

14/03/2012

ATTENTION: NATIONAL TREASURY

THE IMPACT OF THE DRAFT REGULATIONS ON HEALTH INSURANCE

Dear Sir / Madam

Should Government decide to ban Gap Cover more than 50% of my clients that are hospitalized will be placed under Debt Counselling as they would not be able to afford the short fall payments which Gap cover insurance now caters for?

It is my contention that Gap cover dose not influences the option choices of medical scheme members; this choice is driven by purely economic factors.

Gap cover can only be purchased by medical scheme members and not as a stand-alone product so in no way can gap cover on its own be seen as doing the business of a medical scheme.

If draft regulations are passed in their current form, it will be a contradiction of what the government says they are trying to do; a total antithesis of helping those poor people whom they claim to want to help.

Based on the above I would ask that you not go ahead with the proposed legislation.