

**LIBERTY GAP COVER**  
**CORPORATE GROUPS**  
**2018**



# Liberty Gap Cover

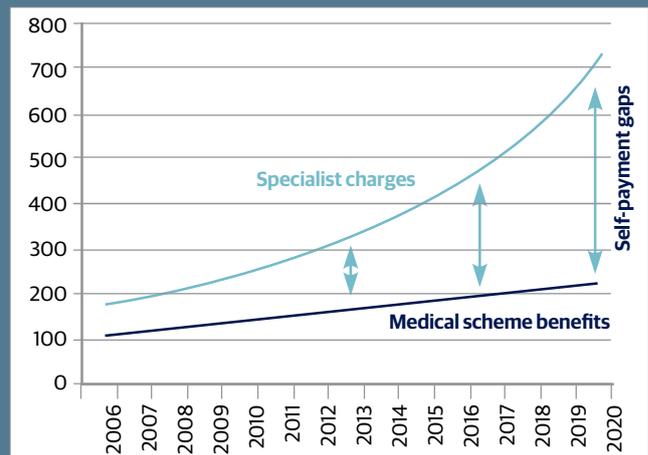
A problem faced by many medical scheme members is that surgeons, anaesthetists and other specialists often charge substantially more than medical scheme rates. When this occurs, the medical scheme member becomes liable to pay the medical expense shortfall (self-payment gap).

The table below shows some common medical procedures that lead to medical expense shortfalls. The Rand amounts are the portion of the costs that are not covered by the medical scheme and usually require payment by the member. These amounts are based on actual Gap Cover claims paid in 2017.

Examples of Medical Procedures	Medical Expense Shortfall Amount	Paid by Gap Cover
Natural Childbirth	R18 464	✓
C-Section Childbirth	R29 618	✓
Hernia Repair	R30 905	✓
Knee Replacement Surgery	R72 793	✓
Hip Replacement Surgery	R66 178	✓
Spinal Surgery	R76 658	✓
Cardiac Bypass Surgery	R107 069	✓
Cancer Treatment	R59 699	✓

The continued growth in the self-payment gap means that medical schemes now pay less than half of the average total specialist fees, leaving members to pay the shortfall amount.

The graph below shows how the self-payment gap has grown since 2006 and how this trend is expected to grow into the future.



## Protect your employees against medical expense shortfalls through either of Liberty's top-of-the-range Gap Cover options

**Liberty Universal Gap Cover** offers the most *comprehensive medical expense shortfall cover* along with additional financial protection for a wide range of health risks.

**Liberty Essential Gap Cover** offers affordable medical expense shortfall cover for the *most frequent shortfalls*, along with additional financial protection for selected health risks.

Both of these options are available to main members and dependants of all South African registered medical schemes. The policy automatically covers all the employee's family members, who are registered under the employee's medical scheme.

The cover offered by these policies can be further enhanced by taking our **Extended Cancer** and/or **Extended Dentistry Cover** options.

Please note that Liberty Gap Cover is not a medical scheme or a substitute for medical scheme cover. Liberty Gap Cover is top-up health insurance that provides cover for medical expense shortfalls that arise when medical schemes only cover part of the treatment and/or procedure costs. To qualify for this cover, the medical scheme's part payment must be paid from the medical scheme's hospital benefit or major medical benefit.

To assist in choosing the Liberty Gap Cover option that best suits your employees' needs, please study the summary of benefits to follow.

If you require further assistance and advice, please contact your Liberty Financial Adviser.

## Liberty Universal Gap Cover

"Trusted medical scheme top up protection, offering high levels of cover across the most comprehensive range of treatment cost shortfalls."

### Who's Covered

Cover is available to members of all South African registered medical schemes.

Cover applies to the main medical scheme member and dependants listed as their medical scheme dependants.

Single medical scheme members under the age of 55 at commencement date of cover, as the only life insured by the policy, qualify for a lower monthly premium.

An over-65 premium applies if the main medical scheme member or any of their dependants are 65 years at commencement of cover.

There are no maximum entry age restrictions and cover continues without a maximum expiry age except for certain of the Health Insurance benefits where there are age limits.

## Liberty Essential Gap Cover

"Trusted medical scheme top up protection, offering affordable cover for the most frequent treatment cost shortfalls."

### Who's Covered

Cover is available to members of all South African registered medical schemes.

Cover applies to the main medical scheme member and dependants listed as their medical scheme dependants.

Single medical scheme members under the age of 55 at commencement date of cover, as the only life insured by the policy, qualify for a lower monthly premium.

An over-65 premium applies if the main medical scheme member or any of their dependants are 65 years at commencement of cover.

There are no maximum entry age restrictions and cover continues without a maximum expiry age except for certain of the Health Insurance benefits where there are age limits.

## SECTION A - MEDICAL EXPENSE SHORTFALL COVER

South African Health Insurance Regulations limit the total Medical Expense Shortfall benefits to R150 000 per person insured each year. (This limit will be increased in April 2018 in line with the regulation announcement.)

### In-hospital Cover

**In-hospital Medical Expense Shortfall Cover is calculated as:** (the combined doctor and specialists charges, up to but not exceeding 5 times the medical scheme tariff amount) **less** (the greater of either the medical scheme's contribution towards these charges or the stipulated medical scheme tariff amount for these charges).

### Out-of-hospital Cover

**Out-of-hospital Medical Expense Shortfall Cover applies to +/- 50 listed out-patient procedures and is calculated as:** (the combined doctor and specialists charges up to but not exceeding 5 times the medical scheme tariff amount) **less** (the greater of either the medical scheme's contribution towards these charges or the stipulated medical scheme tariff amount for these charges). This includes shortfall cover for CT, PET and MRI scans.

### Medical Scheme Co-payment Cover

Full cover for co-payments charged by medical schemes for hospital admissions, scans and certain surgical procedures.

### Non-network Co-payment Cover

Full cover for co-payments charged by medical schemes for using a non-DSP (Designated Service Provider) hospital or provider. This cover is subject to a maximum of R8 600, limited to one claim per policy each year.

### Emergency Room Cover

Up to R10 000 cover each year for in-hospital casualty ward treatment following accidental injury.

### Enhanced Cancer Cover: Co-payment

Cover for the co-payment as levied by the medical scheme when a member's total annual cancer treatment limit is exceeded. This cover is subject to a maximum co-payment of 20%.

### Enhanced Cancer Cover: Cosmetic Breast Reconstruction

Cosmetic breast reconstruction cover of up to R20 000. This cover is to be paid towards the costs of surgical breast reconstruction of the non-affected breast, in the event of a single mastectomy resulting from breast cancer.

### Internal Prosthesis and Artificial Joint Cover

Cover of up to R30 000 for each policy each year is provided for co-payments and shortfalls on the cost of internal prostheses such as artificial joints after the exhaustion of the medical scheme specified limit or threshold. This benefit does not cover intraocular lenses or prostheses that are not replacing a body part.

### In-hospital Cover

**In-hospital Medical Expense Shortfall Cover is calculated as:** (the combined doctor and specialists charges, up to but not exceeding 3 times the medical scheme's contribution towards these charges) **less** (the greater of either the medical scheme's contribution towards these charges or the stipulated medical scheme tariff amount for these charges).

### Out-of-hospital Cover

**Out-of-hospital Medical Expense Shortfall Cover applies to +/- 50 listed out-patient procedures and is calculated as:** (the combined doctor and specialists charges, up to but not exceeding 3 times the medical scheme's contribution towards these charges) **less** (the greater of either the medical scheme's contribution towards these charges or the stipulated medical scheme tariff amount for these charges). This includes shortfall cover for CT, PET and MRI scans.

### Medical Scheme Co-payment Cover

Full cover for co-payments charged by medical schemes for hospital admissions, scans and certain surgical procedures.

### Non-network Co-payment Cover

No policy benefits apply.

### Emergency Room Cover

Up to R10 000 cover each year for in-hospital casualty ward treatment following accidental injury.

### Enhanced Cancer Cover: Co-payment

No policy benefits apply.

### Enhanced Cancer Cover: Cosmetic Breast Reconstruction

No policy benefits apply.

### Internal Prosthesis and Artificial Joint Cover

No policy benefits apply.

# Liberty Universal Gap Cover

(continued)

# Liberty Essential Gap Cover

(continued)

## In-hospital Dentistry Expense Shortfall Cover

**In-hospital Dentistry Shortfall Cover is calculated as:** (combined doctor and specialist charges, up to but not exceeding 5 times the medical scheme tariff) **less** (the greater of either the medical scheme's contribution towards these charges or the medical scheme's stipulated tariff amount for these charges).

## In-hospital Dentistry Expense Shortfall Cover

No policy benefits apply.

## SECTION B - HEALTH INSURANCE BENEFITS

### Enhanced Cancer Cover: Lump Sum Pay-out

Lump sum cover of R25 000 in the event of first-time diagnosis with stage 2 cancer. Payment of this benefit is subject to registration on the medical scheme's oncology treatment programme. This is a fixed benefit payment that is not reliant on verification of actual treatment costs. This cover excludes skin cancer and applies to cancer diagnosed after the commencement of cover and after completion of the 12-month waiting period (see policy terms and conditions).

### Enhanced Cancer Cover: Lump Sum Pay-out

No policy benefits apply.

### Accidental Dentistry Cover

R15 750 accidental tooth fracture cover due to an external blow to the mouth, provided per individual per year. This cover is payable at a rate of R2 250 for each tooth, irrespective of cover provided by the medical scheme.

### Accidental Dentistry Cover

No policy benefits apply.

### Accidental Death and Permanent Disability Cover

A R50 000 lump sum benefit is paid in the event of accidental death or accidental permanent disability. The accidental permanent disability cover ends at age 65.

### Accidental Death and Permanent Disability Cover

A R50 000 lump sum benefit is paid in the event of accidental death or accidental permanent disability. The accidental permanent disability cover ends at age 65.

### Trauma Counselling Cover

Trauma counselling cover of R750 for each session, subject to a policy limit of R25 000 each year.

### Trauma Counselling Cover

Trauma counselling cover of R750 for each session, subject to a policy limit of R25 000 each year.

### Medical Scheme and Gap Policy - Premium Waiver Cover

This benefit covers the actual medical scheme and Liberty Gap Cover premium amounts in the event of the policyholder's death or permanent disability. Cover is subject to a maximum payment of R6 500 per month, for three consecutive months. Cover ends at age 65.

### Medical Scheme and Gap Policy - Premium Waiver Cover

No policy benefits apply.

## Liberty Gap Cover offering as a compulsory versus a voluntary option

As an employer, you can provide Liberty Gap Cover to your employees on either a compulsory or a voluntary basis. These product offerings are different in the way you provide the benefit to your employees and the premiums charged. The table below highlights the difference between the two options.

	Compulsory Gap Cover	Voluntary Gap Cover
<b>Difference in cover</b>	You provide Liberty Gap Cover to a defined group of employees. Individual employees are therefore not able to choose whether or not they want the cover.	You inform your employees that Liberty Gap Cover will be made available to them at a preferential premium and each employee decides whether they would like the cover. We also offer internal marketing assistance where needed*.
<b>Paying premiums</b>	As the employer, you pay each employee's premium and then deduct it via payroll, usually on a cost to company basis. The premium will also be lower than that of the Voluntary Liberty Gap Cover.	Premiums are collected via payroll, although individual debit orders can also be arranged.
<b>Minimum number of employees</b>	The minimum size for both compulsory and voluntary groups to qualify for preferential rates, versus individual rates, is 10 employees.	

*\* Call Centre Assistance: where there is a voluntary group option, our call centre via Zestlife can assist with signing clients up either on an inbound or outbound basis. This eliminates the need to complete application forms. All calls are voice recorded and stored on our system.*

## Premiums and how to sign up for Liberty Gap Cover for Corporates

### Premiums

Premiums are calculated based on the average age and number of employees. In order to calculate a quote, we will need the following:

- Your company name
- The number of employees
- The average age of your employees, and
- Whether the group will be joining Liberty Gap Cover on a compulsory or a voluntary basis

### How to sign up for Liberty Gap Cover Corporate

To implement the group scheme, you will need to complete a schedule of your employees and certain of their details, as well as a debit order authorisation form. We will provide you with these forms once a decision has been made.

# Summary of policy terms and conditions

The following is a summary of the policy terms and conditions that apply to both Liberty Gap Cover options. For a full explanation of definitions, benefits, terms and conditions, please refer to the policy document, which is available on request.

## Waiting periods and pre-existing condition exclusion

No general or condition-specific waiting periods apply. However, no benefits can be claimed for a period of 12 months from the start date of cover in respect of medical conditions, for which in the 12 months before the start date of the cover, medical advice, diagnosis, care or treatment was received or would reasonably have been recommended.

Pregnancy before the start date of cover will be regarded as a pre-existing condition and any pregnancy or birth-related claims will be excluded for 12 months from the start date of the cover.

If prior to the start date of Liberty Gap Cover, a policyholder had cover under another Medical Expense Shortfall Policy, then the pre-existing condition waiting period will only be applied to the unexpired part of the pre-existing condition waiting period from the previous policy. The pre-existing condition waiting period will, however, apply for the full period of 12 months for any benefit not provided under the previous Medical Expense Shortfall Policy.

## General exclusions

No benefits will be paid for claims arising from:

- Nuclear weapons or nuclear or ionizing radiation.
- Suicide, attempted suicide or intentional self-injury.
- The taking of any drug or narcotic unless prescribed by and taken in accordance with the instructions of a registered medical practitioner (other than the insured person).
- Any illness or injury caused by the use of alcohol.
- Illegal behaviour, or as a result of breaking the law of the Republic of South Africa.
- Participation in war, terrorist activity, invasion, rebellion, active military duty, police duty, police reservist duty, civil commotion, labour disturbances, riot, strike or the activities of locked out workers.
- Aviation accident, except on a commercial flight as a fare-paying passenger.
- Participation in any form of race or speed test involving any mechanically propelled vehicle, vessel, craft or aircraft.

## Specific exclusions

No benefits are payable for:

- Cosmetic surgery unless required due to illness or injury.
- Penalty co-payments imposed by medical schemes for not following the rules of the scheme. Examples of these penalties are amounts due as a result of not obtaining pre-authorisation from the medical scheme for a procedure, or as a result of consulting a specialist without first obtaining a referral from a general practitioner (GP).
- Pre- and post-hospitalisation doctor and specialist charges.
- Treatment for obesity or treatment that is required as a result of obesity.
- Elective or routine procedures and physical examinations including tests, annual check-ups, ECGs, vasectomies and contraception-related treatments.
- Treatment for depression, mental or stress-related conditions.
- Claims not covered by the medical scheme.
- Private and home nursing.
- Hospital charges.
- Medication and other materials.
- External prosthesis.
- Cancer treatment outside of the borders of South Africa.
- Day-to-day medical practitioner costs.
- Dental implants.
- Emergency medical transportation.
- Procedures performed with the use of robotic machinery where any shortfall claimed is directly related to the use of such robotic machinery by a medical practitioner and it has been charged for by a hospital.

## Claims

All claims must be lodged within 180 days of the medical treatment giving rise to the claim. Payment of claims are made to either the policyholder or directly to the treating doctors, specialists or medical service providers, at the insurer's discretion.

# Extended Cover Options

## Extended Cancer Cover

This is an optional policy benefit that will pay out either R75 000 or R175 000 in the event of the first-time diagnosis of cancer. This covers the policyholder and medical scheme dependants insured under the policy. This cover can be taken out with either Liberty Gap Cover options. When applying for this cover, policyholders will be required to answer an underwriting question that relates to previous diagnosis or treatment of cancer.

This cover has a 12-month pre-existing condition exclusion and a six-month upfront waiting period from the date of commencement of cover. Cover continues until the insured's 65th birthday.

### Premiums on a compulsory basis

Extended Cancer Cover Amount	Monthly Premium
R75 000	R68
R175 000	R121

### Premiums on a voluntary basis

Extended Cancer Cover Amount	Monthly Premium
R75 000	R68
R175 000	R121

## Extended Dentistry Cover

Extended Dentistry Cover offers optional lump sum cover for emergency, accidental and specialised dentistry and can be added to either Liberty Gap Cover options. This cover insures the policyholder and their medical scheme dependants for all the conditions and fixed pay-out amounts listed in the table below.

Insured condition or event	Likely treatment	Cover
Impacted wisdom tooth (teeth in the process of eruption that are not impacted are excluded)	Surgical tooth removal	R1 000 for each tooth
Periodontitis (severe infection of the gums where the attachment of the tooth to the gum is broken down)	Gum surgery	R1 750 for each event
Jaw fracture	Surgery	R16 500 for each event
Dental emergency (dental pain or infection that requires immediate treatment for relief)	Emergency root canal, temporary crown, temporary filling	R1 250 for each tooth
Accidental tooth fracture (50% of the visible tooth is lost due to an accident resulting in permanent nerve damage)	Crown, splinting, bridge	R4 500 for each tooth
Severely decayed or damaged tooth (two thirds of the tooth is lost due to decay or trauma)	Crown	R3 250 for each tooth (A maximum of two teeth are covered in 12 months)
Impaired chewing due to loss of tooth/teeth (teeth can be lost due to infection or trauma, 2nd and 3rd molar positions are excluded)	Removable denture	R5 500 for each jaw bone (Paid once for each upper or lower jaw every 24 months)
Reduced dental stability due to tooth loss (tooth is lost resulting in adjacent teeth potentially changing position causing the bite to become unstable)	Implant or bridge	R10 000 for each tooth Limited to one claim in 12 months

This cover has a 12-month pre-existing condition exclusion, a six-month upfront waiting period from the date of commencement of cover, and ceases at age 65.

### Premiums on a compulsory basis

Extended Dentistry Cover	R248 per month
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### Premiums on a voluntary basis

Extended Dentistry Cover	R225 per month
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# About Liberty Health

At Liberty Health we recognise that your health is your greatest asset, and your wellbeing is crucial to living a fulfilled life. We bring you solutions to make healthcare affordable and protect you from unplanned expenses. Because no single provider can meet the needs of today's diverse healthcare markets; we bring the best providers in each field together to create a comprehensive solution for you. We deliver a range of healthcare solutions for a variety of needs. These include medical cover and risk products that complement and supplement any medical scheme cover - because we know that with the increasing cost of healthcare, very few people can afford to take the chance of not being covered when things inevitably go wrong.

Our clients are people just like you: people who want us to make medical cover manageable and to help them make the most of their health.

If you are looking for a healthcare solution that meets your needs with the least amount of hassle, we invite you to get in touch with us or speak to your Financial Adviser about us. You lead a busy life and healthcare can be very complicated. This is the last thing you need, especially when you or your family are unwell.

Our business is built around providing you with the best products, administration and service in your hour of greatest need.

We believe partnerships are an essential ingredient for excellence. Providing healthcare solutions in South Africa and in 21 other countries across Africa, our business partnerships and services span health insurance, information technology systems, employee wellness programmes, medical risk management and healthcare administration. The insights we have from being involved in multiple aspects of the healthcare industry enable us to provide you with the best solutions.

## What we offer you

- Easy to understand, affordable medical cover that is sustainable over the long term
- A solution that suits your individual needs
- Quality healthcare solutions and medical insurance to protect you and your family when things go wrong

## CONTACT US

For expert advice, please contact your Liberty Adviser,  
or call us on (021) 180 4220, or e-mail [info@zestlife.co.za](mailto:info@zestlife.co.za)

### LEGAL INFORMATION AND DISCLAIMER

Liberty Gap Cover is underwritten by Guardrisk Insurance Company Limited (FSP number 75). Liberty Medical Premium Waiver is underwritten by Guardrisk Life Limited (FSP number 76) (collectively referred to as "Guardrisk"). Both products are administered by Zest Life Investments (Pty) Ltd, an authorised Financial Services Provider (FSP number 37485).

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