CASE STUDY – REVISED PMB’S

Dr Stan Moloabi
GEMS

The Annual
BHF Southern
African Conference

Convergence 2030 - Healthcare Re-imagined
CONTENTS

1. Benefit Structures
2. GEMS Experience
3. The Way Forward
Prescribed Minimum Benefits were intended as a safety net to protect vulnerable persons facing catastrophic healthcare events.

Prescribed Minimum Benefits have had a number of unintended adverse consequences which contribute to lesser outcomes.

This includes profiteering in terms of Regulation 8, undesirable care seeking behaviours and hospi-centric benefit structures.
Prescribed Minimum Benefits

Payments in excess of benefits have increased by more than 19% a year (since 2011)

Prescribed minimum benefits are responsible for over 62% of claims (up from 44% in 2011)
Basic Benefit Package

Prescribed Minimum Benefits fail to prioritise primary care, preventative care and care coordination and should be superseded by a comprehensive Basic Benefit Package.

Primary Care

Preventative Care

Coordination of Care
Basic Benefit Package

The additional costs associated with comprehensive primary care and preventative care can be offset through care coordination and other such initiatives.

Just 1 in 3 beneficiaries consult with a general practitioner before consulting with a specialist. **Bypassing referrals increases the cost of care by 12%.**

Just 1 in 2 beneficiaries consult with a single general practitioner as opposed to multiple practitioners. **Hopping increases the cost of care by between 4% and 8%** (depending on the number of general practitioners).
Basic Benefit Package

The basic benefit should underpin all option across all schemes. This will aid simplification and standardisation.

Options should be differentiated through the provision of non-essential benefits and the restrictiveness of networks and formularies.
Benefit Structures

GEMS Experience

The Way Forward
Sapphire, like the other GEMS options, offers an exceptionally broad beneficiary definition with the aim of improving access. **5 generations can be covered under a single membership.**

This has helped GEMS **cover 1.18 million beneficiaries who did not belong to scheme** before joining GEMS.
GEMS Experience: Sapphire

**2018**
In-hospital benefits at public hospitals only

**2019**
20 admission types, aimed at vulnerable groups, in any public or private hospital
Other in-hospital benefits at public hospitals only

**2020**
In hospital benefits through an efficient network of public and private hospitals regardless of the admission type

Contracting with cost-effective public and private healthcare providers who deliver high quality care – as envisaged in the National Health Insurance White Paper
GEMS Benefits: Sapphire – The BBP

Primary Care

- Unlimited general practitioner consultations within an efficient network
- Unlimited investigations and medicines when referred, subject to formularies

Preventative Care

- HPV vaccinations
- Pneumococcal vaccinations
- Influenza vaccinations
- Blood pressure measurements
- Body mass index measurements
- Bone density scans
- Childhood hearing tests
- Childhood optical screening
- Chlamydia screening
- Cholesterol screening
- Glaucoma screening
- Gonorrhea screening
- Mammograms
- Occult blood test
- Pap smears
- Prostate specific antigen test
- Syphilis screening
- TB screening
- TSH test
GEMS has demonstrated the efficacy of care coordination through the Emerald Value Option (EVO). EVO offers the same comprehensive benefits as the Emerald option except that it underpinned by care coordination.

Care coordination reduces the cost of care for all beneficiary types. On average, **costs decrease by 17%**.

**Healthcare outcomes improved** as well, as indicated by a **12% drop in admission rate**.
In the interest of equity, contributions must be income rated. **GEMS contributions are already income rated across options.** Risk equalisation (across comparable schemes) should also apply.

---

*Overcoming poverty is not a gesture of charity. It is an act of justice.*

---

* Nelson Mandela
GEMS Experience: Outcomes

The GEMS benefit design philosophy (with its focus on primary care and preventative care) facilitates ever improving healthcare outcomes.

- Decreases in the hospital admission rate are indicative of improved outcomes. **7 of the 10** most prominent chronic conditions are associated with decreases in 2019.
Nearly 2 out of every 3 GEMS members did not previously belong to a medical scheme. Without GEMS, these lives would not be able to find affordable cover in the open scheme market.

Let alone comprehensive cover which pays millions in benefits per years

<table>
<thead>
<tr>
<th>Members</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>43 members</td>
<td>R3,000,000</td>
</tr>
<tr>
<td>1,308 members</td>
<td>R1,000,000</td>
</tr>
<tr>
<td>6,409 members</td>
<td>R500,000</td>
</tr>
<tr>
<td>63,848 members</td>
<td>R100,000</td>
</tr>
</tbody>
</table>
The Way Forward

The BBP is a fundamental component of a high-quality health system that achieves equitable health outcomes and a long and healthy life for all.

1. Designed to prioritise health promotion and protection, the prevention, treatment and rehabilitation of conditions that constitute South Africa’s disease burden

2. Accountable through effective leadership and governance

3. People-centred in its approach to realising good health by facilitating patient, provider and community participation in health attainment

4. Responsive to patient needs by providing comprehensive care in a timely, respectful and safe manner resulting in quality outcomes

The Way Forward

The BBP is a fundamental component of a high-quality health system that achieves equitable health outcomes and a long and healthy life for all.

5. Adaptive to changing health needs through the collection, analysis and dissemination of information, to support decision-making and implementation

6. Committed to equitable allocation and distribution of resources

7. Effective in ensuring quality health service delivery to all regardless of gender, sexual orientation, socio-economic status and/or geographic location

8. Collaborative in its interaction with partners and other sectors to address the social determinants of health for quality health outcomes

It is a new dawn for South Africa and its healthcare system. Its time for all stakeholders, including doctors and medical schemes, to work together to create more access and a more efficient healthcare system for all.

The basic benefit package is a pivotal step forward!
THANK YOU