



Member Newsletter

DEAR HERITAGE HEALTH MEMBERS

The year has started with positive expectations and hope for recovery. We should however give a cautionary note from the on-set. As was advised in the previous newsletter, the overall Namibian healthcare funding industry is still facing tremendous challenges which are posing huge risks to all the Medical Aid Funds. Heritage Health, being the smallest player in the industry, is affected more adversely and there has to be concerted efforts to stem the tide of the rising post Covid-19 healthcare costs.

Historically, Heritage Health product benefits were extremely rich for a fund of its size and financial capability. Coupled with this, the Fund's product portfolio did not cater to the more price sensitive entry level market which placed a limit on the Funds numerical growth and contributed to a higher average age profile. This along with the reputational and financial impact of the long running court cases contributed to the Funds gradual decline over the last four years. Regrettably, Namfisa's actions, as the November 2022 Supreme Court ruling confirms, accelerated the Funds decline.

The Fund was therefore very vulnerable when the post-Covid 19 high claims trend occurred during 2022. An extreme intervention is therefore required to change the Funds prospects for the better. To this end, the Fund leadership has implemented a number of initiatives and product features;

- Reduced product overall annual limits to be in line with Namfisa expectations
- Introduced more product benefit sublimits and procedure copayments
- Introduced NAMAFA and competitor benchmarked benefit rates
- Introduced appealing entry level products
- Introduced a drive to make use of generic medication
- Raised premium rates to be in line with health inflation

The above-mentioned interventions should provide the Fund with an opportunity to recover provided the members and service providers remain to be supportive of our efforts. We urge members to remain loyal while we work on the Funds recovery.

HERITAGE HEALTH COURT CASES

As per the update done in the 2022 year end message, the Fund has been going through two major court cases, both of which we have been defending vigorously, The progress to date is as follows:

1. Namfisa // Heritage Health supreme court appeal

The appeal case judgement was handed down in November 2022 and we are pleased to announce that the Fund was successful.

Contrary to the messages placed in the print media by Namfisa, according to our legal teams interpretation of the judgement, the Fund does not have to pay out the Namfisa imposed refunds for what was termed "unapproved products".

As such, the financial position of the Fund should improve going forward. As a result, we look forward to resolving the outstanding debts with some of our service providers. We have managed through negotiations to keep our members' costs covered and with this good news, the situation should improve. Thank you for your patience thus far.

2. Namfisa // Heritage Health : High Court application for liquidation

As was reported previously, the High Court application by Namfisa to liquidate the Fund due to issues of low solvency margins of the Fund was heard on the 18th October 2022. Counsel for both parties presented their arguments before the High Court Judge. The case was postponed to the 10th March 2023 for delivery of the judgement.

We still await the handing down of the judgement and will update you of the outcome as soon as we receive same. We remain optimistic and anticipate a favorable judgement.

3. 2023 Fund AGM

During the 2022 AGM a quorum could not be obtained. Medical Aids are member "owned" entities and therefore require well attended AGMs to allow decisions to reflect the collective will of the members. This year's AGM will be an opportunity to not only discuss the court rulings but also the Fund's future. More information about the AGM will be provided in due course. We request that you avail yourself to attend this year's AGM.

IMPORTANT INFORMATION

Chronic Medication:

Members should inform the Fund about their chronic conditions by submitting a chronic script to the Fund as soon as a healthcare provider has made the diagnoses. Chronic medication is paid subject to the available benefits as indicated under each benefit option. If the Fund is not informed about the members chronic conditions and respective medications, the medications will be incorrectly paid from the acute medication benefit.

Generic Medication Drive:

Historically the Fund paid all medication at cost with no levy charged for generic medication and a minimal levy charged for branded medication. Given that the Funds average age is 60 years and that aged members use more chronic medication; that coupled with the fact that less than half of the members use generic medication, the Funds pharmaceutical claims have become unsustainable.

Generic medication is just as effective as branded alternatives. We have therefore introduced a strong drive to make greater use of generic medication. The new co-payment structure is designed to encourage members to make use of generic medication which is more affordable and will assist the Fund to recover financially. A 51% levy will therefore apply to all branded medication and a 30% levy to the use of generic medication. Please ask your service provider to prescribe generic medication to save both you and the Fund money.

Authorisation:

Heritage Health members must obtain pre-authorisation before any major medical treatment, all planned or emergency hospital admissions, specialized radiology or selected procedures.



FEBRUARY: INTERNATIONAL CANCER PREVENTION MONTH

Cancer is a disease caused when cells divide uncontrollably and spread into surrounding tissues. Cancer is caused by changes to DNA. Most cancer-causing DNA changes occur in sections of DNA called genes. These changes are also called genetic changes.

The most common cancers in the world

- breast
- lung
- colon and rectum
- prostate
- skin (non-melanoma)
- stomach



A cancer risk factor is anything that increases a person's chance of getting cancer. Yet most risk factors do not directly cause cancer. Some people with several risk factors never develop cancer. And others with no known risk factors do.

It is important to know your risk factors and talk about them with your health care team. It will help you make better lifestyle choices to improve your health. This information could also help your doctor decide if you need genetic testing and counseling.

General risk factors for cancer include:

- A personal or family history of cancer
- Using tobacco
- Obesity
- Alcohol
- Some types of viral infections, e.g. human papilloma virus (HPV)
- Specific chemicals
- Exposure to radiation, including ultraviolet radiation

7 steps

 you can take to help prevent cancer

1. Avoid chemicals that cause cancer
2. Eat a healthy diet
3. Maintain a healthy weight
4. Avoid tobacco and alcohol
5. Get 30 minutes of activity five days a week
6. Protect your skin
7. Stay up on cancer screenings



FUN FACTS

Laughter is good for your heart.

It's well known that laughter can be a valuable coping tool for those suffering from medical conditions. But according to one 2016 study published in The Journal of Epidemiology, it could also directly contribute to a healthier heart. Among male and female study subjects over the age of 65, those who reported laughing daily had drastically lower rates of cardiovascular disease and stroke.

On behalf of Heritage Health and the Board members, we thank you for choosing us and trusting us with your health.

Ms V Muchero

Ms V Muchero
Principle Officer: Heritage Health

Public Holidays for the 1st Quarter:

- Independence Day 21 March
- Good Friday 7 April
- Easter Monday 10 April

Please note our office hours are :

Monday - Friday 7H30 - 16H30

ANY QUESTIONS OR QUERIES?

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