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With regards to the draft regulations of health insurance products, I would like to formally lodge my objection.

Gap Cover has assisted my family with two specific shortfalls in the past few years. Without it, my family would have been seriously affected financially. This included hospitalisation when my wife had had our baby and thereafter, hospitalisation of our baby.

The argument that being on a higher Medical Aid plan to cover costs sufficiently, is not necessarily viable. Although GAP cover generally only covers in hospital procedures, please take note of the following example:

My wife is on chronic medication for affective disorder. Her medication costs between R500 and R600 per month. The Medical Aid option we are currently on does not cover any of her medication, it gets deducted from our MSA (Medical Savings account). Upgrading to a higher plan will cover the medication – however – this will cost an **additional** R1000 per month, therefore it is not viable for my family to upgrade our Medical Aid Option.

Doctors also still charge typically between 300 and 500% above Medical Aid rates. Again, upgrading to a higher plan would still have left us seriously out of pocket for the hospitalisation periods mentioned above.

Secondly, the statement that Medical Aids do not discriminate against age and health is **incorrect**. Medical Aids also have waiting periods for pre-existing and chronic conditions, for examples heart conditions, asthma etc. Older clients that have to cease their medical aid cover, even if due to retrenchment, face penalties for rejoining a few months to a year later. How can this be deemed fair?

GAP cover on the other hand, covers the entire family for one premium (one premium fits all approach). Waiting periods that apply are the same as the Medical Aids. Contrary to Treasury's thinking, I have never heard of clients being turned away or refused cover, due to a chronic conditions etc.

Thirdly, GAP Cover in no way replaces Medical Aids. One HAS to have a Medical Aid in order to take out a GAP cover policy. In general, many Medical Schemes have so many loop holes and things they say they cover but do not, that I know of many people who refuse to take out MEDICAL AID. Having the option of taking out a GAP cover policy in ADDITION TO their Medical Aid, gives many people peace of mind to take Medical Aid in the first place.

In closing, shutting down GAP cover will not solve the problem. There needs to be a regulation to ALL involved – Medical Aids and what they pay out as well as Doctors and what they are charging.

Kind Regards