

BENEFIT BEAT

COMMUNICATING WITH MEMBERS OF THE DE BEERS

BENEFIT SOCIETY

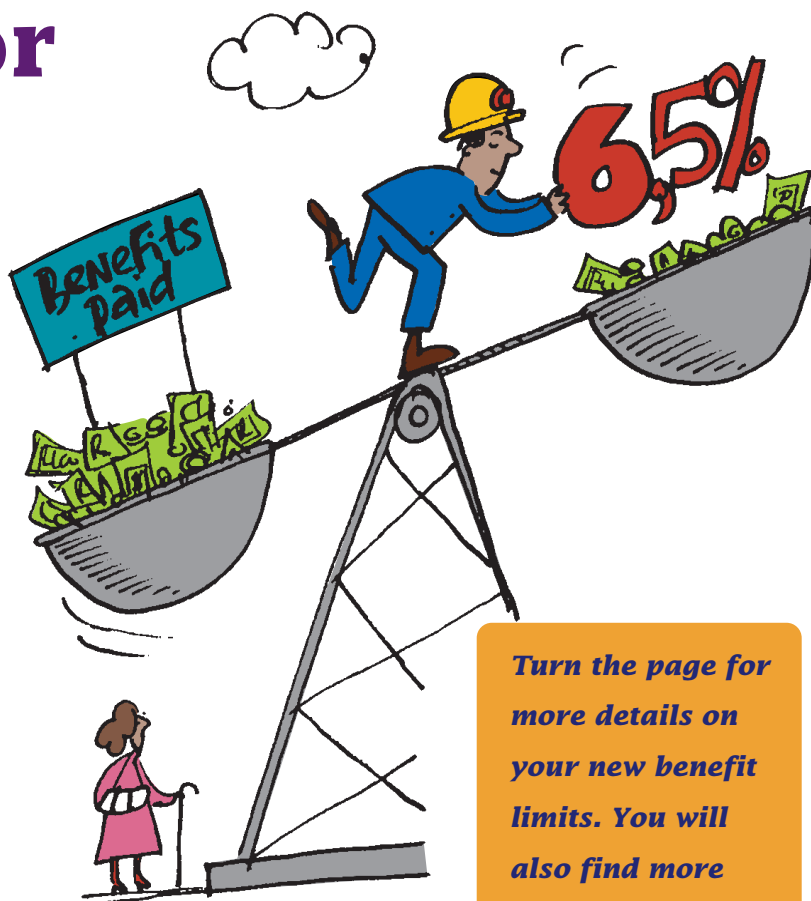
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Contributions and benefits increase for 2008

After enjoying a zero contribution increase in 2007, members will pay an average of 9.3% more in monthly contributions in 2008. Benefit limits will be enhanced by an average of 6.5%.

What contributed to the increase?

- An immediate increase of 6.5% is required to offset the additional costs that will be incurred by the Society as a result of the increase in benefit limits for 2008.
- At present, benefits paid to members exceed the contribution income, resulting in a net underwriting loss (before adding investment income). This is not sustainable and will be addressed through contribution increases as well as a reduction in administration costs.



Turn the page for more details on your new benefit limits. You will also find more information on your benefits in the Benefits Summary Pamphlet for 2008, inserted in this newsletter.

The Bigger Picture...

The Council for Medical Schemes estimates that the increase in contributions will be approximately twice that of overall inflation (14% vs. 7%) for the year ending December 2007. Factors such as new medical technology, exchange rate fluctuations and new drugs coming on to the market, drive up medical costs and result in schemes having to adjust their contributions to make provision for these "new" services.

The Society has established that other medical schemes will implement contribution increases that are at least similar to that of the Society, with some schemes registering increases of up to 13.5% for 2008.



INSIDE...

- Changes for the new benefit year
- Register on the Benefit Society website and WIN!!!

Society's General Query Line: Tel no. 053 807 3400















Changes for the new benefit year


Benefits and Contributions are the two components of the Benefit Society that affect you as a member. This spread shows where these have been changed for next year.

BENEFITS 2008

This table shows your new limits per beneficiary:

| SERVICES | 2007 | 2008 | % INCREASE |
|---|----------|----------|------------|
|  Auxiliary health services | R 980 | R 1 045 | 6.6 |
|  Colostomy bags and catheters | R 9 650 | R 10 270 | 6.4 |
|  Continuous Oxygen Supply (COS) | R 8 800 | R 9 370 | 6.5 |
|  External appliances | R 3 600 | R 3 830 | 6.4 |
|  Hearing aids (5-year cycle) | R 8 800 | R 9 370 | 6.5 |
|  Medication - acute | R 2 200 | R 2 340 | 6.4 |
| - over the counter | R 138 | R 145 | 5.1 |
| - chronic | R 19 500 | R 20 750 | 6.4 |
|  Mental health | R 6 360 | R 6 770 | 6.4 |
|  Occupational and speech therapy | R 1 430 | R 1 520 | 6.3 |
|  Orthodontic treatment | R 11 100 | R 11 820 | 6.5 |
|  Physiotherapy - out of hospital | R 4 510 | R 4 800 | 6.4 |
|  Specialised dentistry | R 4 510 | R 4 800 | 6.4 |
|  Wheelchair - 90% of cost (5-year cycle) | R 12 500 | R 13 300 | 6.4 |

Old Benefit New Benefit

| | | | |
|---|---------|---------|-----|
|  Optometry - Single focal lenses including frames or contact lenses | R 2 000 | R 2 130 | 6.5 |
| Or - Bifocal/multifocal/varifocal - lenses & frames (2 year cycle) | R 2 500 | R 2 660 | 6.4 |

CO-PAYMENTS 2008



After-hours consultation co-payment
(per consultation)

R 60 R 65



CONTRIBUTIONS 2008

HOW MUCH WILL YOU PAY NEXT YEAR?

The table below shows the total monthly contributions effective from 1 January 2008.

| Monthly income | Category | You will pay... | |
|-------------------|----------|-----------------|-------------------|
| | | Per adult | Per child/student |
| < R 2 000 | A | R 1 024 | R 278 |
| R 2 001 - R 3 000 | B | R 1 024 | R 278 |
| R 3 001 - R 4 000 | C | R 1 024 | R 278 |
| R 4 001 - R 5 000 | D | R 1 081 | R 293 |
| R 5 001 - R 7 000 | E | R1 139 | R 309 |
| R 7 001 - R 9 000 | F | R1 197 | R 324 |
| R 9 001 + | G | R1 254 | R 338 |

Remember, any Company subsidy that may apply to the above contributions may vary, as it is determined by your conditions of employment or subsidy arrangement.

Chronic medication alert!

Remember to get your chronic medicine from a Benefit Society Dispensary. If you get it from a non-Benefit Society Dispensary, the cost of the medicine will be deducted from your **acute** medication limit, thereby reducing this benefit unnecessarily.

Please note that homeopathic medication does not qualify for chronic medication benefits, but is included in your acute medicine limit.

New pharmacy claiming system saves money and time

From 1 September 2007, the Society no longer makes use of MediKredit to claim electronic prescriptions. A real-time electronic claim switching system has been implemented resulting in significant savings to both the Society and to members.

The Society has noted that a limited number of pharmacies have not made the required change to their computer systems. Should you encounter any difficulties with a pharmacy not being able to submit your claim to the Society, please ask the pharmacist to call **0800 111 703** for assistance.



War on Fraud

Do you know that people who commit fraud against the Benefit Society also harm *your* pocket? Every rand wasted through fraud could mean reduced benefits or increased contributions for Society members. So blow the whistle if you suspect anyone abusing the Society's benefits and let us stamp out fraud together!

Between 10 and 15% of claims received by South African medical schemes are false. If applied to the Benefit Society, this translates into a loss of between R18 and R26 million during last year alone!

It is very difficult to identify falsified claims where a service provider (alone or with the knowledge and co-operation of the member) willfully sets out to swindle the Society. However, during the past year, the Society successfully investigated big cases against doctors, with some of them admitting to wrongdoing and repaying the scheme. A number of smaller investigations also resulted in a significant recovery of benefits unlawfully paid out due to incorrect tariff codes.

What can I do to help fight fraud?

You can help us beat fraudsters by doing the following:

- **Check** your monthly benefit statement and report any discrepancies to the Society.
- **Phone** the Society's toll-free Fraud Line on **0800 204724**. All calls will be treated confidentially and you will not have to disclose any personal details.
- Use the anonymous **email** facility on **www.dbbs.co.za** (under Fraud).

Register on the Benefit Society website and WIN!

Visit www.dbbs.co.za and register today!

Once your e-mail and other electronic contact information is registered on the Benefit Society's system, you will receive:

- Electronic statements (sent as an attachment to an e-mail)
- Claims information (weekly e-mail advising you of claims processed in the last 7 days). This allows for the early detection of incorrect or fraudulent transactions.
- Annual benefits used and available per beneficiary, membership detail, authorised cases and last member statement e-mailed to you on request. (Simply send an email to webmail@debeersgroup.com and a response will be sent to you in approximately 5 minutes with the specified information as attachments.)

By registering, you will assist the Society in its drive to keep administration costs well in hand.



KEEP US IN ON YOUR BEAT WITH BENEFIT POST!

We'd like to hear from you.

Is there something that you'd like to know more about?

e-mail us at: benefitpost@debeersgroup.com

phone: (053) 807 3400

or write to: Benefit Post
c/o De Beers Benefit Society
PO Box 1922
Kimberley
8300

WIN!

Five lucky members who register on the website before 15 January 2008 will each receive a first-aid kit from the Society.