

Medical aid fees set to soar as claims increase

LYSE COMINS

Staff reporter

MEDICAL scheme members will have to dig deep to pay huge contribution increases next year as schemes factor in higher health costs and spiralling claims by many sickly and ageing members.

Yesterday medical schemes put rising prices and claims down to a pool of ageing and sickly members, with one scheme suspecting that a flood of anxious members was hastily seeking medical treatment before the government's proposed national health insurance (NHI) system is implemented next year.

The main medical schemes have announced increases of between 4 and 19 percent. They say claims have continued to outstrip contribution increases.

Dr Jonathan Broomberg, the deputy CEO of Discovery Health, the largest scheme, said contributions would rise by 9.8 percent. "The Discovery approach to setting premiums is to create a level of predictability for members and we have said that medical contributions will be two to three percentage points above CPI (consumer price index).

The increases

Discovery:	9.8%
Bonitas:	15.9%
Medihelp:	13.62%
Fedhealth:	15.9%
Spectramed:	4 to 19%
Medshield:	15%
Momentum:	7.3 to 16.1%

"There isn't a public or private health system in the world where costs don't go up above inflation.

"The medical scheme population is ageing, the prevalence of chronic diseases is increasing and doctors are identifying chronic diseases earlier and are aggressively treating them. I'm not saying it's a bad thing, because it prevents complications later on," he said.

Peter Jordaan, the principal officer of Fedhealth, the fourth-largest scheme, said there had been a surge in claims in the past year.

"We have looked at a weighted increase of 15.9 percent, so it is fairly high, but responsible in making sure we stay around.

"We have surmised that with

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the proposed NHI, members are now going to get the procedures done that they have put off... they are concerned that they might not have that private benefit in future.

"People are also concerned that they might be retrenched and are having medical procedures done that they have put off... Because of the recession, people are looking to see how they can get value out of their benefits," Jordaan said.

He said Fedhealth supported the NHI, but was lobbying for the survival of medical schemes. "We have seen the leaked document... and it proposes a single payment system... It's not a good thing to destroy something that is working well."

Spectramed spokeswoman Hanlie Morgan said increases averaged 12.86 percent, ranging from 4 percent for a hospital plan to 19 percent for the executive option:

"The main reasons for these increases are medical inflation – the increased cost of medicines and hospital costs and technological advances made in private health care. New procedures and medi-

cines are more expensive.

"The membership base is getting sicker rather than healthier, which leads to increased claims."

Morgan said the implementation of the NHI could negatively affect private hospitals: "It could have an impact on availability of services... there is very little spare capacity in the private sector to provide medical services and care to an influx of patients."

Matseleng Mfeka, of Bonitas, the second-largest scheme, said increases started at 15.9 percent. "As growth in the number of claims continues to outstrip the increase in contributions and as the overall membership pool remains steady at around 7 million, the management of risk is a real and immediate issue."

Anton Rijnen, of Medihelp, the third-largest scheme, said the average increase was 13.62 percent. He said factors that had an impact were member age profiles, solvency ratios, frequency of claims and strategic forecasts.

Mark Dawson, of Oxygen, said the scheme had an extension until October 31 to submit contribution changes to the Council for Medical Schemes and could not publicise these yet.