

Quick Reference Guide

Medical Gap Cover



Why all medical scheme members should consider Gap Cover

Medical scheme benefits are limited to the Medical Scheme Tariffs (MST) and medical practitioners can charge considerably more than MST. Certain medical specialists have been known to charge up to four times the MST. This creates a shortfall - or gap - between the MST and the actual cost incurred for the medical practitioner for in-hospital treatment. Gap Cover is a way in which medical scheme members can avoid being left with payment shortfalls or Gaps.

Gap Cover benefit definition

Medical Gap Cover pays the difference between in hospital practitioner charges and the Admed Tariff charge, subject to a maximum practitioner charge of 400% of Admed Tariff.

The general rule is that this insurance covers the shortfall on the practitioner charges for in hospital procedures. There are however exceptions to this rule where the following medical or surgical procedures are performed on an out-patient basis:

- Surgical Biopsy of Breast Lump
- Hernia Repairs, limited to
 - Inguinal Hernia
 - Femoral Hernia
 - Umbilical Hernia
 - Epigastric Hernia
 - Spigelian Hernia
- Ischio-rectal abscess drainage
- Closure of Colostomy
- Surgical Haemorrhoidectomy (excluding sclerotherapy or band ligation)
- Lymph node biopsy
- Vasectomy
- Cystoscopy
- Orchidopexy
- Prostate biopsy
- Cataract removal
- Pterygium removal
- Trabeculectomy
- Direct laryngoscopy
- Tonsillectomy
- Sinus surgery, limited to Frontal sinus, Functional endoscopic sinus surgery, Bilateral function endoscopic sinus surgery
- Myringotomy
- Grommets
- Arthroscopy
- Carpal Tunnel Release
- Ganglion surgery
- Bunionectomy
- Needle biopsy of the liver
- Bronchoscopy
- Coronary angioplasty
- Coronary angiogram
- Oesophagoscopy
- Gastroscopy
- Enteroscopy
- Colonoscopy
- Tubal ligation
- Childbirth in a non-hospital setting
- Incision and drainage of Bartholin's cyst
- Marsupialisation of Bartholin's cyst
- Cervical laser ablation
- Hysteroscopy
- Dilatation and curettage

Personal Accident Benefit

This benefit is included in the policy. Only the Principal Member is covered for a maximum amount of R25000 if he/she is disabled as a result of an accident. The amount of the benefit may vary depending on the severity of the injury/disability. The benefit also includes various emergency services like Emergency Transportation, Trauma counselling and life support equipment.

Premiums and benefits

A monthly premium is payable in advance. The policyholder must always be the principal medical aid member and the lives insured under this policy are his or her dependents listed on his or her medical aid. The benefits payable under the Policy are subject to a maximum of R200 000 per individual and R2 000 000 per family per annum.

Commencement of cover

Cover in terms of the policy will commence on the first day of the calendar month for which the premium has been paid.

Eligibility requirements

Any Principle Member of any registered medical scheme can take out this cover. This cover is therefore not restricted to a particular medical scheme and likewise the Gap Policyholder can retain this Gap Policy irrespective of which scheme they may become a member of in the future.

There are no maximum entry age restrictions and there are no underwriting requirements.

General exclusions

The Policy specifically excludes claims resulting from hospitalisation or treatment caused by or related to in consequence of:

- Nuclear weapons or material.
- Obesity
- Routine physical examinations or any other examinations where there are no objective indications of impairment in normal health.
- Depression, insanity, mental or mental stress-related conditions.
- Suicide, attempted suicide or intentional self-injury.

- The taking of any drug unless prescribed and taken in accordance with the instructions of a registered medical practitioner.
- Any illness caused by the use of alcohol or any event directly attributable to the insured person having a blood alcohol content exceeding the legal limit.
- Participation in active military duty, police duty, civil commotion, labour disturbances, riot, strike.
- Participation in aviation other than a passenger.
- Participation in any form of race or speed test, other than on foot or involving a non mechanically propelled vehicle, vessel, craft or aircraft.
- Any claims not covered by the Principal Insured Person's medical scheme.
- Home and private nursing.

Waiting periods

The Policy does not have a pre existing condition exclusion or a blanket waiting period. It however has the following treatment specific waiting periods.

On birth related claims there is a 10 month waiting period.

There are 9 medical treatments for which no benefit will be paid should the claim event arise in the first 6 months of the Policy inception. These same 9 medical cases will also only qualify for 50% of the benefit payment should the claim event take place between the 6th and 12th month after Policy inception.

The 9 medical treatments for which these waiting periods apply are:

1. Joint replacements (except as a result of an accident/injury occurring after joining).
2. Arthroscopic procedures (except as a result of an accident/injury occurring after joining).
3. Spinal surgery including spinal fusion (except as a result of an accident/injury occurring after joining).
4. Nasal surgery including sinus related (except as a result of an accident/injury occurring after joining).
5. Cataract surgery.
6. Hysterectomy (except for cancer diagnosed after joining).
7. Dentistry related claims (except reconstructive as a result of an accident/injury occurring after joining).
8. All hernia repairs (except as a result of an accident/injury occurring after joining).

9. All cardiac related surgery and procedures including angioplasty and cardiac catheterization diagnosed prior to the date of joining.

Excess payable

This Medical Gap Policy provides cover with no age limit at no increased cost. In order to continue covering older members a claim excess will apply to claimants 60 years of age and older. This excess will amount to 5% of the benefit payable, subject to a minimum of R250.

Claims

Claims need to be submitted in writing no later than 6 months from the date of hospitalisation giving rise to the claim.

All benefits will be payable to the principal insured or their legal representative.

No benefit payable shall carry interest.

Competitive advantages

As Gap Cover is a short term insurance policy it requires a short term insurer to underwrite the Policy. In this regard Liberty Health has chosen Guardrisk Insurance Limited to provide their Admed Gap Cover Policy, which is widely regarded as the industry standard and best in class. This means that although Liberty Health Medical Gap Cover monthly premium may be R10 – R20 more expensive it is superior in many respects to other Gap Cover that is available.

The advantages of the Liberty Health Medical Gap Cover are:

- No blanket waiting period.
- No pre existing condition exclusion.
- Less general condition exclusions e.g. No limits on aids related claims, hormone treatment, fertility treatment.
- No dental claim exclusion or limitation.
- Cover of adult dependents included.
- Higher individual and family annual limits.
- Greater number of out of hospital treatments covered.
- The policy has been ruled legal by the constitutional court and therefore has no threat of the Medical Schemes Council objecting to its existence. Other policies have not been given the same legal clearance to operate.