



Why Discovery Health Medical Scheme

Choosing a medical scheme option is a complex process, since it combines both a financial and medical needs analysis. Once their financial and medical needs have been established, clients need to consider a number of factors.

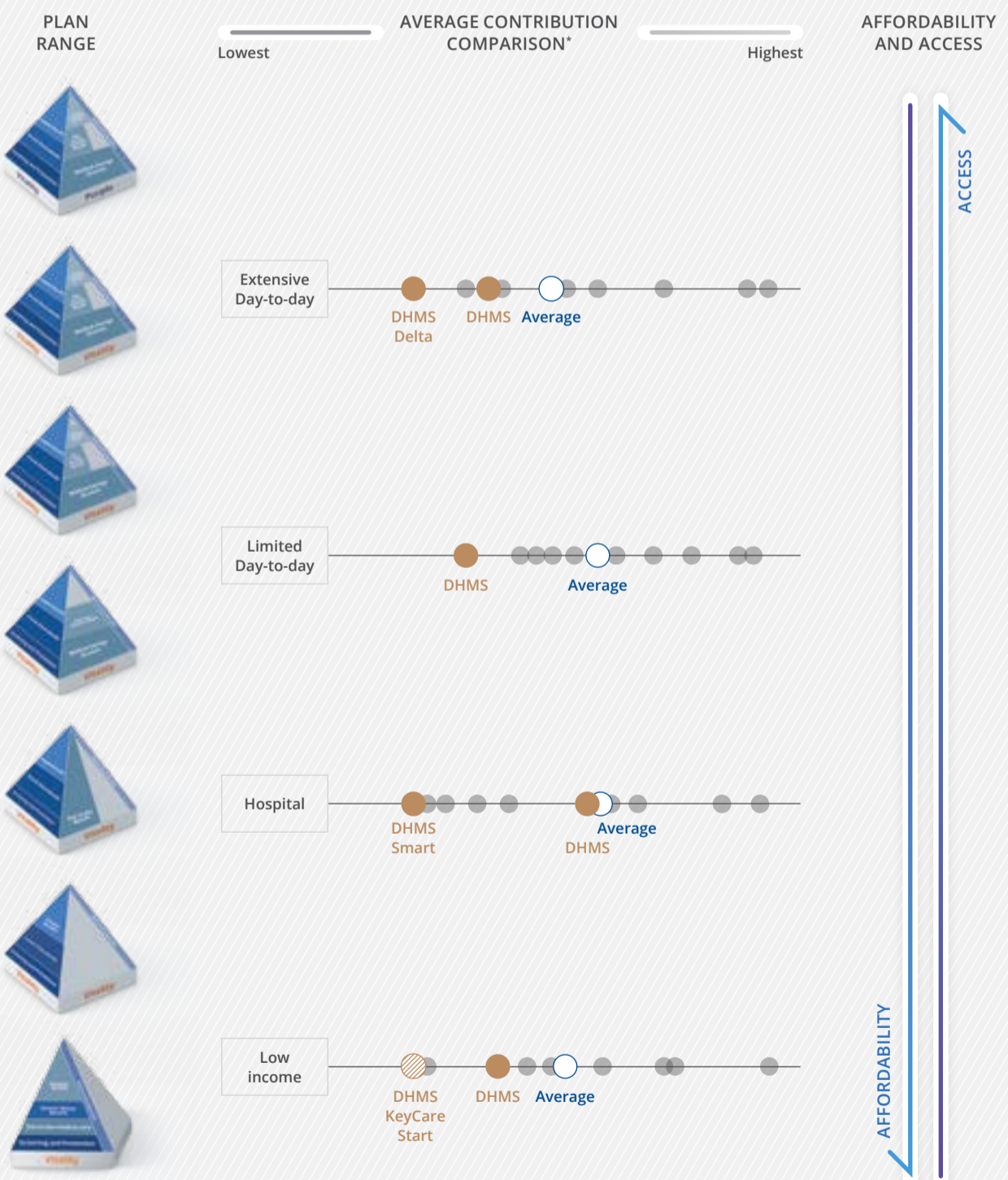
	Plan range to suit changing healthcare needs or life stages		Affordability of cover, and value of access
	Service levels and digital capabilities		Financial resilience

PLAN RANGE

The plan range of a medical scheme provides members with options to change their plan choice over time based on changes in their financial or medical needs. The wider the plan range, the greater the freedom for the client to make changes without moving between medical schemes, which may have implications for continuity of cover due to underwriting.

AFFORDABILITY AND ACCESS

The plan range within a medical scheme often trades off price and access, i.e. the greater the freedom of access to healthcare services offered by a particular option, the higher the contribution associated with that option.



DISCOVERY HEALTH MEDICAL SCHEME IN 2018

Each day, 900 new lives with an average age below 30 join the Discovery Health Medical Scheme. As of August 2018, the Scheme provided comprehensive private healthcare cover to more than 2.8 million lives. Among these lives are more than 680 000 members that rely on the Scheme for access to care for a chronic condition, nearly 40 000 members that are actively treated for cancer, more than 38 000 babies that were born during 2018 and 47 500 members that had a healthcare event that cost more than R100 000 in the last 12 months.

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SERVICE AND DIGITAL CAPABILITIES

Navigating the healthcare system can be a complex task, and a medical scheme should be a partner to the member in this navigation, as opposed to simply a funder of healthcare services. This includes all aspects of the healthcare experience, from finding the right provider, to managing claims, to delivering better healthcare for the member.

FINANCIAL RESILIENCE

The financial strength of a medical scheme and the demographic profile of its members is a critical consideration for members, since it determines the ability of the scheme to pay claims in future and contain contribution increases.

* Average contribution for a family of three (main member, spouse and child) for the 8 largest open medical schemes, including Discovery Health Medical Scheme

Discovery Health Medical Scheme **Competitive Frontier**

The Discovery Health Medical Scheme Competitive Frontier is an analytical framework to compare medical schemes objectively on the basis of price, access, choice, service and sustainability.

01 PLAN RANGE

A member should have sufficient choice between plans that best matches their needs, as quantified by the number of plan options. Medical schemes were compared based on the number of plans they offer to members, excluding plans with less than 2 500 members.

Discovery Health Medical Scheme offers the widest plan range with 23 plans, compared to the next nearest competitor that offers 14 plan choices.

02 AFFORDABILITY

For many members, affordability of cover is a key consideration in choosing a medical scheme.

The total contribution for a family of 3 were compared across all plans for the 8 largest open medical schemes to assess the affordability of each scheme within plan segments, and overall.

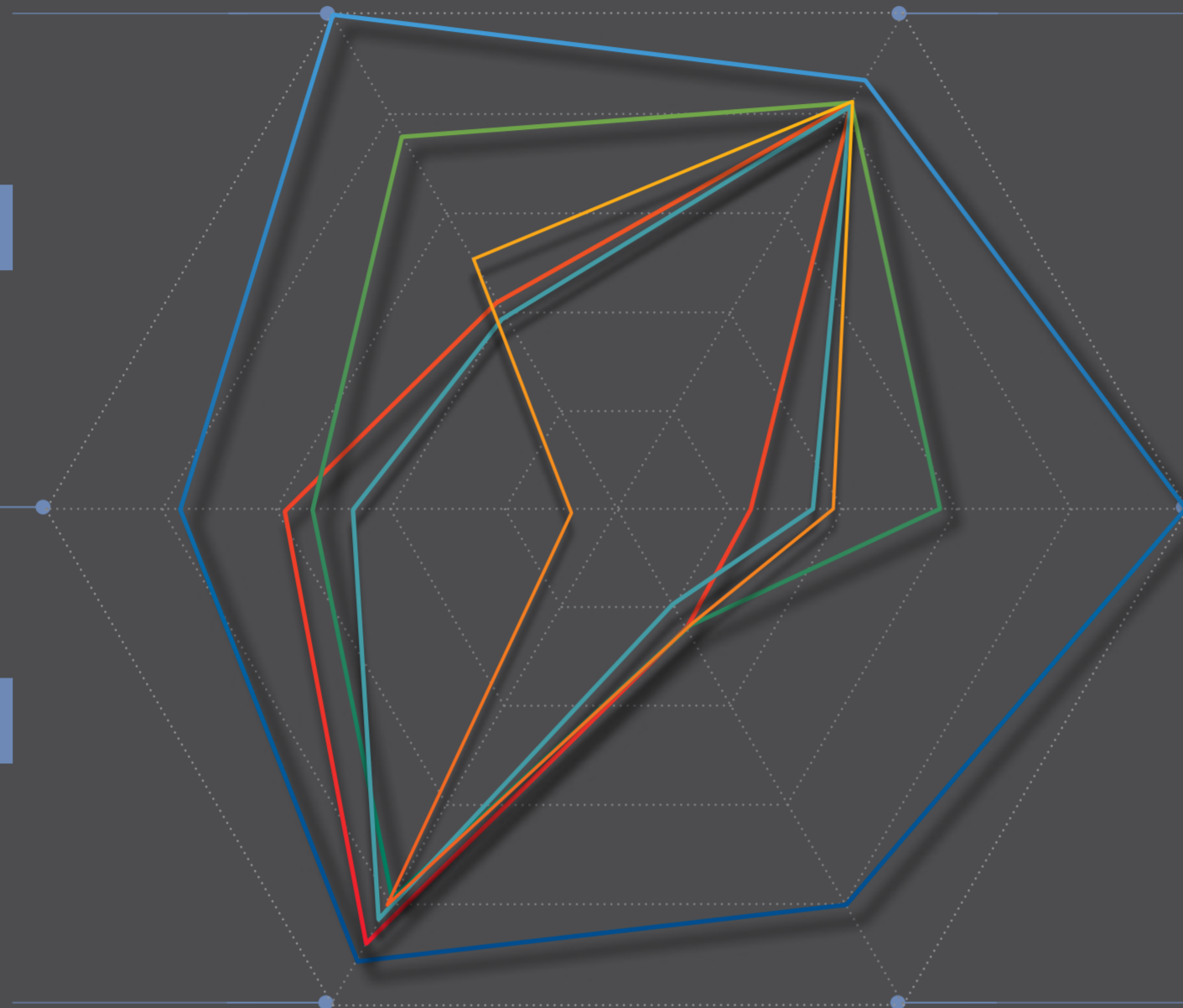
Discovery Health Medical Scheme offers members a contribution that is on average 16.4% more affordable than the next 8 largest medical schemes.

03 VALUE OF ACCESS

Members can derive value from access either through greater choice for accessing healthcare services, or through reduced contributions by being restricted to quality, cost-effective healthcare services.

To assess the value of access, each plan of the 8 largest open medical schemes were categorised according to the restrictions they place on access to hospitals, chronic care and oncology. These restrictions can be in the form of networks, or in the form of cover limits. Plans that offer similar levels of access were then compared on the basis of relative contribution levels to determine the value of the access measure.

On this basis, the value of access for members of Discovery Health Medical Scheme is 8.3% more than for the next 8 largest open medical schemes.



04 SERVICE

Service levels for Discovery Health Medical Scheme was obtained from an independent survey of brokers, employers and healthcare providers.

Survey results show that Discovery Health Medical was ranked first on overall service levels by each of these parties, with service levels exceeding that of competitors by at least 4%.

05 SUSTAINABILITY

Long-term sustainability of a medical scheme ensures that members' claims can be paid in future and that the scheme can maintain favourable contribution increases.

Sustainability was measured as the combination of a scheme's ability to maintain a healthy demographic profile, and the scheme's reserving levels.

Discovery Health Medical Scheme's favourable demographic profile, continuous member growth and reserve levels in excess of R16billion sets the benchmark for sustainability. This was recognised by Global Credit Rating, who awarded DHMS with a AAA credit rating, the highest possible credit rating. DHMS is the only medical scheme in South Africa to attain this rating.

06 DIGITAL CAPABILITIES

Digitalisation in medical schemes enhances the service experience for members and improves the delivery of healthcare.

To compare the digitalisation of medical schemes, the digital tools available to members and doctors, and the applications of these, were compared between the 9 largest open medical schemes, including Discovery Health Medical Scheme.

Discovery Health Medical Scheme is significantly ahead of its competitors in delivering effective servicing and healthcare functionality through the Discovery member app and HealthID.

UNIQUE HEALTHCARE BENEFITS AND SERVICES FOR MEMBERS OF DISCOVERY HEALTH MEDICAL SCHEME

International travel

Cover for emergency medical costs of up to US\$1 million person on each journey while you travel outside of South Africa.

Africa evacuation cover

Members are covered for emergency medical evacuations from certain sub-Saharan African countries back to South Africa.

Maternity benefits

Members get comprehensive cover for pre-and postnatal benefits for maternity and early childhood. Including Non-invasive prenatal testing and newborn screening for expecting mothers.

Additional benefits for allied, therapeutic, psychology services and external medical items

Members have access to unlimited, clinically appropriate cover for biokineticists, acousticians, physiotherapists or chiropractors, psychologists, occupational therapists, speech and language therapists and external medical items.

Oncology benefits

Comprehensive cover relating to cancer, including specific screening programmes for cancer, comprehensive cover for treatment options, and compassionate palliative care benefits. Members also benefit from access to innovative cancer treatments through the Oncology Innovation Benefit.

Frames and lenses

Members can enjoy savings of 20% for frames and lenses at an optometrist in the network.

Home-based care

Discovery HomeCare is a unique homebased service that offers members quality care in the comfort of their own home when recommended by their doctor as an alternative to a hospital stay.

Specialised medicine and technology

Members have cover for the latest treatments through the Specialised Medicine and Technology Benefit, up to R200 000 for each person each year.

International second opinion services

Access to second opinion services from Cleveland Clinic for life-threatening and life-changing conditions.

Overseas treatment

Cover for treatments that are not available in South Africa, as well as for in-hospital treatment available in South Africa.

Claims related to traumatic events

The Trauma Recovery Extender Benefit extends members' cover for out-of-hospital claims related to certain traumatic events.

SEAMLESSLY INTEGRATED DISCOVERY GAP COVER

Gap Cover from Discovery is a cost-effective solution that gives your clients additional financial protection against unforeseen medical costs, including when

healthcare professionals charge more than what your client's medical scheme pays, or when your clients have a life-changing event.

UNIQUE BENEFITS FOR EMPLOYERS

Healthy Company

is Discovery's digitally-enabled, comprehensive employee assistance programme and wellness solution. Healthy Company identifies and proactively supports at-risk and healthy employees, by managing the four key dimensions of their wellbeing through screening and risk classification, proactive tailored interventions, and data-driven insights.

Discovery Primary Care

provides access to quality healthcare is essential to any company that wants to ensure that the health and productivity of their workforce is sustained and optimised.

Access to Discovery Vitality

Vitality is the world's leading science-based behavioural-change programme that encourages and rewards members for leading a healthier lifestyle and for driving well.

Discovery Health Medical Scheme members have access to Vitality at an additional monthly premium. In addition, all qualifying Discovery Health Medical Scheme members have access to Vitality Health Rewards.

Vitality offers all members of Discovery Health Medical Scheme free Vitality Move. Members have the option to buy one of four Vitality products, including Vitality Move Premium, Vitality Active, Vitality or Vitality Purple (available exclusively to members of the Executive Plan).



Vitality Health Rewards

The full Vitality Active Rewards journey includes in-app health tracking with personalised nutrition, preventive screening, weight management and medicine tracking. Members at risk of developing or diagnosed with certain chronic conditions, will be provided with personalised goals tailored to their specific health needs, to help them manage and track their health and will be rewarded for achieving their goals.



Discovery Health Medical Scheme 2019 contributions

Series	Plan	Contributions			Contributions to Medical Savings Account			Total contributions		
		Main member	Adult	Child**	Main member	Adult	Child**	Main member	Adult	Child**
Executive	Executive Plan	4 906	4 906	936	1 635	1 635	312	6 541	6 541	1 248
	Classic Comprehensive	4 026	3 808	803	1 342	1 269	267	5 368	5 077	1 070
	Classic Delta Comprehensive	3 626	3 433	722	1 208	1 144	240	4 834	4 577	962
Comprehensive	Classic Comprehensive Zero MSA	4 026	3 808	803		No Medical Savings Account		4 026	3 808	803
	Essential Comprehensive	3 833	3 626	772	676	639	136	4 509	4 265	908
	Essential Delta Comprehensive	3 453	3 262	693	609	575	122	4 062	3 837	815
Priority	Classic Priority	2 626	2 071	1 051	875	690	350	3 501	2 761	1 401
	Essential Priority	2 559	2 011	1 022	451	354	180	3 010	2 365	1 202
	Classic Saver	2 266	1 787	907	755	595	302	3 021	2 382	1 209
Saver	Classic Delta Saver	1 809	1 430	727	603	476	242	2 412	1 906	969
	Essential Saver	2 040	1 530	818	360	270	144	2 400	1 800	962
	Essential Delta Saver	1 628	1 228	653	287	216	115	1 915	1 444	768
Smart	Coastal Saver	1 899	1 427	767	474	356	191	2 373	1 783	958
	Classic Smart	1 794	1 415	717		No Medical Savings Account		1 794	1 415	717
	Essential Smart	1 285	1 285	1 285		No Medical Savings Account		1 285	1 285	1 285
Core	Classic Core	2 248	1 772	900		No Medical Savings Account		2 248	1 772	900
	Classic Delta Core	1 799	1 418	720		No Medical Savings Account		1 799	1 418	720
	Essential Core	1 931	1 448	776		No Medical Savings Account		1 931	1 448	776
KeyCare*	Essential Delta Core	1 543	1 161	620		No Medical Savings Account		1 543	1 161	620
	Coastal Core	1 770	1 330	704		No Medical Savings Account		1 770	1 330	704
	KeyCare Plus 0-13 050	1 456	1 456	463		No Medical Savings Account		1 456	1 456	463
KeyCare*	KeyCare Plus 13 051+	2 249	2 249	602		No Medical Savings Account		2 249	2 249	602
	KeyCare Core 0-13 050	1 038	1 038	255		No Medical Savings Account		1 038	1 038	255
	KeyCare Core 13 051+	1 661	1 661	376		No Medical Savings Account		1 661	1 661	376
KeyCare*	KeyCare Start 0-9 150	839	839	505		No Medical Savings Account		839	839	505
	KeyCare Start 9 151-13 050	1 412	1 412	551		No Medical Savings Account		1 412	1 412	551
	KeyCare Start 13 051+	2 198	2 198	596		No Medical Savings Account		2 198	2 198	596

* Income verification will be conducted for the lower income bands. Income is considered as: The higher of the main member or registered spouse or partner's earnings, commission and rewards from employment; interest from investments; income from leasing of assets or property; distributions received from a trust, pension and/or provident fund; receipt of any financial assistance received from any statutory social assistance programme.

** We count a maximum of three children when we work out the monthly contribution and annual Medical Savings Account.