



# THE PRICE OF YOUR HEALTH

Medical aid costs are soaring at a sickening rate. Here's advice on how to make the most of your benefits and safeguard your family's wellbeing By CHARLEA SIEBERHAGEN

IT'S a bitter pill for consumers to swallow. How is it possible that every year you fork out more for medical aid but seem to get less for your money? Now comes the news that insurance giant Discovery Health is planning to hike its premiums for 2017 by an average of about 10 percent, and as much as 15 percent in some cases.

The announcement has left many loyal customers reeling, but Discovery insists it has no choice. CEO Jonathan Broomberg says the rising premiums are partly down to the fact that more people are going to hospital for nonsurgical procedures.

Other medical aids have yet to announce their increases but it's thought that when they do they'll likely be much higher than the Consumer Price Index (CPI), which currently stands at just below six percent.

And the thing that makes many people sick to the stomach is that after forking out thousands each month for medical aid their benefits for the year are depleted before they've had a chance to blink twice, which means they have to dip into their pockets again to cover their daily medical expenses.

You know you need to be on medical aid, but how can you manage it more effectively so your benefits see you through to the end of the year?

### Manage your savings portion properly

Some medical aid funds give you a

**'When finances allow, pay cash for small medical expenses instead of using your savings portion'**

savings account into which a portion of your monthly premium (maximum 25 percent) gets paid. Out of this the fund pays for your medication and certain medical expenses such as physiotherapy or speech therapy, explains Heinrich Haupt, a financial adviser from Somerset West in the Western Cape.

You can make your savings portion last longer, says Sinenhlanhla Nzama, head of technical marketing at Discovery Health. You can pay the full amount for a consultation from your medical savings or you can choose that only the medical-aid rate is covered by your savings and then pay the rest from your pocket.

"Your medical savings account will last longer, and you can claim the money you paid in back from SARS when you file your taxes, provided your total out-of-pocket expenses are sufficient to earn a

refund," Nzama says.

It's also smart not to use too much of your medical savings during the first half of the year so that later in the year you have some left for medical emergencies, he adds.

At the beginning of the year try to plan ahead for routine medical expenses such as annual examinations and visits to specialists or the dentist. "Rather stagger these throughout the year so you don't use up all your medical savings in the first few months," says Ricky Rohrbeck, a broker at Select Independent.

Also when your finances allow it, pay cash for small medical expenses instead

developing a good relationship with them. If in doubt you can phone them before booking an appointment to ask for advice. In some instances they may be willing to give you a repeat prescription rather than making you pay for a full consultation.

And not every sniffle requires a visit to the doctor. Your pharmacist can suggest over-the-counter medication – and won't charge you for this advice, Rohrbeck says.

Also make sure you know which services your doctor offers – for instance, some do pap smears and charge much less than a gynaecologist would. If it's absolutely necessary to see a specialist your doctor will be able to refer you.

#### Save on medicine

Ask your doctor to prescribe a generic medication if one is available, Nzama advises. "Generic medicines are usually significantly cheaper than original brands and are as effective."

If you need certain medicines every month you can apply for chronic benefits, says Bafihlile Mokoena from BestMed. "Then the medication will be paid for from chronic medication benefits rather than from your savings plan."

But you must first check if the medication will be covered as chronic medication and whether it's listed by your medical aid as a medication that won't require a co-payment.

#### Survive the self-payment gap

If your medical expenses rise above the amount your medical aid covers, you will have to pay in. But if you be-

long to a medical aid with "threshold benefits" and your expenses continue to rise above a specified amount, the medical aid will again begin to pay while requiring low (or no) co-payments from you, Dr Elsabé Conradie, spokesperson for the Council for Medical Schemes, explains.

What do you do if you're in the self-payment gap and your expenses are too much for your savings plan but too little for your threshold benefits?

## CHOOSE THE RIGHT MEDICAL AID

Often the first thing people check is the cost of medical insurance, says Jill Larkan, head of healthcare consulting at the financial accounting services group, GTC. But there are other factors to take into account when deciding on a fund. For example, is the fund dependable and stable? Does it provide the basic cover you need?

Before you choose a medical aid fund identify a few and call them. Ask for information on their benefits, the payments you'll have to make and the things they don't cover, says Dr Elsabé Conradie, spokesperson for the Council for Medical Schemes.

Your medical needs change over the years and there are always new, more attractive products available so you don't have to stick to the same fund forever.

"At any time of the year clients can downgrade to a simpler or cheaper scheme. In November and December you're given the chance to upgrade for better benefits – if you're staying with the same company," says Heinrich Haupt, a financial adviser from Somerset West in the Western Cape.

Remember, your medical aid can make your self-payment gap bigger if you buy over-the-counter (OTC) medicines from your savings fund.

"So don't claim for OTC medicine from your savings fund," Narun says. If you buy, for example, medicine for a cold that costs R100 from your savings fund, some medical aids will increase your self-payment gap by R100.

Another tip: Use medical service providers that charge the prescribed medical aid rate. The medical aid might well pay the whole account, but add the amount by which the account exceeds the medical-aid rate to the self-payment gap, making the gap bigger.

"I recommend that all invoices and proof of payment for all medical expenses are submitted to your scheme's claims department whether you think they'll be counted or not," Narun says.

"At least this way you won't lose out on something that should have been submitted and also, there'll be an accumulation towards a total of unpaid medical expenses for the year for when this is required for tax purposes." ■



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of using your savings portion, David Narun of Informed Healthcare Solutions says. This will mean your savings will be there for when you really need them.

#### Build a relationship with your GP

"It's important to have a doctor you like and trust, but if they cost so much that you try to avoid visiting them, then it's not benefiting you much," Rohrbeck points out.

Members of certain medical aid plans, especially cheaper ones, will be covered for the medical expenses only if they use specified doctors and hospitals. Your medical aid can provide you with a list of their network doctors.

Once you've chosen a doctor work on