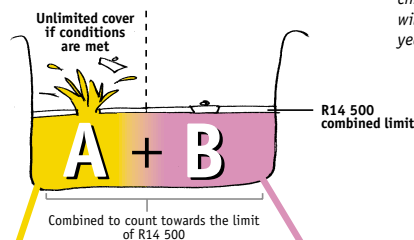


How has the chronic benefit changed?

Are you registered with the Society as a chronic medication user? Your chronic medication limit for 2004 is R14 500 per beneficiary.

- Your chronic medication claims for the 25 prescribed conditions (listed under column A below) and claims for the non-prescribed conditions (listed under column B below) will be combined until you reach the annual benefit limit of R14 500.
- If you reach the limit of R14 500:
 - all your claims for chronic medication for the prescribed chronic conditions will continue unlimited for the remainder of the calendar year;
 - claims received for medication in respect of non-prescribed chronic conditions after the R14 500 limit has been exceeded, will not receive any benefit for the remainder of the calendar year.



PRESCRIBED CHRONIC CONDITIONS

- Addison's Disease
- Asthma
- Bipolar Mood Disorder (will be covered when an algorithm has been developed)
- Bronchiectasis
- Cardiac Failure
- Cardiomyopathy
- Chronic Obstructive Pulmonary Disorder
- Chronic Renal Disease
- Coronary Artery Disease
- Crohn's Disease
- Diabetes Insipidus*
- Diabetes Mellitus Type 1 & 2
- Dysrhythmias
- Epilepsy
- Glaucoma
- Haemophilia*
- Hyperlipidaemia
- Hypertension
- Hypothyroidism
- Multiple Sclerosis*
- Parkinson's Disease
- Rheumatoid Arthritis
- Schizophrenia
- Systemic Lupus Erythematosis
- Ulcerative Colitis

* Under certain conditions only.

NON-PRESCRIBED CHRONIC CONDITIONS

- Acne*
- Allergic Rhinitis*
- Alzheimers Disease*
- Ankylosing Spondylitis
- Benign Prostatic Hypertrophy
- Cushing's Disease
- Cystic Fibrosis*
- Deep Vein Thrombosis
- Gastro-oesophageal Reflux Disorder*
- Gout*
- Hyperparathyroidism
- Hyperthyroidism
- Hypoparathyroidism
- Major Depression
- Meniere's Disease*
- Menopausal and Perimenopausal Disorders
- Motor Neuron Disease
- Myasthenia Gravis
- Osteoarthritis
- Osteoporosis*
- Paget's Disease
- Paraplegia, Quadriplegia*
- Peripheral Vascular Disease
- Pituitary Adenomas
- Psoriasis
- Pulmonary Interstitial Fibrosis
- Stroke / Cerebrovascular Accident
- Systemic Connective Tissue Disorders (incl. Scleroderma and Dermatomyositis)

* Under certain conditions only.

Example 1 - If you are receiving treatment for both Hypertension and Diabetes (both prescribed chronic conditions)

If all the medicines you take to manage these conditions amount to more than R14 500 for the year, you will continue to receive unlimited benefit for the remainder of the calendar year.

Example 2 - If you are receiving treatment for both Osteoporosis and Psoriasis (both non-prescribed chronic conditions)

If all the medicines you take to manage these conditions amount to more than R14 500 during the course of the year, you will receive no further benefit from the date you reach the limit until the end of the calendar year.

Example 3 - If you are receiving treatment for both Asthma (a prescribed chronic condition) and Major Depression (a non-prescribed chronic condition)

If all the medicines you take to manage these conditions amount to more than R14 500 for the year, you will continue to receive unlimited benefit for the medicine you use for the treatment of your Asthma (a prescribed condition) but no further benefit for the medicine you use to treat the major depression (a non-prescribed condition) for the remainder of the calendar year.

MUST BE ON THE FORMULARY

Only chronic medication that appears on the Society's formulary will be covered under your chronic medication benefit.

A formulary is:

- a list of medicines which the scheme has approved
- evidence-based, clinically effective and appropriate medication for the treatment of the chronic conditions covered.

The Society has approved a formulary. This means that chronic medicine benefits for 2004 will be based on the formulary.

What happens if the medication I am currently taking is not on the Society's formulary?

The Society will personally write to you, indicating that the medicine is not on the formulary. An appropriate alternative from the formulary will be recommended. You will be given time to consult your doctor to discuss the proposed alternative medication. Should you elect to continue using your current medication (not on the formulary), you will be liable for the difference in the price between the formulary medicine and the medicine you have elected to take.

The formulary is available from the Society.



PRESCRIBED MINIMUM BENEFITS

There are a number of benefits (or components of benefits) that are listed under the prescribed minimum benefits and which can be obtained under the Society's normal benefits (but with co-payments and subject to certain limits).

However, you may wish to claim these under prescribed minimum benefits legislation (without limit or co-payment). In such a case, it is important to note the following conditions:

1. DESIGNATED SERVICE PROVIDERS

The Trustees of the Society have appointed the following designated service providers, which must be used if you wish to claim any treatment under the prescribed minimum benefits legislation:

- The Society's Dispensaries in Kimberley, Lime Acres, Kleinsee & Cullinan [Benefit Society Dispensary (Pty) Ltd and Hobbes & Associates Incorporated] - for chronic medication only.
- The public hospital system as stipulated in the Act.
- Any other service provider that the Trustees may from time to time appoint. This list is available at the Society's offices.

Current preferred provider arrangements for normal benefits remain unchanged.

2. AUTHORISATION

To qualify for cover where you wish to claim for prescribed minimum benefits, you must obtain pre-authorisation from the Society by calling 0800 111 669.

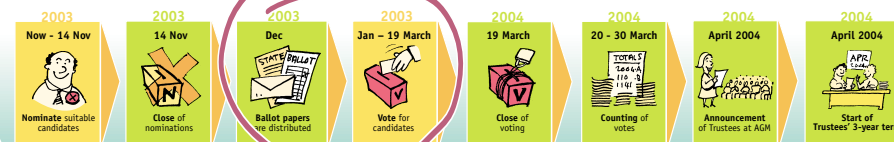
There is no change to the rules of getting your chronic medication approved. Your doctor must call 086 000 4747 and once approved, your medication must be obtained from one of the approved service providers.

The Society has no liability for any chronic medication obtained from a non-designated service provider.

Trustee Elections – Cast your vote!

Thank you to members who have nominated candidates for the upcoming Trustee Election. Nominations closed on the 14th of November, and the next step is to cast your vote. Choose the candidate(s) that you trust and think will be most suited to the responsibility of representing your interests on the Board.

You will receive a ballot form in December 2003/January 2004 which will indicate all candidates, with a short CV for each. Please fill in your ballot form as required and return in the reply-paid envelope provided.



Changes for the new benefit year **2004**

Contributions and Benefits are the two components of the Benefit Society that affect you as member. This page shows where these have been changed for the new benefit year - please refer to the enclosed benefits summary pamphlet for full information on your benefits.

BENEFITS 2004

This table shows your new, higher benefit limits per beneficiary:

SERVICES	2003	2004
Ambulance services	R 750	R 800
Auxiliary health services	R 750	R 800
Colostomy bags and catheters	R 7 250	R 7 800
Continuous Oxygen Supply (COS)	R 6 600	R 7 100
External appliances	R 2 700	R 2 900
Eye care - lenses (2-year cycle)	R 880	R 950
- frames (2-year cycle)	R 300	R 330
Hearing aids (5-year cycle)	R 6 600	R 7 100
Medication		
- Acute medicine	R 1 600	R 1 730
- Chronic medicine	R 14 500	R 14 500
Mental health	R 4 800	R 5 200
Occupational and speech therapy	R 1 050	R 1 150
Orthodontic treatment	R 8 350	R 9 000
Physiotherapy	R 3 350	R 3 600
Specialised dentistry	R 3 350	R 3 600
Wheelchair - 90% of cost (5-year cycle)	-	R 10 000

CO-PAYMENTS 2004

Panel doctor co-payment	R 10	R 11
Hospital co-payment	R 300	R 330
After-hours consultation co-payment (per consultation)	R 44	R 48

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YOUR BEAT WITH
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from you.

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that you'd like to know
more about?

e-mail us at:
benefitpost
@debeersgroup.com

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



CONTRIBUTIONS 2004 HOW MUCH WILL YOU PAY NEXT YEAR?

You will continue to pay a fixed **monthly contribution for each person** you register as a dependant. These contributions are different for adults and children, and will be based on your basic income per month. (Please see table below.)

Your basic income per month	You will pay...	
	Per adult	Per child/student
< R 2 000	R 789	R 213
R 2 001 - R 3 000	R 797	R 215
R 3 001 - R 4 000	R 844	R 228
R 4 001 - R 5 000	R 891	R 241
R 5 001 - R 7 000	R 938	R 254
R 7 001 - R 9 000	R 986	R 267
R 9 001 +	R1033	R 278

EXAMPLE:

If you are single and fall in the R 3 001 - R 4 000 income bracket, your monthly contribution will be as follows:

Your share:	Working Member R 337.60 (40%)	Pensioner R 118.16 (14%)
The Company's share:	R 506.40 (60%)	R 725.84 (86%)
Total	R 844.00 (100%)	R 844.00 (100%)

Remember, the Company's subsidy will vary, as it depends on your conditions of employment.

BENEFIT BEAT

COMMUNICATING WITH MEMBERS OF THE DE BEERS

BENEFIT SOCIETY

DECEMBER 2003

ISSUE NO.16

Contribution increases for 2004 kept to a minimum

The Trustees are pleased to announce that the increase in contributions for 2004 has been limited to 7,5%. This compares very favourably with the rest of the industry, where the average increase in contributions has been significantly higher.

Refer to page 4 to see the new contribution table and new benefit limits for 2004.



Additional Prescribed Minimum Benefits come into effect in 2004

The Medical Schemes Act specifies that with effect 1 January 2004, all registered medical schemes must pay without limit or co-payment for the medication for the treatment of 25 prescribed chronic conditions.

In order to manage this change effectively, the Act provides for the application of Managed Healthcare Principles, including:

1. Requiring members to use designated service providers to obtain this medication.
2. Pre-authorization for all such medication.
3. The use of formularies (lists of medicines that are clinically effective and appropriate) by medical schemes to ensure that benefits granted are cost-effective.

SOCIETY AMENDS CHRONIC MEDICATION BENEFIT

As a result of the new legislation, the Society's chronic medicine benefit has been changed. If you suffer from one of the 25 prescribed chronic conditions, your chronic medicine limit for 2004 will be higher. However, the medication available to treat chronic conditions has been limited to a specified list (formulary). Although limited, the medicine available on the formulary is evidence-based and clinically effective and appropriate in treating the chronic conditions covered. The formulary is also applicable to non-prescribed chronic conditions (all other conditions covered by the existing chronic medicine benefit) - please read page 2 and 3 for more information.



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