Bankmed
Yours in good health

MORE COVER

2022 Benefit and Contribution Launch

06 October 2021

MORE THAN A MEMBER. **MORE WITH BANKMED.**

Agenda

01 | Welcome

02 | Opening Address
Teddy Mosomothane (Bankmed CEO)

03 | COVID-19 Update
Teddy Mosomothane (Bankmed CEO)

04 | 2022 Benefits and Contributions
Dr Niri Naidoo (Operations & Clinical Executive)

05 | Q & A and Closing

Welcome

Your Good Health

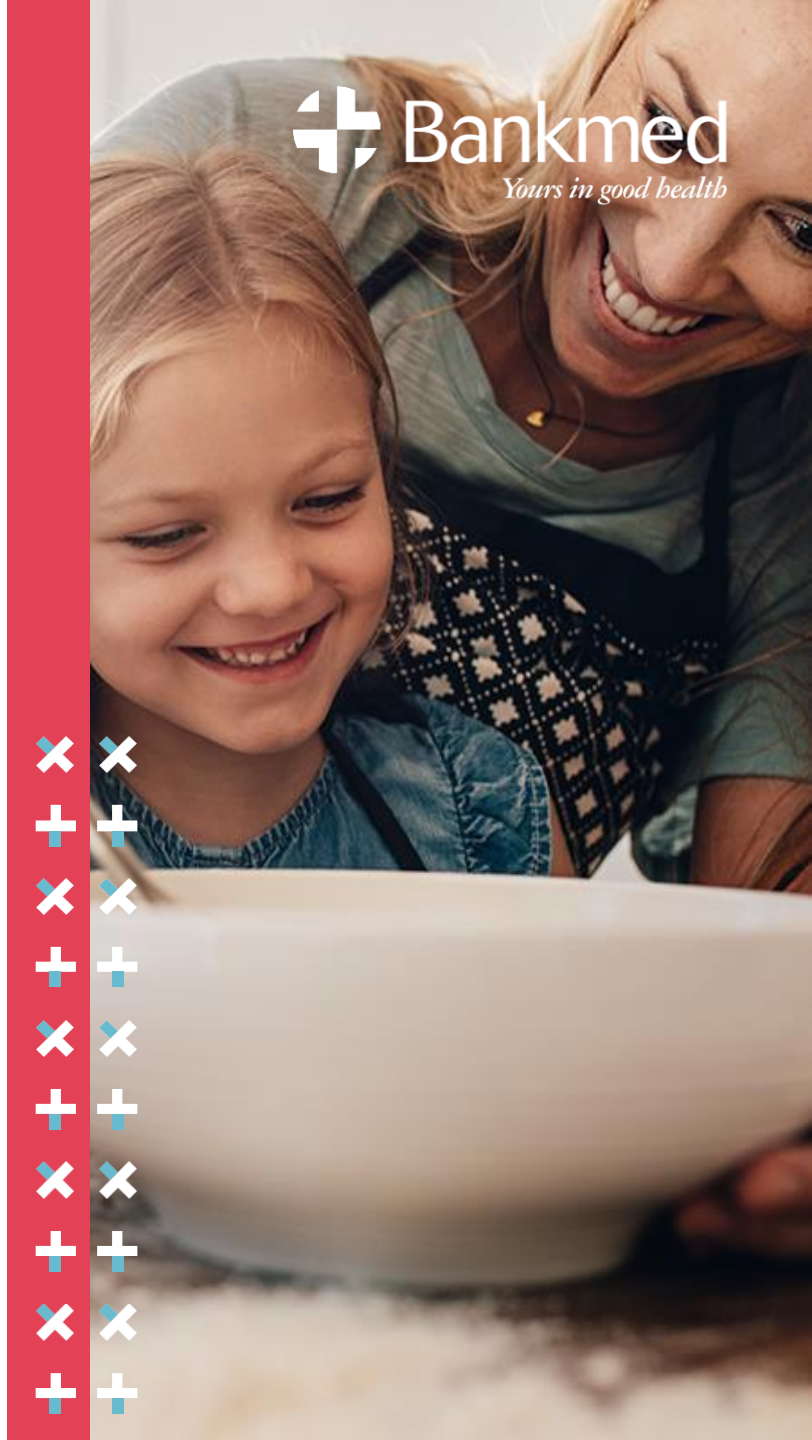
Top of mind: your **Good Health** = our **Good Health**

Our collective **Good Health**:
Embracing vaccination in pursuit of population immunity

- Our **Good Health** is central to our livelihoods
- The success of our organisations and economy depend on our **Good Health**
- Our families depend on our livelihoods
- Bankmed - your partner in health and wellness.

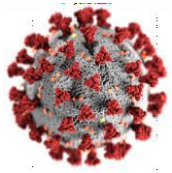
I have been vaccinated.

Have you?



Nurturing value is what we do

(since 1914)



Responding to

COVID-19

has become most relevant and urgent to demonstrate value

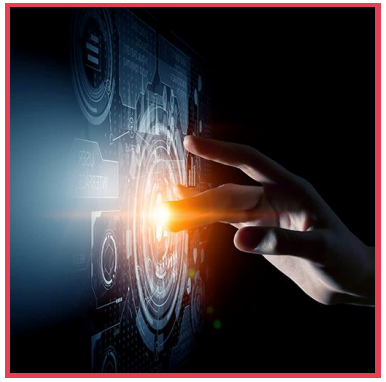
Partnership in
Health and Wellness

Exclusivity and Responsiveness
(Closed Scheme)

39.3% Better Value
in 2021 (NMG)

Better Quality
(HQA)

Commitment to Best-of-Class
Member Experience



Technology and Innovation
as Enablers

Financial Stability
(GCR)

Bankmed's Response to COVID-19

Bankmed's COVID-19 Benefits are designed to deliver the best care for our members (across all plans)

Details of Bankmed's response is available on the Bankmed website www.bankmed.co.za / COVID-19 Vaccination Hub

In-and-out of hospital cost of treatment paid from insured benefits

Virtual and Telephonic consultations

Pulse Oximeter and additional consultations for high risk members

Tests paid for from insured benefits

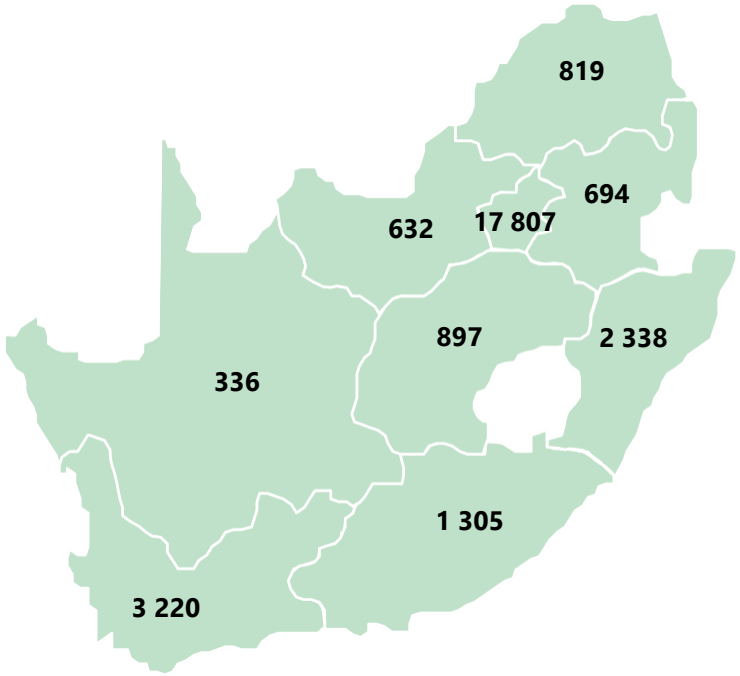
Relaxation of networks, specifically for COVID-19

Hospital at Home COVID-19 benefit

COVID-19 Vaccine

28 048 positive cases with a recovery rate of 95.1% and a case fatality rate of 2.9%

COVID-19 cases by Province



BANKMED CONFIRMED CASES | 28 048| as at 14 September 2021

(cumulative since the start of the pandemic)

Tests conducted	Positive members	COVID-19 admitted members	Recoveries	Deaths	Repeat Cases	Vaccines Administered
144 959	28 048	3 885	26 664	808	347	103 884
17 098 528	2 860 835	-	2 671 322	85 002		14 922 954
		11.9% Proportion admitted (DH: 14.3%)	95.1% Recovery rate (DH: 93.6%)	2.9% Case fatality rate (DH: 3.3%)		
		7.4% Proportion readmitted	**93.4%** National Recovery Rate	**18.1%** Hospital Mortality Rate		
		50 Members **19** ICU 9 Ventilation		**3.0%** National Case fatality rate		

**We have extended the definition of confirmed positive members to also include admissions coded with U07.1 but not confirmed through pathology testing yet*

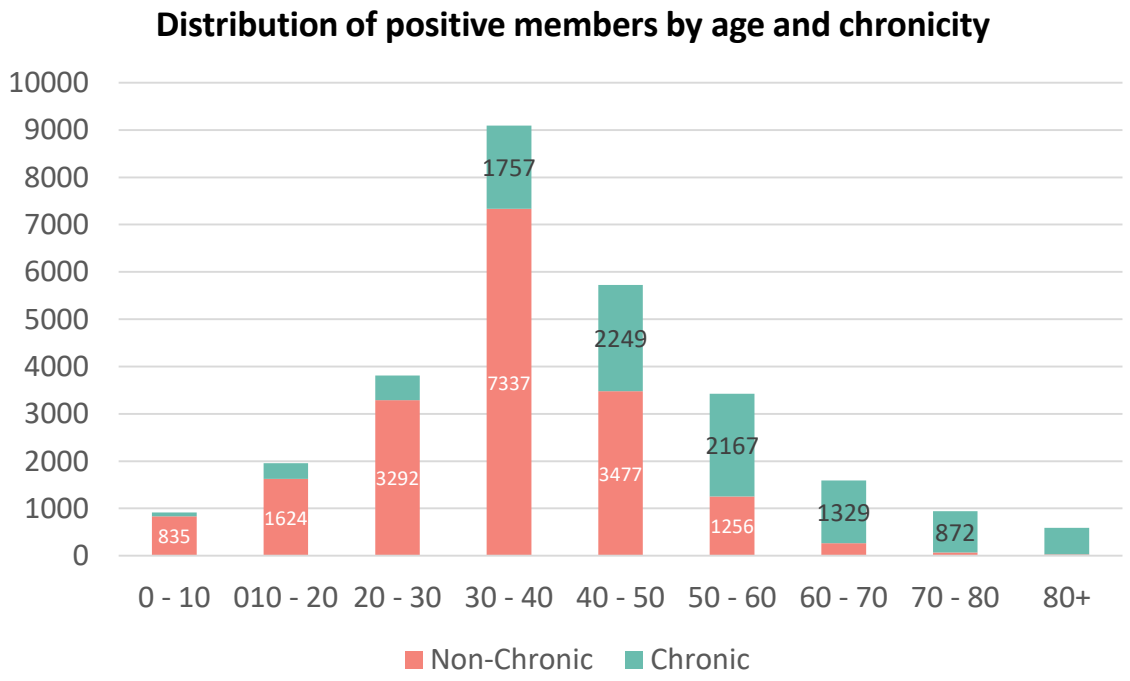
Since the onset of the pandemic: 3 885 members admitted (4 448 admissions), 787 ICU admissions and 456 ventilator admissions

As at 14 September 2021

Distribution by age and chronicity

Age: 37 years

% Chronic: 35%



Admissions for COVID-19 positive members

3 885 members admitted

4 448 admissions

787 ICU admissions

456 ICU Ventilator admissions

Admission Costs

4 341 Completed admissions that were discharged and claims received

	Completed Admissions	Total Cost	Average Cost	Average Length of Stay	Death rate
Other Wards	2 997	R 157 174 408	R 52 444	7.5	8.4%
High Care	534	R 66 668 193	R 124 847	10.2	13.0%
ICU	349	R 115 019 708	R 329 569	16.7	45.3%
Ventilation	461	R 211 951 457	R 459 765	18.6	76.1%
Total	4 341	R 550 813 767	R 126 886	9.8	19.1%

COVID-19 Benefits Uptake
The utilisation of TC's & VC's & Pulse Oximeters increases with the peak of each wave

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Consultation Type	**2020**	**Q1 2021**	**Q2 2021**	**July 2021**	**August 2021**
Virtual Consultations	323	15	12	5	3
Telephonic Consultations	11 583	3 955	5 167	3 240	1 720

Isolation Hotel Benefit	**2020**	**Q1 2021**	**Q2 2021**	**July 2021**	**August 2021**
Number of Members	38	1	-	-	-
Number of Days	280	6	-	-	-

Pulse Oximeter Uptake	**2020**	**Q1 2021**	**Q2 2021**	**July 2021**	**August 2021**
Number of Approved Pulse Oximeters	802	471	215	352	141

Bankmed's COVID-19 Costs since the start of the pandemic: R695.7 million

		2020	YTD Aug 2021	Total
Out of Hospital Cost	**Testing**	R37.5M	R43.9M	**R144.9M**
	Isolation Hotel	R490K	R17K	
	Oximeter	R300K	R452K	
	Vaccine	N/A	R25.7M	
	GP Cost	R1.85M	R4.5M	
	Medication Cost	R1.2M	R3.5M	
	Other OH Cost	R9.0M	R16.4M	
In Hospital Cost		R143.5M	R407.3M	**R550.8M**
Total				**R695.7M**

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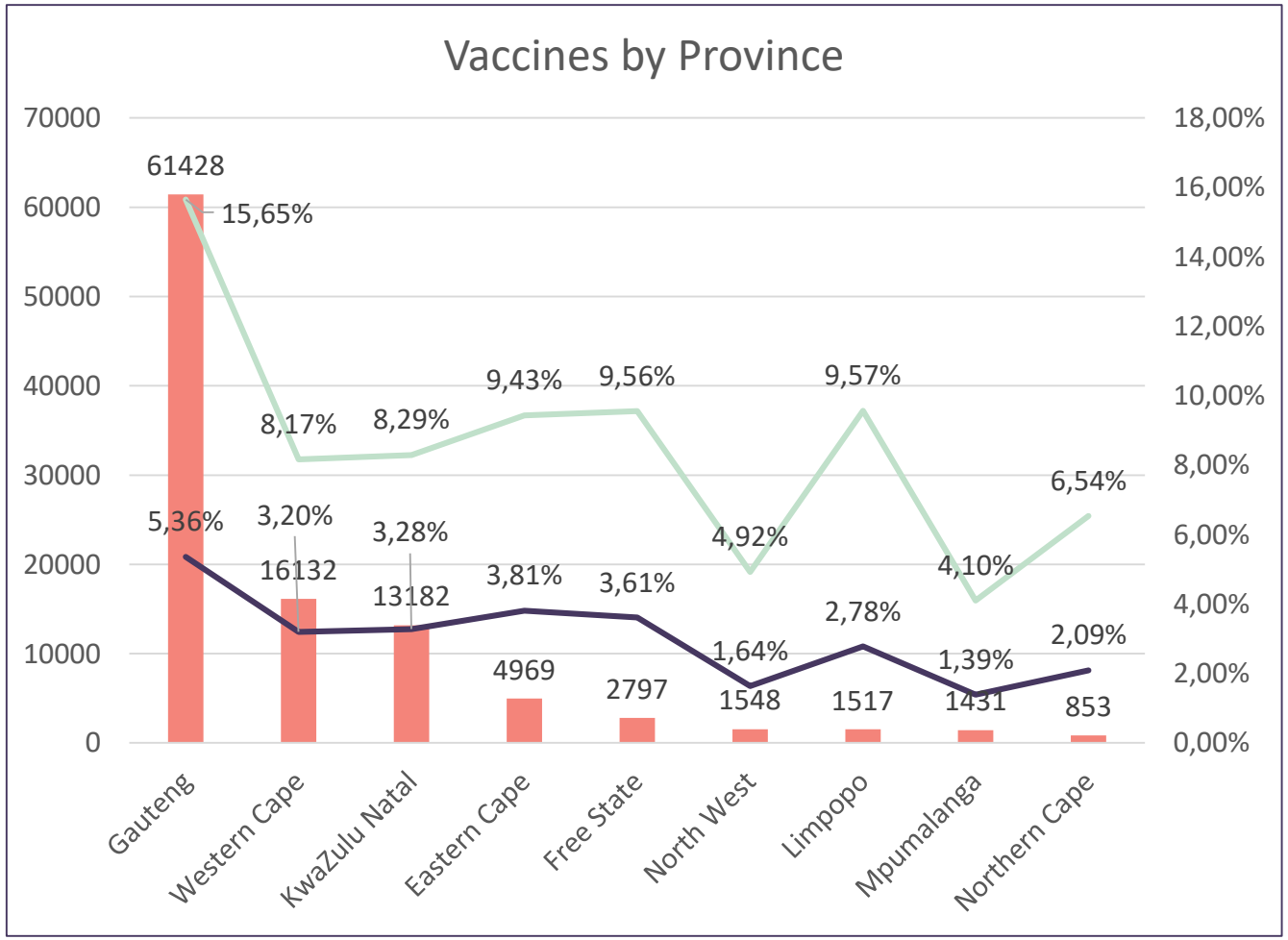
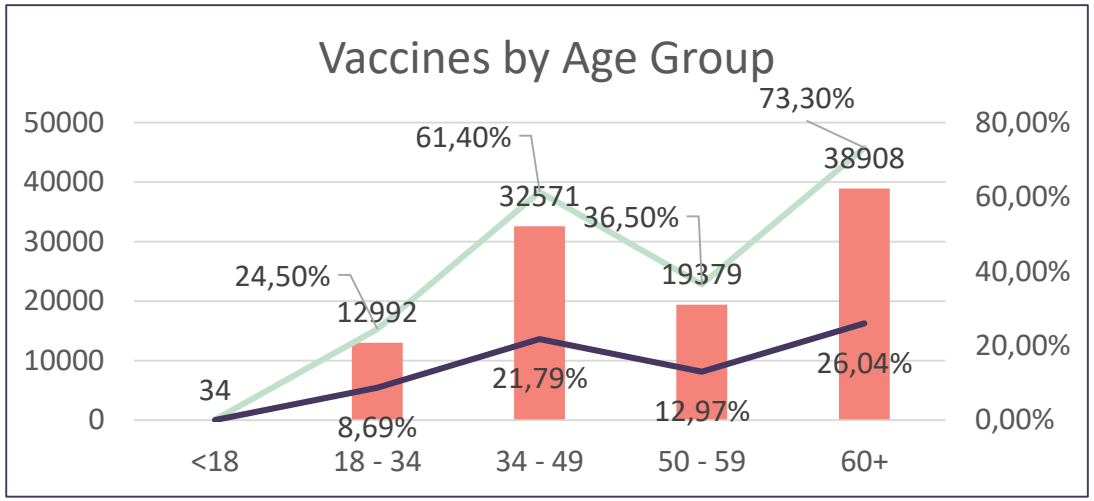
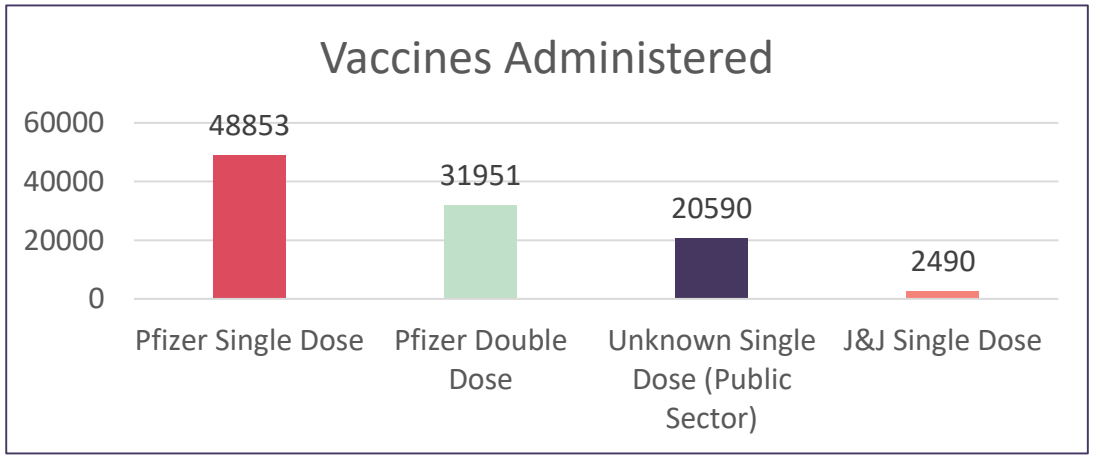
33.16% of Bankmed Members have been vaccinated as at 14th September 2021; 103 884 vaccine doses have been administered as at 14 September 2021.







Selected Financial Indicators

Your money is spent on you

Non-healthcare expenses are the costs associated with running the Scheme e.g. administration and general administration expenses

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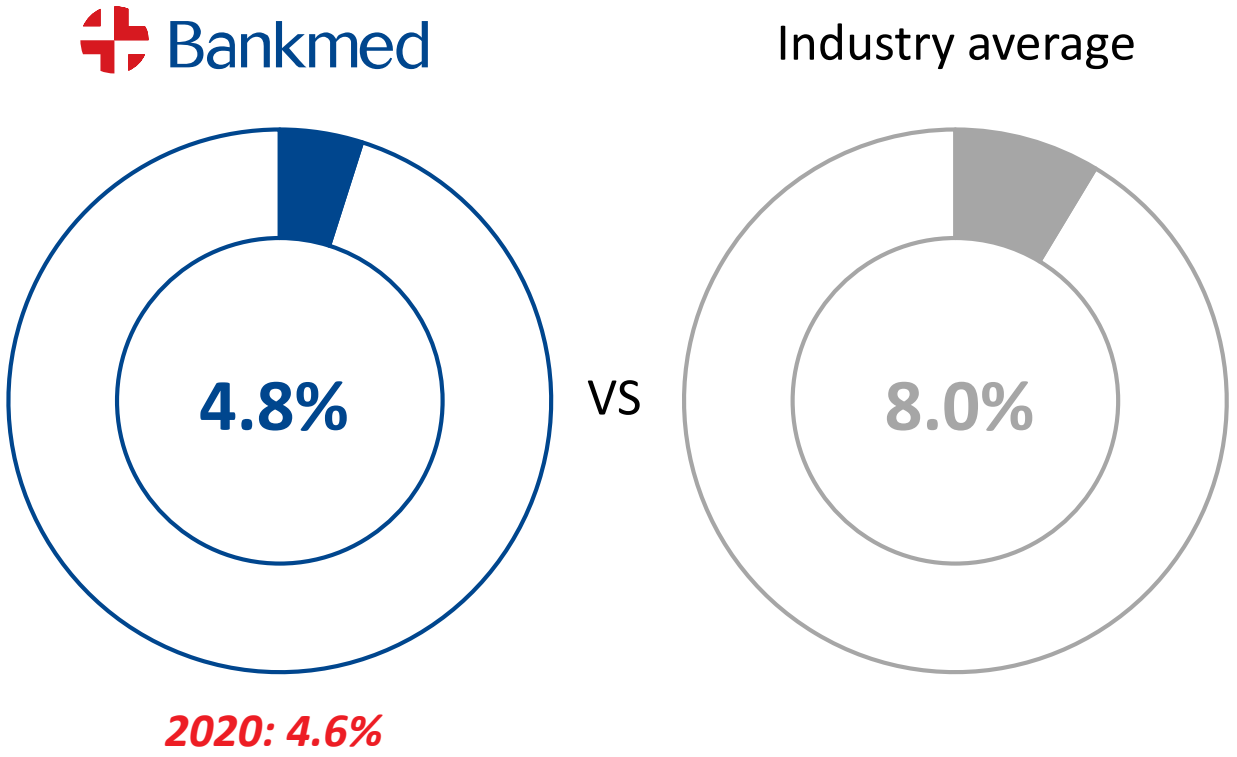
Non-healthcare costs 2019



2020: 4.6%

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Our partnership spans over more than **100 years** - and we are **still going strong**

Our financial stability allows us to maintain value for our members

Solvency ratio

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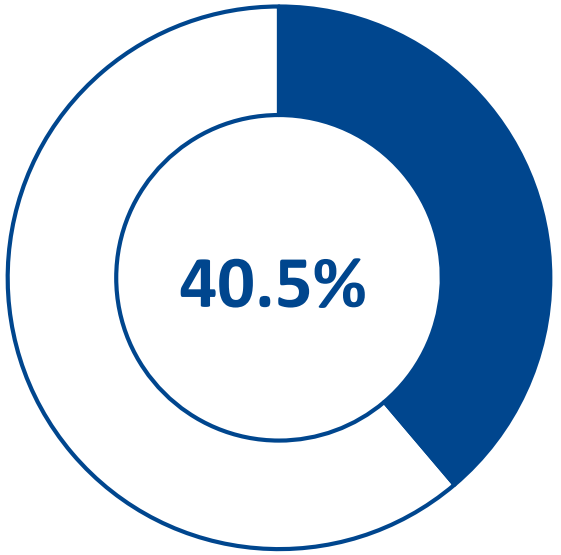
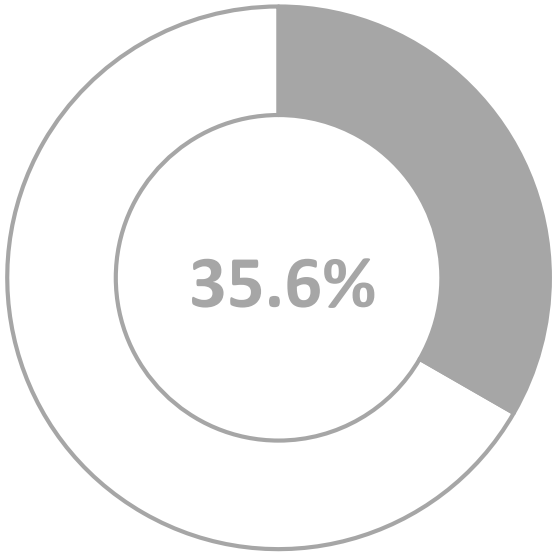


2019 Annual Financial Statements

2020: 50.7%

VS

Industry average



2019 Council for Medical Schemes Annual Report;
The average for restricted schemes in 2019 was 44.3%

Post Pandemic: The Unknown

The Unknown

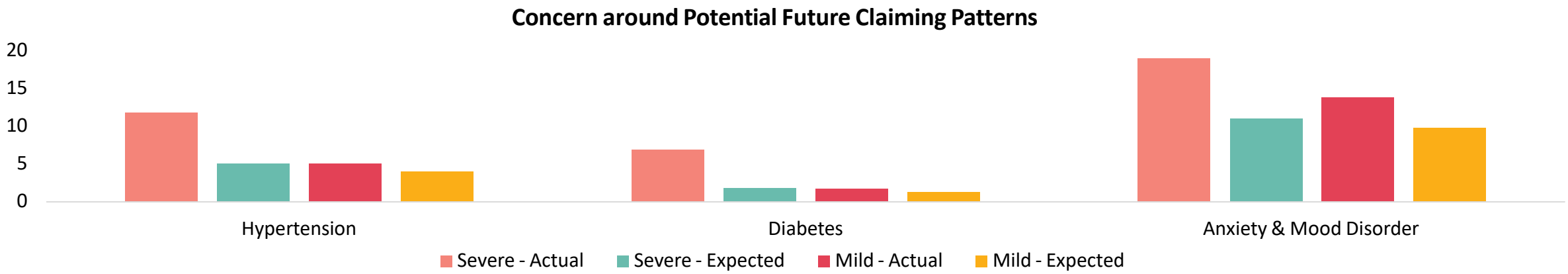
- Costs associated with so-called ‘long-COVID’ syndrome i.e. continuing illness after recovery from COVID-19 infection;
- A potential for the ‘catch-up’ of the elective procedures postponed during the higher levels of lockdown;
- The possibility of ‘pent-up demand’ resulting from members not seeking care during the pandemic and needing more intensive and costly care from the system once the pandemic passes; and
- The potential need for ongoing vaccination drives on an annual basis if the virus becomes part of life in the so- called ‘new normal’.

Long COVID

21% of COVID patients appear to develop long COVID between **30 to 120 days** after first testing positive

Long COVID Definition:
Long COVID is present when the symptoms that continue or develop after acute COVID-19 infection and which cannot be explained by a alternative diagnosis. This term includes ongoing symptomatic COVID-19, from 4 to 12 weeks post-infection, and post-COVID-19 syndrome, beyond 12 weeks post-infection

Top Symptoms:
- Headache
- Attention Disorder
- Fatigue
- Dyspnea
- Hair Loss
- Joint Pains
- Cough
- Chest Pain & Discomfort
- Anosmia



Long COVID | In Summary

- Limited evidence on optimal management
- Rapidly evolving clinical problem
- Important public health considerations as the pandemic continues
- An approach to management must be developed
- Must accommodate the needs of this group of patients
- Further research is clearly needed into all aspects of this condition
- Must understand local context with our high burden of comorbid infectious and non-communicable diseases, potentially complicating both the manifestations of long-COVID and our approach to its holistic management.

Conclusion

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- Bankmed employer group clients and members are the lifeblood of this leading medical scheme
- Engaged members, providing robust input and feedback
- Enjoying leadership from trustees that come from institutions that are the pillars of our economy
- Responsive to COVID-19, and delivering on the core value proposition
- Bankmed, partly because of experience, partnerships, and collaboration, is readier than most to navigate our way through the challenging times
- Please get vaccinated

2022 Contribution Increases

Average Contribution Increases: 2011 – 2021
Bankmed vs the Top 3 Open Schemes

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	Bankmed	Average Open Schemes
2011	**7.2%**	8.5%
2012	**7.1%**	8.7%
2013	**6.9%**	9.6%
2014	**6.9%**	8.9%
2015	**7.9%**	8.3%
2016	**7.8%**	9.0%
2017	**7.8%**	11.0%
2018	**8.1%**	8.3%
2019	**7.9%**	9.6%
2020	**7.3%**	9.2%
2021	**3.6%**	4.8%

The Open Schemes included in this analysis is DHMS, Bonitas and Momentum

Average Contribution Increases 2022: Industry

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DHMS
***7.9%**
January – April 2022: 0%
May - December 2022: 7.9%

Momentum Health Medical Scheme
****6%**
January – August 2022: 0%
September - December 2022: 6%

Bonitas
4.8%

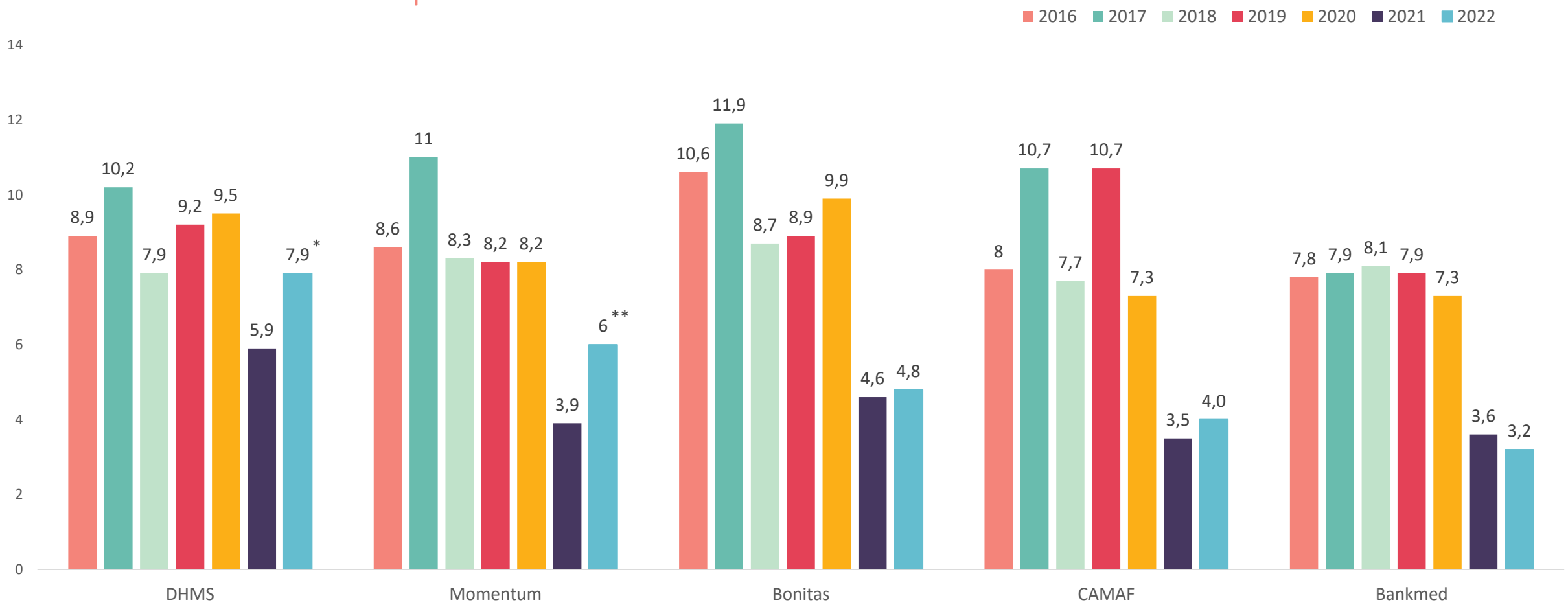
BestMed
3.9%

CAMAF
4.0%

KeyHealth
4.6%

MEDSHIELD
6.3%

Annual Increase Comparisons



***January – April 2022: 0%**
May - December 2022: 7.9%

****January – August 2022: 0%**
September - December 2022: 6%

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2022 Bankmed Contribution Increases

Plan	2017 Increase	2018 Increase	2019 Increase	2020 Increase	2021 Increase	2022 Increase
Essential	6.5%	6%	5.5%	5%	2.5%	1.0%
Basic	6.5%	6.5%	6.5%	6%	2.5%	1.0%
Core Saver	7.5%	7.5%	7.4%	7%	3.5%	3.5%
Traditional	8%	8.25%	7.4%	7%	3.5%	3.5%
Comprehensive	8%	8.5%	8.5%	7.8%	3.9%	3.5%
Plus	9%	8.75%	9%	8%	3.9%	3.5%
Average	**7.9%**	**8.1%**	**7.9%**	**7.3%**	**3.6%**	**3.2%**

Annual limits of many medical categories were **increased** generally by **4.5%**

Plan structure

A Plan to suit everyone

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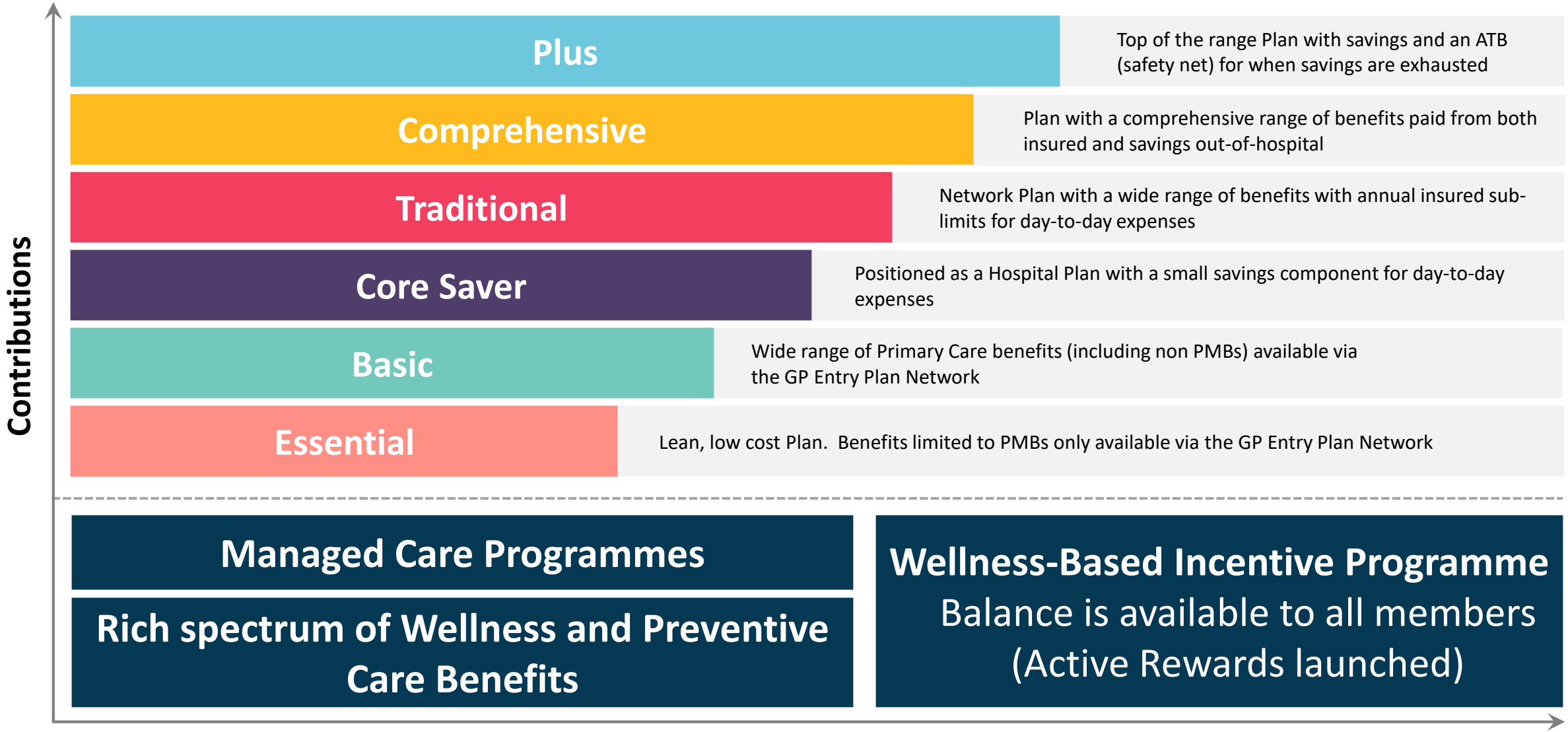

Essential and Basic Plan Overview

Plan Benefits	Essential Plan	Basic Plan
Positioned for	Entry level Plan, suited for low healthcare needs. PMB cover only	Low contribution Plan with IH and OH benefits and chronic disease benefits
Wellness and Preventative Care Benefits	Rich spectrum, expect for contraception	Rich spectrum
Restricted GP Network	Yes	Yes
Specialist Network	Yes	Yes
GP Specialist Referral	Yes	Yes
Hospital Network	Yes	Yes
Pathology, Radiology and Medication	Restricted formularies	
Managed Care Programmes	HIV Programme and Oncology Programme: PMB level of cover only	
Optometry Benefit	No	Isoleso Optometry Network
Basic Dentistry	No	Yes

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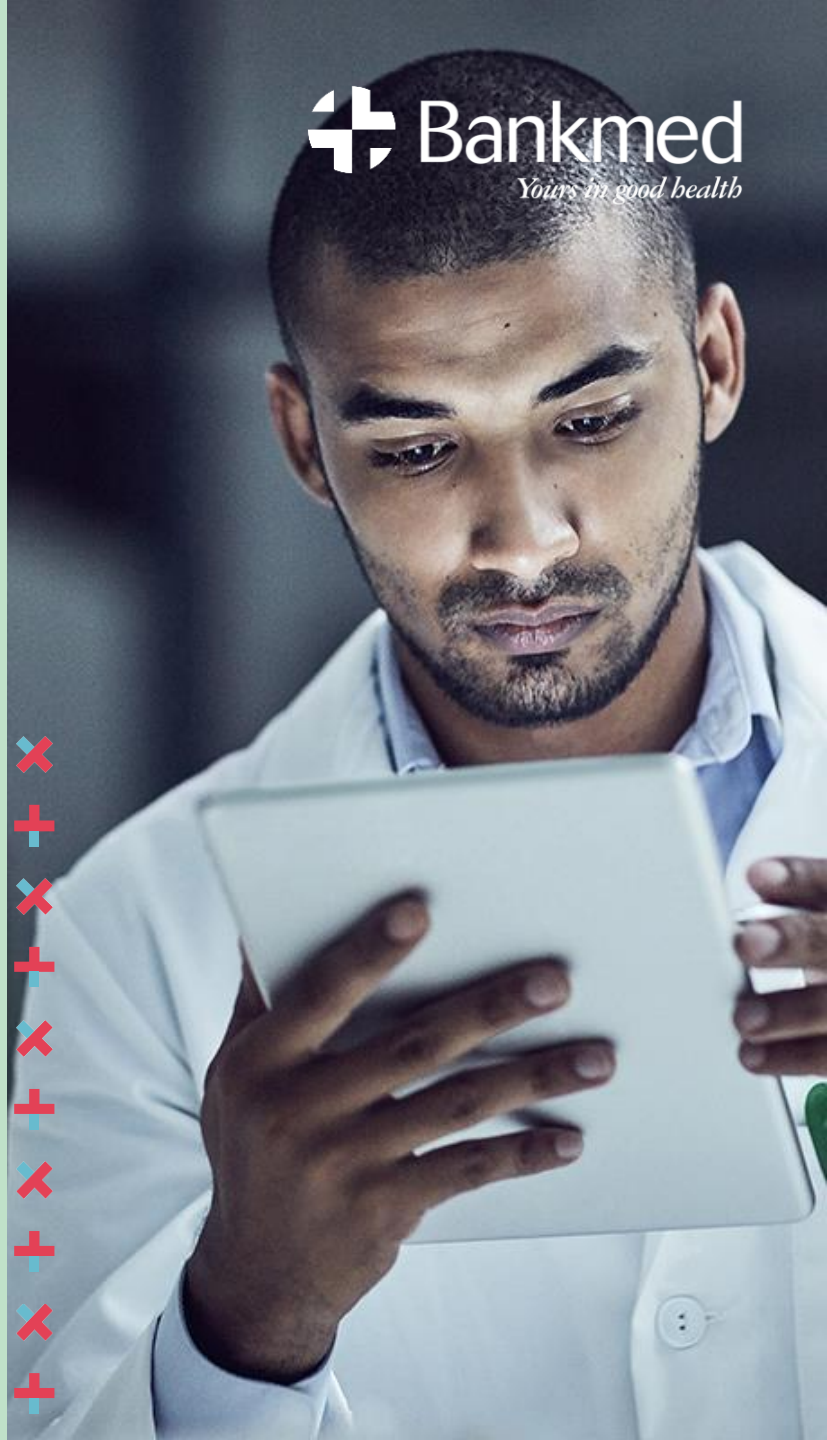
Core Saver, Traditional, Comprehensive and Plus Plan Overview

Plan Benefits	Core Saver Plan	Traditional Plan	Comprehensive Plan	Plus Plan
Positioned for	Young, healthy members with relatively low healthcare needs. Limited MSA for day-to-day expenses	Network Plan with comprehensive medical cover to meet moderate to high healthcare needs.	Plan suitable for moderate to high healthcare needs for members who want a savings component	Designed for moderate to high healthcare needs for members who want a savings component and ATB
Wellness and Preventative Care Benefits	Rich spectrum	Rich spectrum	Rich spectrum	Rich spectrum
Medical Savings Account	Yes	No	Yes	MSA + ATB
GP Network	Yes	Yes	Yes	Yes
Specialist Network	Yes	Yes	Yes	Yes
GP Specialist Referral	Yes	Yes	No	No
Hospital Network	No	Yes	No	No
Managed Care Programmes	PMB level of cover	Cover for both PMBs and Non-PMBs subject to pre-authorisation		
Optometry Benefit	Subject to MSA	Insured	Insured / MSA	MSA / ATB
Basic Dentistry	Subject to MSA	Yes	Yes	MSA / ATB
Dental Admissions	Emergency/PMB cover only	R 2 040		

2022 Benefit Enhancements

The principles behind the annual review include the following:

1. To enhance benefits/innovation- these do come at a cost but are necessary to remain competitive and be the medical scheme of choice for the banking industry
2. To optimize Risk Management in order to keep contribution increases as low as possible
3. To consider a tiered differentiation in benefits between plans especially for the “discretionary benefits” where members perceive value and would therefore consider higher premiums justifiable
4. To lower out of pocket payments
5. To improve member experience
6. To ensure alignment of benefits with Clinical Best Practice



2022 Enhancements informed by

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A fine balancing act between Benefit Enhancements, Affordability and Scheme Sustainability

COVID-19 Pandemic: Rationing of Healthcare: focus on Digital/Remote Healthcare Initiatives

Principles of Value Based Contracting and Clinical Best Practice

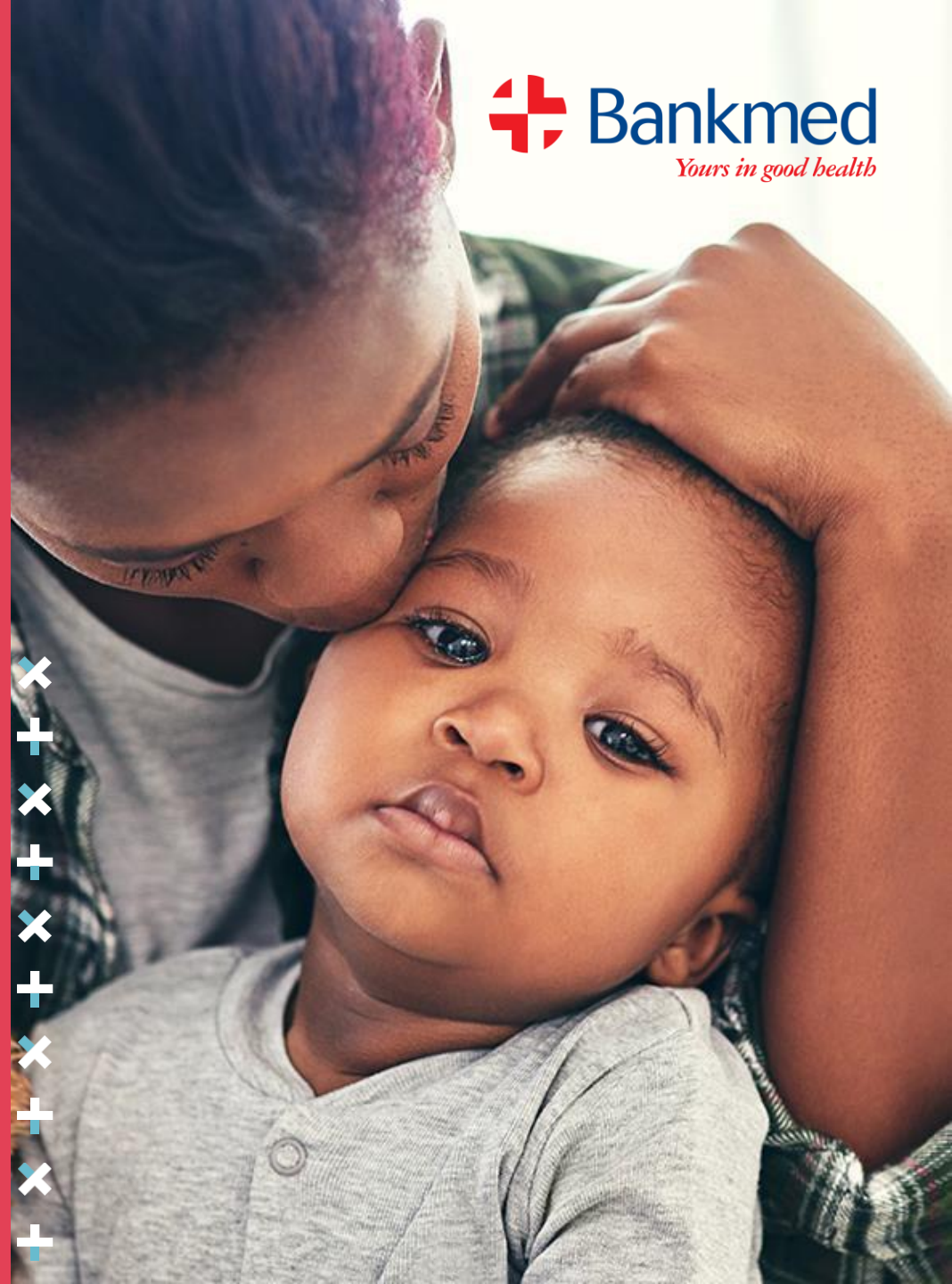
Member-centric philosophy of Bankmed

Employer Group requests

Maternity and New-born

Maternity and New-born | T21 Test

- The Non-Invasive Prenatal Test (NIPT) approved as a benefit enhancement for 2019, is a valid screening test for chromosomal abnormalities namely T13, T18 and Downs Syndrome;
- The T21 test which is also a non-invasive test is able to detect Downs Syndrome (DS) in early pregnancy;
- DS is the most common chromosomal abnormality. The T21 test is specific for DS;
- Clinical entry criteria, clinical protocols and guidelines will apply



Maternity and New-born: Baby and Me Programme: Basket of Care Enhancement

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- The Maternity Basket of Care applies to pregnant female members on the Core Saver, Traditional and Comprehensive Plans. Currently the following benefits are within the basket:
  - Five antenatal consultations
  - Two 2D ultrasounds
  - R1 500 per pregnancy for antenatal and postnatal classes
  - Pathology at 100% of Scheme Rate, subject to the Baby-and-Me approved Basket of Care
- The basket will be enhanced with an additional consultation and an additional 2D scan

Chronic Cover

Chronic Cover for Interstitial Lung Fibrosis | Comprehensive and Plus Plans

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- Interstitial Lung Fibrosis (ILF) is a severely debilitating condition and complications can be life-threatening and include heart and lung failure;
- Currently members access medication for ILF from their acute benefit;
- As of 1st January, the list of chronic conditions covered on the Comprehensive and Plus Plans will be enhanced by providing chronic cover for Interstitial Lung Fibrosis (ILF);
- Clinical entry criteria, clinical protocols and guidelines will apply

Value Based Contracting

Spinal Care Programme

Discovery Health has seen an **8%** increase in spinal surgeries over the past 4 years. Of those beneficiaries who underwent spinal surgery, **40%** received suboptimal conservative care interventions in the year prior to surgery. The hospicentric approach to the management of back pain is a global problem.

The following excerpt from the World Health Organization acknowledges the issues faced: *it is estimated that **28%** of healthcare for low back pain in Australia and **32%** in the USA was discordant with clinical guidelines. There is no robust evidence of benefit for spinal fusion surgery compared with non-surgical care for people with low back pain associated with spinal denegation, however, over the period of 2004-2015, elective spinal fusion surgery in the USA increased by **62.3%***

Spinal Care Programme

- An integrated approach that includes a conservative care programme and network, together with Spinal Care Centres of Excellence (COE);
- Conservative Care Programme
  - Targeted at members who have had multiple consultations with a diagnosis of back pain, have been admitted for medical treatment for back pain or who are referred by their neurosurgeon or orthopaedic surgeon;
  - Members on the programme will receive a course of physiotherapy by physiotherapists trained in the conservative treatment of back pain and supervised by a specialist.
- Spinal Surgery Centres of Excellence
  - COEs have a lower risk adjusted length of stay, cost per event and readmission rate

Digital/Remote Healthcare

Virtual House Call | GPs

- Rationale: reach out to high risk or vulnerable patients with chronic conditions in order to ensure that they are optimally managed in the out-patient setting;
- The COVID-19 pandemic has resulted in a dramatic drop in the number of admissions. Provided an opportunity to shift care to the out-of-hospital setting while protecting and enhancing quality of care. This dynamic is particularly relevant in the SA private sector where care is biased towards costly in-hospital care;
- This initiative entails proactively reaching out to “at risk” members who might be inappropriately rationing care due to the pandemic, with the aim of preventing disease exacerbations and serious admissions.

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Virtual House Call | GPs

Eligibility

- All members registered for the Chronic Illness Benefit or HIV Programme will have access to the benefit;
- Bankmed GP Network and/or Premier Plus Network GPs;
- High risk members: defined as members with a predicted high risk of admission and where an intervention is reasonably expected to prevent the admission.

GP Role

- A list of high risk members will be loaded against the GP's profile on HealthID;
- The GP will proactively reach out to high risk patients and set up time for a virtual house call. GP will be provided with a script to follow to ensure optimal outcomes from the consultation.

Health Quality Assessment (HQA)

Health Quality Assessment

- Benchmarking exercise in the funding industry
- Highlights key quality issues in the SA medical scheme industry
- Drives improvement in the delivery of evidence-based medicine
- 18 schemes participated in 2020 HQA from 7 different Administrators
- Comprised of 91 benefit options
- Represented 7,02 million beneficiaries (78,68% of the medical scheme population)
- 174 Indicators in four categories are evaluated, namely:
    1. Prevention and Screening
    2. Hospitalisation
    3. Maternity and New-born
    4. Chronic Disease Management

Definition of Quality

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Agency for Healthcare Research and Quality (AHRQ) defines quality as

"the degree to which healthcare services for individuals and populations increase the likelihood of desired health outcomes and are consistent with current professional knowledge".

Bankmed compared to Industry | 2020

Primary Care (Including Screening)

	Indicator	Bankmed	Industry	Benchmark
Prevention	Flu vaccine coverage > = 65years (%)	**29.84%**	18.47%	44%
	Pneumococcal vaccine coverage ≥ 65 years old (%)	**15.62%**	5.12%	N/A
Screening	Cervical Cytology coverage (previous 3 years) (%)	**39.36%**	31.37%	70%
	Mammogram coverage (ages 50-74 years in previous 2 years) (%)	**33.60%**	21.05%	67%
	Bone densitometry coverage for all females aged 65 years or older (%)	**14.16%**	6.90%	N/A
	Colorectal cancer screening ≥ 50 years in previous year (FOBT, %)	**1.42%**	0.91%	N/A
	Percentage of beneficiaries ≥ 2 years old visiting dentists	**27.95%**	19.64%	N/A

Bankmed compared to Industry | 2020

Chronic Disease Management

	Indicator	Bankmed	Industry	Benchmark
Diabetes	HbA1c coverage for Diabetic patients (%)	**60.87%**	60.52%	67.2%
	Cholesterol related tests coverage for Diabetic patients (%)	**55.92%**	53.36%	87%
	Monitoring Nephropathy for Diabetic patients (%)	**66.68%**	66.08%	95.7%
	Podiatrist cover (%)	**6.34%**	3.74%	68.5%
	Statin coverage (%)	**69.88%**	62.13%	80.6%
	% of Hypoglycaemia related hospital events	**0.31%**	0.60%	N/A
	Lower Limb amputations per 1 000 diabetics	**2.16**	3.17	N/A

Bankmed compared to Industry | 2020

Chronic Disease Management

	Indicator	Bankmed	Industry	Benchmark
Ischaemic Heart Disease	Aspirin coverage for IHD beneficiaries (%)	**87.91%**	73.62%	88.6%
	Cholesterol test coverage for IHD beneficiaries (%)	**55.18%**	48.68%	88.9%
	Statin Coverage for IHD beneficiaries (%)	**85.33%**	77.94%	N/A
	Beta blocker coverage	**59.00%**	51.81%	90%
	Flu coverage of IHD registered beneficiaries	**29.52%**	19.00%	39.1%
Asthma	Lung function test coverage	**12.26%**	8.45%	N/A
	Flu vaccine coverage	**19.98%**	13.72%	45.1%

Bankmed compared to Industry | 2020

Chronic Disease Management

	Indicator	Bankmed	Industry	Benchmark
Cardiac Failure	Flu vaccine coverage (%)	**28.78%**	17.37%	N/A
	ACE & ARB inhibitor coverage (%)	**66.76%**	62.85%	N/A
Depression	10 day post discharge follow up (%)	**16.27%**	15.41%	N/A
	30 day post discharge follow up (%)	**25.00%**	22.37%	N/A
	Multiple admissions for Depression	**1.12%**	0.73%	N/A
COPD	Flu coverage for COPD beneficiaries (%)	**35.53%**	25.45%	45.6%
	Lung Function test coverage for COPD beneficiaries (%)	**30.06%**	23.62%	36.2%
	COPD beneficiaries admitted once for respiratory condition (%)	**12.92%**	17.10%	N/A
	COPD beneficiaries admitted more than once for respiratory condition (%)	**2.88%**	5.34%	N/A

Bankmed compared to Industry | 2020

Hospitalisation

	Indicator	Bankmed	Industry
Cardiac Procedures	Stents	**1.22**	1.23
	Average length of stay for all cases (days)	**4.30**	4.35
	Readmission for any reason within 30 days	**8.04%**	11.03%
Spinal Surgery	Number of spinal fusion cases per 1 000 beneficiaries	**1.33**	1.42
	Average length of stay (days)	**6.91**	7.22
	Readmission rate within 30 days (% of total admission)	**5.60%**	7.50%

Bankmed compared to Industry | 2020

Maternal and New-born

	Indicator	Bankmed	Industry
Maternal and New-born	Number of Teenage Pregnancy (10-19 years inclusive) cases per 1 000 teenage beneficiaries	**1.69**	3.23
	TSH Coverage in New Borns (≤ 6 weeks old) (%)	**92.20%**	80.13%
	Hepatitis B serology coverage during pregnancy	**69.52%**	44.89%
	HIV Screening during pregnancy	**76.03%**	50.89%
	Haemoglobin (Hb) test coverage during pregnancy	**90.16%**	76.83%
	Caesarean Section rate	**74.35%**	74.55%

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Bankmed compared to Industry 2020

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3 Year View: Bankmed compared to Industry schemes average score

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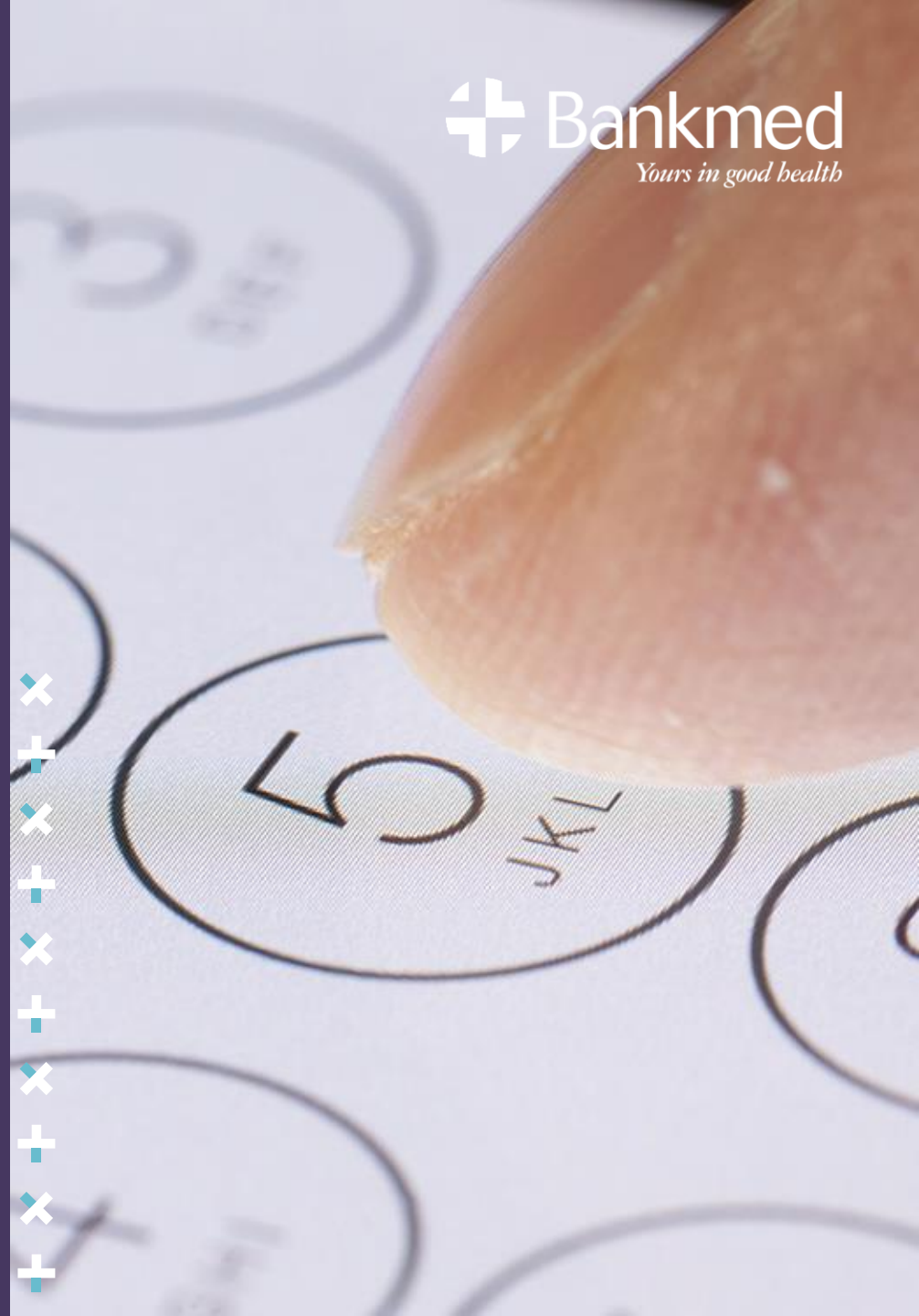

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Thank you

Q&A

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