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# Benefit Beat



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# 2019 Benefits and Contributions

The Board of Trustees of the De Beers Benefit Society (DBBS) have approved the 2019 benefit structure. See the following pages for an overview of the most important changes, effective 1 January 2019.

## 2019 Benefit Updates

- Medical Scheme Tariffs have been increased by 5.4%.
- The Rand limit on normal delivery for the in-hospital maternity benefit was replaced with a limit based on the clinically appropriate length of stay in hospital, namely two days for normal delivery and three days in the event of a caesarean section being required.
- The 10% co-payment on conservative dentistry was removed and a Rand limit of R 3 800 per beneficiary per year was implemented. In addition, a sublimit for one check-up and clean and polish every six months was added.
- The 10% co-payment on specialised dentistry and the limit of R 8 810 was replaced with a reduced limit of R 6 300 per beneficiary per year but with no co-payment payable.
- The combined limit for physiotherapy, biokinetic and chiropractic services has been reduced to R 4 000 per beneficiary per year.
- The introduction of a sub-limit of 6 fills per year per beneficiary for over the counter dispensed medication.



Members are encouraged to study the 2019 Member Guide for particular benefit changes for 2019 or to contact the Society on telephone 053 807 3111 (Option 5) or email [benefitpost@dbbs.co.za](mailto:benefitpost@dbbs.co.za) for any clarity required.

Please see the table below for specific changes in the benefit limits for 2019 excluding those noted above and the optical benefits noted on page 9.

BENEFITS/SERVICES	2018	2019	% CHANGE
Internal Prosthesis	44 070	<b>46 450</b>	5.4%
Sub-limits:			
• Joint replacement	44070	<b>46 450</b>	
• Spinal prosthesis	44 070	<b>46 450</b>	
• Mesh (Gortex, TVT slings and Permacol)	12 585	<b>13 260</b>	
• Coronary and vascular stents, pacemakers, aortic and mitral valve replacements.	44 070	<b>46450</b>	
Orthodontic Treatment	21 800	<b>22 970</b>	5.4%
Acute medication			
Over the Counter (OTC) Medicine - Maximum R145 per fill with a sublimit of 6 fills per year	4 120	<b>4 340</b>	5.3%
Chronic medication	34 300	<b>36 150</b>	5.4%
Aids and appliances	7 150	<b>7 530</b>	5.4%
Colostomy bags and catheters	18 940	<b>19 960</b>	5.4%
Continuous oxygen	17 870	<b>18 830</b>	5.4%
Artificial Limbs	46 450	<b>48 960</b>	5.4%
Hearing Aids	17 270	<b>18 200</b>	5.4%
Wheelchair for paraplegic and quadriplegic beneficiaries only; or	26 670	<b>28 800</b>	5.0%

BENEFITS/SERVICES	2018	2019	% CHANGE
Basic Wheelchair	10 000	<b>10 000</b>	NIL
Audiology, Chiroprody, Podiatry, Acupuncture, Dietician services, Occupational and Speech Therapy.	2 980	<b>3 140</b>	5.4%
Hospice, private nursing and wound care	10500	<b>10500</b>	Nil
Mental Health Out of Hospital	12 510	<b>13 180</b>	5.4%
Oncology	250 000	<b>263 500</b>	5.4%
Corneal Transplants graft limit	10 000	<b>10 540</b>	5.4%
Corneal Transplant harvesting costs	13 000	<b>13 700</b>	5.4%

## Additional changes to note for 2019

### PRE-AUTHORISATION FOR PLANNED PROCEDURES

Obtain pre-authorisation for any planned admission to hospital by contacting the Society's hospital pre-authorisation department between 08h00 and 16h30 toll-free on 0800 111 669 (Non-RSA based members +27 53 807 3111 - Call centre option 1) or e-mail [debeerspreauth@mso.co.za](mailto:debeerspreauth@mso.co.za) at least **5 full working days** prior to admission.

## CATARACT FIXED FEE ARRANGEMENTS

Hospital stays (including Day Cases, Fixed Fee Cases for Cataracts, In-rooms procedures in lieu of hospitalisation and alternative facilities) is an unlimited benefit for 2019 and will be paid at 100% of Society Reference Price List (SRPL) or Scheme Rate.

This benefit is subject to hospital pre-authorisation and managed care protocols in a facility and manner which the Society deems appropriate. **The SRPL rate** applies to all hospital authorisations to non-Designated Service Providers (DSPs) for service provider and hospital costs.

**The Scheme Rate** applies to DSP network hospital authorisations, day clinics, fixed fee cataract procedures and sub-acute facilities both for service provider and hospital costs.

## THE FOLLOWING EXCLUSIONS FROM BENEFITS HAVE BEEN ADDED OR AMENDED FOR 2019:

- Expenses and costs in relation to medicines arising from examinations, treatment and/or operations for cosmetic purposes (the Society in its sole discretion may decide if any procedure is deemed to be cosmetic based on the motivation provided), infertility, artificial insemination,

impotency and erectile dysfunction, gender reassignment, treatment of an experimental nature or treatment that does not constitute the prevailing medical or surgical diagnostic and treatment practice in the South African Public Sector (unless specifically authorised by the Society subject to such conditions as it may impose), and any complication that may arise from such examinations or treatment with the exception of any Prescribed Minimum Benefit (PMB).

- Expenses for healthcare services rendered during any waiting periods applied.
- Expenses for healthcare services that do not meet the Society's clinical protocols.
- For interest charged by a service provider or a member due to delays in payment resulting from delays in submission or reprocessing of the claim.

## THE FOLLOWING EXCLUSIONS HAVE BEEN REMOVED FOR 2019:

- Intravascular ultrasound (IVUS).
- Rhizotomy.
- Expenses incurred by a beneficiary because of wilful self-inflicted injury, attempted suicide or the excessive use of intoxicating substances or drugs. Emergency treatment and stabilisation applies as per the PMB rule.

# 2019 Contributions

The Society's contributions will increase by 7.9% from 1 January 2019. This will bring the Society's contributions to R3 347 for an adult and R901 for a child. The increase is generally lower than that implemented by some of the bigger, open schemes for 2019, and is due to a number of factors, which include:

## Benefit Changes

The increase in the benefit limits as explained elsewhere is a contributing factor to the contribution increase for 2019.

## Non-Healthcare Expenses

Non-healthcare expenses for DBBS have been assumed to increase on average by 6.2% in respect of administration, managed care services and other non-healthcare expenses.

## Increased Claims

Given that the average age of principal members of the Society is above 60 years and increasing year on year, claims by beneficiaries are assumed to increase by 3% from 2018 to 2019. This increase in benefit utilisation is expected as members get older.



## Other external factors

On 1 April 2018, the VAT rate increased from 14% to 15%. Following this change, all claims costs and expenses thus increased due to the increase in the VAT rate. This increase in VAT was not passed on to members during 2018, but has been allowed for in the 2019 contribution increase of 7.9%

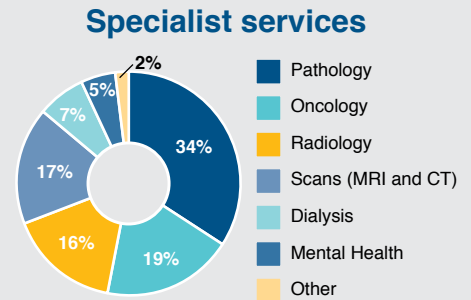
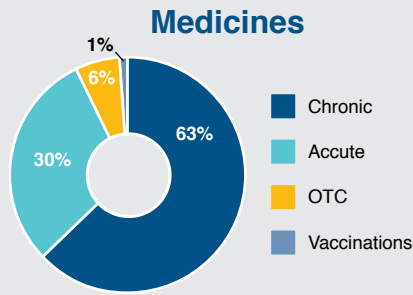
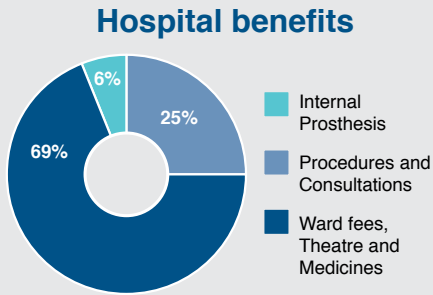
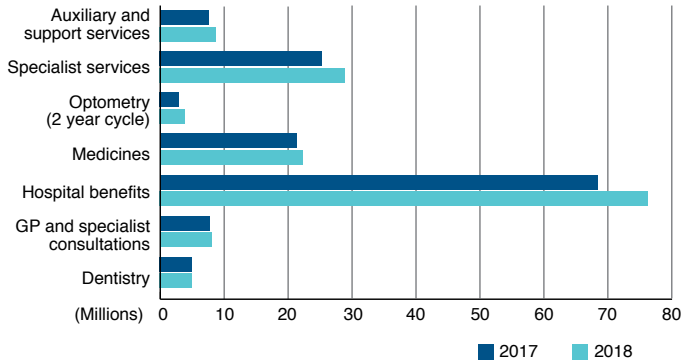
*The Trustees continue to focus on providing you with value for money for your contributions – offering comprehensive, competitive and quality medical cover at a reasonable price.*



# Where do member contributions go?

For the half-year period January to June 2018 the Society spent a total of more than R174 million in benefits for members, an increase in excess of 12% for the same period for 2017, when the Society spent R155 million (January to June) and R310 million for the full year.

As you can see from the graphs below, hospital claims remain the major expense for the Society. All the major benefit categories show higher claims in 2018, compared with the same period for 2017, reflecting the impact of increased member utilisation. The following graphs provide a breakdown of the costliest categories:



# Who is PPN and what can they do for you?

De Beers Benefit Society partnered with Preferred Provider Negotiators (PPN) in 2015 for the administration of all optical claims and queries. PPN has more than 24 years of experience in the optical environment and is currently the largest optical network in the country with more than 2 700 providers (97% % of total practices in SA) contracted to provide quality services to members.



## Important questions to ask at your optometrist

- Is the practice contracted to the PPN network?
- Can they provide you with a quotation for lenses and a frame which will be covered by your optical benefit limit?
- What falls outside the optical benefit which will have to be paid by the member? (This will be payable either via payrolls where credit limit is available, or in cash to the practice where no credit limit is available).





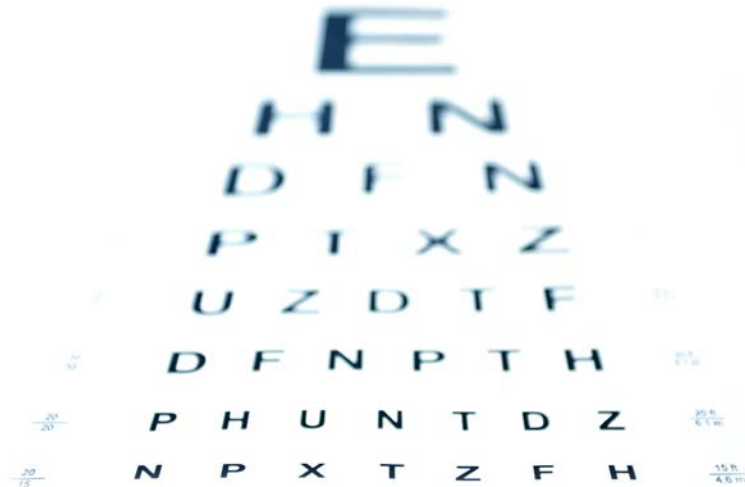


## Why visit a PPN provider

- PPN providers charge members negotiated rates that are up to 76 % lower for clear lenses than the industry standard pricing, with no compromise on the quality of product. This means THE SAME product will cost up to 76% MORE at a non-PPN provider.
- There is no need to make any direct payment to the provider when you stay within your optical benefit limit as the provider has an online platform to submit claims to the Society.
- The 2019 frame and/lens enhancement benefit is 25% more at a PPN provider for 2019, which means the limit is R1 500 at a PPN provider; vs R1 200 at a NON PPN provider.

### How to contact PPN for optical benefits

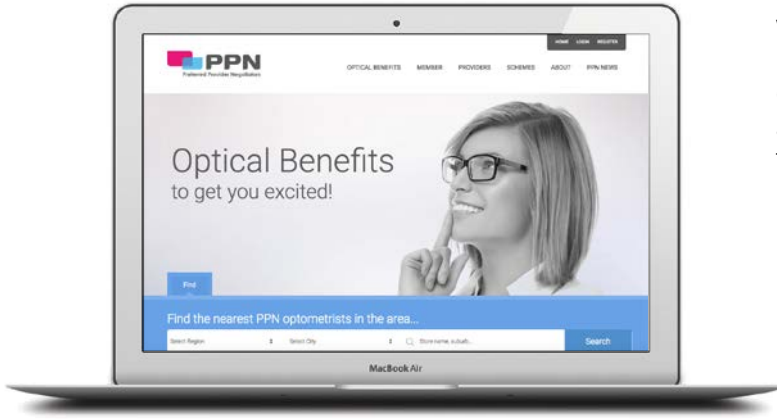
- Members can contact the **PPN Call Centre on 0861 103 529** to obtain more information with regard to their optical limits available. The Call Centre operating hours are 08H00 – 17H00 on weekdays, and 08H30 – 12H00 on Saturdays.
- Members can also register and login on the secure PPN website [www.ppn.co.za](http://www.ppn.co.za) to view their benefit entitlement



and claim history. The mobile friendly PPN website has been designed to focus on the requirements of the member and provides the following information:

- PPN Providers by Province and by Suburb
- A Dashboard to members where they can log on, view the scheme benefit entitlement, claim history and print remittances and tax certificates.
- The optical benefits are also loaded and members can do a spectacle cost quotation online for their spectacles empowering them for their optometrist visit.

- Members can also use the spectacle cost calculator to predetermine what the Society will cover and what co-payments will apply.
- Log a claim or benefit query.
- Any queries can also be submitted electronically to [info@ppn.co.za](mailto:info@ppn.co.za).
- **Keep the following information on hand to confirm your optical benefits:**
  - Medical aid number
  - Identity number and or date of birth
  - Member /dependant full name and surname



## Optical claim submissions in the case of non-network providers

- Members can submit paper claims to [claims@ppn.co.za](mailto:claims@ppn.co.za).
- The claim must be submitted within four months after original service date.
- All clinical information must be supplied by the provider, on the claim.
- Proof of payment must accompany the claim.



## Fraud Containment

PPN and the Society are committed to eradicating fraud within the optical claims environment. To this end, PPN has pioneered a number of provider fraud initiatives. Members can call the PPN Call Centre and report any fraudulent activities which PPN will react to and investigate immediately. Types of fraud escalated include:

- Replacing sunglasses for an optical claim
- Service and materials not rendered
- Membership card swapping

# Meet the Society's new Principal Officer

With Mr Leon Coetzee, the current Principal Officer of the De Beers Benefit Society (DBBS) and the De Beers Pension Fund (DBPF), retiring soon, we have an exciting announcement to make.

Following an extensive search process conducted by a professional search consultancy (Heidrick and Struggles) under the oversight of a joint DBBS and DBPF Board committee, and with approval by both Boards, Mr Stanley Mathonzi has been appointed as the new Principal Officer of the DBBS and the DBPF with effect from 1 November 2018.

Mr Mathonzi comes with a wealth of training and experience, having served as Chief Executive Officer of the Batho Batsho Bakopane Group (B3). Prior to joining B3, Mr Mathonzi held senior managerial positions in various organisations including North West University, Jacques Malan Consultants

& Actuaries, ABSA Consultants & Actuaries, Anglo American Platinum Mineworkers Provident Fund (Principal Officer) and SAMWU National Provident Fund (Chief Operating Officer).



Mr Mathonzi holds a BCom Accounting and Masters in Business Administration (MBA) from the North-West University and has completed a range of other management development programs and Post Graduate programs in Pension Law I & 2 from Wits University. In addition, he is a member of professional bodies such as the Institute of Retirement Funds Africa (IRFA) and BATSETA.

***We welcome Mr Mathonzi at the helm of the Society and Pension Fund, and wish him all the best in his new role.***

## Society's contact details

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**Phone:** 053 807 3111

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**Website:** [www.dbbs.co.za](http://www.dbbs.co.za)

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