

The Building & Construction Industry Medical Aid Fund

Reference no. 1590. Registered in terms of the Medical Schemes Act no. 131 of 1998



October 2019

Dear Employer

ANNOUNCEMENT OF 2020 BENEFIT ENHANCEMENTS AND NEW CONTRIBUTION RATE INCREASES FOR BCIMA MEMBERS

The past year has been exceptionally difficult for the building and construction industries, with a number of large employers in the industry having to close their doors, or reduce their operations. The Fund has felt the negative impact, with a reduction in membership, and an increase in mental health claims due to financial and relationship stressors.

The Fund has also experienced a number of high cost cases for hospital admissions, with hospital cost being 16.25% more than the previous year. There has been significant increases on all the claims categories, and the claims paid is 16% more than the previous year, as at the end of August 2019 claims paid amounted to R85 734 931.

On an annual basis the Board of Trustees, with the help of a healthcare actuary, consider the contribution increases and benefit limits for the next year. It is important that the Fund must remain financially strong in order to provide members with benefits for years to come, yet the financial position of members need to be considered.

Contribution Increases

For 2019 the contribution increase was 7%, which was significantly less than the industry increases and salary/wage increases. Due to the significant increase in claims the Board agreed to an increase of 7.5% for 2020. Although this is higher than normal inflation, it is still much less than medical inflation and the increases the Fund experienced in claims costs.

BCIMA has an income based contribution table, and in the band where the largest number of BCIMA members are, the contribution increase calculates R 139 per month per family.

The Employee Annual contributions are structured over 48 weeks/12 months. These contributions allow for cover throughout the year and cover for the 4 week holiday period.

Benefit Limits

BCIMA offers generous benefit limits to members, with an average increase of 5.4% on all limits for 2020.

To highlight some of the benefits:

- Emergency Transport Service through Netcare 911. The member will not be liable for any short payments if authorised with Netcare 911
- LifeSense – the HIV/aids disease management programme
- Hospital benefit R422 000 per member family
- Annual Day to Day limit R19 000 per family, with various sub-limits (please refer to the limits within the booklet)
- Chronic Medication benefit R11 300 per family

Administrative pointers for 2020

The 2020 financial results of the Fund will depend largely on the correct calculation of the contribution rates for each individual member. For your ease of reference we herewith enclose the hourly and/or monthly wage schedule, which must be updated with the hourly rate / monthly income of your employees as from January 2020.

Please ensure that the correct income be reported for January 2020 and that we are notified timeously of any change in the hourly rate of employees during the course of 2020. The underreporting of income and therefore reduced contribution income will adversely impact BCIMA which will result in abnormal contribution increases as the shortfall will have to be recovered.

Please return your updated schedule as soon as possible, and kindly ensure that a contact name and number is provided in the event that we have any queries. On receipt of the completed updated income schedules your 2020 contribution invoice will be forwarded to you.
Important housekeeping issues

According to the Medical Schemes Act No. 131 of 1998, Chapter 4, 26(7):

“All subscriptions or contributions shall be paid directly to a medical scheme not later than three days after payment thereof becoming due”.

And BCIMA Rule 13.1 reads as follows:

“Contributions shall be due weekly in arrears and be payable by not later than the 2nd (second) working day of the following week in respect of all members who are not Continuation members.”

“Grace Period”

When applying for a grace period, the employer guarantees payment of contributions in the event of a member absconding, resigning, retrenchment, etc. and the Fund is not notified immediately.

Please note that the grace period granted only covers confirmation of benefits for services and not payment of accounts. Payment of accounts remains the responsibility of the member until such time as the claim has been paid by the medical aid fund. Only once contributions have been received by BCIMA, will payment be made to healthcare service providers and/or members.

Kindly note that contributions up to week ending 29 November 2019 (week 48) must reach us not later than the 7 December 2019 in order to ensure that your employees qualify for their benefits during the December holiday period.

Should you have any queries in this regard, kindly contact either:

Yolandé Disney on 011 208 1369
Direct Fax: 086 529 2565
Email: bcimafund@universal.co.za

or

Amanda Durand on 011 208 1370
Direct Fax: 086 719 3964
Email: bcimafund@universal.co.za

Fraud

In 2019 the Fund were informed of incidents where certain members and providers were allegedly involved in fraudulent activities. If you as an employer become aware of any fraudulent activities by a provider or a member, please contact the anonymous-secure-confidential Vuvuzela hotline on Toll Free number: 080 111 447. The case will be investigated and the appropriate action taken.

As we set ourselves to leap into a new year, we trust that we can only do so with your support. 56 years on... We remain committed to offering the best quality and affordable healthcare.

Warm Regards
BCIMA Fund