



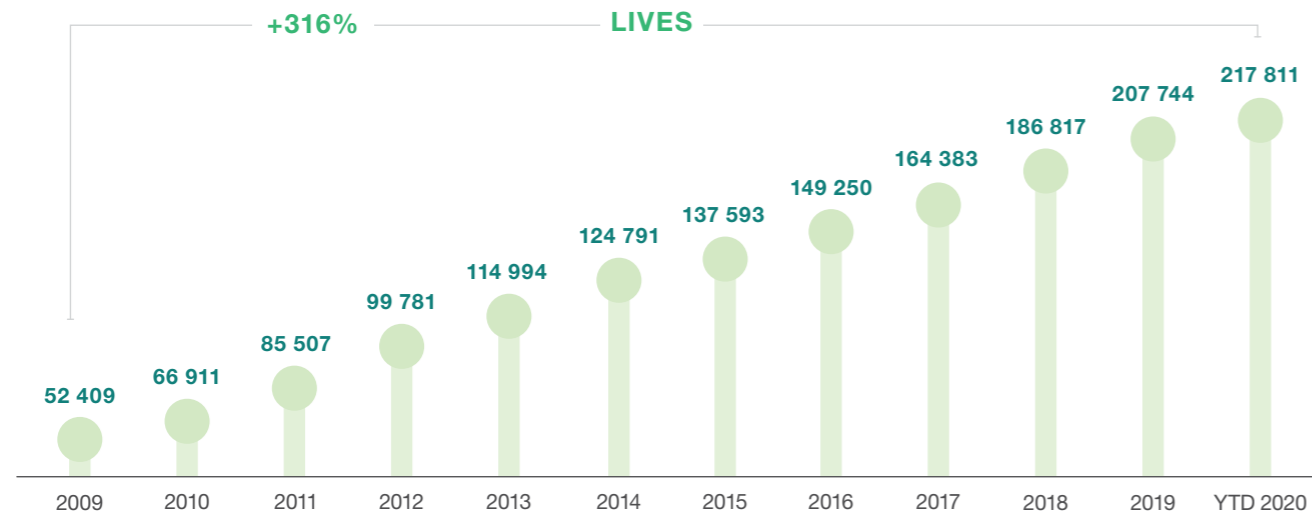
CLAIMS TRACKER

FOR THE PERIOD APRIL 2019 – MARCH 2020



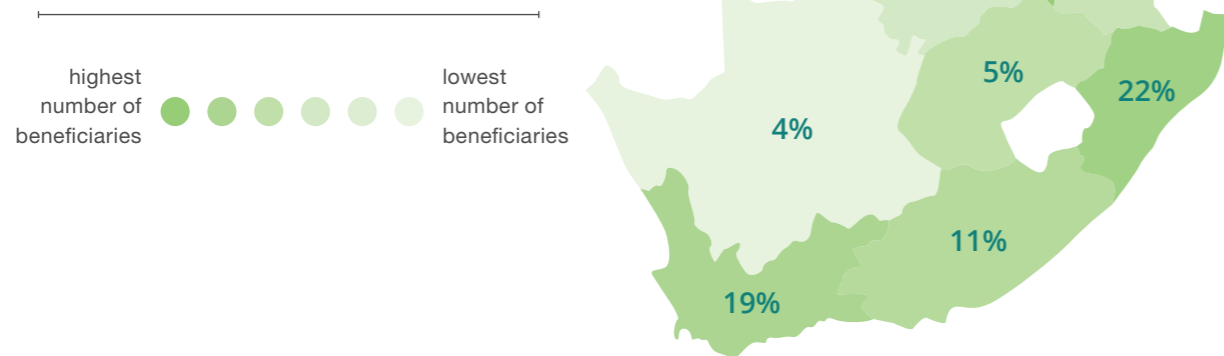
Number of beneficiaries

LA Health provides healthcare cover to more than 217 000 beneficiaries. This is made up of approximately 87 500 members, and represents 40.6% of Local Government employees that have medical scheme cover.



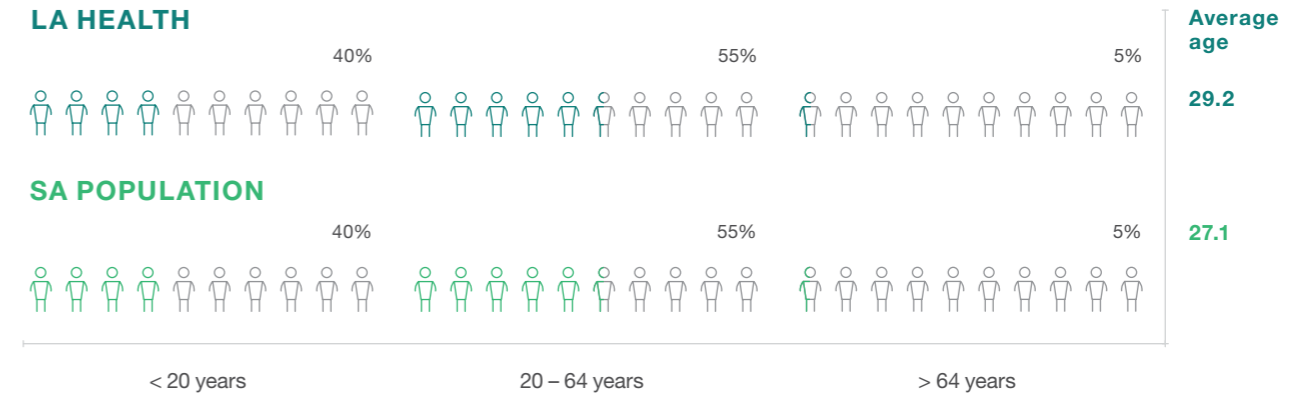
Geographic overview

The majority of beneficiaries reside in metropolitan areas such as Cape Town, Durban, Johannesburg and Pretoria.



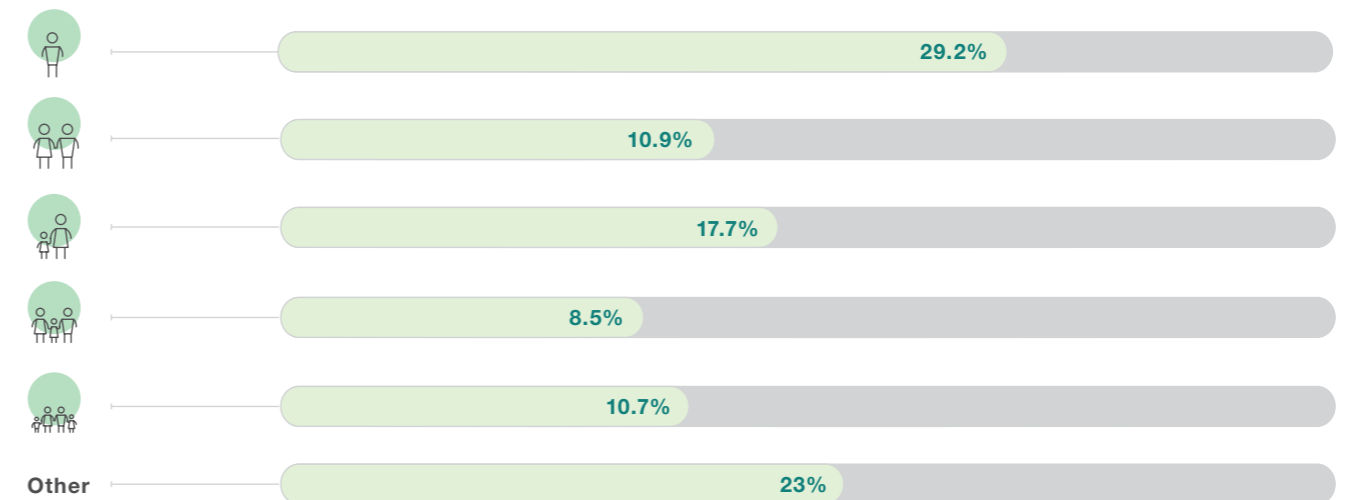
Age distribution of beneficiaries

The average age of LA Health beneficiaries is in line with that of the general population.



Family structure distribution

29.2% of the beneficiaries on LA Health are individual beneficiaries. Some of these beneficiaries are single, others have chosen not to add their family to their membership.



Throughout this document, 'beneficiaries' refers to principal members and dependants. All figures are as at 31 March 2020, with the exception of the number of beneficiaries and total market share, where the figures are for the calendar year and as at March 2020.

LA Health Medical Scheme, registration number 1145, is administered by Discovery Health (Pty) Ltd, registration number 1997/013480/07. Discovery Health (Pty) Ltd is an authorised financial services provider.



TOTAL LA HEALTH CLAIMS PAID OVER LAST 12 MONTHS: R3.7 BILLION

Hospital claims (pg 6)

- R1.9 BN** | paid for hospital claims
- 51%** | of total claims paid
- 43 821** | hospital admissions
- R42 915** | average cost per admission
- 182 440** | days spent in hospital
- 4.2** | days spent in hospital per admission

Chronic claims (pg 11)

- R199 M** | paid for claims relating to chronic conditions
- 5%** | of total claims paid
- 42 191** | beneficiaries with chronic conditions
- R393** | average cost per beneficiary per month
- 364 244** | prescriptions dispensed

Oncology claims (pg 14)

- R166 M** | paid for oncology treatment
- 4%** | of total claims paid
- 1 484** | beneficiaries currently claiming for oncology treatment
- R9 343** | average cost per beneficiary per month



Screening and prevention (pg 18)

- 6 168** | beneficiaries performing Health Checks

Day-to-day claims

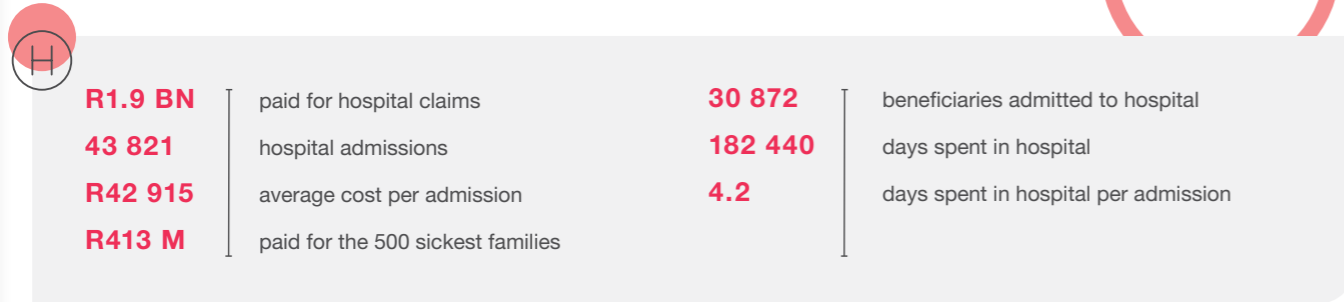
- R1.3 BN** | paid for day-to-day claims
- 574 932** | GP visits
- 124 095** | specialist visits
- 161 166** | allied visits (e.g. biokineticist, physiotherapist, chiropractor)
- 2.2 M** | prescriptions dispensed

Maternity claims (pg 17)

- R132 M** | paid for births
- 3 229** | number of deliveries
- R41 010** | average cost per delivery

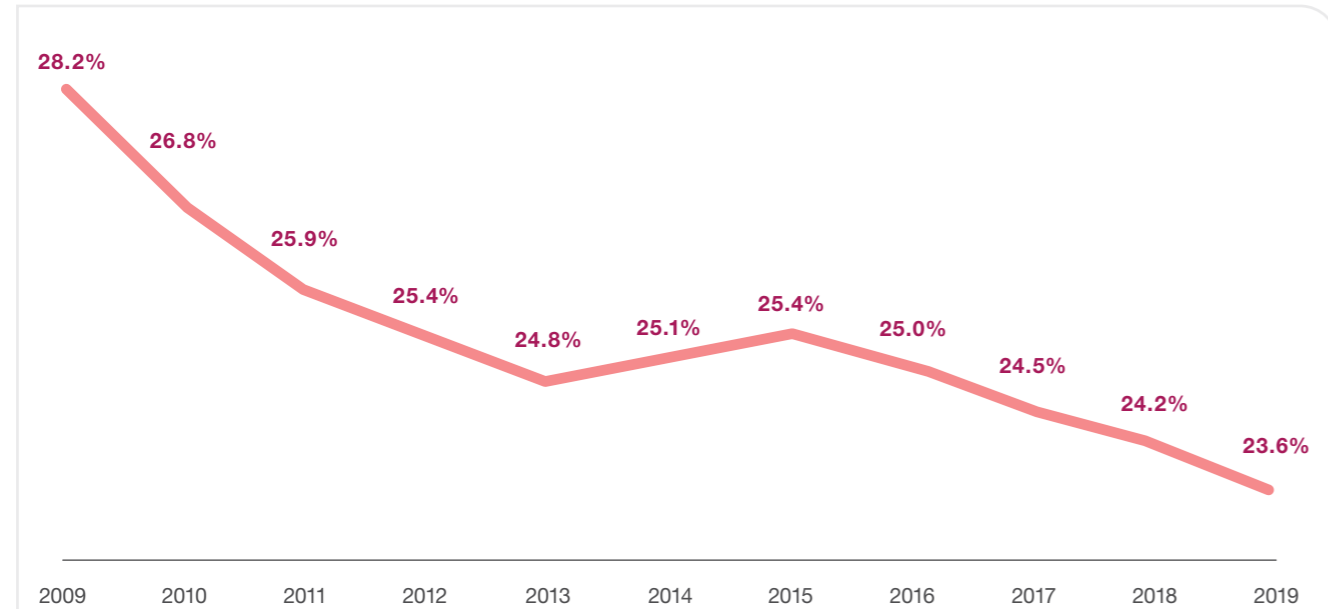
Note: All figures for the period April 2019 to March 2020.

Hospital claims overview



Hospital admission rate

The admission rate for the Scheme has decreased in recent years, partly explained by the declining average age of the Scheme with young and healthy lives joining.



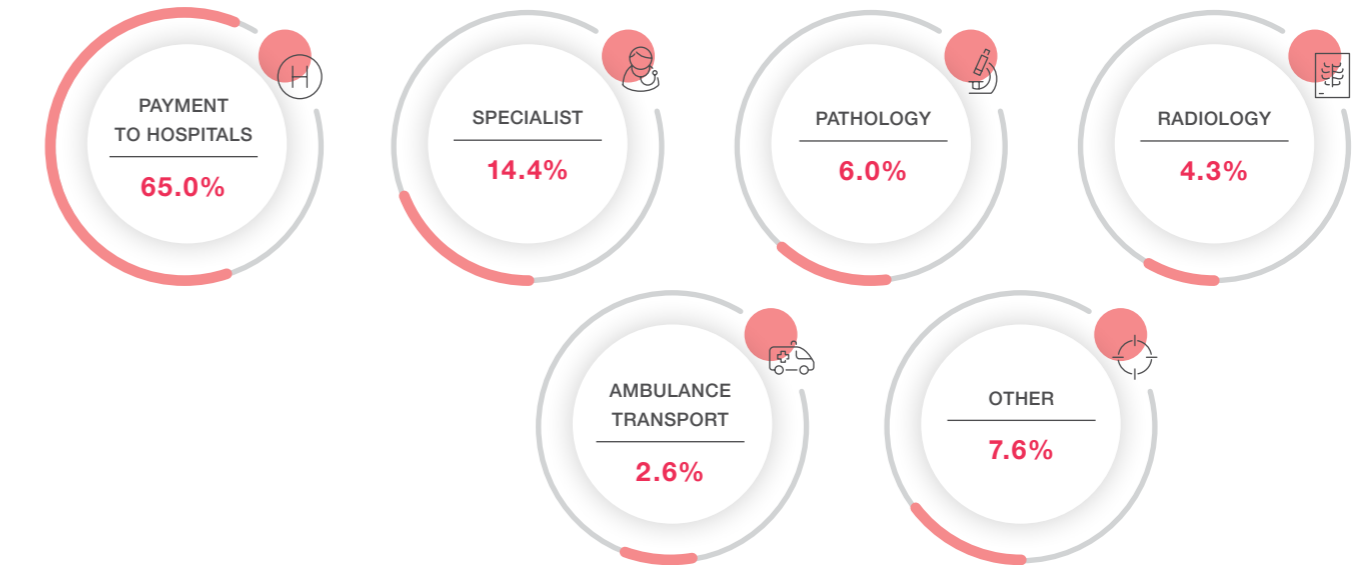
The above graph highlights admission rate, which is calculated as the total number of admissions for the year, divided by the average number of lives on the Scheme during the year.

Note: All figures for the period April 2019 to March 2020.

Note: Costs relating to oncology or maternity admissions are included in the oncology and maternity sections only, and excluded from general hospital claims.

Hospital claims by type of provider

On average for every R100 paid by LA Health for a claim relating to a hospital admission, R65.00 is paid to the hospital and R14.40 to specialists.



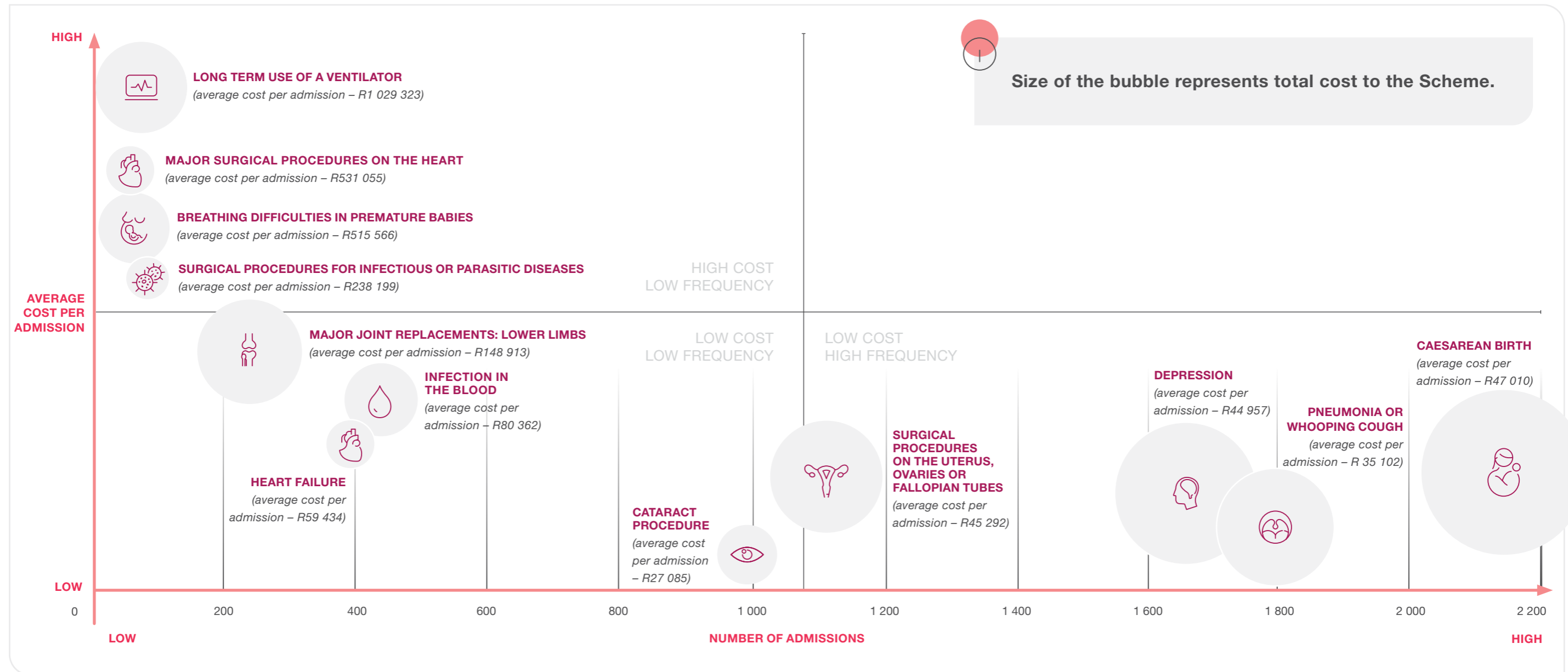
Hospital claims by size

Over the period, 70 beneficiaries experienced hospital claims greater than R1 million and 768 beneficiaries experienced hospital claims greater than R250 000.

CLAIMS	NUMBER OF CLAIMS
3 000 000+	2
2 000 000 – 3 000 000	4
1 000 000 – 2 000 000	64
500 000 – 1 000 000	184
250 000 – 500 000	514
100 000 – 250 000	2 377

Admissions contributing most to total hospital claims costs

Beneficiaries can be admitted to hospital for a number of reasons. The graph below illustrates that some admissions are less frequent, but very costly, while others may cost relatively less, but can occur much more frequently.



Note: All figures for the period April 2019 to March 2020.

Top 10 hospital claims

The infographic below illustrates the highest individual beneficiary claims for hospital admissions and highlights that major medical treatments can be required at any age.


R3.3 m	Age 76 LA Active 159 days Infection	
R3.2 m	Age 63 LA Active 71 days Major cardiovascular procedure	
R2.6 m	Age 47 LA Active 63 days Long term use of a ventilator (respiratory related)	
R2.4 m	Age 0 LA Active 110 days Neonate	
R2.1 m	Age 48 LA Active 39 days Spleen procedures	
R2.0 m	Age 0 LA Active 146 days Neonate	
R2.0 m	Age 62 LA Active 97 days Heart valve procedure	
R1.9 m	Age 48 LA Focus 79 days Long term use of a ventilator (gastrointestinal related)	
R1.9 m	Age 0 LA Active 183 days Neonate	
R1.9 m	Age 0 LA KeyPlus 141 days Neonate	

The largest hospital claim would require **102 years** of contributions by the beneficiary to cover that single claim.

Note: All figures for the period April 2019 to March 2020, with the exception of the number of LA Health beneficiaries with a chronic condition, where the figures are for the calendar year and as at March 2020. Note: Costs relating to oncology or maternity-related admissions are included in the oncology and maternity sections only, and excluded from general hospital claims.



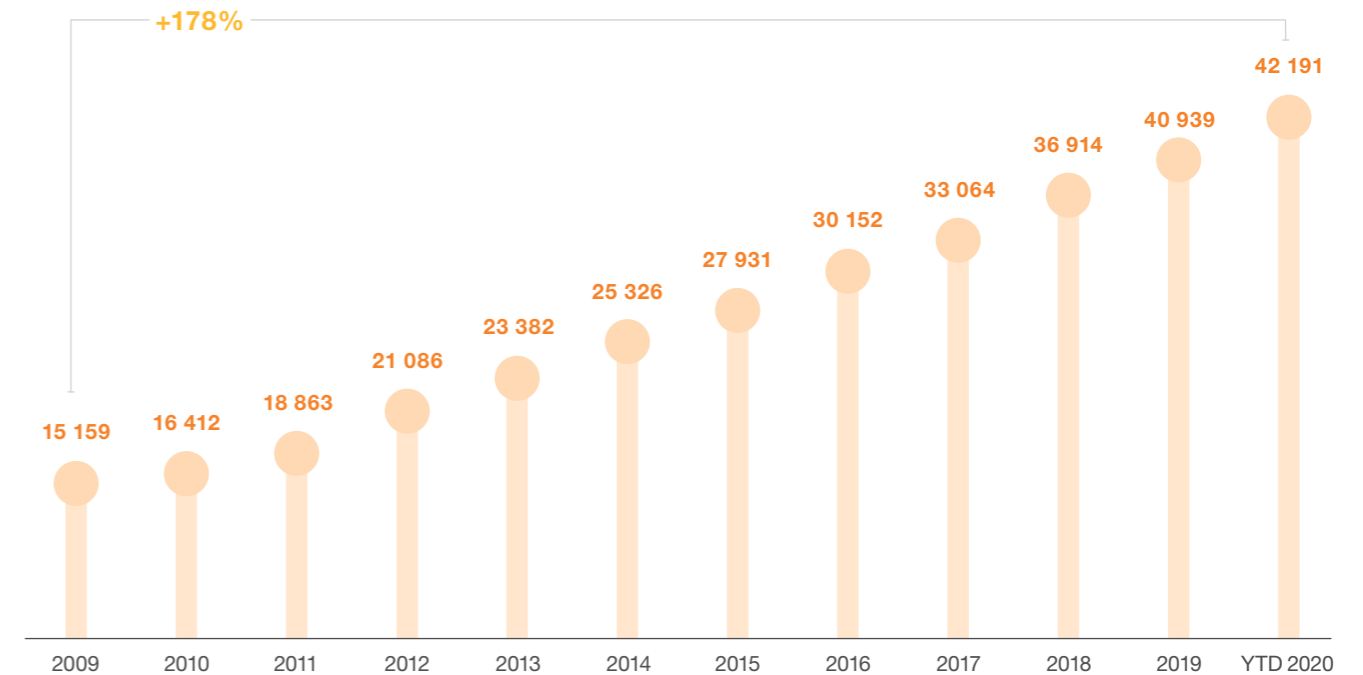
Chronic claims overview

 **R199 M** | paid for chronic claims
42 191 | beneficiaries with a chronic condition
364 244 | prescriptions dispensed
R393 | average cost per beneficiary per month

Number of LA Health beneficiaries with a chronic condition

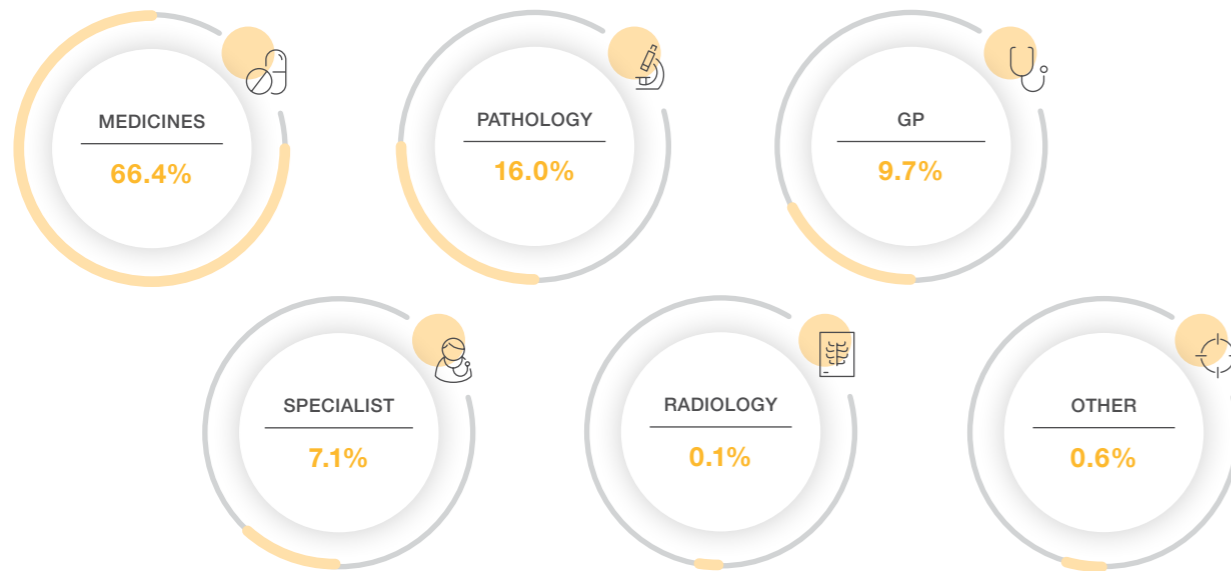
South Africa, like many countries in the world, continues to suffer from an increasing prevalence of non-communicable diseases, also known as diseases of lifestyle.

THE ABSOLUTE NUMBER OF BENEFICIARIES WITH A CHRONIC CONDITION, SUCH AS DIABETES OR HIGH BLOOD PRESSURE CONTINUES TO INCREASE, HOWEVER THE CHRONIC PREVALENCE PER 100 000 BENEFICIARIES HAS DECREASED BY 33% FROM 28 900 IN 2009 TO 19 400 IN 2020.



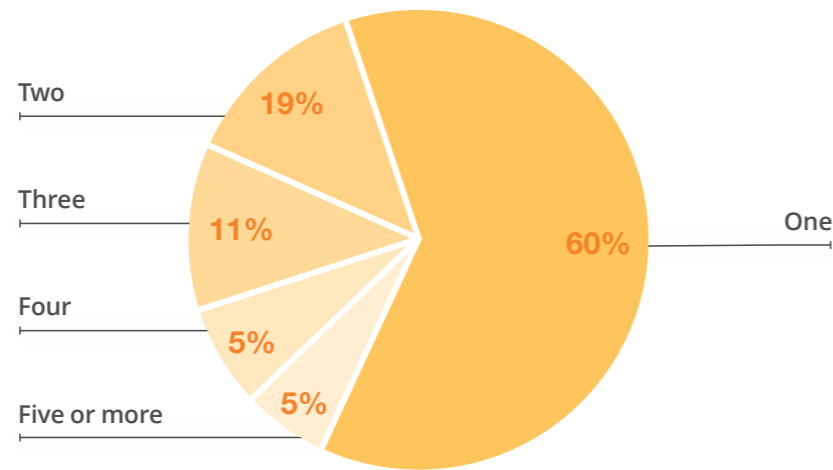
Chronic claims by type of provider

On average for every R100 paid by LA Health for the treatment of a chronic condition, R66.40 is spent on medicines.



Beneficiaries with multiple chronic conditions

Of the beneficiaries with a registered chronic condition, 40% have multiple chronic conditions. The most common combination of chronic conditions is hypercholesterolemia, essential hypertension and diabetes type 2, which is the case for 1 814 beneficiaries.



Note: Hospital-related costs for beneficiaries with a chronic condition are not included in these figures, but are included in the hospital benefit.

Note: All figures for the period April 2019 to March 2020.

Top 10 chronic conditions

Chronic Condition	Beneficiaries	% increase over past 12 months	Average cost per chronic beneficiary per month
ESSENTIAL HYPERTENSION	21 965	8.5%	R439
HUMAN IMMUNODEFICIENCY VIRUS (HIV) INFECTION	12 795	12.9%	R513
HYPERCHOLESTEROLAEMIA	11 137	9.5%	R591
DIABETES MELLITUS TYPE 2	8 041	11.8%	R653
ASTHMA	6 428	12.3%	R325
ISCHAEMIC HEART DISEASE	2 760	3.4%	R741
HYPOTHYROIDISM	2 332	5.6%	R491
CONGESTIVE CARDIAC FAILURE	1 430	0.7%	R809
CONDUCTION DISORDER	1 281	0.7%	R783
GLAUCOMA	1 269	7.8%	R757

The most common chronic condition for the period is essential hypertension with 21 965 beneficiaries enrolled.

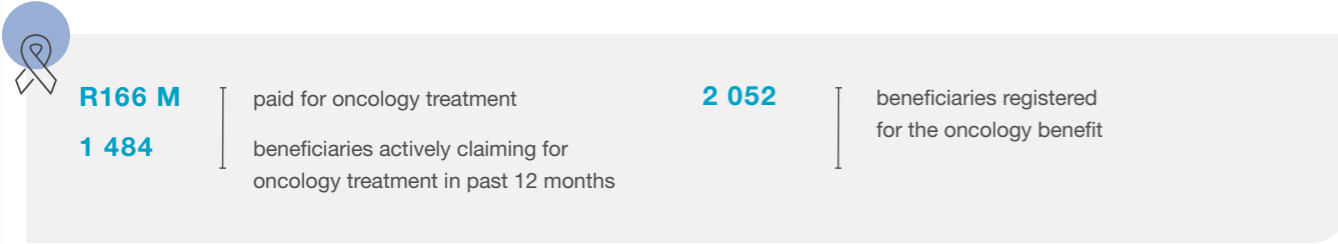
HIV infection has seen the greatest increase in enrolled beneficiaries, of 12.9%, from the previous period and a total of 12 795 beneficiaries were enrolled in 2020.

The most costly chronic condition, based on average cost per chronic beneficiary, is congestive cardiac failure with an average cost of R809 per chronic beneficiary per month, excluding hospital claims.

The above does not include hospital claims related to the chronic condition.



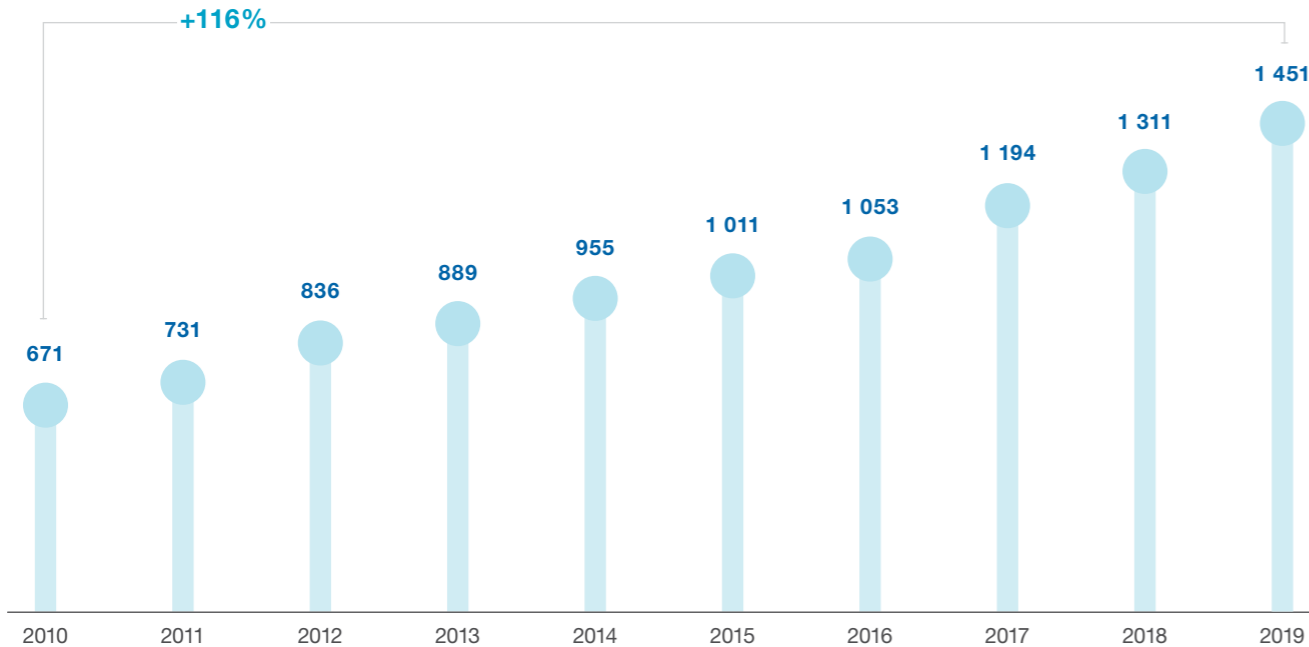
Oncology claims overview



Number of LA Health beneficiaries actively claiming for oncology

The absolute number of beneficiaries receiving treatment for cancer has increased by 116% since 2010.

HOWEVER, THE ONCOLOGY PREVALENCE PER 100 000 BENEFICIARIES HAS DECREASED BY 30% FROM 1 000 IN 2010 TO 700 IN 2019.



Note: All figures for the period April 2019 to March 2020.

Top 10 types of cancer

	Beneficiaries	% increase over past 12 months	Average cost per beneficiary per month
BREAST	473	9.2%	R10 726
PROSTATE	426	8.7%	R9 981
COLORECTAL	120	-5.5%	R26 269
LUNG	48	0.0%	R36 253
URINARY	47	4.4%	R20 421
HAEMATOLOGY	39	5.4%	R29 575
MALIGNANT MELANOMA	34	17.2%	R11 479
CERVICAL AND UTERINE	34	0.0%	R19 650
MULTIPLE MYELOMA	32	18.5%	R29 479
LYMPHOMA	25	25.0%	R48 026

Breast cancer is the most common cancer for the period, with 473 beneficiaries claiming for breast cancer.

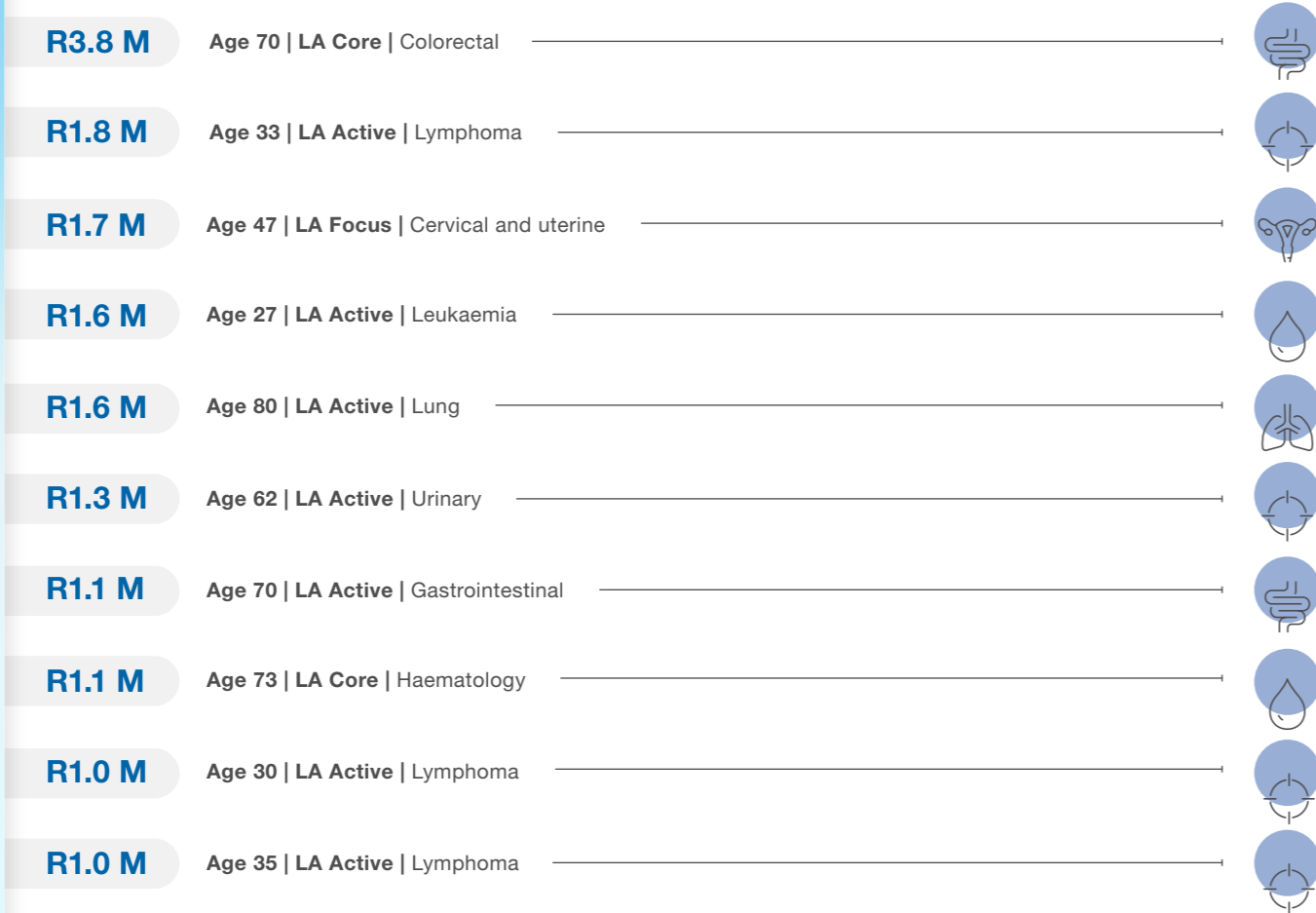
Lymphoma has seen the greatest increase in claimants, of 25%, from the previous period and was the most expensive to treat over the period, with a cost of R48 026 per beneficiary per month.

The above includes all cancer related claims paid by the Scheme.



Top 10 cancer claims

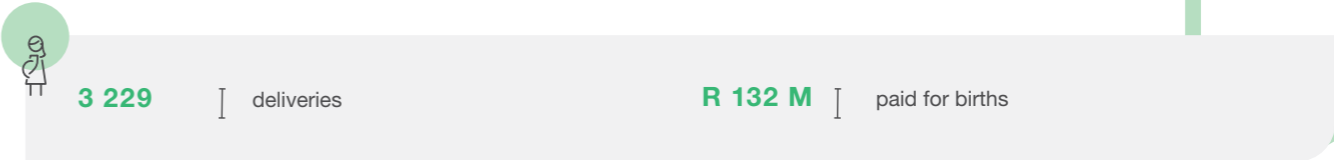
The infographic below illustrates the Top 10 highest individual beneficiary claims for cancer treatment and highlights that beneficiaries of various ages can require oncology treatment.



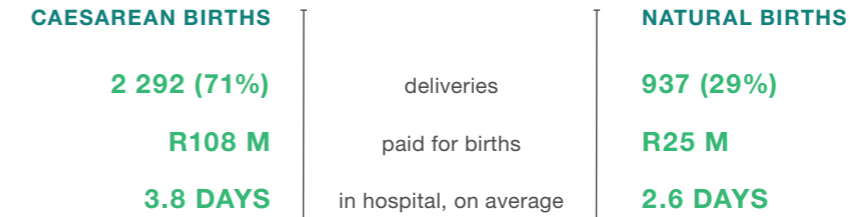
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Note: All figures for the period April 2019 to March 2020.

Maternity claims overview

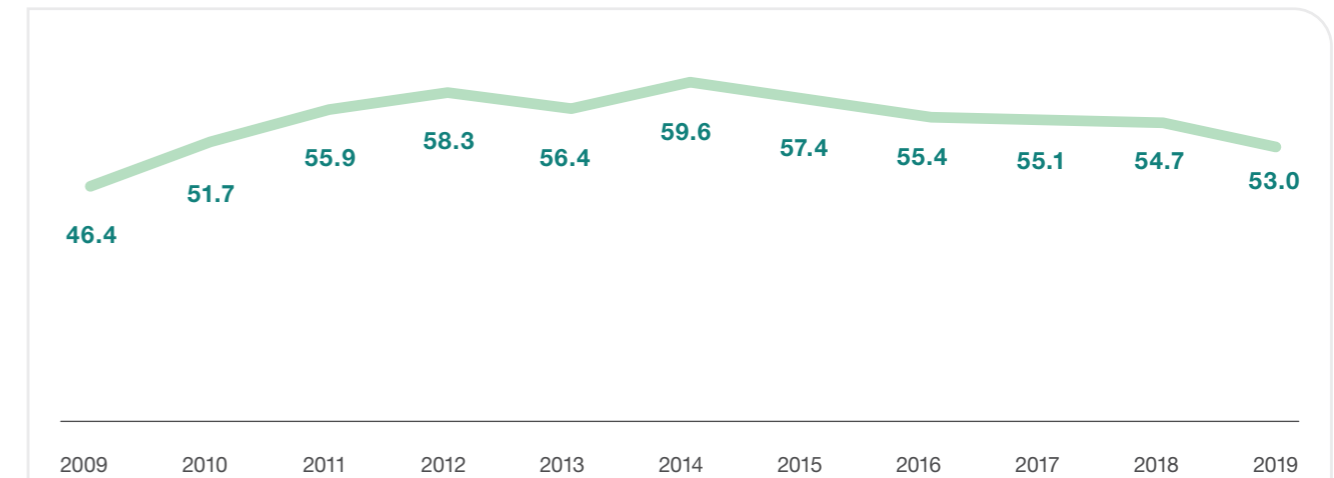


The majority of births are caesarean births, which typically result in longer stays in hospital.



Birth rate

The birth rate among LA Health beneficiaries has remained relatively constant in recent years. This is in contrast to declining birth rates in South Africa in general.

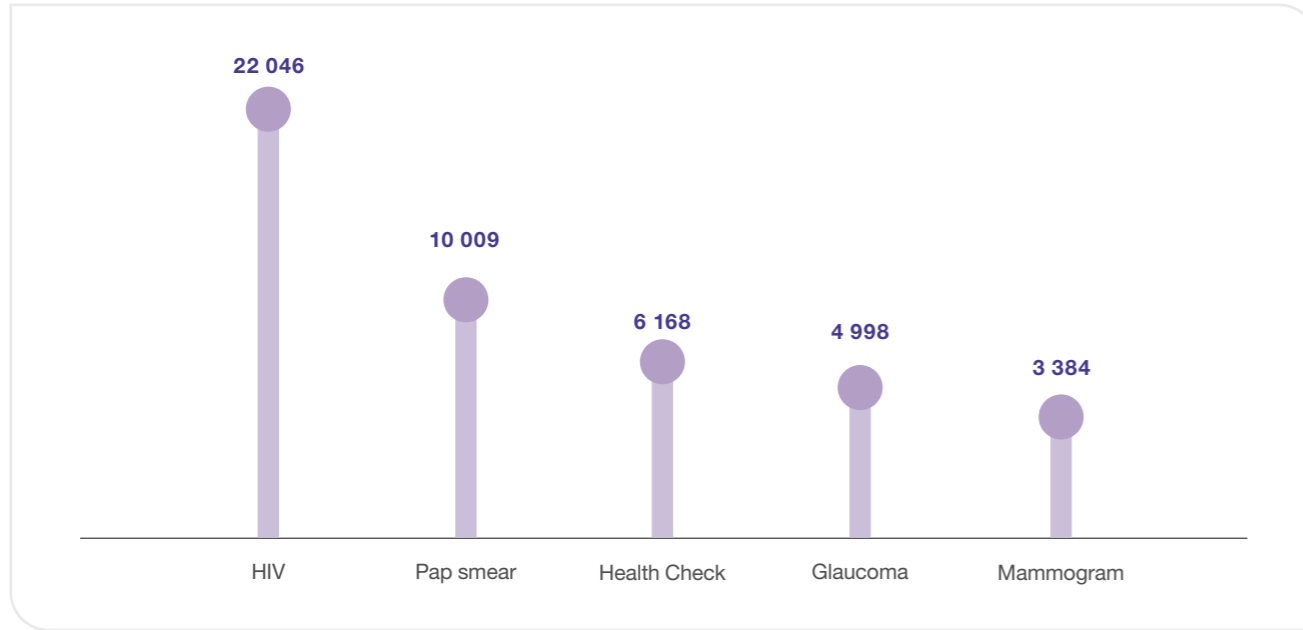


The above graph highlights births per 1 000 female lives on the Scheme between ages 18 and 55.



Number of beneficiaries performing screening tests

Effective population-based screening is critical for the early detection of, and intervention in, lifestyle-related conditions.



Health Check results

Health Check screens blood glucose or HbA1c, blood pressure, cholesterol and BMI. Discovery's data demonstrates a direct correlation between screening outcomes and mortality and morbidity experience.



Many beneficiaries have high cholesterol levels, high blood pressure and are classified as overweight or obese.

Note: All figures for the period April 2019 to March 2020.



● Client Services 0860 103 933 ● Fax 011 539 7276 ● www.lahealth.co.za ● service@discovery.co.za ●
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