

21 April 2017

**Code of Conduct in respect of Prescribed Minimum Benefits (2010).**

**INTRODUCTION**

1. On 24 March 2017, the Council for Medical Schemes (“CMS”) conducted a workshop to re-select a PMB Code of Conduct (“CoC”) Task Team. The Task Team is a technical team consisting of representatives from organs of state, medical schemes, healthcare providers, consumer groups, administrators, managed healthcare organisation and financial groups, tasked with updating the PMB CoC. The CMS published the initial PMB CoC on 31 July 2010 after extensive consultation within the sector. This process is intended to update the 2010 version and reach consensus on a CoC.
2. The stakeholders attending the workshop agreed that the current PMB CoC, with identified updates, should be forwarded to the elected task team for input from the task team members and afterwards collated into one document for discussion.
3. After reviewing the draft of the PMB CoC, we are concerned that the specifications in the CoC are vague and require clarity to provide adequate instruction and sufficient guidance in dealing with PMB’s to all the relevant stakeholders. Additionally, reference to the specific authority (legislation, case, or policy) relied upon in developing the CoC should be made.

4. SECTION27 has participated in the Health Market Inquiry (HMI) since 2014 and has included many concerns relating to PMBs that were raised during the public hearings held by the HMI in 2016. While we recognise that provision for coverage of PMBs for drugs outside the scheme's formulary list where it is deemed appropriate has been made in the CoC, patient groups and patients themselves stated that the reality is that schemes rigidly apply formularies for drugs. The Panel of the HMI was also informed about the delays in processing of PMB requests, the asymmetry of information between schemes and consumers regarding PMBs and the confusion and multiplicity of the coding structures (sometimes schemes dispute codes used by practitioners) . We expect that as far as possible the CoC will be useful in providing guidance on these and other issues relating to PMBs to ensure compliance with the Medical Schemes Act and other applicable statutory authority.

5. We have included further comments in track changes on specific sections of the draft of the PMB CoC itself, regarding:

- Information to be made available to members.
- The approach when a presumptive PMB diagnosis is made but not yet confirmed.
- Proposed solutions to problems relating to the “payment in full” provision in Regulation 8.
- Processes relating to the onus of providing a discharge summary.
- Pre-registration, application and authorisation of PMB benefits.