

The logo for LA Health, featuring the letters 'LA' in a stylized blue font followed by the word 'Health' in a blue sans-serif font.

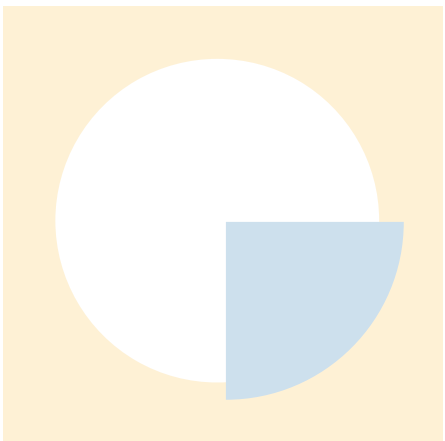
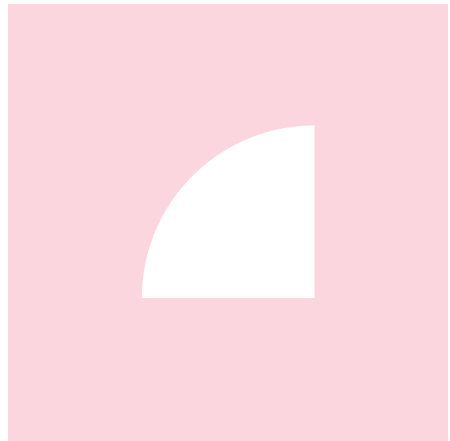
LA Health

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The title '2022 LA CONVERSATIONS' is centered within a large blue rounded rectangle. '2022' is in a light blue font, and 'LA CONVERSATIONS' is in a white, bold, sans-serif font.

2022
LA CONVERSATIONS

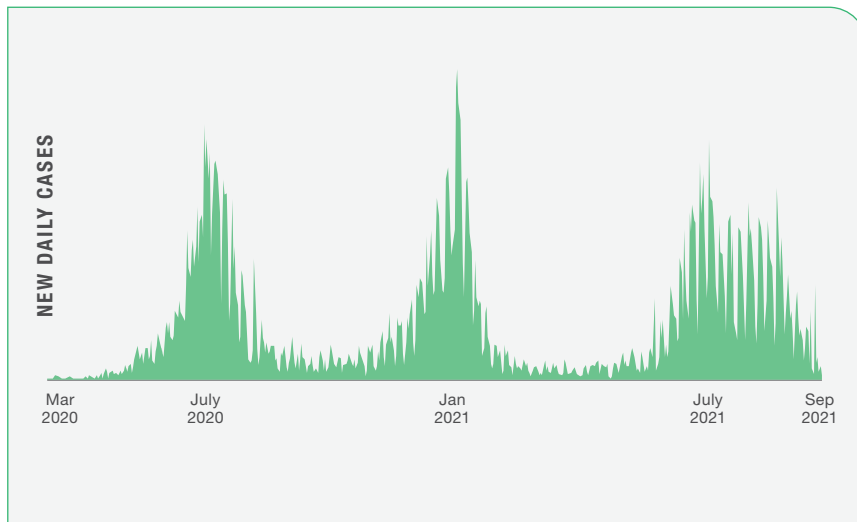
Contents



IMPACT OF COVID-19 ON LA HEALTH MEDICAL SCHEME

COVID-19 has had an unprecedented affect globally and in South Africa. LA Health was quick to launch benefits for COVID-19 screening and testing at the start of the pandemic and member care remains at the forefront of our deliberations as we work to ensure that our members have access to appropriate treatment, care and vaccines. Over the course of 2020 and 2021, the Scheme has provided members with extensive and reliable information and a range of supportive treatments and care while members are both managing and recovering from their COVID-19 infection. LA Health has also been able to offer innovative benefits in the form of virtual consultations, that keep both members and healthcare providers safe, and the proactive funding of pulse oximeters for high-risk COVID-19 positive members at home.

LA Health daily infections



LA Health data to date


 **103 379**
BENEFICIARIES REQUIRING
A COVID-19 TEST

 **3 948**
BENEFICIARIES NEEDING TO
BE ADMITTED TO HOSPITAL

 **878**
BENEFICIARIES WHO HAVE PASSED
AWAY AS A RESULT OF COVID-19

 **23 013**
BENEFICIARIES WHO HAVE
TESTED POSITIVE FOR COVID-19

 **887**
BENEFICIARIES NEEDING ICU
CARE AS A RESULT OF COVID-19

 **39.2%**
OF ELIGIBLE BENEFICIARIES WHO
HAVE BEEN VACCINATED

LA HEALTH MEDICAL SCHEME

member vaccination

PROGRESS

In March 2020, the Council for Medical Schemes declared funding for the COVID-19 vaccine a Prescribed Minimum Benefit, meaning the Scheme funds all COVID-19 vaccinations in full, for all beneficiaries. To date, 39.2% of eligible beneficiaries have been vaccinated at a total cost of over R13 million.

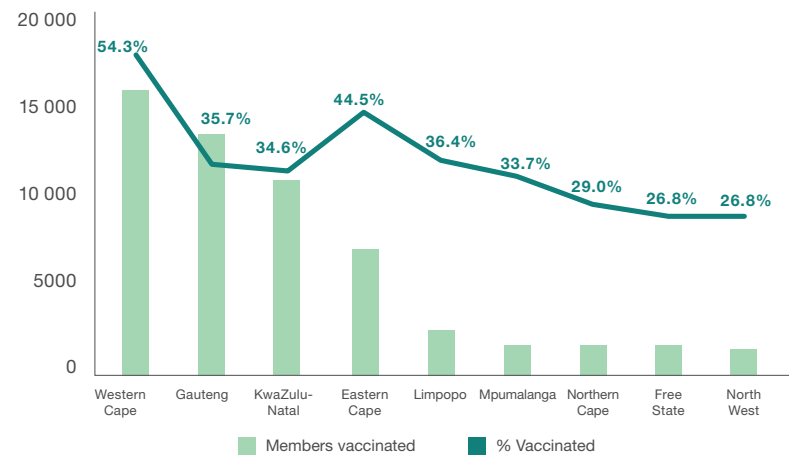
There is clear evidence that COVID-19 vaccines significantly lower the risk of transmission, severe illness and death.

There has never been a more important time for members to protect themselves, their families and their communities.

Percentage of beneficiaries vaccinated by age



Percentage of beneficiaries vaccinated by region



>77 300 VACCINATION DOSES ADMINISTERED

39.2% OF THE LA HEALTH BASE HAVE BEEN VACCINATED



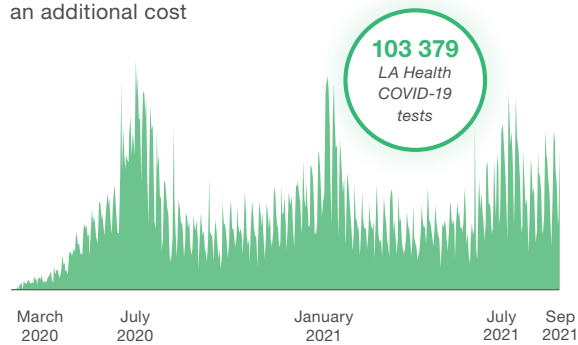
Member vaccination progress

MEMBERS HAVE USED healthcare DIFFERENTLY DURING COVID-19

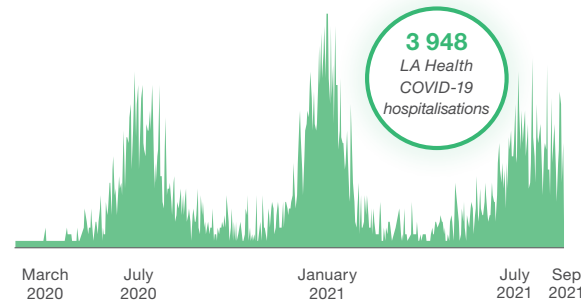
Over the past 18 months there have been increases in the need for COVID-19 related healthcare services, especially during peak periods of infection. These increases in COVID-19 related healthcare claims have been accompanied by a decline in utilisation of non-COVID-19 healthcare, largely due to the postponement of non-urgent hospitalisation and patient aversion to potential risk of infection in some healthcare settings.

Prioritisation of COVID-19 healthcare

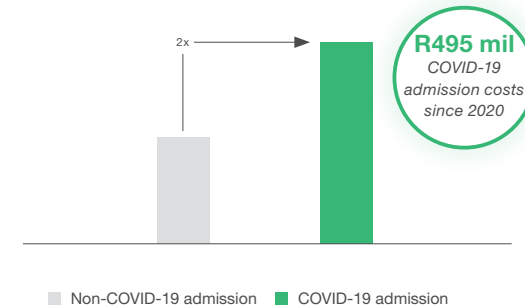
The need for continuous COVID-19 testing has added an additional cost



In-hospital COVID-19 healthcare demands increased significantly during peak infection periods

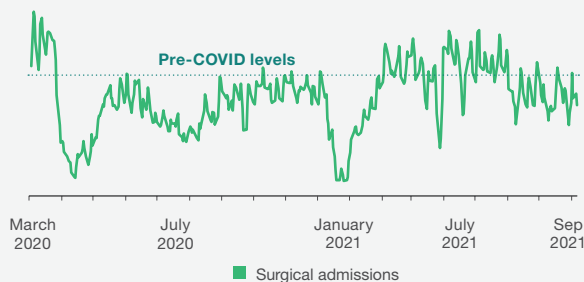


Claims data has revealed the average in-hospital treatment costs for COVID-19 are double that of non-COVID-19 related admissions

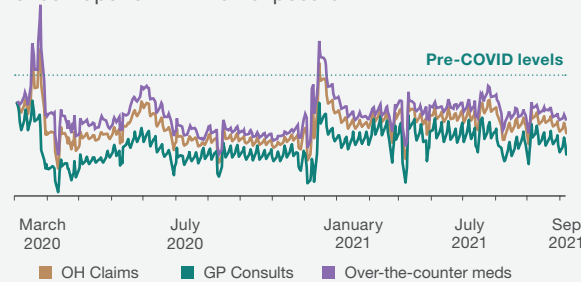


De-prioritisation of non-COVID-19 healthcare

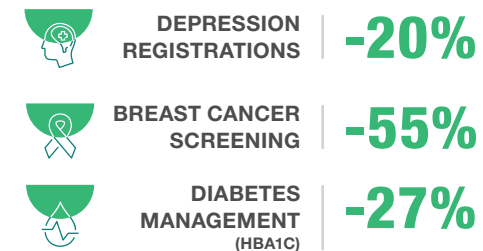
Both the demand and supply of surgical treatment has seen a reduction



Members have de-prioritised out-of-hospital healthcare, such as visits to the GP, dentist and regular check-ups to limit their exposure



A reduction in health-seeking behaviour during hard lockdown has had an effect on screening and prevention and the management of complex conditions



EXCEPTIONAL PERFORMANCE

ensures future

SUSTAINABILITY

As the established medical scheme of choice in local government, LA Health continues to attract new members. The Scheme provides cover to over 230 000 members and their families, with LA Health's five benefit options suiting all levels of medical and financial needs.

The performance of a medical scheme should consider the quality of the healthcare services experienced by members, while sustainability is measured by the growth and financial performance of the medical scheme.

LA Health is focused on providing a quality healthcare experience for members, while simultaneously continuing to grow and deliver strong financial results.

STRONG MEMBERSHIP GROWTH

LA Health continues to experience exceptionally strong growth, adding over 31 000 principal members and 67 000 beneficiaries during the last 5 years.

Net new members (2017 – 2021)

| | |
|-------------------|-----------------|
| + 31 000 | + 67 000 |
| PRINCIPAL MEMBERS | BENEFICIARIES |

ATTRACTING YOUNG AND HEALTHY LIVES

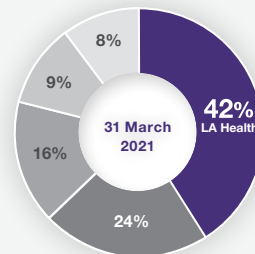
LA Health has steadily attracted younger, healthier members over the years, resulting in a significant decrease in the average age of beneficiaries on the Scheme and a lower average age than it's competitors.

LA Health demographics (2020)

| | |
|-------------------|-----------------|
| 27.6 YEARS | 5.6% |
| AVERAGE AGE | PENSIONER RATIO |

SCHEME OF CHOICE IN LOCAL GOVERNMENT

LA Health is the largest scheme in local government with a market share of 42%.



SUSTAINED FINANCIAL STRENGTH

Consistently positive net healthcare results, healthy reserves and a well maintained solvency ratio ensure that LA Health can withstand planned or unplanned costs, such as the impact of the COVID-19 pandemic.

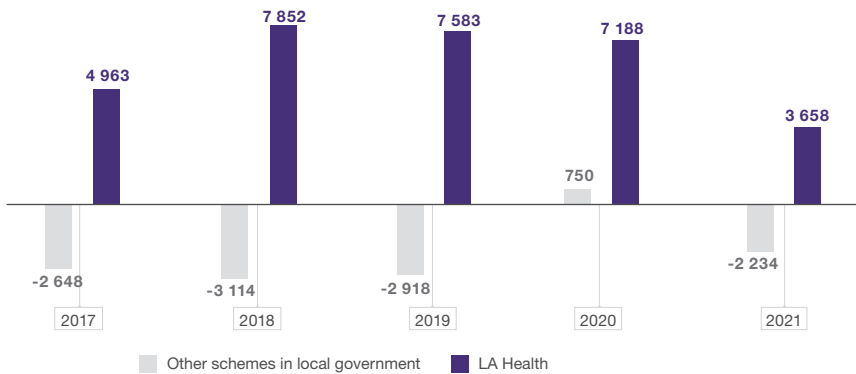
| | | |
|------------------------------|-----------------|-----------------|
| R473M | R2.3BN | 49.1% |
| NET HEALTHCARE RESULT (2020) | RESERVES (2020) | SOLVENCY (2020) |



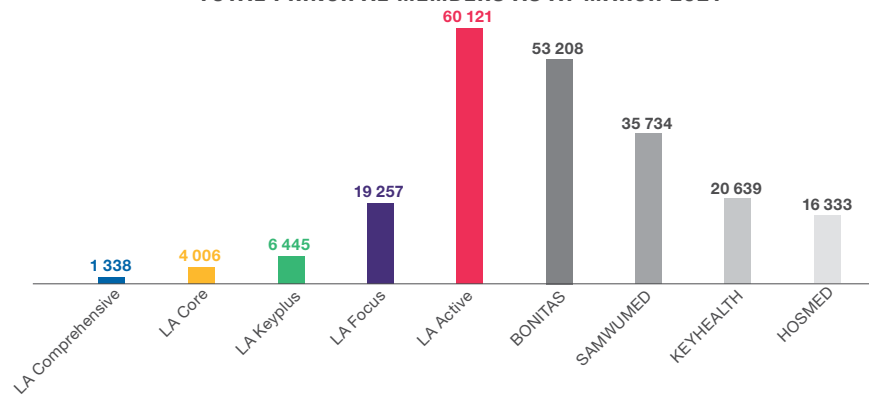
STRONG membership GROWTH

LA Health continues to experience growth, adding over 11 000 beneficiaries in the last 12 months up to August 2021. The Scheme has grown by over 67 000 beneficiaries and 31 000 principal members in the last five years, reinforcing its position as the largest scheme in local government. The size of LA Health is best illustrated through its flagship Benefit Option, LA Active, which on a standalone basis, is larger than all of the competitors in the local government sector.

Membership Growth
NET GROWTH IN PRINCIPAL MEMBERS (2017-2021)



Membership
TOTAL PRINCIPAL MEMBERS AS AT MARCH 2021



NET GROWTH IN PRINCIPAL MEMBERS OVER THE LAST 5 YEARS

+ 31 000
LA HEALTH

- 10 000
OTHER SCHEMES IN
LOCAL GOVERNMENT

TOTAL PRINCIPAL MEMBERS AS AT 31 MARCH 2021

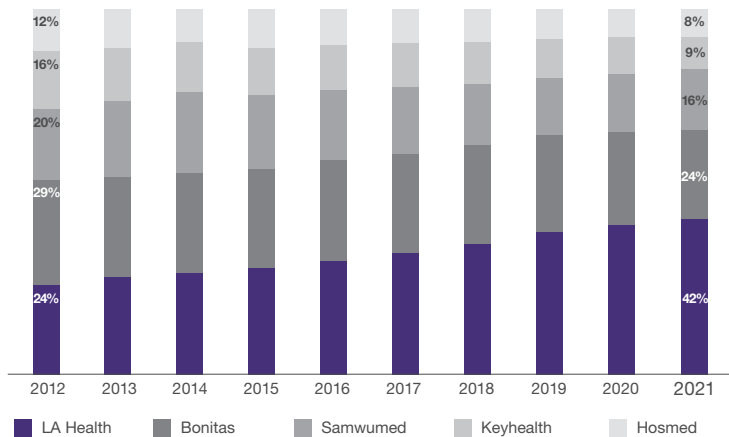
>91 000
LA HEALTH

<54 000
NEXT LARGEST SCHEME
IN LOCAL GOVERNMENT

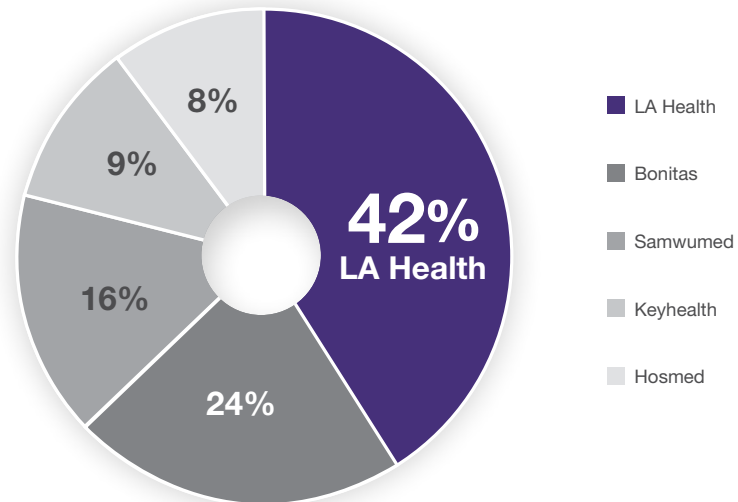
THE SCHEME OF CHOICE FOR local government EMPLOYEES

LA Health has maintained its status as market leader in the local government sector through years of consistent membership growth and financial sustainability, providing cover to over 38 000 more principal members than the next largest competitor. LA Health has consistently increased market share each year, growing from 24% in 2012 to 42% in 2021.

Market share (2012 - 2021)



Local government market share (2021)



ATTRACTING YOUNG and healthy LIVES

LA Health has steadily attracted young and healthy members over the past decade, resulting in a continuous decrease in the average age of beneficiaries on the Scheme. Currently the average age of new beneficiaries joining LA Health is noticeably lower than the Scheme's existing average age profile and significantly lower than its competitors. Consistent membership growth of young and healthy lives has enabled LA Health to maintain a lower average age and pensioner ratio in comparison to other schemes in the local government sector and other restricted schemes.



THE OVERALL DEMOGRAPHIC PROFILE OF LA HEALTH MEDICAL SCHEME IS IMPROVING

Average age (2019)

29.3 YEARS

LA HEALTH

35.7 YEARS

OTHER SCHEMES IN
LOCAL GOVERNMENT

LA Health recorded a further reduction in the average member age to 27.6 years in 2020.

Pensioner ratio (2019)

5.2%

LA HEALTH

10.6%

OTHER SCHEMES IN
LOCAL GOVERNMENT

LA Health recorded a pensioner ratio of 5.6% for 2020.



A YOUNGER AND HEALTHIER NEW JOINER PROFILE ENSURES FUTURE SUSTAINABILITY OF THE SCHEME

Average age of new joiners

22.4 YEARS

LA HEALTH

31.3 YEARS

OTHER RESTRICTED
SCHEMES

Chronic ratio of new joiners

3.6% CHRONIC RATIO

LA HEALTH

17.0% CHRONIC RATIO

OTHER RESTRICTED
SCHEMES

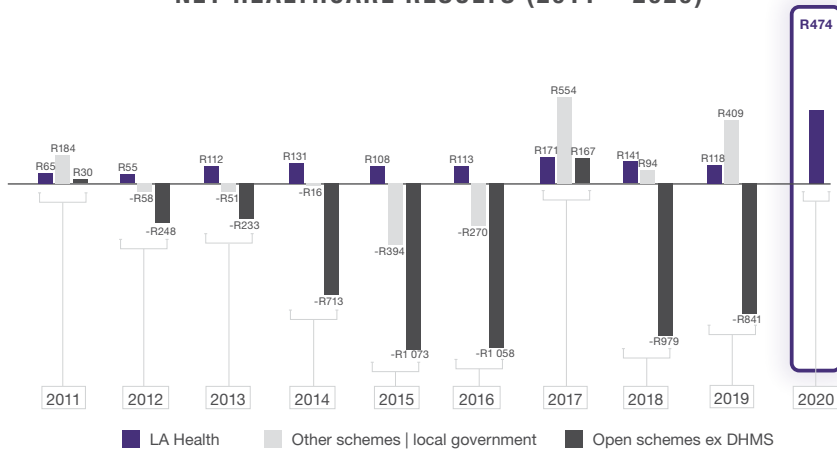


SUSTAINED financial STRENGTH

Strong membership growth and sound financial planning have always underpinned LA Health's financial performance. The Scheme's healthy reserves were further increased as a result of the change in healthcare utilisation trends over the last 18 months, ending 2020 with a financial surplus and increased solvency ratio. This strong surplus position ensures LA Health is well placed to manage healthcare utilisation uncertainty resulting from the anticipated return of the pent-up need for healthcare, the additional COVID-19 healthcare costs and vaccines, along with the normalisation of claims in 2022 and beyond.

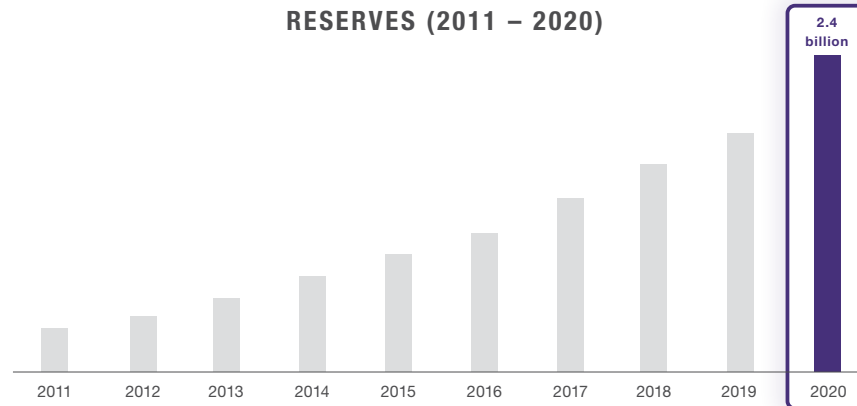
Favourable 2020 performance


NET HEALTHCARE RESULTS (2011 – 2020)




Strong security and surplus to manage future utilisation uncertainty

RESERVES (2011 – 2020)



 **R474m** 2020 LA HEALTH NET HEALTHCARE RESULT

 **R2.4bn** RESERVES

 **49.1%** SOLVENCY

COMPREHENSIVE LEVELS OF

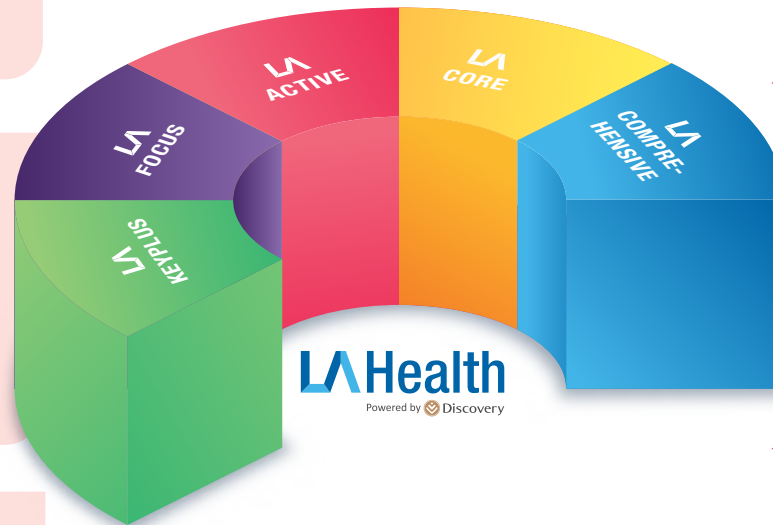
cover for our

MEMBERS

The change in the way members have utilised healthcare during the COVID-19 pandemic has impacted LA Health's claims expenditure patterns for 2020/21, with fewer claims processed for consultations with healthcare professionals and a significant reduction in the number of health screenings performed. Although there was a decrease in planned hospital admissions over this period, the average admission cost increased by 18%.

2022 will see the Scheme continuing to provide members with comprehensive, value for money healthcare benefits and the best quality healthcare, while promoting a healthy lifestyle.

TOTAL LA HEALTH CLAIMS PAID BETWEEN APRIL 2020 – MARCH 2021 R3.8 BILLION



↑ Increase in claims ↓ Decrease in claims

Over the last 12 months

Hospital claims

- R1.7 BN** | paid for hospital claims
- 43%** | of total claims paid
- 30 705** | hospital admissions
- R53 748** | average cost per admission
- 156 449** | days spent in hospital
- 5.1** | days spent in hospital per admission

Oncology claims

- R156 M** | paid for oncology treatment
- 4%** | of total claims paid
- 1 482** | beneficiaries currently claiming for oncology treatment
- R8 765** | average cost per beneficiary per month

Chronic claims

- R212 M** | paid for claims relating to chronic conditions
- 6%** | of total claims paid
- 45 050** | beneficiaries with chronic conditions
- R393** | average cost per beneficiary per month
- 390 819** | prescriptions dispensed

Day-to-day claims

- R1.6 BN** | paid for day-to-day claims
- 501 633** | GP visits
- 127 057** | specialist visits
- 167 360** | allied visits (e.g. biokineticist, physiotherapist, chiropractor)
- 2.3 M** | prescriptions dispensed

Screening and prevention

- 3 091** | beneficiaries performing Health Checks

Maternity claims

- R138 M** | paid for births
- 3 441** | number of deliveries
- R40 093** | average cost per delivery

LA HEALTH CONTINUES TO care for members WITH COMPLEX AND EMERGENCY HEALTHCARE NEEDS

The top highest individual claims over the last 12 months demonstrate the impact of COVID-19, with eight of the ten highest individual in-hospital claims being related to the treatment of COVID-19. In 2020, the 10 highest individual member claims increased by approximately R10 million.



10 highest individual member claims paid in 12 months = **R32.9 million**

| | | |
|---------------|---|--|
| R4.8 m | Age 0 LA Focus 176 days Excessive burns with skin graft | |
| R4.5 m | Age 54 LA Active 165 days COVID-19 related treatment | |
| R3.6 m | Age 47 LA Active 63 days COVID-19 related treatment | |
| R3.1 m | Age 0 LA Active 110 days COVID-19 related treatment | |
| R2.9 m | Age 48 LA Active 39 days COVID-19 related treatment | |
| R2.9 m | Age 0 LA Active 146 days Neonate | |
| R2.9 m | Age 62 LA Active 97 days COVID-19 related treatment | |
| R2.8 m | Age 48 LA Focus 79 days COVID-19 related treatment | |
| R2.7 m | Age 0 LA Active 183 days COVID-19 related treatment | |
| R2.5 m | Age 0 LA KeyPlus 141 days COVID-19 related treatment | |



568 YEARS

WORTH OF CONTRIBUTIONS TO FUND
THE TOP CLAIM



331

INDIVIDUALS CLAIMED OVER
R500 000



87

INDIVIDUALS CLAIMED OVER
R1 MILLION



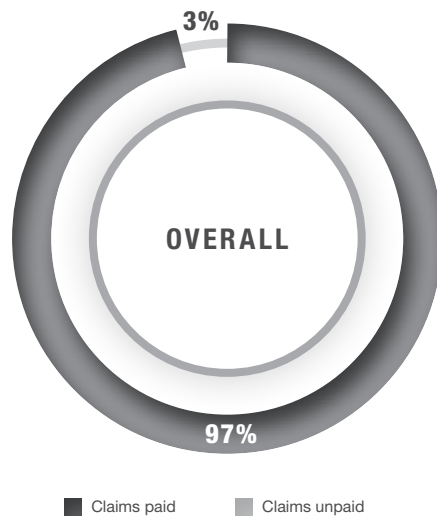
LA HEALTH MEMBERS CONTINUE

to benefit from

COMPREHENSIVE LEVELS OF
IN-HOSPITAL COVER

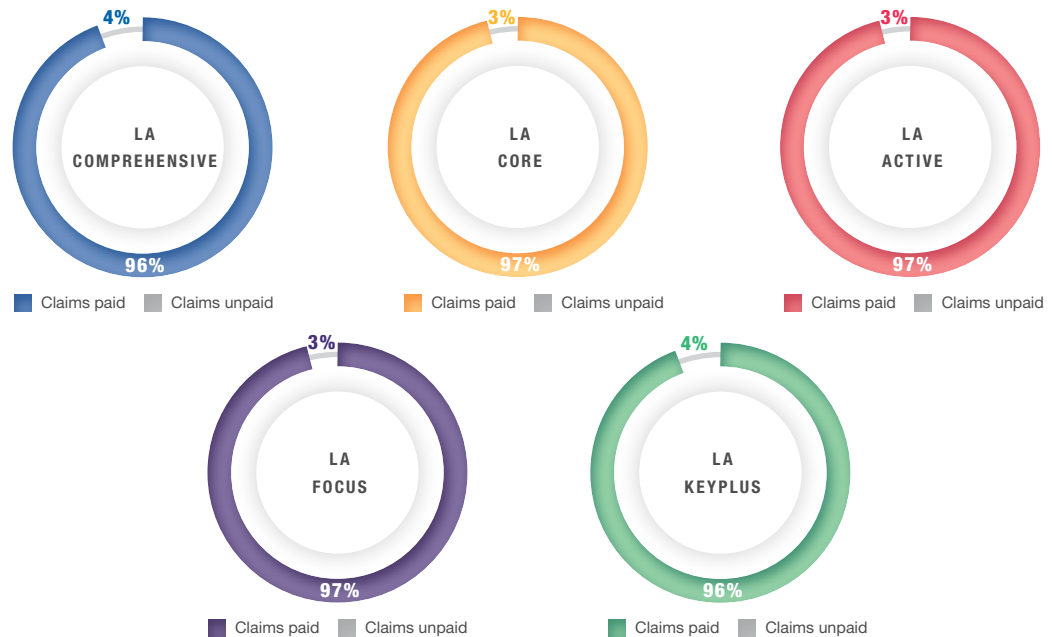
Overall in-hospital claims payment cover ratio

LA HEALTH MEMBERS BENEFITED FROM AN INCREASED IN-HOSPITAL CLAIMS RATIO OF 97% IN COMPARISON TO 96% LAST YEAR.



Members continue to benefit from consistently high levels of cover. Despite changes to the claims patterns and behaviour of LA Health members during the pandemic, the Scheme supported members even more than in previous years. On average, LA Health covered 97% of hospital claims in 2020, meaning that members only paid R3 for every R100 spent in hospital.

In-hospital claims payment cover ratio per benefit plan



2022 benefit updates

LA Health will continue to balance long-term sustainability and short-term affordability to advance digital healthcare services and enhance benefits that drive positive health outcomes and expand access to affordable healthcare.

Quality care

BENEFIT CHANGES TO DRIVE POSITIVE HEALTH OUTCOMES



CENTRES OF EXCELLENCE

Introducing healthcare networks with enhanced cover to drive positive health outcomes



ENHANCED SCREENING FOR SENIORS

Enhanced screening tests for members aged 65 years and older



MENTAL WELLBEING

Providing members with enhanced benefits and support to manage their mental wellbeing

Technology

ENABLING DIGITAL HEALTHCARE SERVICES



CONNECTED CARE

Enabling digital healthcare services to connect members to healthcare



ENHANCED COVER FOR MEMBERS WITH CHRONIC CONDITIONS

Proactive engagement with at-risk patients



General updates and benefit changes

OTHER BENEFIT UPDATES

Benefit enhancements and updates for 2022



CENTRES OF EXCELLENCE
TO PROVIDE MEMBERS

with quality

HEALTHCARE AND ENHANCED COVER

One of LA Health's key strategic priorities is to drive value-based healthcare, a delivery model placing members at the centre of care. In such a model, providers are reimbursed based on health outcomes rather than inputs. This ensures that health results are prioritised over the volume of services delivered, giving members access to facilities, programmes and providers that are committed to continuous improvement in healthcare.

In 2018 LA Health introduced the Major Joints Network. The widespread adoption of this network both by healthcare professionals and members is evidence to its success. Building on this success, for 2022, LA Health is introducing two new initiatives to improve outcomes for colorectal cancer surgery and spinal care.

THE NETWORK PROVIDES MEMBERS WITH A NUMBER OF BENEFITS:

- The network includes hospitals where surgeons routinely perform colorectal surgery with improved critical outcomes
- Participating hospitals, surgeons, anaesthetists and physicians have been contracted to the network based on the clinical outcomes, to ensure quality of care for members
- Members enjoy full cover in the network, this applies to all LA Health benefit options
- Doctors benefit from bidirectional information sharing through a Colorectal Cancer Record, which creates the first Colorectal Cancer Registry for South Africa



Improved clinical outcomes for colorectal surgery

Colorectal Cancer is the third most prevalent cancer, currently affecting 112 members on LA Health Medical Scheme. The treatment regime for colorectal cancer may often include surgical intervention, the success of which has a significant impact on the survival rate of colorectal cancer patients.

There are a number of hospitals where surgeons routinely perform colorectal surgery, with statistical evidence of lower mortality rates and improved survival rates in these high-volume hospitals. In 2022, LA Health is introducing a network of Centres of Excellence for colorectal surgery.





CENTRES OF EXCELLENCE
TO PROVIDE MEMBERS

with quality

HEALTHCARE AND ENHANCED COVER

Introducing the spinal care programme and spinal surgery network

Back pain is one of the most common reasons why people miss work, visit the doctor, or stop exercising. Locally and internationally, evidence points to early conservative treatment as the most effective for back pain, and reduces the need for invasive treatments such as injections or surgery. Where surgery forms part of an effective regime of conservative treatment, outcomes are significantly better when compared to spinal surgery that does not form part of a broader treatment plan.

In 2022, LA Health will introduce a Spinal Care Programme and Spinal Surgery Network which aim to improve the outcomes of back treatment for members of the Scheme.



SPINAL CARE PROGRAMME

The Spinal Care Programme is a coordinated out-of-hospital conservative treatment programme for back pain. Access to the benefit requires referral from a spinal surgeon and includes access to:

- A network of physiotherapists that have been trained in the management of back pain, supported by a panel of specialist surgeons.
- Up to six face-to-face consultations with an appropriately registered allied healthcare professional, of which two may be virtual consultations, where appropriate.



SPINAL SURGERY NETWORK

The Spinal Surgery Network provides members with full cover for approved spinal surgery admissions. The network consists of hospitals, surgeons, anaesthetists and allied healthcare professionals that are contracted to the network on clinical outcomes.



CONSOLIDATED AND ENHANCED

support for

MENTAL WELLBEING



MOST COMMON CONDITION WITHIN THE LA HEALTH MENTAL HEALTH CLASSIFICATION

#1 MAJOR DEPRESSION

Globally, depression is the most common mental illness, with a lifetime prevalence of 25%. In 2020, LA Health introduced a Mental Care Programme where Premier Plus GPs enroll members with major depression, based on defined clinical entry criteria. In 2022, to further promote the move to the primary care management of Major Depression, a number of enhancements will be implemented.

According to the World Health Organization, one in four people in the world will be affected by mental disorders at some point in their lives, placing mental disorders among the leading causes of ill-health and disability worldwide. Mental illness places a significant emotional and economic burden on all facets of society, including individuals, families, workplaces and the wider economy.



Relapse Prevention Programme

In 2022, members will have access to the Relapse Prevention Programme. The programme will provide clinical support and benefits for members that are at risk of recurrence of a major depressive episode.



Enhanced out-patient care

In 2022, members will have access to enhanced benefits to manage the transition from in-hospital to out-of-hospital care for Major Depression, including additional mental healthcare services for an extended period.



CONSOLIDATED AND ENHANCED

support for

MENTAL WELLBEING

Introducing the Relapse Prevention Programme to proactively identify and support members who are at risk of relapse or recurrence of a major depressive episode.

Major Depression is highly recurrent with at least 50% of those who recover from a first episode of depression having one or more additional episodes in their lifetime. Early identification of relapse, self-management competencies and appropriate intervention are critical factors in preventing readmissions. The programme has been designed to focus on recovery and stabilisation of symptoms and prevention of relapse through effective self-management supported by a dedicated counsellor.



Eligibility criteria

Members at risk of relapse are proactively identified by the risk intelligence team.

Focused on members diagnosed with major depression with previous admissions for depression or at high risk of an admission in the next 6 months.



Enrolment on the programme

A counsellor will reach out to the member to clinically assess their mental health and other medical needs.

Counsellor facilitates enrolment onto the Relapse Prevention Programme and supports the member to navigate the system including registration on the Mental Health Programme by a Premier Plus GP or network psychologist.



Care coordination support

Dedicated counsellor to provide:

- Education and counselling
- Assistance with developing a relapse prevention plan
- Activation of relevant benefits, baskets of care and digital tools
- Ongoing monitoring through clinical assessments



Access to Relapse Prevention Basket of care

Risk-funded basket of care including:

- Psychiatrist visits
- Visits with allied mental healthcare providers (psychologists, registered counsellors, occupational therapists or social workers)
- Care coordination services



Appropriate discharge

Members' mental health condition reviewed through series of clinical assessments to inform appropriate discharge from programme.





CONSOLIDATED AND ENHANCED

support for

MENTAL WELLBEING

Evidence-based trends and guidelines for the optimal management of Major Depression indicate that strong primary care delivered in an out-of-hospital setting should form the foundation of an effective programme. Transitions between different levels of Major Depression should be well coordinated by a multidisciplinary team of healthcare professionals.

In 2021, LA Health expanded the disease management offering to include the treatment of acute and/or episodic Major Depression. In 2022, the Mental Health Programme is being enhanced to support the transition from in-facility to out-patient primary care for the management of Major Depression. The enhancements include:



Introduction of a psychologist network

To improve the quality of care delivered to members, LA Health is introducing a national network of preferred psychologists as part of the Mental Health Programme.



Expanded access

The Mental Health Programme will be available to LA Health members with Major Depression. Members with a history of Major Depression or Episodic Depression within the previous 12 months will be eligible for enrolment.



Extended programme duration

The Mental Health Programme is being extended from 6 to 12 months from enrollment on a case-by-case basis. A clinical motivation and results of the PHQ-9 assessment will inform the extension decision. Once the duration of the programme is extended, the member can continue to make use of any benefits still available in the basket. The programme may not be extended beyond 12 months.



Enhanced basket of care

LA Health members can get access to an additional risk-funded basket of care. This will include additional individual or group psychology sessions based on the clinical requirements of the individual case.

The Premier Plus GP and psychologist, managing complex individual cases, will have access to a network of psychiatrists to support them in the management of these cases.





CONNECTING MEMBERS to healthcare

INTRODUCING Connected

CARE FOR
HOME-BASED CARE

In 2022, LA Health will be enhancing the digital healthcare experience through Discovery Health Connected Care. The Connected Care platform is a digital platform that connects members to a range of home-based healthcare services for all levels of care, funded by the Scheme.

Discovery Health, the Scheme's administrator, has invested extensively in a digital healthcare ecosystem to enhance the quality of experience of healthcare for members. The COVID-19 pandemic has highlighted the importance of this digital health ecosystem, accelerating the adoption of digital healthcare and highlighting the patient's home as an important and relevant setting for healthcare.



HOME-BASED CARE FOR MEMBERS WITH CHRONIC CONDITIONS

Provides members with end-to-end digital chronic illness management through access to personalised coaching, consultations and remote monitoring devices to better manage and track their chronic conditions at home.



HOME-BASED CARE FOR ACUTE CARE AT HOME

Provides qualifying members with clinically appropriate and patient centric hospital-level care in their homes as a substitute for acute hospital care.





HOME-BASED CARE for members WITH CHRONIC CONDITIONS



LA Health offers members a number of condition-specific care programmes. The care programmes are managed through the Premier Plus GP network and provide members and their Premier Plus GP with benefits, care pathways and digital tools to manage their health. These programmes are designed to achieve well-coordinated care, and to provide the information and motivation members need to manage their condition. In 2022, the Diabetes Care, Cardiac Care and Mental Healthcare programmes will be enhanced.

Through Connected Care, members have access to digital condition-specific clinical content, interaction with remote health monitoring devices appropriate for their condition, and personalised health coaching.



Access to digital condition specific education content

An educational intervention can improve a patient's ability to self-manage their chronic condition. LA Health members will have access to a range of interactive and intuitive health and wellness content related to their condition on the Connected Care platform.



Access to personalised health goals

Dealing with a life-changing health event or the ongoing management of a chronic condition can be a significant burden. Apart from understanding the impact on their health and the treatment required for their condition, it is critical for a member to consider associated lifestyle changes to improve their health.

Qualifying members will get access to consultations with a wellness specialist to support with lifestyle changes, navigate members to educational content and advise members on Scheme benefits. Members who require additional clinical support will have access to consultations with a healthcare professional or a Diabetes Nurse Educator.



Access to remote monitoring devices to monitor your condition

For members with chronic conditions, frequent monitoring of health metrics and medication adherence are critical in improving health outcomes. In 2022, qualifying members on the Diabetes Care and Cardio Care programme get access to funding for remote monitoring devices and supporting apps to self-monitor their condition from home. The devices are paid subject to clinical guidelines and some limits may apply.

The devices are directly linked to the member's healthcare provider's dashboard. Changes in health metric readings, or signs of non-medicine adherence are automatically triggered to the treating doctor.



HOME-BASED CARE

for acute

CARE AT HOME

In 2022, LA Health is providing qualifying members with access to clinically appropriate and patient centric hospital-level care in their homes as a substitute for acute hospital care.



According to the National Institute for Health and Care Excellence (NICE), there is increasing evidence to support the treatment of some acute medical illnesses in a patient's own home, recognising that not all patients have a good experience of hospital-based care, and that for many families, home healthcare is a beneficial choice. Studies have shown that providing substitutive hospital-level care in a patient's home reduces cost while maintaining quality of care, improves safety, especially for patients who are susceptible to hospital-acquired infections, and improves overall patient experience.

Home-based Care for acute care at home will provide qualifying members with clinically appropriate and patient-centric hospital-level care in their homes as a substitute for acute hospital care. Care delivery with the programme will be facilitated by a dedicated care team which will include doctors and nurses. These healthcare professionals will provide 24-hour clinical support and remote monitoring of the member's condition, using smart health devices, supported by appropriate Scheme benefits.





HOME-BASED CARE

for acute

CARE AT HOME

Comprehensive support for members while using Connected Care at home:

01

Educational content

- Access to a library of specific and procedural information ensuring members are better informed and are able to participate as partners in their own healthcare

04

Consultations

- Access to supportive care at home that includes:
 - Daily physical and virtual nurse consultations
 - Daily virtual consultations with the treating healthcare professional
 - The frequency and duration may vary depending on the condition

02

Devices

- Access to remote monitoring devices linked to a population management dashboard for 24/7 monitoring
- The device(s) that the member receives will depend on the condition
- A member will be able to access multiple devices, based on specific eligibility criteria, and within defined limits and reference prices for the specified devices

05

Medicines

- Access to an end-to-end digital medicine journey where the treating healthcare professional can generate an electronic script and the medicine can be delivered to the patient's home

03

Clinical Assessments

- Access to an initial clinical assessment in the emergency department or by the treating provider in-hospital to determine eligibility for treatment at home

06

Oversight by clinical panel

- Access to a 24/7 panel of GPs to provide clinical support should the patient's treating healthcare professional be unavailable or if after-hour care is required





HOME-BASED CARE for acute CARE AT HOME

Connected Care for acute care at home is enabled through sophisticated clinical insights, comprehensive digital toolkits for healthcare professionals and the integration of remote monitoring devices for remote monitoring.

HOME-BASED CARE IN THE FOLLOWING INSTANCES:



Home-based care for members who are at risk of readmission after discharge

- The programme aims to reduce readmissions after a member has been discharged from hospital.
- The programme is available on all LA Health Options with a defined basket of care for qualifying members for clinically appropriate conditions such as congestive heart failure. The basket of care includes:
 - Initial clinical assessment prior to the member being discharged
 - Cover for bedside medicine reconciliation
 - Cover for a follow-up consultation with a GP or specialist post-discharge
 - Supportive care at home that includes one face-to-face consultation and up to 3 consultations with a Home Care nurse
 - Access to condition specific remote monitoring devices



Home-based care for members who are discharged from hospital early

- Enhancing the current home care offering, which enables members who have conditions that require therapeutic interventions covered by the Scheme to be discharged from hospital earlier (if they are deemed medically stable by their treating provider), to continue their treatment at home.
- Examples of these home care services include doctor-initiated clinically appropriate IVI therapy, wound care, and oxygen support in the comfort of members' homes.



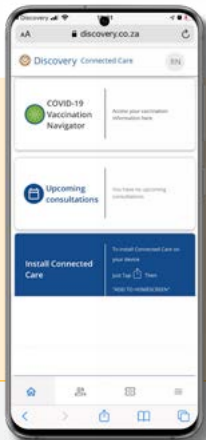
Home-based acute care for members in lieu of hospitalisation

- Enabling members to receive acute inpatient treatment at home.
- The programme will be available on all plans with a defined basket of care for clinically appropriate conditions such as wound care and IV infusions, as decided by the treating doctor.
- The basket of care includes:
 - Initial clinical assessment
 - Supportive care at home that includes two daily physical nurse visits for all conditions for the duration of treatment, daily virtual consults with a doctor, and 24hr virtual monitoring by a nurse/GP panel
 - Access to condition-specific remote monitoring devices
 - Access to any other clinically appropriate at home treatment required as prescribed by the treating doctor eg. Pathology services



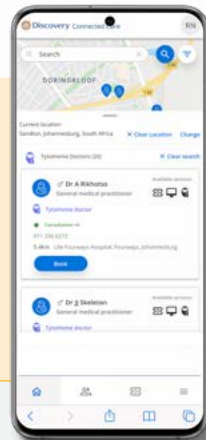
THE CONNECTED CARE PLATFORM enables this digital END-TO-END HEALTHCARE JOURNEY

LA Health members are able to access the Connected Care platform through the LA Health app or website to view their personalised healthcare dashboard, find a healthcare professional and book a virtual consultation.



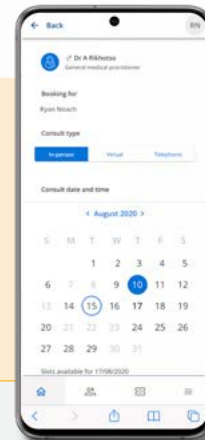
Access your personalised healthcare dashboard

Log into the LA Health app or website and navigate to the connected care platform.



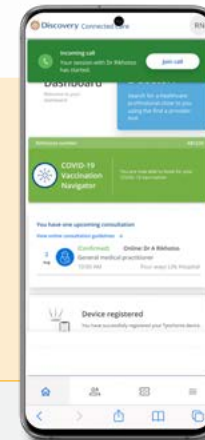
Find a healthcare professional

Use the *Find a healthcare professional* feature to find and contact a doctor, dentist, pharmacist or hospital to attend to your healthcare needs.



Book an appointment

Once a healthcare professional has been selected, members will be able to indicate the type of consultation they need and confirm the booking date and time.



Conduct your virtual consultation

Connected Care offers an online audio-visual healthcare experience, enabling voice and video consultations. Simply accept the incoming call from your healthcare professional.



IMPROVING ACCESS TO CARE

for members

WITH CHRONIC CONDITIONS

THIS VIRTUAL CONSULTATION WILL BE FUNDED FROM RISK AND CAN TAKE PLACE VIA TELEPHONE, OR A VIRTUAL PLATFORM.



Telephonic Consultation



Connected Care



Virtual Platforms

The COVID-19 pandemic has seen an increase in the adoption of telemedicine, with members preferring the convenience of conducting a consultation from the safety of their own homes. Unfortunately the fear and uncertainty surrounding contracting the COVID-19 virus has also contributed to a decrease in health-seeking behaviour, as members are reluctant to seek medical advice or treatment and these delays can negatively affect their long-term health.

In 2022, members registered on the Chronic Illness Benefit, and the HIV programme, will have access to an annual virtual consultation with a treating GP. Treating healthcare professionals will **proactively reach out** to their at-risk patients and schedule a virtual consultation to assess the member's general wellbeing and determine if any follow-up action is required.

Through this proactive engagement, a treating healthcare professional will be able to gauge if a member is successfully managing their complex condition or needs additional support. After this consultation, members will better understand:



How to reduce their risk of contracting COVID-19



Access their prescribed medication



Access mental and emotional support



If they are appropriately managing their existing condition(s)





AN ENHANCED SCREENING

journey for

MEMBERS THAT ARE 65+

A decline in immunity as members age makes older adults more susceptible to disease and reinforces the importance of proactive screening and prevention. In 2022, LA Health members who are 65 years of age or older will qualify for the Seniors Screening benefit. This screening experience is tailored to identify the unique health risks specific to older adults.

ADDITIONAL AGE-SPECIFIC PRE-SCREENING FOR UNIQUE RISKS



Visual acuity screening

A pre-screening test for the early detection of vision impairment. Members receive a score classifying the extent of vision impairment for each eye and are then referred to an optometrist for further testing if required.



Hearing screening

This is a two-minute, clinically validated audiology screening test for the early detection of hearing loss using a frequency-based, digits-in-noise testing technique. Members receive a score classifying the extent of hearing loss and are referred to an audiologist for further testing if needed.



Steady falls – risk assessment

Developed by the Centre for Disease Control and Prevention, the falls risk assessment forms part of the international best practice guideline to prevent falls in older adults, measuring gait strength and balance.





OTHER benefit updates



CARING FOR MEMBERS WITH COMPLEX CONDITIONS

Member Care Programme

Qualifying members will be proactively advised of their ability to access the member care programme. This outpatient program is designed for members with complex medical needs and facilitates high quality, planned, person-centred care and chronic condition management to achieve improved quality, continuity and efficiency of care.

Enhancements to the Advanced Illness Benefit

In order to improve the quality of life for members with cancer during the advanced stage of their illness, enhancements have been made to the Advanced Illness Benefit.

In 2022, members with a high-risk of mortality and/or members with a poor cancer prognosis will be proactively identified and engaged by a care coordinator, who will activate the enhanced benefits.



FUNDING FOR CONTINUOUS GLUCOSE MONITORING SENSORS

Funding for home-use glucose monitoring sensors

In 2022 qualifying members living with diabetes, with the exception of members on the LA KeyPlus Benefit Option, will have access to funding for continuous glucose monitoring sensors.

Funding for the sensors will be subject to a monthly Rand limit and an annual co-payment.

The glucose monitoring device or reader and transmitters will continue to be funded from the member's available day-to-day benefits. Copayments and frequency limits apply.

OTHER benefit updates



DAY SURGERY NETWORK

In 2022, the Scheme will extend the use of a Day Surgery Network to LA Focus, LA Active, LA Core and LA Comprehensive, to encourage members to use selected facilities for a range of medical procedures that can be performed on a same day basis.

The Day Surgery Network will be the preferred provider on LA Focus, LA Active, LA Core and LA Comprehensive and the DSP for LA KeyPlus.

The network ensures national coverage by including both day surgery centres and acute hospitals. The Day Surgery Network list will be available on the LA Health website www.lahealth.co.za



GENERAL INCREASE UPDATES

- Most benefit limits will increase by 4.6%.
- The Medical Savings Accounts have been increased in line with the respective risk contribution increases.
- The Above Threshold Benefit on LA Comprehensive increases by 4.6%.
- The Extended Day-to-day Benefit on LA Core and LA Active will be increased by 4.6%.
- The income bands on LA KeyPlus will be adjusted by 4.6%.

2022 LA HEALTH BENEFITS: Technical details



Colorectal Cancer Centre of Excellence

- The Colorectal Cancer Surgery Network will be applicable to all LA Health benefit options.
- A clinical exceptions process will apply to approved and clinically appropriate surgeries to be performed outside of the network.
- This network will not apply to emergency and trauma-related surgeries.

GO-LIVE

- The Colorectal Cancer Surgery Network will be introduced in 2022.



Spinal Surgery Network

- The Spinal Care Programme is available on all LA Health benefit options, except LA KeyPlus.
- Members using the Spinal Surgery Network will enjoy full cover, with planned admissions outside of the network attracting a 20% co-payment on the hospital account.
- The network will initially extend to six specific spinal procedures however, this is not applicable to emergency and trauma-related surgeries for these conditions.
- The Spinal Surgery Network list will be available on the LA Health website www.lahealth.co.za

GO-LIVE

- Members will be able to access the Spinal Surgery Network from 1 January 2022.



Mental wellbeing Relapse Prevention Programme

ELIGIBILITY CRITERIA

- The Mental wellbeing Relapse Prevention Programme is available to members who have been diagnosed with a major depressive episode. This includes members who have previously been admitted to hospital for depression, and/or who are registered for out-of-hospital Prescribed Minimum Benefits for depression, and/or who are enrolled on the Mental Health Programme.

Enrollment on the programme is subject to clinical eligibility criteria and must be facilitated by the member's treating counsellor.

GO-LIVE

- The programme will be available from 1 January 2022.

2022 LA HEALTH BENEFITS: Technical details



Mental wellbeing enhanced benefits for out-patient care

ENROLMENT ON THE PROGRAMME

- Enrollment on the programme is subject to clinical eligibility criteria and must be facilitated by a Premier Plus GP or a network psychologist.

ELIGIBILITY CRITERIA

- Any patient with a relevant diagnosis, excluding patients who were enrolled on the programme within the previous 6 months.

GO-LIVE

- The programme will be available from 1 January 2022.



Home-based Care for members with chronic conditions

ELIGIBILITY

- Members must be registered on the Chronic Illness Benefit for one of the following targeted conditions; Diabetes, Mental Health, Cardiac disease, including Hyperlipidaemia, Hypertension, Ischemic Cardiovascular Disease.
- Condition specific criteria will apply to access these benefits.

DEVICES

- Qualifying members with Diabetes will be able to access cover for a glucometer.
- Members with cardiac conditions registered for Connected Care for acute care at home will also have access to funding for a defined list of devices.
- Device specific reference and frequency limits apply.
- The applicable registered remote devices will be delivered directly to qualifying members.

Technical details



Home-based care for acute care at home

The benefit is offered to members being admitted with four specific conditions:

- Acute myocardial infarction (AMI)/Ischaemic heart disease (IHD)
- Pneumonia
- Congestive Cardiac Failure (CCF)
- Chronic Obstructive Pulmonary Disease (COPD)

Further restrictions will be applied to members based on their individual condition and underlying health risks.

Eligibility

- Treating providers, in-hospital case managers and hospital-based specialists will proactively identify qualifying members.
- Qualifying criteria will include a suitable home set up with adequate home support and easy access to a phone.

- Members will need to provide consent, with the option to opt-out/transfer to hospital. There will also be clear criteria for when to escalate to critical care.
- Condition specific clinical criteria will determine the eligibility of qualifying members. The treating doctor will make the final recommendation on the member's appropriate entry into the programme and treatment plan.

Devices

- Qualifying members will have funding for a defined list of registered devices.
- Device specific reference pricing and frequency limits apply.
- The applicable registered remote monitoring devices will be delivered directly to qualifying members by the nurse on their first visit.



Funding for continuous glucose monitoring sensors

Eligibility

- Type 1 Diabetes Mellitus only
- Member must be registered on the Diabetes Management Programme.
- Available on LA Comprehensive, LA Core, LA Active and LA Focus

Funding

- Funding is subject to prescription by a CGM network provider and collection from a network pharmacy.
- Funding for the sensors will be subject to a monthly Rand limit and an annual co-payment.

MEDICAL inflation

IN 2022

Medical inflation is the year-on-year increase in the cost of healthcare claims for a medical scheme. Historically, additional healthcare supply and demand factors have caused medical inflation to be in excess of consumer price inflation.



INCREASE IN THE COST OF HEALTHCARE SERVICES (TARIFF INFLATION)

Healthcare services on LA Health, such as doctor consultations, prescribed medicine and hospital fees, each have a predetermined price.

Annually, the price of these services is increased based on the forecasted Consumer Price Index (CPI) for the following year. Over the last 4 years, tariff increases were slightly above CPI.



MANAGED CARE, WELLNESS AND OTHER INTERVENTIONS

Annually, various unique managed care interventions and innovations contribute to reducing medical scheme inflation and translate into lower contribution increases and greater benefits for LA Health members over time.

In 2019 LA Health was able to save over R355 million through various risk management interventions, including tariff negotiations, case management and fraud interventions.



DEMAND-SIDE INFLATION

Demand-side inflation represents the increase in the level of healthcare services required by members each year.

The impact of the pandemic has created a new demand for healthcare to support the testing, monitoring and treatment of COVID-19, as well as the need for COVID-19 vaccinations, while COVID-19 related healthcare demand has increased, the demand for non-COVID-19 health seeking behaviour has decreased, as members defer their preventative and elective healthcare needs to prevent exposure to COVID-19.



SUPPLY-SIDE INFLATION

Healthcare costs and utilisation fluctuate depending on the availability and supply of healthcare providers, services and technology.

In the past, increases in healthcare costs have arisen from the higher costs associated with new medical technology, while increases in healthcare utilisation have arisen from the introduction of new hospitals in oversupplied regions.

During peaks of the COVID-19 pandemic the supply of elective, non-urgent healthcare is temporarily reduced in order to support the healthcare system in managing the additional healthcare demand associated with concurrent COVID-19 infections.

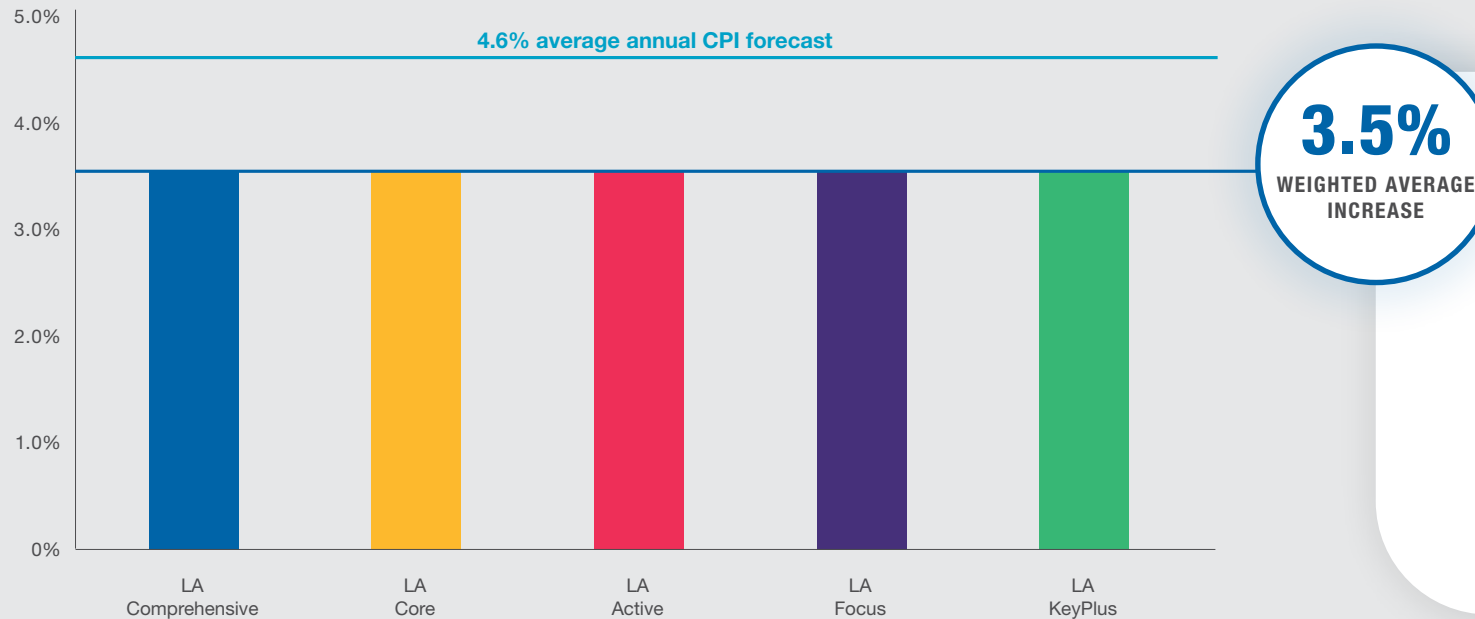
2022 LA Health

CONTRIBUTION INCREASES

Affordability and access to quality healthcare remain key considerations when members select a medical scheme.

The significant growth shown by LA Health is underpinned by its commitment to affordable contribution increases, prudent financial planning and the provision of comprehensive, quality healthcare.

IN 2022, ALL LA HEALTH MEMBERS WILL EXPERIENCE LOWER THAN INFLATIONARY CONTRIBUTION INCREASES



3.5%

WEIGHTED AVERAGE INCREASE

Given the significant increase in the Scheme's reserves and sufficient solvency levels, LA Health is in a position to be pass lower contribution rates without negatively affecting the sustainability of the Scheme.

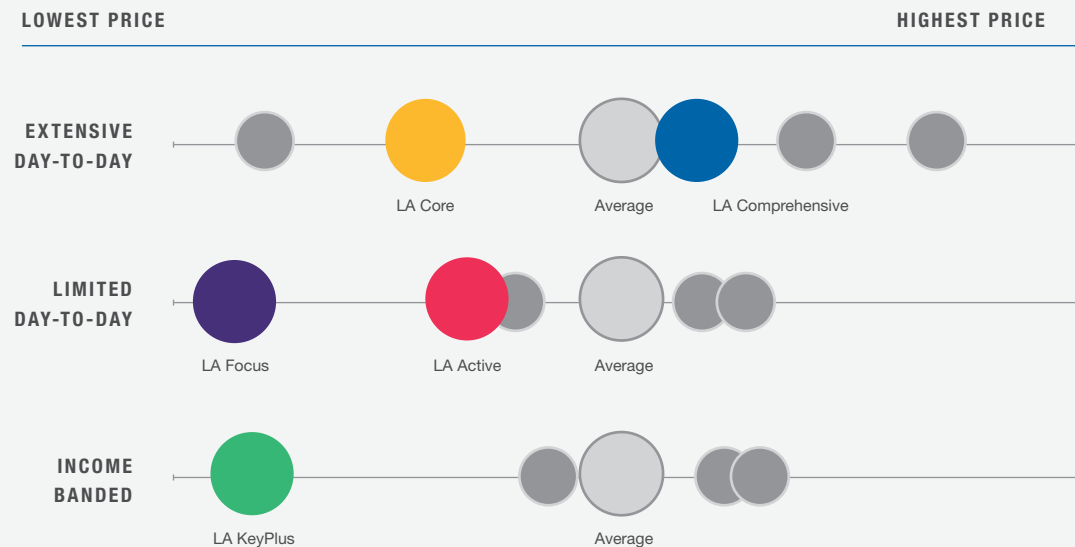


AFFORDABILITY OF LA Health

To assess LA Health's comparative affordability, we **compared the average contributions for a family of three** (principal member, adult and child) across all benefit options of the five accredited schemes in local government.

This approach allows for comparisons on a like-for-like basis. Based on levels of coverage, **LA Health contributions remain lower** than average contributions in each segment.

Average contribution comparison

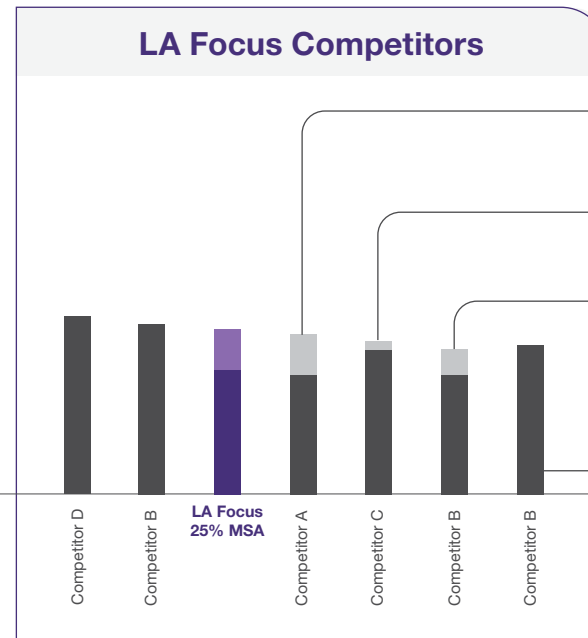
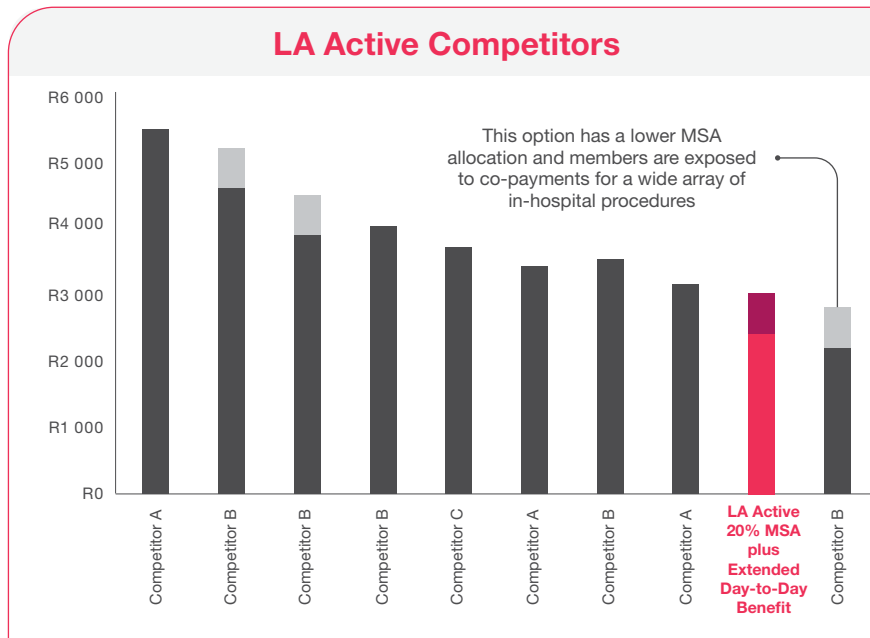


LA HEALTH FLAGSHIP OPTIONS OFFER

the greatest value

TO BENEFICIARIES

LA Active and LA Focus are the benefit options of choice for almost 210 000 beneficiaries, offering the flexibility of a medical savings account, rich maternity benefits and full in-hospital cover.



■ Risk ■ MSA



Greatest value to beneficiaries

LA Health

Powered by  Discovery



We're in it
for your health.

- Client Services 0860 103 933 ● Fax 011 539 7276 ● www.lahealth.co.za
- service@discovery.co.za ● Report fraud anonymously 0800 004 500

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