



DISCOVERY HEALTH MEDICAL SCHEME CONTRIBUTION INCREASE EFFECTIVE 1 OCTOBER 2022

At the launch of their 2022 product offering in September 2021, the Discovery Health Medical Scheme (DHMS) announced a 0% contribution increase for the four months of 2022 and then an increase of 7.9% with effect 1 May 2022. In March 2022 DHMS announced that the 7.9% increase would be further delayed and only be implemented with effect 1 October 2022.

Benefits will remain unchanged for the balance of the year i.e. the contribution increase on 1 October 2022 will not be accompanied by increases or changes to benefits because all the benefit changes were implemented on 1 January 2022. However, as your Medical Savings Account (MSA) is calculated as a percentage of your contribution, there will be an increase in your MSA on Saver, Priority and Comprehensive plans, and a decrease in your Self Payment Gap on the Priority and Comprehensive plans.

Plan changes

As a result of the delayed increase, you will be given another opportunity to change your medical scheme plan for the remainder of the benefit year with effect 1 May 2022.

There are several ways we can assist you in better understanding your choices. You are welcome to use any of the following tools that we have made available to you:

- Comparison of DHMS plans and contributions

You can access a **Benefit Calculator section** on the intranet site we have made available to you:

Alexander Forbes Health SU site: <https://www.afhealth.co.za/stellenboschuniversity/Pages/default.aspx>

- SU intranet page

All the information regarding medical scheme plans for 2022 is available on the SU website:

http://www.sun.ac.za/english/human-resources/Pages/Policies---Procedures.aspx#Medical_Benefits2021

You access the DHMS contribution table for the whole of 2022 - [click here:](#)

- Assistance from an Alexander Forbes Health Consultant

Your Alexander Forbes Health consultants, Marie-Louise du Toit and Riaan Oosthuizen, will be available to help you make the right choice.

Marie-Louise du Toit

Tel: (021) 808 4827 or
dutoitmar@forbes.com

Riaan Oosthuizen

Tel: (021) 809 3638 or
oosthuizenr@forbes.com

Should you wish to change your plan please send an e-mail to Marie-Louise or Riaan before 18 April 2022.

The cut off for plan changes is thus 18 April 2022.

The Implications of the October increase on your Medical Savings Account (MSA)

Your MSA is calculated as a percentage of your total contributions. Classic plans allocate 25% of your total contribution to your MSA, Coastal plans 20% and Essential plans 15%. An increase in contributions will therefore result in an increase to your MSA for the remainder of the year.

If you are on a Threshold plan such as a Priority or Comprehensive plan, the increase in your MSA may assist in reducing your Self Payment Gap (SPG) as Threshold values will remain unchanged. If you have already breached your Threshold, then claims will continue to be funded from your Above Threshold Benefit, despite the addition of funds into your MSA. These additional funds can be carried forward to 2022 or accessed for exceptions pay-outs such as claims for benefits where you have exceeded a benefit limit.

Downgrading your Plan

If you choose to downgrade your medical scheme plan, please be aware that you may create a claw back on your MSA if you have utilised more than half of your MSA on your existing plan. The medical scheme provides you with access to your full annual MSA in January of each year. Essentially you refund this advanced MSA on a monthly basis when paying your monthly contribution (as either 25% or 15% of your contribution has been allocated to your MSA). If you have utilised more of your MSA than you have refunded, via your monthly contribution, the scheme is at risk of not receiving the full refund for the advancement of your MSA and may ask you to pay back the difference (known as a clawback).

Upgrading your Plan

If you choose to upgrade your medical scheme plan, please be aware that any benefit limits will be pro-rated for the remainder of the year.

If you have any further enquiries, please contact your Alexander Forbes Health consultant.

Riaan Oosthuizen

Tel: 021 809 3638

E-mail: oosthuizenr@forbes.com

Alexander Forbes Health