

Dear Pharmacist

Please remember that changes to the Discovery Health medicine list and Chronic Drug Amounts for existing members will be effective from 1 July 2014

We have previously sent you communication about the changes to the medicine list (formulary) and CDAs. For new members, these changes have been effective from 1 January 2014. This letter serves as a reminder that for existing members, the changes will become effective from 1 July 2014.

Discovery Health Medical Scheme provides full cover for a range of chosen medicines to treat the Prescribed Minimum Benefit (PMB) Chronic Disease List conditions. We also provide funding for equivalent alternative medicines that are not on the medicine list, up to a set monthly amount for that medicine category (Chronic Drug Amount or CDA). Consequently, the majority of Discovery Health Medical Scheme members registered on the Chronic Illness Benefit have full cover for their medicines.

We updated the chronic medicine list (formulary)

Discovery Health reviews its medicine list (formulary) and Chronic Drug Amounts twice a year. We do this to ensure the way we fund medicines through the Chronic Illness Benefit accurately reflects price changes and the availability of medicines in this dynamic market.

As a result of these reviews, and because of the introduction to the market of more cost-effective equivalent medicines, Discovery Health updated its medicine list (formulary) for 2014. We gave existing members six months to adapt to the change

We also updated the Chronic Drug Amounts

The Discovery Health chronic medicine list (formulary) contains a maximum rand amount (Chronic Drug Amount or CDA) for each month, for each medicine category used to treat listed chronic conditions.



These changes will impact some of our members and we have advised them to speak to their pharmacist

• Conditions on the Chronic Disease List

Discovery Health's Chronic Illness Benefit continues to offer full cover for medicine on our medicine list (formulary) for the conditions covered on the Chronic Disease List. We have informed our members about the change and where appropriate, we have asked them to discuss it with their pharmacist.

Members who continue to claim for medicine not on the medicine list (formulary) may attract a co-payment. This is because we will cover the medicine up to the determined Chronic Drug Amount for the medicine class. If this happens, it will be indicated by the following reason code:

Reason code 381: Monthly amount exceeded

Conditions on the Additional Disease List

On the Executive and Comprehensive plans, members have additional cover for a defined list of conditions on the Additional Disease List. There is no medicine list (formulary) for these conditions. We have therefore advised our members who will be impacted to use more cost-effective alternatives to reduce potential co-payments.

These changes will apply to the following medical schemes

The medicine list (formulary) and Chronic Drug Amount changes will apply to members on the following schemes administered by Discovery Health:

- Discovery Health Medical Scheme
- Tsogo Sun Group Medical Scheme
- TFG Medical Aid Scheme
- LA Health Medical Scheme Comprehensive and Core plans
- Anglovaal Group Medical Scheme

Where to find the 2014 Discovery Health medicine list (formulary)

By scrolling down to the bottom of the page, you will find the 2014 formulary at:

CIB formulary: https://www.discovery.co.za/portal/individual/propbm-overview

We are committed to our responsibility of providing access to quality healthcare that is affordable and sustainable. We will therefore continue to look at ways to work with the profession to meet this commitment while securing the long-term future of the private healthcare industry.

Regards

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