

AN

This serves to confirm that we strongly object to the discontinuation of GAP cover for the following reasons:

- GAP cover does not compete with a Medical Aid but enhances the benefits. Hospital insurance does compete directly with medical aids and should be strictly regulated.
- Due to the **exorbitant rates** being charged by some practitioners, cover provided by the Medical Aids leaves a **financial shortfall**. **These shortfalls are unaffordable** except for the very affluent. These are the shortfalls that are catered for by GAP cover.
- GAP cover is therefore an **integral part** of making adequate financial provision for the shortfalls for in-hospital expenses.
- If a short term insurance product can provide the required cover, just as motor insurance, why should we not have the **democratic right** to cover the risk of having to pay for excessive in-hospital expenses?
- It is our **constitutional right** to decide where and how we spend our money to make provision for our current and future financial needs and expenses.
- In a free democratic society, we must have options to be able to provide for, and take care of our **financial needs**, which include medical expenses shortfalls, without undue restrictions.
- Should GAP cover be discontinued, the question begs: **how are the vast majority of patients going to pay their bills?** What assets such as investments for their retirement, will have to be sacrificed to pay for these bills?
- If GAP cover is not available, many people will have to go into **debt** to pay their medical bills, which in turn will ensnare them in a downward spiralling debt crisis.
- Government has an **obligation to encourage** and allow the private sector and Insurers to create and provide affordable health packages for the vast majority of South Africans who cannot afford medical aid or the abovementioned shortfalls.
- Should GAP cover fall away, people will not undergo **necessary** medical procedures, which will in turn reduce the level of health in the country, placing a huge burden on the Government in due course.
- Rather than discontinuing GAP cover, legislation should be passed to prevent practitioners from charging exorbitant rates which are sometimes more than 5 times the Medical Aid tariff rates.
- Medical practitioners ask patients to declare if they GAP cover. Whether a patient does or does not enjoy GAP cover is a confidential matter, and as such should not be questioned by the practitioner providing the service, enabling such practitioner to increase rates. This is an unacceptable general practise amongst medical practitioners.

Signed at Gillitts this 23rd day of April 2012.