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# UCT Retirement Fund Seminar

July 2016 – Sue Zanninello CFP® BR6

# PSG Employee Benefits

## Financial Services Provider

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### Accredited with:

- Financial Services Board
- Council for Medical Schemes
- All major medical schemes

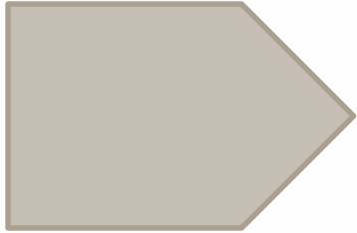


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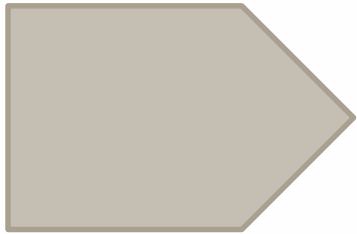


# OVERVIEW

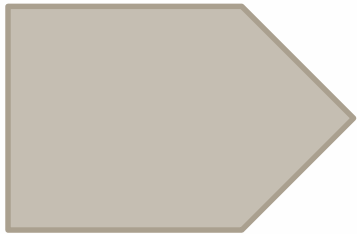
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*WHAT COVER LEVEL DO YOU NEED?*



*WHERE TO FROM HERE?*



*PSG SERVICES IN RETIREMENT*

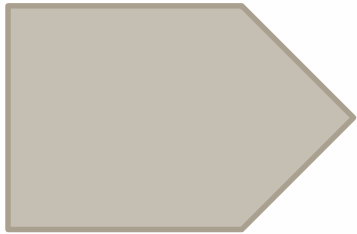


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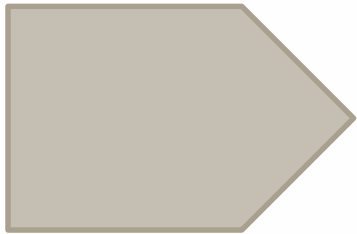
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*WHAT COVER LEVEL DO YOU NEED?*



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# WHAT COVER LEVEL DO YOU NEED?

## PLAN YOUR SPEND



Some people save enough for the later years, some won't have provided for the rising cost of medical expenses. Either way it is always best to **PLAN** your spend.



# WHAT COVER LEVEL DO YOU NEED?

## IMPORTANT QUESTIONS TO ASK YOURSELF

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### **Do you understand your plan?**

- what's best value
- how to maximise benefits
- what you are entitled to

### **Do you know what your family have spent in the last few years?**

- analyse your out of pocket spend
- differential between premium and requirement
- is your plan the correct level of cover for you?

### **Do you know what your budget is?**

- have you asked your financial planner to calculate the cost of your medical aid contribution into your retirement income monthly/annually/long-term?



# WHAT COVER LEVEL DO YOU NEED?

## PREMIUM FLEXIBILITY

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### Hospital Cover :

- Scheme rate or 200% cover
- Hospital networks to reduce costs
  - Delta – specified hospitals countrywide
  - Coastal – best value for Coastal provinces
  - Keycare
    - specified lower cost hospital networks
    - longer benefit exclusion list



### Chronic Cover:

- Comprehensive chronic or lower plans?
  - What is the cost differential of the chronic medication vs premium from one level of cover to the other
- **MedXpress** and Formulary Medications
  - save on co-payments
- **HealthyCare** via Clicks/Dischem
  - Cash-back on purchases



# WHAT COVER LEVEL DO YOU NEED?

## PREMIUM FLEXIBILITY

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For example have you considered that you may be paying a premium for something you do not need for eg. access to all hospitals countrywide for planned procedures.

PRINCIPAL + SPOUSE	CLASSIC SAVER	COASTAL SAVER
MONTHLY PREMIUM	R4 190 pm	R3 259 pm
ANNUAL SAVINGS	R12 564	R9 768
DIFFERENCE IN COVER	200% cover in-hospital	100% cover in-hospital
DIFFERENCE IN PREMIUM less additional savings less Comprehensive GAP <u>Real premium difference</u>		R931 pm -R233 pm -R180 pm =R518 pm

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# WHAT COVER LEVEL DO YOU NEED?

## PREMIUM FLEXIBILITY

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### Day to day benefits

- Comprehensive/Priority plans
  - Do you reach your Above Threshold benefit annually?
  - How much do you spend once in the Above Threshold Benefit?
  - Compared to your premium difference?
- Saver plans
  - How much are you spending that is not submitted to the medical aid once the Medical Savings Account is exhausted?
  - Is it worth your while to upgrade and save these out of pocket expenses?



# WHAT COVER LEVEL DO YOU NEED?

## PREMIUM FLEXIBILITY

For example have you considered the following:

PRINCIPAL + SPOUSE	CLASSIC PRIORITY	COASTAL SAVER
MONTHLY PREMIUM	R4 825 pm	R3 259 pm
ANNUAL SAVINGS	R14 472	R9 768
ANNUAL DIFF IN PREMIUM less additional savings cost of self payment gap value of limited ATB gap required on both <u>Real premium difference</u>		R18 792 - R4 704 + R6 478 -R17 430 neutral = R3 136 extra for Priority

You are paying R3 136 per annum for access to all hospitals countrywide for planned procedures, for access to additional benefits you may never reach or spend, and Priority plans come with a number of procedures that attract upfront deductibles not found on Coastal Saver.



# WHAT COVER LEVEL DO YOU NEED?

## PREMIUM FLEXIBILITY

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### WHAT IS GAINED OR LOST : SAVER ↔ COMPREHENSIVE

- Oncology (unlimited on both)
  - Comprehensive plans = R400 000 then 20% co-pay versus
  - Saver plans = R200 000 then 20% co-pay
- Chronic Medication Benefit
  - Comprehensive plan provides chronic cover for more diagnoses and more expensive medication
  - Higher chronic drug amounts
  - Biologics
  - Centre for Diabetes and Endocrinology programme
- Above Threshold benefits
- Specialised Medicine and Technology benefit on Comprehensive plans
- Overseas Treatment benefit on Comprehensive plans

**PROBABILITIES OF USING THESE BENEFITS  
MUST BE WEIGHED UP AGAINST THE ABILITY TO CHANGE ANNUALLY  
THE COST SAVINGS/INCREASE ANNUALLY**



# WHAT COVER LEVEL DO YOU NEED?

## PREMIUM FLEXIBILITY

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### THINK YOU WON'T BE ABLE TO AFFORD ANYTHING?

- The very cheapest plan is better than no plan.
- National Health Insurance is still 15-20 years off

### KEYCARE

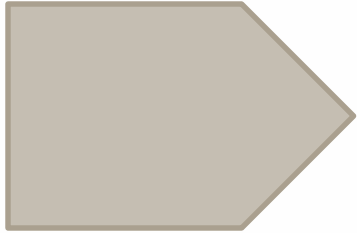
- UCT post-retirement subsidy covers almost full cost of the Keycare plans for those earning pension income of **less** than R7 550 per month \*
- Member premium for principal + spouse ranges from R34.50 per month (income below 7550) to R700.50 per month (for incomes 7551 - 10750)
- Unlimited access to private hospitalisation at selected private hospitals – with certain benefit exclusions
- Unlimited access to GP's, radiology, pathology, medication, dental, optical etc via network of providers

\*Based on subsidy of 50% of Coastal Saver = R1629.50

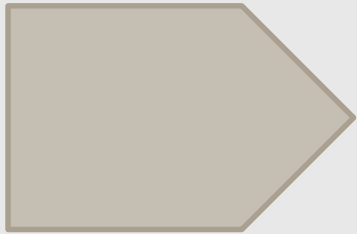


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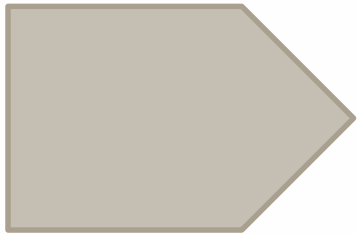
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*WHAT COVER LEVEL DO YOU NEED?*



*WHERE TO FROM HERE?*



*PSG SERVICES IN RETIREMENT*



# WHERE TO FROM HERE?

## CONSCIOUS CHOICE

### Consult with PSG

- Telephonic
- Face to face
- Email
- Letters of advice based on current utilisation levels

### Make a conscious decision about your cover levels

- Where possible plan your day to day care which is not **conventional** thinking



Year



Dentistry



Optical



Hardware

### UCT

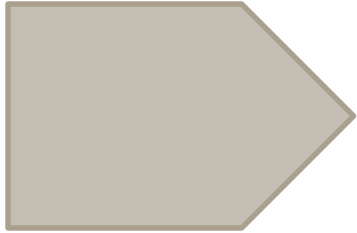
- will subsidise your chosen option up to a maximum rand value which is currently equal to 50% of the Coastal Saver option, further dependant on years' service
- will pay the full contribution and collect your portion via debit order

Annual changes (upgrades or downgrades) can continue to be made with impunity

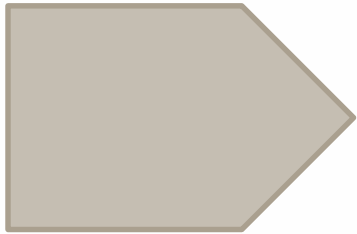


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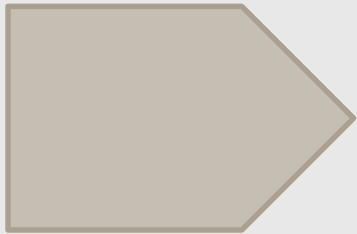
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# PSG SERVICES AFTER RETIREMENT

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**ONSITE :**  
**Dianne Wilson**

**ELEVATED :**  
**Carol Creed**  
**Sue Zanninello**



**Problem claims**

**Chronic registrations**

**Benefit queries**

**Year-end option choices**

**Vitality benefits**

**Addition or removal of dependants**

**Wellness Day communication**





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**END** | thank you

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