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07 March 2012

Subject: Draft Regulation: Health and Accident Policies

Dear Sir

Thank you for providing a portal for the public to express their view.

This letter is in response to the draft regulation on Health and Accident policies released on Friday, 02/03/2012. I can appreciate the attempt to improve the healthcare environment, however, I wish to express my opinion that the proposed regulation is completely ludicrous. My reasoning is based on the below.

"Gap Cover" as such, works in conjunction with a medical in providing shortfall cover, commonly associated with specialists rates, co-payments and limited benefits. Gap Cover members all have to have medical aids in order to take out a policy. Therefore members will not migrate away from schemes.

Different products in the market such as hospital cash payout insurance, providing a lump sum benefit may cause people to migrate away from medical aids, however that is a different benefit / policy of cover and should be addressed separately.

I would also like to question the reference made for to HIV AIDs – why are other life threatening conditions such as PMB not made reference to? Does your research findings conclude HIV AIDS is more important than the rest.

Gap Cover forms a vital place in the market and removing the benefits would cause thousands of members to be out pocket. Surely the growing number of Gap Cover providers in the industry indicates this very principle.

In our Democracy, freedom of choice right, nobody has forced additional health insurance upon members, and taking the benefit away would be exposing members to a potential financial loss. And, without providing members with a replacement solution, I deem that to be unconstitutional.

As a Gap Cover member, I see huge benefit in the cover and I will out rightly oppose this draft regulation, and encourage all people to do so

I trust you will find the above of use.

Regards,