



Medscheme: Contributions & Debt SPN
Stakeholder Engagements 2023

CONTENTS



Overview

- ✓ Calculation of Contributions
- ✓ Updating of Member contact details
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Contributions

Persal: Updating biographical information



- **Updating members biographical information**
 - All member contact details e.g., cell phone number and postal address need to be accurate and up to date
 - This ensures that members receive all important information from the Scheme in time
 - Members will be informed and contacted on an ongoing basis
 - Member's salary information
- **Member education**
 - Members should be aware of the components that are considered when calculating their contribution i.e., income, salary structure, number of dependents, age of dependents
 - Collection of arrear contributions, payment arrangements

GEMS OPTIONS



GEMS has six different options that members could choose to belong to:

- ✓ Tanzanite One
- ✓ Beryl
- ✓ Ruby
- ✓ Emerald value
- ✓ Emerald
- ✓ Onyx

Tanzanite One



Salary Band	2023 Contributions		
	Principal Member	Adult Dependent	Child Dependent
R0 – R10 170.00	R1 245	R984	R536
R10 170.01 - R14 272.00	R1 305	R1 046	R578
R14 272.01 - R24 449.00	R1 388	R1 099	R612
R24 449.01 +	R1 624	R1 374	R778

Beryl



2023 Contributions

Salary band	Principal Member	Adult Dependant	Child Dependant
R0 – R10 170.00	R1 405	R1 401	R788
R10 170.01 - R14 272.00	R1 524	R1 512	R869
R14 272.01 - R24 449.00	R1 663	R1 663	R933
R24 449.01 +	R1 997	R1 997	R1 133

Ruby



2023 Contributions

Salary band				Savings			Total		
	PM	AD	CD	PM	AD	CD	PM	AD	CD
R0 - R15 316.00	R2 322	R1 743	R899	R581	R436	R225	R2 903	R2 179	R1 124
R15 316.01 - R26 451.00	R2 587	R1 945	R1 008	R647	R486	R252	R3 234	R2 431	R1 260
R26 451.01 +	R2 865	R2 159	R1 109	R716	R540	R277	R3 581	R2 699	R1 386

Please note: MSA contribution has been increased by 5% to 25%

2023 Contributions

Salary band	Principal Member	Adult Dependant	Child Dependant
R0 - R15 316.00	R3 246	R2 474	R1 205
R15 316.01 - R26 451.00	R3 592	R2 777	R1 350
R26 451.00 +	R4 027	R3 088	R1 506

Emerald Value



2023 Contributions

Salary band	Principal Member	Adult Dependant	Child Dependant
R0 - R15 316.00	R2 717	R2 076	R1 010
R15 316.01 - R26 451.00	R3 007	R2 331	R1 133
R26 451.00 +	R3 369	R3 590	R1 262

2023 Contributions

Salary band	Principal Member	Adult Dependant	Child Dependant
R0 - R15 316.00	R5 627	R4 309	R1 692
R145 316.01 - R32 635.00	R5 857	R4 459	R1 838
R32 635.01 +	R6 323	R4 860	R1 051

Continuation after Retirement



The employer shall continue to provide medical assistance if an employee:

- ✓ Leaves the public service because of retirement (including early retirement), death or dismissal on account of incapacity due to ill health or injury;
- ✓ Please note that qualification for a PRMA is not a requirement for continuation with membership.
- ✓ 6 months prior education:
- ✓ Potential pensioners is identified 6 months prior to retirement and contacted to educate on the process for continuation.
- ✓ Retirement notifications is received monthly via the PERSAL files and members is contacted to confirm continuation and educate on the process.
- ✓ After confirmation of continuation the member will be transferred to a pensioner pay point.

REQUIREMENTS TO QUALIFY FOR PRMA



The employer shall continue to provide medical assistance if an employee:

- ✓ Has attained at least 50 years of age
- ✓ Has at least 15 years of actual service; and
- ✓ Remains a principal member of a registered medical scheme for 12 months immediately before the date he/she leaves the public service
- ✓ Should member take a lump sum pay out, he/ she will not qualify for a PRMA

A common Law spouse could qualify for subsidy, if the below criteria is met:

- ✓ Lobola letter or
- ✓ Proof of marriage according to religious tenet or
- ✓ Proof of life partnership approval by GEPP or
- ✓ Life partner application

Please note that the subsidy application can only be processed once the pension application is finalized.

Determination and Directive for PRMA



With effect from the 1st January 2023 the new dispensation will be calculated as follows:

- ✓ 75% to a maximum of R1,701.00 for member
- ✓ 75% to a maximum of R3,402.00 for member with dependants
- ✓ Where members where on salary level 1-5 upon retirement they might qualify for 100% subsidy up to a maximum of R3,402.00 upon retirement.

Contributions Payable by Pensioner Members



The member will be provided with three (3) options upon deciding to continue with membership as a pensioner

- ✓ Paying the full contributions until the PRMA is approved.
- ✓ Pay an assumed member share amount (PRMA will be assumed as per the subsidy structure and dependent on the PMRA criteria as stipulated in slide 2).
- ✓ Opts for a three (3) month grace whereby the member contributes R0.00 per month. Member will sign a consent form to pay all contributions once off upon debt reaching 90 days. (Dependent on the PMRA criteria as stipulated slide 14)

NOTE 1: The member will be required to choose an option telephonically, as well be provided with an acknowledgement of debt form to be completed.

NOTE 2: If the member won't qualify for subsidy and they must be informed that they are liable to pay the total contributions.

Debt Management Policy



The purpose of this section is to provide an overview of the GEMS Debt Management policy.

Contribution Debt

The administrator collects contributions on behalf of the Scheme and the majority of members are active government employees paying contributions via PERSAL.

Member contributions are also received from Government Employee Pension Fund and admitted employer payrolls. Provision is also made for **debit order deduction and cash payments** where the contribution is not paid by the employer. Suspension of members will only take place after administrator or Paypoint failure has been excluded and sign off has been given.

Bank	First National Bank
Account Number	62094049593
Account type	Corporate Cheque Account
Branch Code	201109
Branch	Cape Town
Reference	Member Medical Aid Number

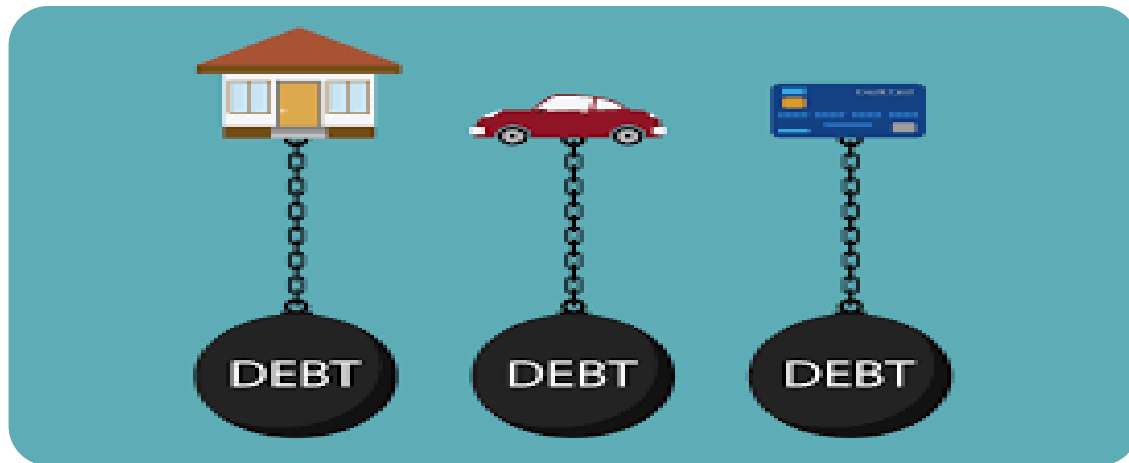
When does GEMS Suspend / Terminate

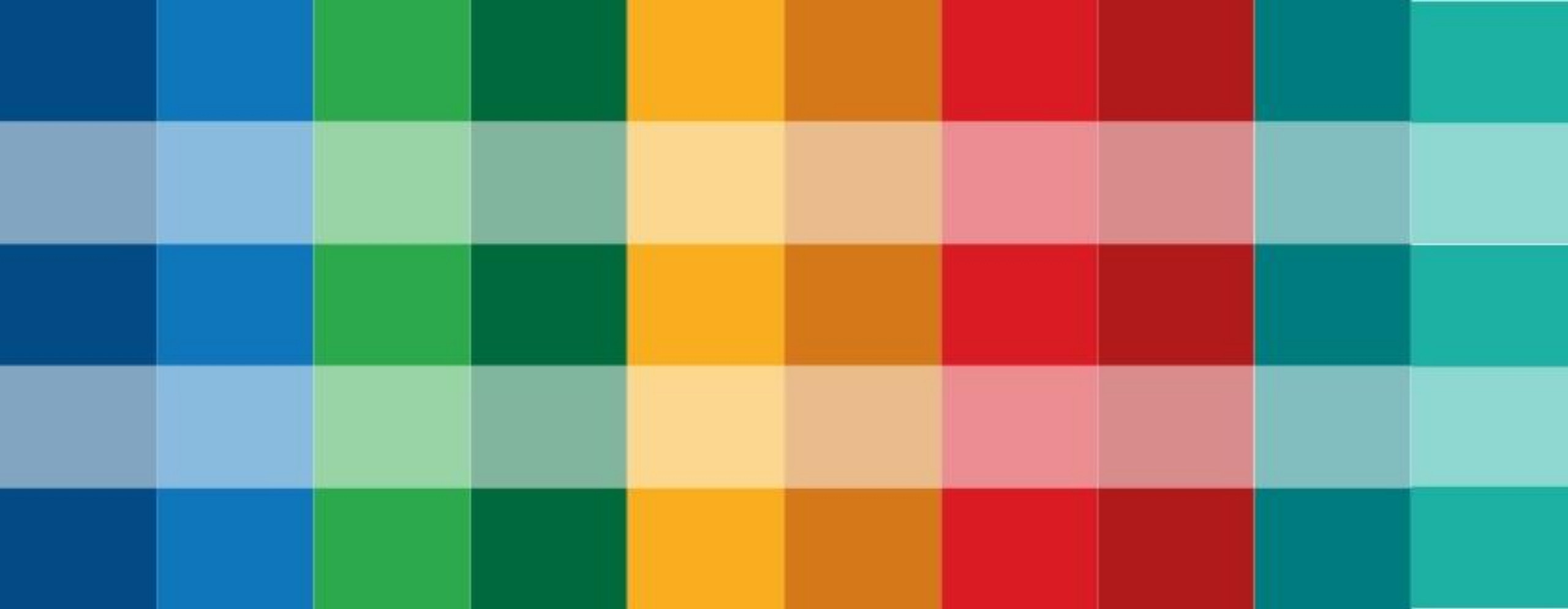


Age Category	Active	Action
0 - 30 Days	Active	No action. Inform member in writing /email AND SMS (inclusive of contribution statement) 30 days after contributions are due.
31 - 60	Suspended	Suspend Benefits.(if not pay-points/admin related) Notify member in writing/email AND SMS 60 days after contributions are due. Inform member telephonically and advise of suspension.
61 - 90	Suspended	Keep benefits suspended. Send notice in writing/email AND SMS 90 days after contributions are due. Inform member telephonically and advice that membership is suspended and will remain suspended until the full outstanding amount is received within the repayment guidelines.
91 - 120	Resigned	Terminate Membership. Notify member in writing /email AND SMS and inform member of intent to list with National Credit Bureau 120 days after contributions are due. Inform member telephonically and advise of termination of benefits.
120 +	Resigned	List the member with Credit Bureau as per applicable credit legislation. Hand-over of debt to debt collecting agency.

Repayment guidelines

Debt value	Member debt guideline
< R620	No terms
R621 – R1,900	3 months
R1,901 – R3,700	6 months
R3,701 – R5,000	9 months
R5,001+	12 Months





THANK YOU

