

SECOND CARNEGIE INQUIRY INTO POVERTY
AND DEVELOPMENT IN SOUTHERN AFRICA

Medical Aid and benefit schemes

by

Technical Action Project

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Introduction

Health is a right, not a privilege.

Long ago in Europe the governments thought that health was a privilege only for the rich people. People had to pay a lot of money for medicines and hospitals if they got sick. So the workers joined together to form mutual aid societies.

These societies were clubs to help members and their families when they got sick or died. Often trade unions grew out of these clubs.

Members paid contributions to the society every week or every month. The fund helped pay the medical expenses of the members and their families.

In South Africa today we also have a government that seems to think that health is only for rich people. So medical societies have been formed which are supposed to work in the same way as the mutual aid societies. But, unfortunately, there are two types of schemes in South Africa. One for the rich, called a medical aid scheme. And one for the poor, called a medical benefit scheme. (Sometimes the word "society" is used instead of "scheme".)

This booklet explains how medical aid schemes work and how much they cost. The booklet can be used by unions when they try to get better benefits from management. Or it can be used by individual workers who don't belong to a union but want some help with medical expenses.

What is a Medical Aid Scheme?

expenses	=costs
contributions	=the fees you pay to belong to a medical aid
benefits	=the things which the medical aid will help pay for
panel	=group

Medical aid schemes are different from medical benefit schemes.

Medical benefit schemes have a contract with a panel of doctors and dentists. These doctors and dentists get paid by the scheme for looking after the members when they get sick. The scheme won't pay if members visit a doctor who is not on the panel.

Medical aid schemes don't have any contracts with doctors and dentists. They help their members to pay for the doctor or medicine when they get sick. Members are allowed to choose which doctor they want to visit.

The contributions for medical aids are higher than for medical benefit schemes. So only the rich skilled workers can afford to be members.

Medical benefit societies usually given less benefits than medical aids. Often they have clinics, free immunisation and x-rays for diseases like TB. The contributions for these societies are much lower than for medical aids. So they are the only schemes which workers with low wages can afford.

Some workers belong to medical aids or medical benefits schemes under the industrial councils in their industries. Often workers belong to schemes which their bosses set up specially for that company. We call these schemes which belong to one industry or one company the "tied"

schemes. Other schemes have members from different industries and companies. We call these schemes "untied" schemes. Industrial council medical aid schemes are similar to the united medical aid schemes.

Who can join a Medical Aid Scheme?

eligibility =who can join a medical aid scheme
employer group =a factory or company or group of companies
tied schemes =schemes for only one industry or company
untied schemes =schemes for workers from different companies
open schemes =schemes which allow individuals to join

Most medical aid schemes are **tied**. Only employees of a particular employer or group of employers are allowed to join. For example Woolworths have their own scheme which is only for people who work at Woolworths.

Most schemes say that all workers must join when they start working for their employers. Women who are covered by their husbands medical aid don't have to join. Sometimes Africans are allowed to choose if they want to join or not.

The rest of the medical aids are **untied**. Any employer can arrange for his/her workers to become members of the scheme if they agree and if they obey the rules. For example employees of U.C.T. belong to the Cape Medical Plan. After an employer group joins a medical aid scheme usually all new permanent employees must join.

Very few untied schemes are **open**. An open medical aid allows any person to join without being part of an "employer group". The contributions are usually higher for open schemes. There is also a medical examination to decide if the person is healthy. People who are already sick before they join only get a limited amount of benefits. Some people who are very sick are not allowed to join. It would cost the scheme too much if all the sick people joined it. Schemes which are not open usually do not require a medical examination.

Usually, schemes which are not open say that groups of new members must be part of an "employer group" which has joined that particular scheme. But some medical aids allow members from other groups to join. So clubs or trade unions can also join. Usually the medical aids say that the group must have a controlling body to collect contributions etc., and that all the people who join the group after it has joined the scheme have to join the scheme as well.

Some schemes have other rules about who can join. For example some schemes only have members of one race. Other schemes say there must be at least a certain number of employees who want to join.

How much does a member pay?

income =how much you earn
dependents =people you support by paying for their food,
clothes, rent, etc.
limit =maximum
categories =groups

In the tables on pages 9 to 12 we give the contributions or fees to be paid by members of some schemes. But all schemes decide how big your contributions are by looking at the same thing. The contributions

depend on your income and how many dependents you have.

1. The more dependents you have the larger your contribution. But there is usually a limit. If you have more dependents than the limit then the extra dependents will be covered without having to pay more. This limit is different for different schemes but is usually about three dependents.
2. Medical aid schemes also ask how much you earn. There are usually several wage categories. People who earn more pay a little more than people who earn less. But there is also a limit. The rich people who earn more than the limit don't have to pay any more than the maximum.

Medical aid contributions are usually expensive so often only rich people can afford to belong. A person earning R500 per month usually pays between R20 and R40 per month for himself/herself alone and R60 to R80 per month if he/she has three dependents. Quite often the employer pays half of the contributions of its workers. So the worker only pays half of these amounts.

3. Some medical aid schemes charge the same amount for all population groups but others charge "coloureds" less than whites and Africans less than "coloureds". This is because Africans and "coloureds" don't claim benefits as often as whites. Africans and "coloured" people often go to clinics and hospitals for treatment rather than to private doctors because there are very few doctors or dentists near by their homes. Sometimes they don't know that their medical aid will pay for a private doctor. But hospitals are beginning to refuse to see medical aid patients. So all medical aid members may start going to private doctors. Then the medical aids will charge the same for African and "coloured" members as for white members.

What do doctors charge?

tariff = list of how much you must pay

Medical aids will not pay the whole fee if the doctor charges too much. There is a tariff of fees which covers all the things a doctor can do. For example, how much more can he charge after normal hours and over weekends, how much more for seeing you at home, how much for helping you to deliver your baby, and how much to take out your appendix. There is also a tariff for all the different kinds of doctors (eg surgeons, gynaecologists, dentists, etc.). This tariff gives a code number and sets a price for each thing. Whenever this tariff is changed, the new tariff is published in the government gazette. Medical aids will only pay a percentage of these tariff fees. (Current Government Gazette 8309 of 16 July 1982). (We will explain what percentage this is in the next section.)

Doctors can choose to be **contracted in** or **contracted out**. If they contract in, they must charge the tariff fees for all medical aid patients. If they are contracted out, they sometimes still charge these fees, but they don't have to. They can charge whatever they like and the medical aid will not have to pay the higher fees. **So, if you belong to a medical aid, it is important to check if your doctor is contracted in.**

MASA (the Medical Association of South Africa) is an organisation of doctors which acts to protect their interests. MASA has its own Guide to the fees contracted in doctors should charge to non-medical aid

patients and contracted out doctors should charge to all their patients. MASA think that the tariffs are too low and suggest to their members that they charge more for all services. For example, if the government gazette fee is R12,75, MASA suggests between R15,50 and R21,00. For "exceptional cases", MASA says doctors can charge twice as much as the gazetted fee.

Each doctor can decide if he will listen to MASA's suggestion. He can decide what are "exceptional cases". People who feel that their doctor has charged them too much can complain to the South African Medical and Dental Council (SAMDC). The SAMDC is also made up of doctors and dentists. If the doctor has charged MASA's suggested rates, then MASA will support him. And the patient will probably not get any money back.

There is a long history of struggle over what doctors should charge and what the tariff fees should be. The doctors want higher fees. The medical aids want to keep their costs down. So they want doctors to charge less, or otherwise they must charge their members higher fees. The state knows that people must be kept quite healthy. But the state also doesn't want to make the doctors angry.

From 1975 to 1978 MASA and the Dental Association decided how much doctors should charge. Then for one year the SAMDC decided tariffs. But they were too greedy. In 1979 they approved an increase of 52% for doctors and 40% for dentists. The medical aids complained loudly.

Now the Minister of Health makes the final decision about the gazetted tariffs. But the SAMDC still makes recommendations. Usually the Minister accepts the SAMDC's suggestions.

Nobody is satisfied. The doctors complain that it takes too long to go through all the bureaucracy to set new tariffs. The medical aids are weak and know that SAMDC still has the strongest voice. The patients still have no choice - they have to accept whatever fee they are charged.

What do medical aids pay for?

percentage	=the proportion of tariff fees which are paid
prescription	=medicines that doctors say one must buy from the chemist

Medical aid schemes help members by paying some of their costs when they are ill. Many schemes say they pay all (100%) of the costs. We call these "100% schemes". Other schemes say that they pay only 80%. We call these "80% schemes". What they mean is that they pay 100% or 80% of the tariffs that the government suggest that doctors should charge. Medical aid schemes will usually not pay the extra amount charged by doctors who have "contracted out". (You can see whether a scheme is a 100% or 80% one by reading its rules).

There are also other times when medical aids don't pay all costs. Often there are limits on the amount they will pay for dental care in one year or the amount they will pay for medicines. Members also usually have to pay the first R1 or R2 on each chemist's prescription. Medical aids won't pay anything for some types of medicine.

Medical aids will also not usually pay for medical treatment which they don't think is necessary for health, for example plastic surgery or sterilisation.

Who runs medical aid schemes?

trust =non-profit organisation

All medical aids are trusts. This means that they are non-profit organisations and are meant to be run for the benefit of their members.

There are two types of schemes:

1. Some medical aids (eg Cape Medical Plan) are co-operatives. They are controlled by their members.
2. Others are run by administrators. Most untied medical aids are run by a separate company of administrators. These administrators run the medical aids and charge the medical aids for this administration. So although the medical aids are non-profit organizations the administrators want to make a profit! The administrators usually run 4 or 5 separate schemes at the same time.

What to look for when reading the rules of a medical aid scheme.

ex gratia =extra payment not written in the rules

Before you join a medical aid scheme you must ask for a copy of the rules. Most schemes will give you a "Digest of Rules". This is usually a glossy pamphlet. It does not tell you everything so you must ask for a copy of the rules.

When you read rules remember that most benefits are in terms of prescribed tariffs. These tariffs are often lower than the fees a contracted out doctor charges. Only a few benefits (eg. prescribed medicines) are in terms of actual "costs" or how much you actually pay.

Medical aid schemes have a board of directors or trustees who make decisions about who can join (eligibility). They can also make ex-gratia payments to members who have reached their yearly maximum of benefits and still need help. This means that they consider each case "on its merits". Often they won't pay anything. **But if you don't ask you won't get anything.**

Comparison of different "untied" schemes

We wrote to 34 schemes asking for their details. We wanted to compare different schemes to see the benefits they offer and the contributions that members have to pay. We chose these schemes from the list of all registered medical aids. We chose schemes which looked open to people living in the Cape. Eighteen of these schemes replied and these are compared below.

In Table I we give some of the benefits you can get from 80% and 100% schemes. Then we give two tables comparing the benefits of different schemes.

TABLE I

Examples of the type of benefits offered by a 100% scheme and 80% scheme
(Benefits for 80% scheme are in brackets after benefits for 100% scheme)

1. General Practitioners (GPs) and Specialists	
(a) Consultation, visits, diagnostic examinations, treatment and non-surgical procedures, x-rays, radiotherapy, pathological services	100% (80%) of prescribed fee
(b) Surgical procedures and operations	100% (80%) of prescribed fee
(c) Medicines and anaesthetics supplied by the doctor	100% (80%) of costs with some restrictions on the amount paid
2. Hospitalisation	
(a) Accommodation (general)	100% (80%) of prescribed fee
(b) Intensive care	100% (100%) of prescribed fees usually for a limited number of days then reduces to (a)
(c) Operating costs	100% (80%) of prescribed fees
(d) Medicines and materials prescribed and used during stay in hospital	100% (80%) of costs
3. Dental Services	
(a) Conservatory dentistry, x-rays, examinations and maxillo-facial and oral surgery	100% (80%) of prescribed fee
(b) Crown, bridge work, orthodontic treatments	Maximum amounts paid out per financial year - varies with number of dependants
4. Prescribed Medicine	
	100% (80%) of costs after deducting R2,00 (R1,00) per prescription. Usually with maximum amounts per year
5. Auxiliary Services	
Various: eg blood transfusions, physiotherapy, chiropody, clinical psychology, audiometry, private nursing, ambulance services, speech therapy	For some 100% (80%) of prescribed fees. For others 100% (80%) of costs with limitations.
6. Spectacles and eyetesting	
	100% (80%) of costs with a maximum amount per year (often only allowed glasses every 2 years)
7. Other	
(a) Children as dependants	Yes (yes)
(b) Aged parents as dependants	No (yes)
(c) Waiting period before benefits allowed	No (yes)
(d) Pro-rata benefits in the first first year	No (yes)
(e) Maximum total annual benefit	No (yes)

The benefits in the next two tables do not show all the small differences between schemes. For example some schemes help with the cost of glasses, other schemes pay for lenses only and other schemes have one rule for frames and another rule for lenses. These differences are not important in deciding whether to join a medical aid scheme or not. But they can be important when you choose a scheme.

Membership contributions in the tables are for August 1983. You can use them only as a guide to how high contributions are. Contribution rates can change at any time. (They have been increasing quite rapidly lately). So it is also important to find out when the rates changed last and when they will next be changed.

How to read the tables

MEMBERSHIP: This means who can join the scheme. E stands for someone who is part of an employer group. A,I,W and C stand for African, Indian, white and "coloured" in that order. O stands for schemes which are open to individuals.

DENTAL LIMIT:The numbers are the maximum amount (in rands) which the medical aid will spend on a member's dentist bills in one year. One number means that is the total that the member and all his/her dependents together can spend. If there are two numbers, the first is for single members and the second is for members with dependents. If there are three numbers, the first is for single members, the second is for members with one dependent and the third is for members with more dependents.

PRESCRIBED MED: These are medicines prescribed by doctors. The numbers here are also maximum amounts and work the same way as the dental limit. The number next to deduction is how much (in rands) you must pay for each prescription before the medical aid pays anything.

CLIN PSYCHOL:This stands for Clinical Psychology. The amount is the maximum which the medical aid will pay for this benefit in one year. Clinical Psychology is only one of a number of other costs which medical aids cover. These extra costs are called auxiliary benefits. We show it here so you can compare the auxiliary benefits of the schemes.

AGED PARENTS:Some schemes allow members to include their parents as dependents.

WAIT: This stands for Waiting Period. Some schemes don't allow members to claim anything for the first few months after they join. These schemes have a "waiting period".

PRO-RATA: Some schemes don't pay the full benefit in the first year. They pay "pro-rata". This means that if you have only been a member for six months when you claim, the medical aid will pay only 6/12 or a half of the benefit to full member would get.

SPECS: This stands for the amount the medical aid will spend on glasses for a member or dependents. Schemes usually have a limit on what you can spend per pair of glasses. They also have a maximum amount per year which you can spend on glasses. This works in the same way that the dental limit works.

LIMITATIONS: Some schemes have extra rules about who can join and maximum amounts that you can claim. We show these in this row.

CONTRIBUTIONS: The cost of medical aids depends on how much the member earns and how many dependents the member has. In this table we show the cost for a member in the lowest wage group of the scheme per month. We first show the cost if he/she has no dependents, and then for three dependents. Then we show the costs for a member in the highest wage group with none or three dependents.

For example: A member of TOPMED who earns less than (we use the sign <) R150 per month who has no dependents will have to pay R19 per month. If he/she has three dependents he/she will have to pay R45 per month.

A member who earns more than (we use the sign >) R1000 per month who has no dependents will have to pay R50 per month. With three dependents the member will have to pay R94 per month. A member earning more than R150 and less than R1000 per month will pay more than R19 (or R45) but less than R50 (or R94) per month.

Sometimes schemes charge different fees for different race groups. For these schemes we have put a A,C,W or I in front of the numbers for African, "coloured", white or Indian.

TABLE II: COMPARISON OF THE MAIN DIFFERENCES BETWEEN "100%" SCHEMES

NAME	TOPMED	BONMED	MEDS	CONSOLIDATED					
MEMBERSHIP	E	E (A,C)	E	E					
DENTAL LIMIT	400/800	400/800	300/600/750	300/600/750					
PRESCRIBED MED Maximum	-	-	400/800/1200	400/800/1200					
Deduction	2 per prescr	2	2	2					
CLIN PSYCHOL	200	200	300	300					
AGED PARENTS	NO	NO	YES	YES					
WAIT	NO	NO	NO	NO					
PRO-RATA	NO	NO	NO	NO					
SPECS per pair	50 50/100	50 50/100	- 60/120	- 60/120					
LIMITATIONS	-	-	Rates for 10+ W & I	Rates for 10+ W & I					
CONTRIBUTIONS									
Wage member	<150	A<150	C<150	I&W<150	A<150	C<150	I&W<150	A	C
3+	19	6	10	28,9	6,5	15,4	26,8	5,7	13,8
	45	14	30	65,5	12,3	29,4	60,3	10,7	26,3
Wage member	>1000	>700	>700	>600	>600	>600	>1000	>1000	>1000
3+	50	14	31	59,6	14	33,1	61,5	16,1	35
	94	33	66	102,6	26,8	63,3	100,5	28,1	63,2

TABLE II: COMPARISON OF THE MAIN DIFFERENCES BETWEEN "100%" SCHEMES

NAME	MEDICO	CMP	NORTHRN	LOMED
MEMBERSHIP	E	O	E(large)	E(large)
DENTAL LIMIT	350/850	400/800/1000	300/600/750	200/400/500
PRESCRIBED MED Maximum	-	600/1200/1500	400/800/1000	200/400/500
Deduction	2	1,5	2	1
CLIN PSYCHOL	-	400	-	-
AGED PARENTS	-	-	-	-
WAIT	YES	YES	-	-
PRO-RATA	-	-	-	-
SPECS per pair maximum	60per my		60/120/150	40/80/100
LIMITATIONS	-	-	-	total max p.a. 1000/2000/2500
CONTRIBUTIONS				
Wage	<300	<200	<400	<200
member	36	30	32	9,2
3+	72	58,8	58,2	24,4
Wage	>1000	>1000	>1000	>1000
member	65	60	54,80	18,4
3+	109	112,8	89,8	47,4

COMPARISON OF THE MAIN DIFFERENCES BETWEEN "80%" SCHEMES

NAME	HELPMED	SELMED	COMM & IND	TAPELBERG	ERICA
MEMBERSHIP	E	O	E	E	E (C)
DENTAL LIMIT	300/600	300/600	100/300/375	100/200/250	150/300/375
PRESCRIBED MED maximum	300/600	300/600	300/600/750	350/450/500	300/600/750
deduction	2	2	1	1	1
CLIN PSYCH	200	200	350	250	350
AGED PARENTS	NO	NO	YES	YES	YES
WAIT	NO	NO	NO	NO	NO
PRO-RATA	NO	NO	NO	NO	NO
SPECS per pair maximum	NIL -	NIL -	10/2yr -	10/2yr -	10/2yr -
LIMITATIONS		2000/3000 55 years	-	-	C
DIFFERENCES	-	-	-	80% hosp fees	-
CONTRIBUTIONS					
Wage member	<150	<350	<100	<300	<100
3+	12	20	14,6	15	4,4
	26	56	26,3	35	12,2
Wage member	>1000	>350	>700	>1000	>500
3+	41	29	46,5	34,10	18,0
	68	77	83,3	60	40,4

COMPARISON OF THE MAIN DIFFERENCES BETWEEN "80%" SCHEMES

NAME	PROTEA	BONITAS	SANITAS
MEMBERSHIP	0	GE (A)	E
DENTAL LIMIT	100/200/250	80/150	90/175/230
PRESCRIBE MED maximum	100/200/250	80/160/200	90/150/200
deduction	1	-	1
CLIN PSYCH	250	-	-
AGED PARENTS	-	-	YES
WAIT	YES	-	YES
PRO-RATA	YES	-	YES
SPECS per pair max	- -	- 40/50	5/test -
LIMITATIONS	700/1400/1750	Dental 100/200/250	380/825/1000
DIFFERENCES	80% hosp fee 50% medicines Reg fee	100% hosp fee 100% medicines	80% prescribed medicines
CONTRIBUTIONS			
Wage	<416,6	<200	<250
member	19,5	4	14,30
3+	56	10	29,10
Wage	>416,6	>400	>500
member	26	10	24,90
3+	67,5	22	48,55

Are Medical Aids worth it?

This is a difficult question to answer YES or NO. But we can say that medical aids are cheaper for rich people than for poor people. This is because people who pay tax are allowed to pay less tax if they belong to a medical aid. Look at these examples:

Example 1:

Mr Frans Jacobs earns R500 a month. He has a wife and three children. If he joins a medical aid it will cost about R75 a month.

Example 2:

Mr Reg Parke earns R5000 a month. He has a wife and three children. If he joins a medical aid it will cost about R110 a month. But his tax goes down by R55 per month. So he really pays only R55 per month for his medical aid!

What about other medical expenses?

The same thing happens with other medical expenses. Look at these examples:

Example 1:

Mr Sipho Junga had to pay R100 last month for medicines and hospital for his sick daughter. He earns very little so he doesn't pay tax, so there was no deduction from taxes.

Example 2:

Mr Reg Parke's daughter was also sick. He also had to pay R100 for medicines and hospital. But he will be allowed to pay R50 less tax. So the medicines really only cost him R50.

Before we can decide whether medical aids are worth what you pay for them, we need to look at what illness costs if you are not on a medical aid.

If you aren't on a medical aid you can still go to a private doctor. But often you can get medical help cheaper at other places such as hospitals or SHAWCO.

Hospital costs depend on your wages and whether you have dependants. Members of medical aid societies and sick funds are charged maximum rates for almost all hospital services. They don't get rebates (reductions) even if their wages are low or they support many people. So it is important to see what the hospital costs before joining a medical aid.

How much do hospitals charge?

rebate =reduction in fees
in-patient =person who must sleep in hospital overnight
out-patient =person who visits the hospital during the day

There are two main types of hospital services - in-patient and out-patient. **In-patients** are the people who must stay in the hospital overnight. **Out-patients** are people who go during the day to see the doctor or nurse, get their pills or injections, and so on. The charges for both services depend on the patient's wage. If the patient is not earning, then costs depend on the wage of the person who will pay the patient's bill.

Not all hospitals charge the same fees. Groote Schuur Hospital, Karl Bremer, Mowbray Maternity, Red Cross Childrens Hospital, Peninsula Maternity and Tygerberg are "teaching hospitals". These hospitals are used for teaching medical students. They sometimes have more expensive equipment than the other hospitals. You pay more for treatment at teaching hospitals. All the other hospitals are non-teaching hospitals. These hospitals can usually provide a service which is just as good for all normal illness. But you pay less.

The wage used for calculations is the TAXABLE INCOME on your tax form. For people with papers from one of the "independent" homelands, it is the taxable income they would have if they had South African citizenship.

TOTAL ASSESSED TAX is used in working out daily hospital fees. This is the amount marked in the diagram of the IT34 form on the following page. Assessed tax depends on your sex, whether you are married, and how many dependents you have. So the fee will also depend on these things.

NOTE: Employers sometimes deduct tax from payslips even when wages are not high enough to pay tax. The amount you pay at hospital does NOT depend on the PAYE on your pay slip. It depends on the total assessed tax on your IT34 form. If you haven't got a tax (IT34) form, then the amount you pay at hospital depends on what would be on your IT34 form.

The hospital always charges the full fee unless you can prove your wages are low. To prove this you must show them

- (a) a letter from your employer or
- (b) your latest tax assessment form, (form IT34), from the local receiver of revenue or
- (c) a letter from the receiver of revenue.

There is no time limit for you to prove this. Even if you come months later with proof, the hospital must refund your money.

What do in-patients pay?

- hospital patients =people who pay less than 50c a day for hospital
- private patients =members of medical aids and people who pay more than 50c a day for hospital
- primary fee =how much you pay when you first go to hospital. You pay this once only for each stay in hospital.
- daily fee =how much you pay for each day in hospital.

There are two sets of fees for in-patients. Unmarried people with no dependents pay one fee. All married people, and unmarried people with dependents, pay less. The number of dependents makes no difference to this fee.

When you become an in-patient you must first pay a PRIMARY FEE. All people who pay tax must pay the full amount. You must pay R25 for teaching hospitals and R15 for non-teaching. People who do not earn enough to pay tax, pay less. For example, people earning less than R50 per month pay only R2. People who earn more than R100 a month but don't earn enough to pay tax, must pay R15 or R10 if they are not married and have no dependants, and R10 or R8 if they are married or have dependants.

BELASTINGAANSLAG - TAX ASSESSMENT

PROPERTY TAX ASSESSMENT FOR THE YEAR 19...

Assessment Year	19
Assessment District	Sheet Address, Type of Assessment
Assessment Date	Assessment Date
Assessment Description	Assessment Description

INKOMSTE AANSLAG - INCOME ASSESSED				BELASTINGE BETALBAAR - TAXES PAYABLE			
Income Source	Income	Income Source	Income	Tax	Tax	Tax	Tax
				Local Property Tax			
				Additional Property Tax			
				Levenswijziging Loan Levy			
				Provisional Property Tax			
				Total			
				Less: Unpaid State Property Tax			
				Min Less: Waiver/Exemption			
				Dependent on Debt or Credit			
				Net Debt or Credit			
				Net Debt or Credit			
				Net Debt or Credit			

This is where you must look

U REKENING - YOUR ACCOUNT					
Source	Debit	Balance	Balance	Balance	Balance

- BELASTINGE APPEAL: ...
- OBJECTIÖNE APPEAL: ...
- BELASTINGE APPEAL: ...

REMARKS: ...

REMARKS: ...

REMARKS: ...

Amount	Amount	Amount

REMARKS: ...

You must also pay a DAILY FEE, for every day you sleep in the hospital. The maximum daily fees for general wards are R30 for teaching and R18 for non-teaching hospitals. If you can prove you pay no tax, you don't have to pay any daily fees. If your TOTAL ASSESSED TAX is less than R240 you can get a rebate on the daily fee. For example, if your assessed tax is R120 you will have to pay R15 for teaching and R9 for non-teaching hospitals as a daily fee.

If you stay in hospital for a long time, you can get another reduction in the daily fee. **This reduction also applies to medical aid members.** You get 25% reduction if you stay longer than 30 days. You pay 50% if you stay longer than 60 days. You pay no daily fee after you have been in hospital for 180 days (6 months). People often join medical aids because they are worried about long-lasting serious illnesses or accidents. This is not a good reason to join a medical aid because everybody pays very little if they must stay a long time in hospital.

Members of medical aids, people who ask for semi-private and private wards, and those who pay more than 50c a day are called PRIVATE PATIENTS. Other people are called HOSPITAL PATIENTS. Private patients can choose their own doctor. The hospital decides who will look after hospital patients. But there should be NO other difference between the treatment of hospital and private patients.

What do out-patients pay?

people earning more than R240 per month are not usually allowed to be hospital out-patients. They must go to their own private doctor. Members of medical aids who earn less than R240 can come to the hospital for treatment, but they will be private patients and pay more than hospital patients.

Out-patients pay each time they go to the hospital. Hospital patients' fees depend on monthly income. For example, people earning less than R50 per month pay 50c. People who earn between R100 and R200 a month pay R5 at teaching hospitals and R4 at non-teaching hospitals. Private patients and hospital patients earning more than R600 pay R15 for teaching hospitals and R12 for non-teaching hospitals.

Women who go to government maternity clinics can pay in two ways. You can pay once for all visits for one pregnancy, or you can pay separately for each visit. Women earning less than R50 per month pay R2-50 for all the visits and those above R600 pay R25. People who earn more than R50 and less than R600 pay an in-between amount. For example people who earn between R100 and R200 a month pay R30 at teaching hospitals and R25 at non-teaching hospitals.

The hospitals are trying to stop medical aid patients from coming to them. They want them to go to private hospitals instead. Provincial hospitals in the Cape and Transvaal have stopped giving medicine to members of medical aids. Instead they give them prescriptions to take to their private chemists. People who do not belong to medical aids can get medicine from the hospital.

Chemists are big business. When you buy at a chemist you pay extra for having the pills or mixture put in a new bottle. The chemists also want their profits! Medical aids say that medicines are one of their biggest expenses. They say that the average costs of a prescription is more than R20. They usually have a limit on the amount they will pay out for medicine each year. Often they won't pay

more than R300. This is much too little, especially for people with illnesses like diabetes who have to have pills or injections all year.

Can some people get cheaper hospital treatment?

Apart from people with low income and unemployed people there are some others who can get cheaper hospital services.

People who get **government pensions**, those who have **no income** at all, and people with **TB** get free service as both in-patients and out-patients.

People over 60, and whose **income is less than R55 per month**, don't have to pay for out-patient services.

If you have to go to **out-patients more than twice in one month** you don't have to pay for the extra visit(s).

District nurses and midwives are not allowed to charge hospital patients for their services, even if they visit you at home.

ALWAYS ASK ABOUT REBATES. YOU WON'T GET THEM IF YOU DON'T ASK!

NOTE: Hospital costs in this booklet are based on those introduced in February 1982. Costs will obviously not stay the same. We give them here to show how big the deductions and rebates are. Hospitals must display the current fees in all their reception offices so everybody can see them easily. You can also demand your own copy.

SHAWCO Clinics

If the hospitals are too expensive or too difficult to visit, you can visit a SHAWCO clinic. Shawco runs clinics in some areas of Cape Town. These clinics are open in the evenings from seven o'clock until all the patients are seen. So you do not have to miss work when you go. You do not have to pay anything when you go to these clinics.

The clinic is run from a big Kombi. The Kombi is open at the following days and places:

Mondays: Mitchells Plain and Khayalitsha
Tuesdays: New Crossroads and Valhalla Park
Wednesdays: Atlantis
Thursdays: Noname Camp at Crossroads

There is also a nutrition clinic at Old Crossroads on Wednesday afternoons. The nutrition clinic helps mothers who have problems with feeding their babies and young children.

If you want to know anything more about the Shawco clinics, you can phone them at 514871.

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Quoting (in context) from these preliminary papers with due acknowledgement is of course allowed, but for permission to reprint any material, or for further information about the Inquiry, please write to:

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