



CIRCULAR

Reference: PMB Review Progress Update
Contact person: Dr Samantha Iyaloo
Tel: (012) 431 0500
E-mail: pmbreview@medicalschemes.co.za
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Circular 15 of 2023: Update on the Review of the Prescribed Minimum Benefits

1. Purpose

- 1.1 The Council for Medical Schemes (CMS) would like to update stakeholders on the status of the review of the Prescribed Minimum Benefits (PMBs) project.

2. Background

- 2.1 According to the Medical Schemes Act (131 of 1998), PMBs should undergo a review at least every two years. In 2015, a PMB review proposal was submitted to the National Department of Health (NDoH) for approval. However, the Minister of Health did not endorse it, as the PMBs were hospi-centric and lacked a primary health care (PHC) element.
- 2.2 To overcome the deficiencies and drawbacks identified above, the primary focus of the current PMB review has been on the inclusion of the PHC service benefits package as depicted in table 1 below.

Primary Health care package	Hospital level package
Preventative services	Inpatient education packages
Maternal and neonatal services	Maternal and neonatal services
Child health services	Child health services
Curative services	Curative services
Mental health services	Mental health services
Diagnostic: laboratory services	Diagnostic: laboratory services
Diagnostic: imaging services	Diagnostic: imaging services
Pharmaceutical services	Pharmaceutical services
Emergency medical services	Emergency medical services
Palliative services	Palliative services

Table 1: List of services considered for PHC

- 2.3 The aim of the PHC service benefits package, is to transition from a disease/condition-based package to a service-based package to address the following:
- Inconsistencies or flaws in the current regulations,
 - The cost-effectiveness of technologies or interventions,
 - Consistency with developments in health policy, and
 - The impact on medical schemes and the affordability of coverage for their members.
- 2.4 The proposed PHC service benefits package was identified and designed through a consultative meeting with stakeholders as contained in [Circular 83 of 2016](#) and [Circular 6 of 2018](#).
- 2.5 In determining the cost of the PHC services, the PHC costing approach is based on the following objectives:
- 2.5.1 Estimate the total costs of each service intervention in the proposed service benefits package.
- 2.5.2 Estimate the overall and projected costs of the proposed service benefits package.
- 2.5.3 Elaborate on implementation parameters that may impact the cost and affordability of the service benefits package.
- 2.6 [Circular 79 of 2019](#) on the data specification and collection of costing data was published to evaluate the cost value of the proposed PHC service benefits package, claims data were obtained from medical schemes and analysed as per the identified service packages as detailed in the Circulars above.
- 2.7 Four other outputs that were concluded which are to be presented to the PMB Advisory Committee and the Priority Setting Committee are:
- 2.7.1 The “willingness to pay” study.
- 2.7.2 [Draft PHC report on the proposed services](#)
- 2.7.3 Draft PHC costing report
- 2.7.4 Draft preventative services report
- 2.8 Several limitations were notable in the draft PHC costing report which included inconsistencies in the data reported and possible under-reporting relative to the medical schemes data.
- 2.9 The report shows discrepancies in how services are grouped together, which could have an effect on the actual cost of services. Once the above objectives are achieved and conditionally considered by the PMB Advisory Committee, the PHC Costing Report will be submitted to the Minister of Health and thereafter, to industry stakeholders for input.
- 2.10 The defining and costing of the PHC service benefits package is expected to be completed by the end of the 2023/2024 financial year, after which approvals are required by the Minister of Health.
- 2.11 The CMS has received numerous queries regarding applications for consideration for the PMB Review.

2.12 While these applications will be considered in time, stakeholders are requested to note that the PMB Review process is currently focused on establishing a PHC service package and the alignment in streamlining the PMB Review to National Health Policy.

2.13 All PMB-related queries may be addressed to pmbreview@medicalschemes.co.za

Yours sincerely,



Dr Siphho Kabane
Chief Executive and Registrar
Council for Medical Schemes