

December 2018

DISCOVERY HEALTH MEDICAL SCHEME (DISCOVERY) NEWSFLASH Late changes to certain Discovery plans for 2019

This Newsflash is a further update to the September Discovery Newsflash and highlights important changes to KeyCare Plus, KeyCare Core and Priority Plans.

Around September each year, most medical schemes announce their proposed changes in benefit design, plans and contributions for the following year. These changes are submitted to the Council for Medical Schemes for approval. This year, Discovery made certain changes which would have had a dramatic cost impact on certain members. The Council has decided not to approve these plans pending review by the Discovery trustees. Discovery has therefore reviewed these changes and proposed the following late amendments (**the scheme rules have been approved by the Council for Medical Schemes**).

1. KeyCare Plus and KeyCare Core

Discovery intended merging the lowest and middle income bands of these plans in 2019. This effectively meant that members currently on the lowest income band option would have incurred very large increases (up to 47%) as a result of this forced income bracket 'jump'. An alternative lower benefit plan (**KeyCare Start**) was then introduced to cater for these members. The KeyCare Start option differs from KeyCare Plus and KeyCare Core in that it has a far smaller network, and access to benefits such as cancer treatment, renal dialysis and chronic medication is via state facilities and not the private KeyCare network.

Now, however, the lowest income bands are back again – at least for 2019. Together with this change, the middle income band has also been revised with an increase of 9.9% and not 5% as previously announced.

KeyCare Start remains unchanged.

The KeyCare contributions for 2019 are now as follows (amended rates are highlighted):

Plan	Income band	Principal	Adult	Child
KeyCare Plus	R0 - R8 550	R1 088	R1 088	R396
	R8 551 – R13 050	R1 523	R1 523	R429
	R13 051+	R2 249	R2 249	R602
KeyCare Core	R0 - R8 550	R871	R871	R225
	R8 551 - R13 050	R1 086	R1 086	R268
	R13 051+	R1 661	R1 661	R376
KeyCare Start	R0 - R9 150	R839	R839	R505
	R9 151 - R13 050	R1 412	R1 412	R551
	R13 051+	R2 198	R2 198	R596

2. Priority Plans

The above threshold benefit has been amended for 2019.

The annual threshold will now increase by 8.9% and not 10.9%, meaning that members will be able to access the limited above threshold benefit 'sooner' than previously. Similarly, the limited above threshold benefit has also been reduced proportionately, meaning that the net impact is negligible.

Annual threshold		
Principal	Adult	Child
R15 510	R11 620	R5 080

Limited above threshold benefit		
Principal	Adult	Child
R13 160	R9 380	R4 540

Communication of changes

All affected members will be contacted via a customised email directly by Discovery by mid-December.

- Current members of the Priority plans will be informed of the changes to the annual thresholds.
- Current members of the lowest income band of KeyCare Plus and KeyCare Core:
 - Confirmation that the lowest income band will be retained in 2019 for members earning less than R8 550.
 - Notification of their contributions for 2019, based on the 9.9% contribution increase.
 - Confirmation that they will have the option to elect a plan change, with no underwriting requirements, until 30 June 2019.
- Current members of the middle income band of KeyCare Plus and KeyCare Core:
 - Notification of their contributions for 2019, based on the 9.9% contribution increase.
 - Confirmation that they will have the option to elect a plan change, with no underwriting requirements, until 30 June 2019.
- Discovery Health Medical Scheme will also inform employers of these changes via email and the corporate service teams.
- The Scheme will reiterate to employers that their employees on the lowest income band of the KeyCare plans will have until 30 June 2019 to make plan changes without any underwriting requirements.
- All Discovery Health Medical Scheme brochures will reflect these changes by 10 December 2019.