amp; Contracting MEDICLINIC SOUTHERN AFRICA</p>

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Comment	Organisation/ Individual	Comment
247	Liz Smith Associated Assurance Consultants Pty Ltd	<p>We are a brokerage that provides mainly Medical top-up insurance (gap cover) to a large sector of the public who experience shortfalls on their medical aid/hospital plan. Gap cover is a very necessary product as many of our claiming members, I'm sure, will testify to this. I am in the fortunate position to have access to the benefit brochures for the various options on the majority of medical aid schemes, as I need to recommend the appropriate gap cover products for the various shortfalls which, by the way, occur on ALL medical aid options! These shortfalls occur as a result of: 1. The medical aid scheme has imposed co-payments/deductibles on various procedures and the member becomes liable for these amounts which vary from R1000 to +-R7850 per procedure; 2. The medical aid scheme has imposed sub-limits on various procedures, eg Internal Prosthesis (cardiac stents/pacemakers/prosthetic joints, etc). Should the surgeon charge an amount above the sub-limit amount, the member becomes liable for the excess; 3. The medical practitioners charge above the medical scheme's maximum rate of payment. I have had sight of a member's claim where a medical practitioner has charged +-510% of scheme tariff for a hospital procedure. In this instance, had the client been a member on the most comprehensive medical aid option that pays 300% of tariff, the client would still have experienced a shortfall of 210%, which he would have been liable for! Over the past 3 years, we have reimbursed our members on their medical shortfalls as follows, and you will note how the amounts have increased drastically:</p> <p>2009 : R 445 000  2010 : R1 080 000  2011 : R1 400 000</p> <p>Our concern is that the public are already under huge financial pressure due to rising day-to-day living expenses and many are already battling to cope with this. By doing away with this type of medical insurance, you will just be increasing the pressure on the low to average income-earners, as well as pensioners. Many will be forced to cancel their medical aid products and rely on state facilities for their medical needs.</p> <p>I trust that you will reconsider the plight of the public with regard to ever increasing medical costs. Yours sincerely LIZ SMITH Manager – Healthcare Division</p>
248	Individual	<p>My name is Sascha Carreira, and I am a mom of two young children. Within our family of four, we currently have Medical Aid with Discovery Health. However, due to the rising cost of living and the necessary cost of medical aid, can only opt for a Hospital Plan, rather than a Comprehensive Plan, which would cover a greater range of medical expenses. At this stage I would like to point out that we are fortunate to be above average healthy and fit. Our children, even as babies did not experience undue ear dramas i.e. the need for grommets and thanks to the up to date vaccinations have also not suffered too many childhood diseases. Having said the above, we have had our various "run-in" with the ever-increasing medical expenses: 1.) Recently, my 10-year-old daughter broke her arm, and was fortunate not to need to have pins placed to ensure the correct healing of her arm. However, she did need surgery by an Orthopaedic Surgeon to re-position the Radius to ensure the correct healing. The fact that the Specialist Surgeon charges well above the medical aid rates, we could only afford this due to the assistance of our Gap</p>

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Comment	Organisation/ Individual	Comment
248	Individual	<p>Cover through Complimed. 2.) One morning during April, my same daughter, awoke with extreme pain in her stomach and side. We suspected it was her Appendix, and it was!! After having to consult a GP, needing to pay UPFRONT the cost of R950 for the sonogram, and finding that this was still not conclusive, needed to have White blood cell blood tests done. Just to conclusively be told we need a General Surgeon to do the procedure. We were referred and told by the General Surgeon that the Laparoscopy procedure, which is preferential in the fact that it is minimally invasive and will leave practically no scarring, is the best option, but not fully covered by Medical Aid. FAILING TO HAVE GAP COVER COULD NOT PROVIDE THIS FOR OUR CHILD! 3.) My youngest daughter has an uncanny fear of Dental procedures and therefore, after her last check-up needed to have a few procedures done while asleep. Therefore – Hospitalisation. I REST MY CASE!! Just between my two very fortunate, healthy children and the above 3 examples of times when we desperately needed medical help from both the hospitals and medical specialists – we could not have provided for our children if not with the invaluable assistance of both our Medical Aid and even more so, our Gap Cover through Complimed. So, I STRONGLY appose and object to the proposed Demarcation of Health Insurance policies as I truly believe that is taking away from our most basic right to good health and being able to provide that for our children!! Good health care is second only to Shelter and possibly food to eat!! No government body that seeks to provide for the people in their charge could ever consider removing such services as Health Insurance that assist us in remaining healthy!! Concerned Citizen and mom</p>
249	Individual	<p>I would like to put a remark towards the demarcation of the Gapcover products . I am specifically referring to Complimed Gapcover Many of my friends and family has these products . I work in the industry and do understand your concern however</p> <p>If you look at the constitution we have the right to protect our assests andour money is our assets . Should you as the government not have things in place to protect this then you should allow up to purchase additional insurance to do so . Medical aids cannot afford to increase their reimbursement rates for specialists as they cannot protect themselves against this with underwriting and so forth . The NHRPL rate has been discontinued so specialists can charge whatever they feel like and medical aids are covering less in the sense of co payments and payments towards specialists With products like the complimed gapcover I am still on a great medical aid however I have addition cover for the case where my specialist does charge more than my plan type on the medical aid . I don't believe that these type of options promotes Downgrading to the extent that medical aids needs to be concerned . Members are downgrading because of cost effectiveness and needs Lifestyles are becoming more and more expensed for example petrol , e-tolling etc and we cannot afford higher medical scheme cover and we need to cover ourselves agains the cost incurred by medical expenses other to what the scheme pays . Complimed Gapcover does not do the work of the medical aids , they pay for nothing that the medical aid pays for ( there is no dubble payment ) they only have product where the medical aid has a short fall.This also does not affect the day to day portions only the in hospital portion Please reconsider as this complimed gapcover product is different to the medical insurance products and does not</p>

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<b>Comment</b>	<b>Organisation/ Individual</b>	<b>Comment</b>
249	Individual	infringe in the medical schemes act however it assists and protect us as members where we need it most . Should you take these products away , and the medical schemes cannot afford paying higher rates of reimbursement for specialist and still charges co payments , the only people loosing out is us as members . Were is the consumer protection act and the constitution to protect us ?
250	Hannes Boshoff Momentum Health	PDF/ FAX Annexure AY_ Hannes Boshoff Momentum Health
251	Jason Veitch Travel Insurance Consultants (Pty) Ltd	PDF/ FAX Annexure AZ_ Jason Veitch Travel Insurance Consultants (Pty) Ltd
252	Individual	I have as yet not seen the proposed legislation , but am informed by my service provider that government is intending , under proposed Medical Aid Demarcating legislation , to do away with what is known as " Gap Insurance ". Gap Insurance is not a medical aid , it merely assists in covering certain in-hospital account excesses that would otherwise be paid out of our pockets and it serves an extremely useful function , at a reasonable cost , I have personally claimed twice and saved handsomely. If this proposed change as described above is accurate , I can also not understand what the state has to gain by ending it. We the public have chosen to spend this finance on a product that is beneficial to us , it has created a niche market in the Insurance industry thus creating jobs and from where I stand this is a win , win situation , the free market at work. I appeal to you to stop this proposed ammendment , it can't be in anyone's best interest. Kind Regards, Derek Moffatt 0825645085
253	Anthea Towert Alexander Forbes Health (Pty) Ltd	PDF/ FAX Annexure BA_ Anthea Towert Alexander Forbes Health (Pty) Ltd
254	Minet Roberts-Meyer Resolution Underwriters (Pty) Ltd	PDF/ FAX Annexure BB_ Minet Roberts-Meyer Resolution Underwriters (Pty) Ltd
255	Anja Smith The Centre for Financial Regulation & Inclusion	PDF/ FAX Annexure BC_ Anja Smith The Centre for Financial Regulation & Inclusion
256	Individual	Please note our objections to the proposed demarcation of health insurance policies. It is our right to provide for any shortfalls in our medical expenses through insurance cover (GAP) This surely takes the burden off Government who do not supply adequate medical services anyway. Regards
257	Individual	PDF/ FAX Annexure BD_

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Comment	Organisation/ Individual	Comment
258	Robin Steven-Jennings RC Steven-Jennings	I read with absolute dismay in the press that the Government is considering eliminating the use of Gap or Top up cover to supplement a hospital plan. I am a farmer and my wife and I are both over 60 years of age and I consider this to be the only way that I can provide us with adequate medical insurance in our old age. Gap cover does in no way replace a medical scheme; it merely makes proper medical cover affordable to the vast majority of middle income earners. This will also help to prevent me becoming a liability to the State in the years to come. I in fact have a Hospital Plan with probably the biggest medical scheme in South Africa. Furthermore, I am convinced that such a move would ultimately only serve to reduce competition in the market and so eventually push up the cost of medical insurance, which already at extremely high levels, for everyone. Yours faithfully Robin C. Steven-Jennings
259	Individual	This serves to confirm that we strongly object to the discontinuation of GAP cover for the following reasons: GAP cover does not compete with a Medical Aid but enhances the benefits. Hospital insurance does compete directly with medical aids and should be strictly regulated. Due to the exorbitant rates being charged by some practitioners, cover provided by the Medical Aids leaves a financial shortfall. These shortfalls are unaffordable except for the very affluent. These are the shortfalls that are catered for by GAP cover. GAP cover is therefore an integral part of making adequate financial provision for the shortfalls for in-hospital expenses. It is our constitutional right to decide where and how we spend our money to make provision for our current and future financial needs and expenses. In a free democratic society, we must have options to be able to provide for, and take care of our financial needs, which includes medical expenses shortfalls, without undue restrictions. Should GAP cover be discontinued, what assets such as investments for retirement, will have to be sacrificed to pay for these bills? If GAP cover is not available, many people will have to go into debt to pay their medical bills, which in turn will ensnare them in a downward spiralling debt crisis. Should GAP cover fall away, people will not undergo necessary medical procedures, which will in turn reduce the level of health in the country, placing a huge burden on the Government in due course. Government has an obligation to encourage and allow the private sector and Insurers to create and provide affordable health packages for the vast majority of South Africans who cannot afford medical aid or the abovementioned shortfalls. Rather than discontinuing GAP cover, legislation should be passed to prevent practitioners from charging exorbitant rates which are sometimes more than 5 times the Medical Aid tariff rates. Kind regards
260	Individual	I am 62 years old and my wife and I are looking forward to a number of medical procedures. We at present have a hospital plan and a gap cover. Our experience is that when we have had procedures the gap cover helped us to cover the unpaid medical aid portion of these issues. Had we not had the assistance of the gap cover these procedures would have affected our savings drastically. As an elderly white male you will understand that income is a difficult issue and most of us will need to work till we die. Maintaining a reasonable standard of health is important to our community and national productivity. If these insurance policies are not in place one would expect a large number of the population turning to medical disability and become a liability to the state. These policies in my opinion in no way

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Comment	Organisation/ Individual	Comment
		replace medical schemes but certainly fill a void which gives the elderly a sense of security that they will be able to procure the level of treatment that the state system simply cannot offer.
261	Individual	In light of the request for comment on the proposed new regulations on medical health; 1). I propose that GAP cover be left in place. 2). I have personally benefitted from this cover and can honestly say that I don,t know how I would have afforded it if I did not have GAP. 3). I do not believe that it is in the publics interest to do away with GAP. Kind regards, Clive.
262	Geoff Du Preez Total Risk Administrators (Pty) Ltd	PDF/ FAX Annexure BE_Geoff Du Preez Total Risk Administrators (Pty) Ltd
263	Megan Judd Unilever South Africa	PDF/ FAX Annexure BF_Megan Judd Unilever South Africa
264	Individual	As a member of the public, I strongly request that you reconsider making GAP cover products illegal in the health insurance bill. I am on a medical aid. The company for whom I work pay a contribution of 50% to the scheme I am on, however, they will not increase this contribution should I move to a more expensive scheme. I can not afford to pay the extra to move to a more expensive scheme. The scheme that I am on only pays 100% of the scheme's tariff. When I gave birth to my baby 18 months ago, both the gynaecologist and the anaesthetist charged 300% of this tariff. Luckily I had the GAP cover and the extra R7000 that I would have had to pay out of my own pocket was covered by Complimed. I would not have moved to a higher scheme just to give birth - I would have had to take a loan to pay the difference as the schemes that cover doctors at 300% would have cost me more than the doctors bills. I have recently come out of hospital having had pneumonia. The doctors bill are again more than the scheme tariff, and GAP cover has saved me thousands again. I did not know that I would be hospitalised this year - I am one of the healthy ones. However, I still would not move to a more expensive scheme because I can not afford it. Gap cover has meant that I did not go into debt in either case. Please reconsider the proposed bill. I think you will find in most cases that those using GAP cover would not move to a more expensive scheme because they can not afford them. They will go into debt to pay the doctors. Why not allow them to continue to pay the R100 or so a month that prevents this from happening?
265	Individual	I would like my objection to the draft regulations to be noted for the following reasons: 1. Gap cover does not act as a replacement to a medical aid scheme - indeed, it requires membership to such a scheme in order to take out gap cover. 2. Gap cover is essential to cover costs not covered by medical aid schemes. 3. Why should we not have the choice of taking out gap cover if we can afford to do so? we dont disadvantage anyone when we are members of a medical aid and then take out gap cover.

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Comment	Organisation/ Individual	Comment
266	Individual	PDF/ FAX Annexure BG_
267	Individual	I take strong exception to you indicating that Gap cover is against the law . It is not endeavouring to replace medical aid but to up where there are shortfalls in the cover offered by Medical Aids . It provides much needed extra insurance against the ever decreasing cover offered by the Medical Aid Schemes I feel very strongly that you have no right whatsoever to prevent these Medical insurances . They are available to anyone who wants them PROVIDED they already have a Medical Aid and do NOT replace them.
268	Individual	As a tax paying citizen I object in the strongest possible terms to your department's plans to forbid gap cover as a top up for medical aid schemes. It is my civic responsibility to protect my family from financial hardship should they incur high medical expenses. Gap cover allows me to do this. I believe the government has no right to dictate to responsible citizens how they spend their money in protecting themselves in this manner by buying gap cover.
269	Individual	I am deeply disturbed that there is discussion to do away with GAP cover. I have had this cover for many years now and THANK HEAVEN for it as with spiralling medical costs and general cost of living what savings we had have now depleted. Over the last few years my husband has had major surgery and the shortfall has always been met by Complimed. If you take this away there is NOW WAY we can afford to upgrade our medical scheme and so therefore we will have a Major problem. HOW to pay for the bills - You tell me?I feel it is very unfair to victimise those of the community who have been responsible and not cost the state any money in health, it also takes away our RIGHT to make decisions about our life. Your comments on this matter would be appreciated.
270	Individual	My husband and I have elected to cover our medical aid shortfall by using Gap cover. We have retired having worked and paid our taxes all our lives. Dread disease is a very real risk as one ages. Medical aid contributions increase by leaps and bounds and there comes a point when one has to consider the cover costs and choose a plan that suits most of your requirements. As it is dentistry and optical costs are not covered and must come from ones savings. Surely it is our democratic right to ensure that we can afford reasonable cover should the need arise. No-one is being compelled to pay for Gap cover. Should Gap cover contributions increase beyond our needs then we have the option of dropping down to lesser cover. Gap cover should be considered in the same light as any insurance- select what you can afford. I do feel that specialists/theatre fees are far too high and that their attitude toward unpaid bills needs attention, especially if you do have medical cover. One does not choose to be unwell- if you have medical aid and Gap cover in place you have provided cover to the best of your ability. Insurance is just that- insurance -and if it happens to be Gap health insurance it is still your right to spend whatever you can afford. It gives one peace of mind knowing that should the unforeseen happen you are covered.
271	Individual	I am a client of Complimed, a gap cover insurance We have a hospital cover medical aid with Liberty Life which we took out some years ago, and at the time seemed to be sufficient to pay for our hospital costs. However, some years later we made our first claim and discovered that it only covered approximately one third of the specialist's fees. We

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Comment	Organisation/ Individual	Comment
		could not afford the treatment my husband needed as a result of this. Now that we have added gap cover we can rest assured that no matter what happens in the future that our medical bills will be covered. If gap cover is taken away we will not be able to afford hospital treatments, but more worryingly - if my husband gets sick and needs treatment, then we will NOT be able to pay for it, and as the breadwinner in our house this would spell disaster. Please reconsider.
272	Individual	I as a contributor to the state coffers take exception in being told how I should or should not cover myself or my family with regard to medical cover. Firstly with high cost of medicine today. one certainly has to choose the best alternate to suit ones budget. Even if means taking out insurance or gap cover to cover being out of pocket for in hospital expenses above the medical aid scheme tariff . Ie; (tariff gaps , co payments, sub limit gaps etc.) If the gap cover is outlawed then I as the man, (lady) in the street will have to cover higher contributions as this is ultimately what will prevail. We have an intellectually disabled daughter who has a congenital heart defect and a poor future prognosis and will in the future need hospitalisation, and if I am denied gap cover I simply will be unable to cover all her hospital costs. This will be to her and my detriment simply because Government proposes to demarcate health insurance policies. I am sure you will agree that Gap cover does not fulfil the role of a medical scheme but in fact compliments it and assists in making medical schemes more affordable. Please take cognizance of all the ramifications before simply pushing this demarcation through.
273	Individual	I would like to object with regards to the Gap cover that is intended to be taken away as there is no regulation regulating the health price list that doctors and specialist charges. Regards,
274	Individual	I am a small salaried staff and do have a compulsory medical aid which does not cover ALL medical expenses. I am 51 years old and have a history of cancer in my family and this is exactly why I took out GAP COVER . At my age I cannot afford to go up a notch on my medical aid as it becomes too expensive. I cannot see the reasoning behind the government's decision to do away with GAP COVER. I find it grossly unfair to people like myself and cannot afford "other" medical cover.
275	Individual	I hereby object against the demarcation of health insurance policies as I do not always have the funds to pay for very expensive scans and other medical charges.
276	Individual	PDF/ FAX Annexure BH_
277	Individual	It is with deep concern, that I as a broker representing my clients interests view the proposal to remove GAP cover as a benefit for the people of South Africa. It cannot go unnoted that specialsits and doctors charge more than the scale of benefitis of most medical aid schemes. It can also not go unnoticed the huge costs associated for members of the public to "upgrade" their hospital plan to cater for the deductibles and the excess in medical tarriff that doctors charge. For many of my clients medical aid is a prohibitive purchase. If there is a choice to take a hospital plan paying out at 100% tarriff, and taking out Gap cover for a whole family at R104.00 per month, it is a choice that is made easily. It is not a choice that is possible for most to "upgrade" to a plan that covers 200% or 300% above tarriff at



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Comment	Organisation/ Individual	Comment
277	Individual	<p>R1000's of rands depending on their family size. To remove a product such as GAP cover would create huge "risk" placed onto the tax payer and the clients own pocket and prejudice clients severley. Our practice sees a minimum of 10 Gap cover claims a year, highlighting shortfalls that the medical scheme paid or an above tarriff price charged for a listed procedure by the doctor concerned. GAP cover is a welcome relief and is a way of self insuring themselves for "gaps" in their cover just as they insure themselves for their car and home contents and their risk of their belongings getting stolen or damaged. Clients have choices of how much and what excess they want to pay and are provided with choice as is in line with our constitution. Why would a product that provides self insurance and is of great value to the public be removed? If GAP cover would be removed, the cost would be moved to the client/patient. Many of clients already pay more on medical cover than they do on their retirement plans. Removing GAP cover would impact severely on my clients ability to save for their future and for their children's education, and this money would have to be re-located not just on a monthly basis where they will have to reduce their savings, but a result will be see an increase of cashing out of investment structures at their detriment to cover the shortfalls of the medical aid payout. I do hope that in the interest of the public of South Africa and good goverance that GAP cover will not be removed. The person who will suffer will be your ever burdened tax payer,and the result a sliding backwards of the already low savings culture of the average South African.</p>
278	Individual	<p>It was with total disbelief that I read through the joint Explanatory press statement by the National Treasury and the Department of Health, with regards to Gap Cover and Top Up Insurance. It goes against my constitutional right to restrict me, a citizen of South Africa, in selecting insurance for my peace of mind especially when I am paying for the said insurance! That says it in a nut shell but will continue further! Why do I have Gap Cover - Insurance Top up? About 2 years ago, my nephew aged 22 was involved in a car accident, courtesy of a municipal bus driver side swiping him and forcing him off the road. His car overturned and he was trapped in side. This happened about 7pm during a week night. (Needless to say the bus driver did not stop and hence there has been no financial re compensation from the EThekwini Municipality with regards to their liability in this matter and towards medical expenses). My nephew was rushed to the EThekwini Hospital off Nandi Drive in Durban North. He had sever head injuries .... a neuro surgeon was called in to attend to him ... and her decision was to operate - i.e. brain surgery. Her fees are 400% above medical aid rates. Now I ask you, she is about to do surgery on your son in the early hours of the morning ... his life is in her hands ... do you start negotiating better rates from her??????? My nephew is on a Medical Aid plan ... however, it clearly does not cover the Neuro Surgeon's fees. Nett result is that my Sister and Brother-in-law were put under severe financial stress for over 2 years as a result of these medical fees. I, am on Discovery Health Medical aid .... however, they state that if you have a colonoscopy performed in a clinic or hospital, you incur a R2500 excess. The procedure costs in total R2300 approx ... hence, if I was not on Gap cover I would have had to pay for this when I had a colonoscopy done in 2011... however I had peace of mind that it was covered. At the end of the day, we as citizens of South Africa are faced with Home / Property insurance, household contents insurance and car insurance so why</p>

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Comment	Organisation/ Individual	Comment
278	Individual	are we being restricted by a body operating within the government as to our choice of medical insurance? It is ludicrous and I repeat goes against our individual constitutional rights! Further, why do you not start attacking the rates that these Specialist charge? Have you ever walked through the car park at a hospital where the Doctors / Specialist park? It is like an Exclusive Car sales shop!!! Clearly their fees are financing these very expensive cars .... so start with talking to them. If you really want to wake up in the morning and do a Feel Good thing for the citizens of South Africa - I strongly suggest you focus your attention 100% on the shocking state of our Government hospitals / clinics and the like. I could write an essay on what I have witnessed in these institutions and actually when I tell my family in Denmark what they are like they sit with their mouths wide open in total disbelief that Our Health Department expects citizens of South Africa to accept this non level of service and degrades them in the way they do by treating them the way patients are. I have been involved in taking my domestic workers to hospital and clinics ... and when my domestic worker was told she probably had cervical cancer but would have to wait 2 - 3 months for her results ... I was disgusted. They could not even guarantee that she would get her results back as I was told that so often they are lost. I took her to my gynaecologist, paid the R700 fee for her to be told within 48 hours that there was no cancer evident! So why don't you concentrate your efforts on this !!! It certainly will be beneficial to the masses of citizens who pass through these institutions! Oh and if you are still in a feel good mood, why don't your focus on the 50% and more people who drive around without any form of car insurance!! Mostly these cars are not road worthy and even if they are when they involve you in an accident you - a law abiding citizen with some moral conscience are left footing the bill! I know, as some lady rear ended my vehicle last year got out the car and said she had no money and no insurance. Nett result is that I had to cover my excess with my insurers ... who penalized me as it now affects my no claim bonus. So you have a lot to do!!! and really don't tell me what insurance I can and cannot take, so I can sleep peacefully at night knowing that if either my husband or myself are involved in a serious car accidents, face the scenario of having major surgery that it will not be a financial drain on us!! I do hope that you give thought to my e-mail and refocus your efforts where they are clearly needed.
279	Garry Featherby Flo-Line Services (Pty) Ltd	PDF/ FAX Annexure BI_Garry Featherby Flo-Line Services (Pty) Ltd
280	Individual	I wish to place on record my objection to the demarcation draft regulations.
281	Individual	I would like to object to the new draft regulations outlawing Gap Covers, for the following reasons: Section 27 of the Bill of Rights of the Constitution states that everyone has a right of access to health care. Yet the draft regulations do outlaw affordable insurance products that provide for the most basic of health care benefits for 83% of South Africans who cannot afford medical scheme membership. Gap cover and Top-up policies allow the individual consumer the protection that is not provided by an overwhelming majority of medical scheme benefit options. It is in my opinion misleading to say that Gap cover policies compromise the key principles of social welfare, solidarity and cross-subsidisation found in medical aid schemes. Gap cover policies are not in any way a replacement to medical scheme

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Comment	Organisation/ Individual	Comment
281	Individual	membership, they simply augment what most medical schemes benefit options lack in the form of costs over and above medical scheme benefits. The dire effects of the Draft Regulations to the individual consumer. 1. The draft regulations will require that majority of South Africans no longer have a choice, they must make use of public services or borrow in order to meet the cost of private healthcare, this is so as primary care plans, personal accident health insurance and hospital cash plans have been outlawed. 2. The consumer is no longer suitably covered for a dread disease or critical illness. 3. The medical scheme member will either pay additional contributions worth tens of thousands of Rands, borrow in order to meet the additional unforeseen costs of surgery, or make use of public institutions for any hospital admission. For these reasons, I ask you to reconsider the new draft regulations outlawing all Gap Covers.
282	Individual	I retired 4 years ago and for 2 years I continued with NIMAS top option but 2 years ago I had to downgrade because I CANNOT afford in excess of R6000 a month. I went to their Classic option for R2500 a month and heard about Gap Insurance which would help me and my wife in the case of being unable to manage excess payments. The doctors and hospitals are charging such high fees these days that I would be a very worried man if it were not for my Gap Cover. PLEASE would you be good enough to intervene on behalf of myself and others facing the same predicament. Many thanks,
283	Ashleigh McKay Plan For Life	This serves for your records that we object strongly to the demarcation of health insurance policies as proposed. Our agreement lies with the response from the Complimed underwriters , Ambledown, as it is our clients who will ultimately be the ones who will be disadvantaged, should gap cover be outlawed. We don't feel that health insurance products like GAP cover, infringe on Medical Schemes, but rather assist members cover the huge costs should they arise. Thanking you for your time and consideration. Yours sincerely
284	Individual	I find it extremely disturbing to receive notification of the intention to do away with GAP COVER. The fact that you say that this is a cheaper option is true but the ever increasing medical aid fees that we have to pay make this unavoidable. The fact that savings allowed from the medical aid schemes is nowhere near enough to cover daily visits to the doctors & medication resulting from these visits only makes this worse. The fact that doctors charge such inflated fees doesn't help either. My wife recently underwent a sinus operation & if was not for my GAP COVER I would have been R12 500.00 out of pocket. This is the only way that I can afford to have any hospitalisation without going to a Government Hospital & I shudder at the thought of being forced to go to one having seen my late father suffer in one. Surely in a democratic country we should be able to make the choice for ourselves instead of having it forced upon us.
285	Individual	I would like to raise an objection to not being allowed to insure against medical short falls. Twice I have been in to Medi Clinic for a day or two on a 100-150% of Recommended rate cover and both times there was a short fall on Discovery.

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Comment	Organisation/ Individual	Comment
286	Individual	PDF/ FAX Annexure BJ_
287	Individual	PDF/ FAX Annexure BK_
288	Clive Vettlesen	Following recent discussions, I wish to confirm that I am against the removal of this cover from my portfolio. Having had an incident I am fully aware of the financial implications I would face in the event of hospitalization, bearing in mind limitations imposed on medical aid schemes. The premium aspect is a small price to pay for peace of mind as the value placed on any one's life is undeterminable. Hopefully the powers to be will realise the importance of maintaining this facility. Kinf Regards Clive Vettlesen CCN Insurance Consultants cc
289	Individual	PDF/ FAX Annexure BL_
290	Individual	We have a medical aid which does not cover all our medical expenses. With every claim there is always a shortfall which needs to be covered at our own expense. Our contribution towards Gap Cover is minimal to what we claim from them. We feel that it must rather be a necessity for a family to have Gap Cover. We recently had a claim after our daughter had ganglions removed from her wrists. She is a medical student and needed it done as it complicated her movement in her wrists. The shortfall after our medical aid payments was tremendous and we would have to loan money from the bank to pay the shortfall. That was not needed as it was covered by our Gap Cover policy. Please do not outlaw this benefit – as a lot of families will fall into debt because they cannot foot the bills caused by shortfall that is not paid by medical aids. Rather make it essential for families to contribute towards a policy that assist them when needed in the case of shortfalls. Regards
291	Individual	I wish to express my objection to governments interjection/regulation and or cancellation of gap cover/top up insurance. This insurance cover is critical cover for me and my family, and in essence allows me the benefits of having a safe guard should any serious accidents/incidents happen and me or one of my dependants land in hospital, without overburdening my medical aid.
292	Individual	I hereby submit my objection to Treasury's Draft Regulations regarding the demarcation of health insurance policies. I am currently covered under Gap Cover which in my opinion is a useful tool to meet medical expenses over and above the amounts my medical aid covers .
293	Mak Financial Planners CC	WE CURRENTLY MARKET MANY MEDICAL AIDS AND HAVE FOUND THAT GAP COVER HAS A TREMENDOUS BENEFIT TO THE CLIENT IRRESPECTIVE OF THE PLANS HE/SHE ARE ON. CURRENTLY  Regards MAK FINANCIAL PLANNERS CC FSP 36685 CK :2006/059064/23 ACCREDITED LIFE AND HEALTH BROKER
294	Eales Richard Guardrisk Insurance Compnay Ltd	PDF/ FAX Annexure BM_Eales Richard Guardrisk Insurance Compnay Ltd
295	Claus Meinke Murray & Roberts is South	PDF/ FAX Annexure BN_Claus Meinke Murray & Roberts is South Africa

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Comment	Organisation/ Individual	Comment
	Africa	
296	Individual	My husband (70yrs) and I (67yrs) pay R100 monthly for Complimed Gap Cover. I broke my femur last August and claimed the balance of charges for the Orthopedic Surgeon & Anaethetist not covered by Discovery Med Aid from Complimed Gap Cover. The claimed amount was paid to us and we were able to pay the Doctors in full. For the amount of R100 per month we would not be able to upgrade our Discovery Med Aid policy. Therefore, we fail to understand the reasoning for abolishing the Gap Cover.
297	Tiago de Carvalho Ambledown Risk	PDF/ FAX Annexure BO_ Tiago de Carvalho Ambledown Risk
298	Suzette Strydom South African Insurance Association	PDF/ FAX Annexure BP_ Suzette Strydom South African Insurance Association
299	Individual	FOR ATTENTION DR RESHMA SHEORAJ, I HERBY OBJECT TO THE GAP COVER BEING DISCONTINUED AS YOU KNOW MEDICAL FEES ARE SO HIGH, WE CANNOT AFFORD HIGH FEES BEING CHARGED BY SPECIALIST, SO PLEASE TRY AND RETAIN GAP COVER FOR US. HOPING YOU WILL CONSIDER OUR PLIGHT AND FIGHT FOR US . THANKING YOU
300	Justus van Pletzen Financial Intermediaries Association of Southern Africa	PDF/ FAX Annexure BQ_ Justus van Pletzen Financial Intermediaries Association of Southern Africa
301	Individual	<p>COMMENTS ON PROPOSED AMENDMENT OF PART 7 IN THE REGULATIONS UNDER THE SHORT-TERM INSURANCE ACT, 1998, AS AMENDED</p> <p>According to media statements issued by National Treasury, there seems to be many misconceptions with regard to the reasons consumers buy Top-up, or GAP, cover or hospital cash plans. The biggest misconception is that they do it instead of, or in place of a conventional Medical Aid. As a broker of some years experience I have never come across anyone buying this type of product as an alternative to a Medical Aid scheme because it seems a better, or even, comparable option. It is always because the cost of Medical Aid has become so exorbitant that it is out of reach of the average earner, resulting in the buyer being forced to look to cheaper alternatives to at least get some relief from potential medical expenses. The type of cover under discussion is bought because there is no alternative and a lousy medical compensation is better than no compensation. Particularly in respect of GAP cover, for one to get cover for the difference between a Schemes rate, and whatever a specialist charges, one would have to buy a higher option in the Scheme's range at a huge increase in monthly costs. This increase applies to each member of the family on the scheme and even then, the maximum cover would be about two to 300% above scheme rate. Options which fewer and fewer schemes are offering. Covering this potentially disastrous contingency, with a company offering GAP cover, the extra is about R100 for the whole family for up to 500%!! GAP cover only pays out what the Scheme doesn't so cannot apply on its own and is thus no threat, what-so-ever, to the Medical Aid Industry. It is certainly not an</p>

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Comment	Organisation/ Individual	Comment
301	Individual	<p>alternative. Rather, it plays a complimentary role taking an enormous obligation off the shoulders of the Medical Aid schemes at a price which allows the consumer to relax in the knowledge that expensive hospital treatment doesn't have to mean bonding his home to pay for it.</p> <p>Regarding hospital and medical cash plans, anyone who would buy these instead of a conventional medical Aid, is either ignorant or has been ill advised. When they are bought, they are bought because there is no alternative and the consumer is forced to at least put a dent, albeit how small, in potentially crippling hospital costs. Subtle non-disclosures and the clever use of words in the current glut of advertising, by clever marketing companies, make these products seem like a viable alternative but when analysed the truth becomes apparent that they are poor substitutes but vital alternatives. Removing these products from the basket of medical cover available will affect only the middle to lower income families, the poor and sadly pensioners who because of the inherent medical potential are shown no mercy by medical schemes, in their quest for financially sustainable options in their offering. In summary the products under threat are absolutely no threat to the Medical Aid industry and if this is not obvious then one must question the agenda seeking to get rid of them. What use is saving the trees for future generations if the future generation is dying of cold in a mother's arms?</p>
302	Neil Kirby WERKSMANS Attorneys	PDF/ FAX Annexure BR_ Neil Kirby WERKSMANS Attorneys
303	Individual	<p>My husband and I are the owner of a Medical top-up insurance policy. My med aid hospital plan is privately owned, i.e. not subsidized by employers, so Gap cover is VITAL to us. I hereby would like to take the opportunity to voice my concern and very much-felt objection, to the proposed intention. I am a pensioner and am highly stressed that you even consider doing away with the GAP cover. This thinking just does NOT make any good sense at all. 1. Our med aid options are in a very high premium bracket as it is (and still have hospital shortfalls) –2. Our premiums are likely subsidizing anti-retro viral treatment for people with aids, amongst other things. 3. Gap is complimentary product to med aids –NOT a substitute. I sacrifice in my spending to have this cover and I don't draw on the government for my hospital expenses, eg by using a state facility.</p> <p>Over and above my personal opinion as for my personal needs as an individual, I pose the following questions as I believe you are totally out of order trying to break down a system that many benefit from directly and indirectly:</p> <ul style="list-style-type: none"> <li>• What about the job losses? Companies may close down;</li> <li>• Doctors will not be able to charge what they are worth, as well as for the equipment they require for up to standard treatment;</li> <li>• Doctors will flee to other countries. Do we really want this to happen?????</li> <li>• By doing this you are keeping our country at below a 3rd world level;</li> <li>• I love my country – but am horrified what the people at government level are doing.</li> <li>• We have been prophesied to be the bread basket to Africa -- there is no way that will happen if these type of things go on.</li> </ul> <p>What happened to 'democracy'? Surely it is my choice if I want to invest in extra cover. Could someone explain to us (the public) what the outcome of all this would be? EVERY level of medical aid has a short fall when it comes to large</p>

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Comment	Organisation/ Individual	Comment
303	Individual	medical requirements. Thank God for the people who put these products together to save the government from having all the expenses of keeping a nation healthy. Gap cover does not take the place of a medical scheme but in fact compliments it and assists in making medical schemes more affordable. I personally can vouch for this – as I had an eye operation that I could not afford & neither could my medical aid, however because of my Gap cover, I now can see beautifully and am able to work a full day at the age of 66yrs. This would not have been possible for me without Gap cover. My husband also has had assistance from Gap with his heart – without that he would be dead – because we could not afford the in-hospital treatment necessary. How great it would be if our country could grow to a first world country.....It is with services such as these that would make that a reality. Don't drag us down anymore than what we have been. Please reconsider your most unwelcome ideas. Yours in desperation for the better decision.
304	Michael de Kock Setzkorn Harvey Dodds and Associates CC	With regards to the current debate surrounding certain medical insurance policies, it would be an absolute injustice to have the use of GAP policies discontinued. My occupation involves giving medical aid advice and helping clients select the most affordable plan, with a reasonable amount of cover. Fact of the matter is, medical aid is extremely expensive, and the public cannot afford to buy up more expensive cover to protect them against the shortfall that exists when specialists literally "rip them off". Unless certain restriction are put in place as to what these specialists charge, the public will eventually just suffer more. Regards Michael de Kock Consultant Setzkorn Harvey Dodds and Associates CC (FSP. No. 13106)
305	Herman Schoeman Guardrisk Insurance Company Ltd	PDF/ FAX Annexure BS_ Herman Schoeman Guardrisk Insurance Company Ltd
306	Individual	I hereby lodge my objection to National Treasury with regard to government's proposed demarcation of health insurance policies. My husband and I are both pensioners, and members of a fairly comprehensive medical aid. Due to the many shortfalls on these medical aid plans (we looked at all of them – they all have gaps), we took out medical top-up insurance to cover these gaps. Without our gap cover we would be in serious trouble financially. My husband is suffering from a terminal illness and our medical bills are exorbitant. As pensioners, we are already battling to cope with rising inflation and the almost monthly petrol increases, let alone ridiculously excessive food prices. I feel that it is of paramount importance that in a democratic country one should have the right to choose which healthcare benefits suit one best and, by your proposed demarcation, you will be robbing the consumer of that right. Surely, if our government proclaims that it is a democracy, then your proposed legislation proves beyond doubt that democracy is in name, but no longer in practice in South Africa? Instead, it has the distinctly unhealthy smell of totalitarianism about it. We have worked hard all our lives, paid our taxes and never asked a cent of the state. It is our choice to cut back on other things in order to afford to pay for our medical aid, which is a necessity. We do not consider state facilities as an option at all, due to the appalling conditions that currently prevail in the state health

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Comment	Organisation/ Individual	Comment
306	Individual	sector, of which you must surely be aware. It is however with a feeling of impending dread that we might find ourselves in the position where we are forced to use these facilities in the future and join the millions who are already a liability to the state, due to the financial strain that your proposal will cause us. I trust that you will consider my objections favourably. Thank you.
307	Walsh, Ryan The Avant-Garde Group	<p>My name is Ryan Walsh and I represent Avant-Garde Insurance Brokers who currently have 117 clients which cover about 300 lives, who have Gap Cover to cover their shortfalls on the medical aid. Without this product, many of my clients would have suffered extreme shortfalls in cash flow affecting a whole host of other debits that still need to be paid – bonds, car insurance, life insurance, etc. Thanks to this product, they have been able to do so. There are so many shortfalls in the medical aid plans, and we feel that this product is instrumental in covering the shortfalls and providing clients with essential covers. I really feel that the Gap product compliments the medical schemes and in no way fulfils the role or replaces the need for medical aid. In my personal experience of Gap cover, it covered the shortfalls my wife had in her Discovery Coastal Saver when we had our first child in August last year. We would have been R10 000 out of pocket, as the Discovery Costal plan did not cover the specialist fee's for the Gynaecologist or Anaesthetist. This would have resulted in us having to cancel other policies such as life covers, car insurances, retirement plan's etc. which are absolute essentials to have. I feel that outlawing the Gap product will have a negative impact on the Life Insurance, Investments, and Short Term insurance industries, as clients will not have the affordability that this product offers. Should you require any further information from me please don't hesitate to contact me.</p> <p>Kind Regards, Ryan Walsh</p>
308	Individual	PDF/ FAX Annexure BT_
309	Individual	<p>My apologies for the lateness of this letter, I have been on annual leave since middle April and only back at work today, having had no access to my computer. I am writing in response to National Treasury's new idea to cripple us even more in this life!!! I have had a "Gap Policy" with Complimed since 1997, and would NEVER consider cancelling this policy in order to have a few rand extra to spend each month.</p> <p>I would sooner go hungry than cancel this policy. I have always belonged to the top option available of the various medical aids on offer to me during my period of employment with the Department of Justice, as I believe this is the only way to get the best treatment and care. The reason for taking this policy out in the first place was because I have always experienced a shortfall of payment of hospital and doctor's accounts, due to the excessive fees charged by doctor's and the hospitals. It did not matter which top option of medical aid, or the name of the medical scheme available that I have been a member of – there has always been a shortfall and a necessity of having to pay monies in – monies that normal people on the street do not have just lying in their back pockets. (I previously always had to make other arrangements to pay off these outstanding balances – this by means of a bank overdraft or bank loan -</p>



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Comment	Organisation/ Individual	Comment
309	Individual	Not everyone has had the privilege of this facility) Since I have had the opportunity to take out this Gap Cover Policy, all the shortfalls that have occurred have been taken care of, and I have not had to resort to bank overdrafts, borrowing money or making arrangements with irate doctor's who also need their money to cover their monthly outlays. (I mean they have given a service and deserve their payment as soon as possible.) I LOOK AT THIS POLICY AS A FORCED SAVINGS ACCOUNT FOR MYSELF. This policy does not take anything away from my medical aid. In my opinion I would say that my medical aid does not do enough for me or any others out there, especially when there is always a shortfall – surely this must be due to a problem on the side of the medical aid. I feel by taking out this policy, I am actually helping myself, and not relying on the Government for hand outs. I have never been in a position to afford to save any money monthly – not even for any luxuries, and by having this policy have the freedom of knowledge to know that if either my husband or myself need to be hospitalized for any reason, in the near future, we can do this with a happy peaceful heart – knowing that we do not have the additional stress to make alternate arrangements to pay off doctors etc. Please reconsider what your Department will do to people like me, and the many others out there that do not have any other nest eggs or “golden geese” to rely or fall back on for their further medical necessities. We, the man on the street will really suffer and be even more out of pocket if this new Regulation comes into effect. PLEASE RECONSIDER. With kind regards
310	Individual	PDF/ FAX Annexure BU_
311	Chereen Harding MediChoice	PDF/ FAX Annexure BV_ Chereen Harding MediChoice
312	Individual	We are pensioners, 73 and 60 years old living on a modest income. We are not in good health, we have a medical aid, but it does not cover everything for 100%. We pay the sum of R2594.00 per month for both of us, but we are only covered for probably 70% of the costs. If we go to a much better option we would have to pay R7017.00 per month for us both but, apart from the fact that we simply cannot afford that amount, we would still not be covered for 100%, and would still require "Gap" funding. Therefore an additional health insurance has to be found in order to pay for the bills. We are sure there are hundreds if not thousands of pensioners in a similar position. We object strongly to the draft regulation regarding the demarcation of health insurance policies.
313	Individual	Having just read the joint explanatory press statement by the national Treasury and Dept of Health, I would to STRONGLY object to the phasing out of gap cover. My husband and family have been members of a medical aid and have paid over many years to ensure we have affordable medical cover, however, over the years this has become a luxury, and has become extremely expensive. As my husband is now 65 and I am nearly 60 years old, we find that we utilize the medical a lot more than in our younger years. Recently I had to have knee replacement which was enormously expensive, and the cover on the medical fell very short of paying for the specialists and orthopaedic appliances, which was covered by Gap cover, to my relief, as this was in the region of R20000. If I did not have Gap

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Comment	Organisation/ Individual	Comment
		<p>cover this would have put me in further debt. We battle at the moment to meet our normal daily expenses, which include paying the bond, food, petrol costs, rates &amp; taxes, electricity, water and it goes on and on??????? how an earth would we be able to afford to pay the exorbitant charges that the specialists charge, which includes the Anaesthetists. Maybe this is where the Government should be looking.....they are pushing the medical costs sky high, which I feel is just down to pure greed. Gap cover is affordable compared to the next choice on my medical aid, which would have a self funded threshold...which would be more expensive that gap cover.....just does not make sense. In terms of the Constitution I should have freedom of choice if I so wish to choose whatever insurance I need to suit my age &amp; circumstances. Gap cover is not designed to substitute my medical aid cover,but to enhance it, to give us peace of mind for any unknown medical events that may occur as we get older. Most Specialists/Anaesthetists charge way above the tariffs, and if I did not have Gap cover, I would avoid having any operations because I could not afford to pay the difference that the medical aid does not cover.....which is absolutely scary. Gap cover allows us the protection that is not provided by my medical aid, because next upgrade option is not affordable. I would never cancel my medical aid, and just have Gap cover or a hospital policy...I will remain on the medical aid as long as I can possibly afford it. However, it is the Doctors and drug Companies that are pushing up the costs which impact on affordability to the public. If I did not have GAP cover,more than likely I would have had to sell my house which is my retirement and that is very scary, and I am sure there are many many people who feel the same as I do, and which would impact on the Government's already strapped pensioners grants. Therefore I would like to strongly object to the phasing out of Gap Cover, and suggest that the Treasury and Health Dept conduct a full investigation BEFORE making the decision to phase out Gap Cover. Kind regards</p>
314	Nelda Celliers MBA Medical Benefit Advisors	<p>COMMENTS AND APPEAL ON PROPOSED AMENDMENT OF PART 7 IN THE REGULATIONS UNDER THE SHORT-TERM INSURANCE ACT, 1998, AS AMENDED I wish to bring to light my concerns following the media statements issued by National Treasury, as there seems to be many misconceptions with regards to what GAP cover really means to the medical scheme members of South Africa. Both as a Proud GAP cover policy holder and a medical aid advisor, I have experienced the benefits that GAP cover can add to most medical scheme options. There are not many schemes that in fact offer Fully Comprehensive options, and IF there is such a option available, no average South African can afford the cover... GAP COVER IS NOT: 1. A substitute to medical schemes 2. aiming to “steal away” clients from medical schemes GAP COVER DOES: 1. enhance most medical scheme options where shortfalls are evident, whether by means of shortfalls cover or by covering co-payments. 2. offer medical scheme members the only alternative for being comprehensively covered for all in-hospital events. The effect of considering the removal of GAP cover policies will definitely not be beneficial to medical schemes or medical scheme members. Medical scheme members will be suffering with the burden of carrying the costs of over-expensive medical aid options (which might STILL NOT COVER everything) or paying-off shortfalls and co-payments on their in-hospital accounts. I strongly urge you to re-consider and wish to thank you for your time and reading my appeal on behalf of myself and my clients. NELDA CELLIERS</p>

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Comment	Organisation/ Individual	Comment
315	Individual	This guy who writes this letter is one angry guy. Three full years of the 25 year of my existences , I've search for work an was unsuccessful! Complimed which sells a GAP COVER product has accepted me into their family and given me a job (Thank GOD for Complimed) . Government wants to pass a legislation to cancel Gap cover and I fall under a person which is employed in this industry so if this legislation is passed, I'll be unemployed! The LORD place me in GAP COVER firm, and now man wants to take away this blessing. I wonder is this the reason WHY GOD place me in Complimed , is it to make a difference by writing this letter. I will pray for the people involved in the discussion making for this Draft to come to their sense and reject it. I Object to this draft regulation.
316	Individual	I attach hereto my objection letter to the proposed regulations relating to the recent Joint Explanatory Press Statement by the National Treasury on Draft Health Insurance Products and Medical Scheme Demarcation Regulations. Please find below my objection letter:- FOR THE ATTENTION OF: DR. RESHSMA SHEORAJ Relatively recently, I returned to live in South Africa aged 61. There was no way I could afford a full Medical Aid Plan. It was way too expensive as I also had to succumb to a Late Joiner Penalty, pushing my monthly premiums up significantly. I therefore joined a Hospital Plan but had to have cover in the event of hospitalization and the consequent excessive charges by Anaesthetists or other medical practitioners which are not covered by Medical Aid schemes. It is essential that I, together with many other South Africans, participate in Gap Cover. This provides protection that is not provided for by my medical scheme. Gap Cover is in no way a replacement to medical schemes membership. The Gap Cover provides benefits which most medical schemes lack in the form of costs over and above medical scheme benefits, e.g. tariff gaps left by specialists charging above medical scheme tariffs, co-payments and deductibles levied by the scheme for certain procedures/hospitalization, as well as sub-limits on certain procedures. A medical scheme option that pays for all hospitalization costs simply does NOT exist in South Africa! I feel it is of paramount importance that in a democratic country one should have the right to choose which healthcare benefits suit the individual. This intended resolution is taking that right away from the consumer and this is totally wrong. If our government proudly proclaims that it is a democracy, then your proposed legislation proves beyond a doubt that democracy does not exist in this country! The Minister of Health declared in August 2011 that the quality of care in public health institutions is often totally unacceptable. One reads daily of lack of care, dedication, funds, equipment, hygiene, doctors and nurses in these hospitals. I implore you to reconsider this draft resolution with greater care and concern for individuals in South Africa. Kindly give this matter your most urgent and serious attention. Owner of a Gap cover policy
317	Individual	I wish to voice my objections to the changes that the National Treasury & Health Department proposes to make regarding Medical Health Insurance and Gap cover. I feel that until such time as the government is able to provide quality, efficient health care for all South Africans it is the constitutional right of those who are in a position to do so, to provide their own private cover as far as they are financially able to. The Government needs to see this as an advantage as these people are not being an additional burden on the State. Government needs to concentrate on fixing the public health system which is generally in a very poor state. I trust reason & sanity will prevail in this matter.

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Comment	Organisation/ Individual	Comment
318	Individual	I write to offer comment on these draft Regulations. While I agree that there may be many challenges within the health insurance products offered, gap cover is not the problem. Irresponsible use of &/or response to to gap cover by both businesses & people may create some challenges - but PLEASE do not respond to these by making gap cover unavailable to responsible users. Gap cover meets a legitimate need - &, for the most part, it meets it well, efficiently, effectively & at a reasonable price. This is unusual in the health insurance market, where so much does not work for the consumer. By all means, please address the shortcomings in the industry - but NOT by removing the one thing that does work. Please. Wishing you wisdom as you & your team discern a way forward for our people.
319	Belinda Booysen Nhluvuko Risk Administration	PDF/ FAX Annexure BW1 & 2_ Belinda Booysen Nhluvuko Risk Administration
320	Mark Stone CENTRIQ Insurance Holdings Limited	PDF/ FAX Annexure BX_ Mark Stone CENTRIQ Insurance Holdings Limited
321	John Cranke PSG Konsult Corporate Ltd	PDF/ FAX Annexure BY_ John Cranke PSG Konsult Corporate Ltd
322	Individual	Medical Aid is becoming more and more unaffordable. With the rising costs of food and petrol, necessities that we have to have to live , it makes good sense to save where you can. Medical Aid is becoming more and more expensive. What alternatives do we have ,but , look for cheaper rates. For my medical needs (4 members) GAP works for me in terms of managing my medical bills. WHY doctors are allowed to charge private rates is beyond me. The oath that they take means absolutely nothing to them, if it did there would not be a need for private rates, I think it,s just greed that has come into play here. GAP cover as I mentioned earlier works for me, so please retain this cover.
323	Individual	OBJECTION: Good Day With regards to the new regulation about the Gap Cover that the government wants to implement, I OBJECT to this. The reason for this, is that I work for one of these Gap Cover Companies and I work in the Claims Department. Everyday we receive +- 100 claims a day, with clients requesting claims to be paid out. It is amazing how medical aids make you pay so much money every month for there premiums, but once you go for a procedure in hospital, most of the time they don't cover the procedure at the Tariff cost they are on. It would be a very scary thought if these people didn't have cover. Because some of the shortfalls you pay amount to R25 000. And not everyone has R25 000, laying around. Another reason for me OBJECTING, is that as I mentioned I work for one of these Gap Companies, and if you do away with Gap I wouldn't have a job. That means I wouldn't be able to provide a roof over my family heads, buy food and pay bills. As you know that it is VERY HARD to find a job these days. I love my job, it is a blessing to know that you are helping people out there. In the scene that if Gap companies where not around there would be a lot of people unable to pay the hospital shortfalls. Regards

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Comment	Organisation/ Individual	Comment
324	Individual	Objection
325	Individual	Good day, herewith I strongly object to the removal of the GAP cover, due to the high tariffs of medical aid, GAP cover is the only affordable way to be covered for our needs. In today's financial stand, little of us can afford the best medical aid available we have to settle for less cover due to this.
326	Mandi Mzimba Discovery Health	PDF/ FAX Annexure BY2_ Mandi Mzimba Discovery Health
327	Individual	It was with total disbelief that I read of your proposed demarcation of health insurance policies such as gap cover. Apart from various other hospital procedures, I have had six hip replacements, one of which caused a fractured femur, and each time i have had to pay large shortfalls in the specialists' accounts, which my medical aid would not cover. I decided to take out gap cover to avoid a similar situation in the future. I wish I had known about this kind of cover years ago. I fail to understand why you would wish to place this type of financial burden on the public. What is your motive? Surely as a South African it is my democratic right to choose my own insurance. As far as I know there are no Medical Aid schemes that pay the total cost of hospitalisation. Is it not therefore the Medical Aids and Medical Practitioners who need your investigation as they are the source of shortfalls in medical costs. I respectfully ask you to reconsider your stance on this exceptionally critical matter.
328	Morgan Riley Knowles Husain Lindsay Inc	PDF/ FAX Annexure BZ_ Morgan Riley Knowles Husain Lindsay Inc
329	Andrew Munro PRAESIDIO RISK MANAGERS (PTY) LIMITED	PDF/ FAX Annexure CA_ Andrew Munro PRAESIDIO RISK MANAGERS (PTY) LIMITED
330	Individual	It is very worrying and actually disgusting that the Government want to discontinue Gap Cover for individuals that Medical Aids do not cover full cover according to what they can afford. With the recent fuel prices, food prices, electricity hikes and the list goes on , how does our Government expect us to survive in a Country that is bleeding us dry , and the one form of relief we have with regards to medical is being taken away as well? Government Hospitals are disgusting and an embarrassment, so I would never set foot in one. I employ you to re-look this and don't let your loyal tax payers fall short once again in a country where the light at the end of very long tunnel is quickly fading.
331	Individual	I write this letter to voice my concerns with the thought of our Gap cover not continuing. I have been a member of Complimed for many years and have only made use of the cover for the birth of our first born. My wife had some complications during the birth of our second born of which Discovery covered all the additional expenses as this became a medical emergency. Should Discovery not have covered all the accounts for our second born and had we not had the gap cover (which was not required as Discovery covered all) we would have been considerably out of pocket and this would have put and enormous strain on us financially. In short this cover that I have been

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Comment	Organisation/ Individual	Comment
		contributing towards for many years is vital to our family and we have rarely accessed the cover. The thought of the additional monthly cost of having to move our medical plan up to ensure the same cover is just too costly at this stage. Complimed offers the peace of mind that should your medical cover fall short there is some back up to assist financially. I feel that it is very concerning and wrong that one's medical agreement / cover should be altered.
332	Chartis South Africa	PDF/ FAX Annexure CB_ Chartis South Africa
333	Individual	RE> CANCELLATION OF GAP COVER We would like to draw you attention to the fact that it is not right that the powers that be have the right to decide to cancel the GAP COVER they do not pay for Medical Aid and if they do it is subsidised. The poorer / lower class income group is suffering because we can only afford the lowest Medical Aid so we at least get reasonable treatment and the Gap cover helps to pay the exhorbatant Drs Bills as they charge up tp 400 percent of medical rates. Government Hospitals are a disgrace broken trollies and being treated like idiots left for hours to wait for treatment. How will National Health ever cope in future if they cant now. King Edward Hospital is a prime example they are adding on to the Medical School what about refurbishing the Hospital instead. YOur support in allowing the Gap Cover cover the continue would be appreciated.
334	Individual	More Patch work .....and waste of time distracting from the real issues. WE NEED A NHI and no more MEDICAL AIDs EXPLOITING THE MOST VULNERABLE MEMBERS OF THE POPULATION and THE PRIMARY CARE DOCTORS .Medical Aids and Health Insurers worsen the already devastating INEQUITY in our society. What is any of these nonsensical regulations good for(dont allow Health Insurers and Medical aids at all) while millions still don't have basic access to Quality health , education, running water etc. Medical aids does not want Health Insurers as .....they do exactly the same!! Can u Forward this e mail to Honourable Minister of Finance and Honourable Minister of Health.
335	Rodney Meikle Independent Financial Brokers	Good Morning I am accredited health broker who has been marketing Gap Cover for the past 18 months. I can categorically state that all my clients regardless of age are concerned about the fact that Doctors are factually charging 3 to 4 times the old medical scheme rates and their current medical aids cannot provide them with an option that will pay the Doctor's entire bill.  I deal mostly with Discovery Health and even their most expensive option @ R2524 pm for a single member cannot provide the same assurance that Gap Cover offers i.e. that Doctor's bills will be paid in full. Only if you use a specialist on the Discovery network can you be assured of full payment and what happens if in an event of emergency you don't have time to find a networked doctor? The cold facts are that people (of all ages regardless of their state of health) are buying Gap Cover not to replace their medical aids but to counter the deficiencies in the medical aid product marketed by medical schemes. People are prepared to pay large sums for medical aid but they want the assurance that they will not encounter huge gaps in their medical aid coverage. If medical aids upgraded their current offering at a reasonable cost so that people were assured that they wouldn't be financially ruined by a Doctor charging up to 4 to 5 times the old rates then the need for Gap Cover will fall away. Rodney Meikle Independent

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Comment	Organisation/ Individual	Comment
		Financial Brokers An authorised Financial Services Provider No. 7180
336	Khaladi Gololo Momentum Group	PDF/ FAX Annexure CC_ Khaladi Gololo Momentum Group
337	Vivienne Hanmer Compass Insurance Company Ltd	PDF/ FAX Annexure CD_ Vivienne Hanmer Compass Insurance Company Ltd
338	Sven Laurencik The One Group	PDF/ FAX Annexure CE_ Sven Laurencik The One Group
339	Earle Loxton Essential Med	<p>Draft proposal on Demarcation Regulations Further to the Draft Proposal as published in the Government Gazette on 2 March 2012 regarding the Demarcation Regulations; we have several concerns around both the public interest and that of our business as a provider of medical insurance products. Although we outline briefly some of our main concerns below, this is in no way to be deemed an all-encompassing or complete list of our concerns and objections.</p> <ul style="list-style-type: none"> <li>• The proposal currently offers a one-sided view of the provision for health care. It is clearly biased in favour of medical aid schemes, even though the majority of individuals in South Africa cannot afford even the simplest form of medical aid and quality medical cover is thus reserved for a select few.</li> <li>• It is our opinion that our health insurance product offering is sound, fulfils a specific need and provides great value to many individuals who otherwise may not be able to access suitable health care.</li> <li>• By proposing to limit health insurance products, policy makers are, in effect, seeking to remove a viable option for quality medical care without providing a viable alternative. The National Health Scheme, which may become an option, is still far from implementation.</li> <li>• The medical insurance industry has put in place extensive infrastructure and developed excellent administration systems and abilities, the draft proposals do not in any way acknowledge this or include any reassurance that existing administrators may be able to leverage their investment to promote alternative product offerings – if required.</li> <li>• The medical insurance industry provides critical services to a significant portion of the population and the draft proposal neither indicates what alternatives will be provided, what options existing policyholders will be given, or whether they may even be allowed to retain their existing cover in the event of them not being able to afford any alternatives presented.</li> <li>• The medical insurance industry provides employment to thousands of South Africans and income to their respective households – the draft proposal does not indicate how job and income losses will be minimised on a scenario for scenario basis depending on the extent of its implementation.</li> <li>• We believe that the submissions from affected parties will not provide a sufficiently detailed or comprehensive view of the challenges and potential negative consequences that may arise if the bill is approved in its current format.</li> <li>• We firmly believe that submissions received should provide only a framework for further in-depth dialogue between Government, the Council for Medical Schemes, the providers of medical insurance products and their representatives. As indicated, the points included herein do not provide a</li> </ul>

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<b>Comment</b>	<b>Organisation/ Individual</b>	<b>Comment</b>
		comprehensive or exhaustive response in terms of our concerns. If you wish to discuss this matter further with us, please contact me as per below.
340	Dr Gary Simpson Clientèle Life Assurance Company Ltd	PDF/ FAX Annexure CF_ Dr Gary Simpson Clientèle Life Assurance Company Ltd
341	Anna Rosenberg Association for Savings and Investment SA	PDF/ FAX Annexure CG1 & G2_ Anna Rosenberg Association for Savings and Investment SA
342	Wim Els Actuarial Society of South Africa	PDF/ FAX Annexure CH_ Wim Els Actuarial Society of South Africa
343	Marcus Pillay Gen Re	PDF/ FAX Annexure CI_ Marcus Pillay Gen Re