

# 3 emerging medical scheme membership patterns

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For many, medical scheme membership is part of their employee benefits, but that doesn't mean they are under any less pressure to make ends meet, especially in light of the economic strain Covid-19 has caused. Therefore it is interesting to see how the new normal has impacted medical scheme benefit choices. Here are three trends we've seen emerge so far.



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## 1. Medical scheme benefits – two camps

We've found that members are following one of two patterns in selecting their 2021 benefit options. They are either decreasing their benefits drastically to reduce the cost of cover as much as they can, or they are comfortable to pay for more enhanced benefits, which is particularly true when it comes to day-to-day cover.

### ***Why a drastic decrease in benefits is an ill-advised choice***

Some members seem to completely disregard the possible shortfalls on future medical events or expenses they might face, in order to save on premiums now. Many members are aware of the options available to them, such as that they can reapply for comprehensive medical scheme benefits without the fear of underwriting (albeit during a certain period).

### ***Why keeping cover consistent counts***

Members who are happy to keep cover in place, or even pay for better benefits, tend to go through these benefits in detail to justify the increase in premium. This helps them better understand the benefits and how to use the product as efficiently as possible. These members are inclined to take out a gap cover product and reduce their in-hospital reimbursement rate, providing them with greater in-hospital benefits (with a bit of additional administrative work via the gap cover claiming process), while also reducing their premiums.

## 2. Benefit consultations beckon

Employer groups are accustomed to having onsite consultations for the employees who need to review their benefits. Due to Covid-19, safety policies promote virtual consultations and most intermediary practices have adapted to provide this functionality, or to offer a hybrid of both virtual and onsite appointments.

Some health and safety conscious employers have blocked any third parties from entering the premises to ensure the risk of infection is limited. Meanwhile, other employers whose employees do not have access to a computer, continue with onsite consultations, as there is no other option.

Most members who have computer access with internet connectivity prefer virtual consultations for reasons including the ease of access and the dedicated interaction this one-on-one format provides. One-on-one consultations with seamless live booking functionality, enables members to choose a date and time that suits their schedule best. Even though onsite consultations provide for a dedicated session, it is the additional privacy provided by conducting the consultation via a virtual platform that appeals to members. Some members are also at higher risk now than others, so virtual capabilities have contributed positively here as well.

### **3. Referrals reducing risk**

More employers are opting in for a referral process when it comes to general practitioner (GP) benefits, to mitigate risks. The referral process assists employers in reducing the number of unnecessary sick days taken by adding an additional step where a pattern of absenteeism has been noted. While employees retain their ability to access quality medical care, the employer is also protected by managing absenteeism in a responsible manner.

Employers are trying to keep costs as low as possible for employees who are on a compulsory medical arrangement, regardless of whether this is provided on a cost to company arrangement or in the form of a subsidy. A referral process reduces the costs of membership as it lowers the risks to the insurer.

### **ABOUT THE AUTHOR**

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