

Abuse of Prescribed Minimum Benefits regime “disingenuous”, says Council

The Health Professions Council of South Africa (HPCSA) has warned practitioners against abusing the prescribed minimum benefits regime to extract the maximum payments from clients by charging its upper ethical tariffs for these services.

“It has come to our attention that a few practitioners appear to be abusing the Prescribed Minimum Benefits regime by charging patients (and therefore their medical schemes) at the highest HPCSA ethical ceiling tariff, knowing fully well that medical schemes are obliged by law to honour claims at this level of benefits,” says HPCSA Registrar, Adv. Boyce Mkhize. “This is disingenuous and we will not hesitate to act if such practices are found to be true.”

“We wish to reiterate once again that the HPCSA ethical tariff is not the yardstick upon which billing practices should be based but rather a ceiling to guide the HPCSA in determining whether or not a practitioner could be said to have over-charged a patient.”

The Registrar confirmed Council’s previous statements that practitioners may charge up to this tariff on condition that they obtain prior and informed patient consent whenever they intend to charge above the rate at which the medical schemes normally reimburse their clients.

“The HPCSA has reason to be concerned if the healthcare compensation systems are abused to the detriment of the patient as may be evidenced by the ever escalating healthcare costs. We therefore urge practitioners to ensure that they charge at the HPCSA ethical tariff ceiling ONLY with the informed consent of the patient, even in cases of Prescribed Minimum Benefits.

“Should we establish that practitioners abuse the system, for instance where they would charge a medical aid rate for other procedures or category of benefits and change their billing when it comes to Prescribed Minimum Benefits, we would not hesitate to take appropriate disciplinary measures,” he warned.

PIASA elects new president and management council

Ashley Pearce, CEO of Schering-Plough, has been elected President of the Pharmaceutical Industry Association of South Africa (PIASA). Pearce has over 22 years’ experience in the pharmaceutical industry, having worked for multinational companies in South Africa, the United States and the United Kingdom. He was elected to the Executive Committee of the former Pharmaceutical Manufacturers’ Association (PMA) in 2004 and to the President’s Council in 2005.

PIASA is an industry body established in November 2006 with a broad representation of both foreign multinational and local pharmaceutical companies, drawn from the former PMA membership and local/generic manufacturers. PIASA’s objective is to safeguard the interests of members with the goal of promoting a favourable environment for the provision of quality medicines, with the ultimate aim of saving lives and improving the quality of life for all South Africans.

Also elected to the new Management Council are Karim El-Alaoui: General Manager: Pharma, GlaxoSmithKline South Africa, and Dr Jonathan Louw: CEO, Adcock Ingram.

Member companies elect a new executive each May and the new strategic committee heads are as follows:

- Communications - Richard de Chastelain: Country Division Head Southern Africa, Bayer Schering Pharma.
- Generics / Local Manufacture - Dr Jonathan Louw: CEO, Adcock Ingram.
- Government Affairs / Policy - Ashley Pearce: CEO, Schering Plough.

Medscheme Health wins PMR award for excellence



Medscheme Health was recently presented with the Professional Management Review’s Silver Arrow Award for overall excellence in the medical scheme administrator category.

This is the first time Medscheme has won a PMR award for excellence in this category. In 2006 Medscheme’s managed care arm, Medscheme Health Risk Solutions (formerly Solutio), won 12 PMR awards for excellence in the managed care category.

The PMR awards are a celebration of excellence and contribution by South African companies in various business categories and are based on an annual research survey conducted with over 30 000 top decision makers in South African business. Companies in the Medical Aid Administration category were measured on: Product Offering, Value Added Innovation, Accessibility, Problem Solving, Speed of Service, Reliability, Communication, Cost Controllability, Administration and IT systems. Medscheme Health was rated as one of the top providers of Medical Aid Administration.

Medscheme operates on a business model which provides a multi-scheme administration solution with the inherent flexibility to administer any benefit design specified by the schemes’ Boards of Trustees. At present Medscheme administers 15 closed schemes and 3 open schemes.

“Medscheme’s dedicated call centres and client liaison officers means that we can offer a member-centric focus, which is inherent to our philosophy of outstanding service. This, coupled with the unique offering and actuarial expertise of our managed care arm, Medscheme Health Risk Solutions, allows us to offer an integrated solution to best service our customers needs.”

Medscheme recently announced a new monolithic brand which resulted in the restructure of its health and financial services business into three separate operating divisions under the Medscheme umbrella.

Administration, Solution and MS Financial Services have adopted the names Medscheme Health, Medscheme Health Risk Solutions and Medscheme Financial Services respectively.

- Health Outcomes - Jay Hooghuis: CEO, Wyeth SA.
- Marketing - Deon Vos: Chief Executive, Merck.
- Regulatory & Clinical / IP - Kobus Venter: CEO, Janssen-Cilag.
- Science & Technology - Karim El-Alaoui: General Manager: Pharma, GlaxoSmithKline South Africa.
- Transformation - Dhiren Mehta: CEO, Sekunjalo Healthcare.

“New challenges necessitate a continual review of our priorities and activities,” says Vicki Ehrich, Chief Operating Officer of PIASA. “The dedication of our members who lead the activities of the association on behalf of the broader membership is invaluable in achieving our goals.”

The new PIASA Exco. Back row: Deon Vos, CE, Merck; Dhiren Mehta, CEO, Sekunjalo Health Care; Ralph Klingmann, CEO, Solvay Pharma; Ashley Pearce, CEO,



Schering-Plough; Richard de Chastelain, Country Division Head: Southern Africa, Bayer Schering Pharma; and Kobus Venter, CEO, Janssen-Cilag. Front row: Dr Guni Goolab, CEO, Astra Zeneca; Jay Hooghuis, CEO, Wyeth SA; Karim El-Alaoui, General Manager: Pharma, GlaxoSmithKline South Africa; and Dr Jonathan Louw, CEO, Adcock Ingram.