

Making sense of the numbers - cases, co-morbidities and costs

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As the number of Covid-19 infections moves over 21,000, both public and private healthcare is going to be under constant pressure. The World Health Organization (WHO) says its Covid-19 data to date suggests that 80% of infections are mild or asymptomatic, 15% are severe infections, requiring oxygen and 5% are critical infections, requiring ventilation.

While projections about the actual number of cases up until November 2020 vary daily, 12 to 13 million infections are predicted for SA. It is also predicted that roughly 3.7 million will be symptomatic with varying in degrees of severity.

Lee Callakoppen, Principal Officer of Bonitas Medical Fund, says, 'We are following the data closely as the fund represents over 700,000 lives which is roughly 8% of South Africa's total medical aid membership and 1.2% of the national population.'

Bonitas has monitored international, local and scheme-specific data to assess the incident proportion and to inform its decisions in support of its members and South Africans at large. The fund continues to evaluate this on an ongoing basis as more data becomes available. However, this remains a challenge in light of the limited data available at the time, which impacts modelling.

'What we do know is that if the pandemic is not managed responsibly and with rigour, it will have a severe impact on the healthcare resources of the country both public and private. The ongoing analysis from a Bonitas perspective, is to ensure that the fund adequately manage its reserves, to ensure that the claims of members are paid when they access benefits.'

Callakoppen offers a round-up of the situation at Bonitas as of 21 May 2020

'Bonitas has seen approximately 10,000 members being tested with 282 confirmed positive. In relation to the hospitalisation rate, the fund has seen a total of 120 admissions, with a positive recovery totalling 32. Unfortunately, we have sadly lost 16 of our members to the virus.'

The expected number of total infections and level of care assumptions are drawn from international experience to-date and expectations on ultimate detected infection levels, while keeping a view of the local trajectory.

Callakoppen says, 'Projections are highly uncertain at this time but our actuarial team has estimated around 30% or 215 851 members of the Bonitas population are at risk of contracting Covid-19, based on co-morbidities. Of these 30% are based in Gauteng, 19% in KZN and 15% in the Western Cape. The conservative financial impact to the Scheme could potentially exceed R450m, in addition to annual claims cost which amounts to R15bn annually.'

Counting the costs

The key cost-drivers are hospital admissions, additional cost for Personal Protection Equipment (PPE) to ensure healthcare workers and patients are protected, pathology test costs as well as home care and healthcare support to members in the workplace as the economy re-opens.

Callakoppen says the Covid-19 pandemic is having a major impact on the costs of providing healthcare benefits to members. In certain benefit categories such as in-hospital admissions there has been a decline in claims due to the prudent action taken by healthcare groups to defer elective surgeries and only attend to emergency matters. While, in other categories like medication, there has been a marked increase in claims and costs. This trend is set to continue until at least

the end of September 2020, as the Covid-19 infections are expected to peak in early August 2020.

Projected levels of care

There is a high level of uncertainty around the level of care that would be required for the Bonitas population over the course of the pandemic, but Bonitas projects that Covid-19 cases will be managed as follows:

- 20% requiring hospitalisation
- 5% requiring treatment in ICU
- 60% requiring treatment at home
- 20% are asymptomatic or do not require treatment

Hospitalisation can be as high as 6 days in a general ward, 8 days in high care and up to 15 days in ICU.

The role that chronic conditions play

It is undisputed that co-morbidities will affect the outcome of patients who contract Covid-19. Statistics from Italy, one of the countries worst hit, shows that 98.8% of those who died had at least one comorbidity. Almost three-quarters had hypertension while a third had diabetes. It is no different in South Africa. Minister of Health, Dr Zwelini Mkhize, warned early on in the pandemic that South Africa has a significant burden of non-communicable diseases or chronic conditions with diabetes and hypertension topping the list.

The availability of beds

There has been a great deal in the news about the availability of hospital beds, particularly High Care and ICU. The main reason for the lockdown was to ready the public healthcare sector in terms of availability of beds for when the pandemic was at its worst.

‘There are currently 957 ICU and High Care beds in the private sector and 2238 in the public healthcare sector,’ says Callakoppen. ‘Prior to the Covid-19 outbreak, occupancy in state hospitals was around 80%, with about 50% of critical care beds available for use in private hospitals. Based on these figures, less than 3000 critical care beds are theoretically available for use for all South African citizens. About half of those (1500) are intensive care beds, the remainder High Care.’

Elective procedures reduce

Occupancy of critical care beds for non-Covid-19 patients however reduced in April as hospitals and doctors encouraged cancellation/postponement of elective procedures, or shifting these to an outpatient setting, where feasible, to free up capacity. Occupancy is likely to remain suppressed in the short-term, although to a lesser extent as there have been calls for certain necessary elective procedures to continue from May. Bonitas is currently engaging with various stakeholders, to ensure that access to care such as elective surgeries, is available to members and that the appropriate steps are taken to ensure the risk of further spread of the virus is prevented.

It should not be noted that epidemiological models, such as those produced by the Actuarial Society of South Africa (ASSA) model the rate of infection across the entire population, including asymptomatic cases, which might not be picked up in a medical scheme environment, nor will these cases lead to direct claims for the fund. The ASSA model currently assumes that 75% of actual infections will be asymptomatic. There are a wide range of views globally as to the true proportion of asymptomatic cases. The sensitivity of the model output to this assumption means any projections are still highly uncertain at this stage.

Bonitas urges all South Africans to follow the international safety guidelines: Stay home, maintain social distancing, sanitise or wash their hands thoroughly and wear masks in public. For members and non-members who have healthcare concerns

and would like to consult a medical practitioner, Bonitas has free, Virtual Care consults with a GP on offer, through the Bonitas app.

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