

CHAIRMAN'S LETTER

Heritage Health Medical Aid Fund received its approval on 2 April 2015 from NAMFISA and became operational in June 2015 when the first member joined the Fund. The seven month period that the Fund has been operational had rewarding moments as well as some challenges. Though only seven months of establishing the Fund in a volatile environment, we made solid progress on many fronts.

One challenge that we all face together across the globe is health and healthcare. Healthcare costs continue to rise and we often do not understand what is behind the rising costs. The short answer is that we are using more healthcare services and the overall population is aging as we are seeing innovation in medical technology, pharmaceutical research and medical procedure resulting in more of us receiving better and often more expensive services and as a result we are living longer healthy lives. Controlling healthcare costs is both a financial and a lifestyle norm.

Seven Months Results 2015

During the seven month period of establishing the Fund one of the key challenges was that the license was received in April when all possible members who could have joined Heritage Health obtained cover at one of the other open medical aid funds on 1 January and members do not move from one fund to the other during a benefit year due to the penalties as the benefit year, like the financial year, is from 1 January to 31 December. Despite this challenge the Fund has acquired members during that period of time. A further challenge was that after twenty one years a new role player entered the medical aid fund industry and not only have the competitors been sceptic and to a certain extent hostile but anticipated members have become so use to the old manner of medical aid cover that to except a new player with different strategic views and different means of providing healthcare cover was received as "being too good to be true". The benefit design is new to the industry and putting the members in control and providing assurance for payments of claims. It is the first medical aid fund who pays at 100% of the actual costs being charged by healthcare disciplines and not at the NAMA tariff or part thereof.

A key challenge was, and to a certain extent remains, the introduction of Heritage Health to all the healthcare providers as they are now required to amend their systems to make provision for a new Fund who pays at 100% of cost and not at the NAMA tariff upon which their software has been maintained for the past twenty one years.

Administration Services

A key criteria for the Board of Trustees was to ensure that the administration services for the Fund will be of such a standard that it will address the key aspects of proper processing of claims, timeous payments, appropriate managed care protocols, a strong clinical team and ensuring that clinical parameters are standard practice to address over utilisation and abuse or fraud. Heritage Health is the only medical aid fund with a true "live system" and not an over- night update system enabling accurate risk and costs control. It also allows our members to have instantaneous access to their portfolio with up to date data via the

website. The timeous payments of invoices to the healthcare providers in both Namibia and in South Africa has made Heritage Health reliable and a leader in this regard.

Ensuring Growth

Within our principles and strategic framework there now is specific areas of focus to ensure the growth of the Fund. The Fund is established and has become a competitor to be reckoned with. Various marketing endeavours are envisaged to ensure the steadily growth of the Fund while at the same time managing the relating risk and costs. There is a gap in the industry where the focus primarily is on "sick care" rather than healthcare and we view this as an opportunity from which Heritage Health can grow the members by ensuring a robust product (benefit) design whereby members take action and control of their health and by applying principles of a healthy lifestyle.

Our Inspiration

The challenges that we face in this changing, volatile and demanding healthcare industry requires dedication, vigilance and optimism. I am inspired by all the stakeholders involved with Heritage Health Medical Aid Fund for their dedication and to solve the challenges.


I would like to thank all our members for their continued support. I would like to thank all the healthcare disciplines for the service that you provide to all our members as you fulfil a key role in the healthcare industry.

Thank you to the team at Janus Investments (Pty) Ltd for their reliable and dedicated administration services provided to our members and the healthcare provider disciplines. The service to the members, healthcare providers and other stakeholders is greatly achieved by the real-time live system being used and which has made Heritage Health a leader.

We are committed to continue our commitment to our members, healthcare providers and all stakeholders. We will dedicate ourselves each day to the responsibilities and challenges that we face and ultimately to you our valued members and stakeholders who have placed your confidence and trust in us.

I believe that Heritage Health Medical Aid Fund will be positioned and be recognised as a key player in the medical aid fund environment of Namibia.

Sincerely



.....
J KLEYNHANS
CHAIRMAN