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INSURANCE SECTOR EDUCATION
AND TRAINING AUTHORITY

Learner Name	
ID Number	
Organisation	

FORMATIVE ASSESSMENT: LEARNER WORK FILE VERSION 1

Unit Standard Title: **Analyse the product design/structure of different medical schemes to evaluate the benefits of each scheme**

Unit Standard No: **242567**
Unit Standard Credits: **5**
NQF Level: **5**

Mark information:

Specific Outcome/Section	1	2	3	4	5	Total	%	C / NYC
Maximum marks	46	7	31	36		120	100	

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Formative Activities

Section 1: 46 marks

Activity 1

In this activity, you have to investigate theories of product development used by medical schemes.

- 1.1 Assume you were asked by a client to investigate different Medical Aid Schemes in order to enable him/her to make an informed decision on which scheme to choose; identify three different schemes that you would present to your client. (5)



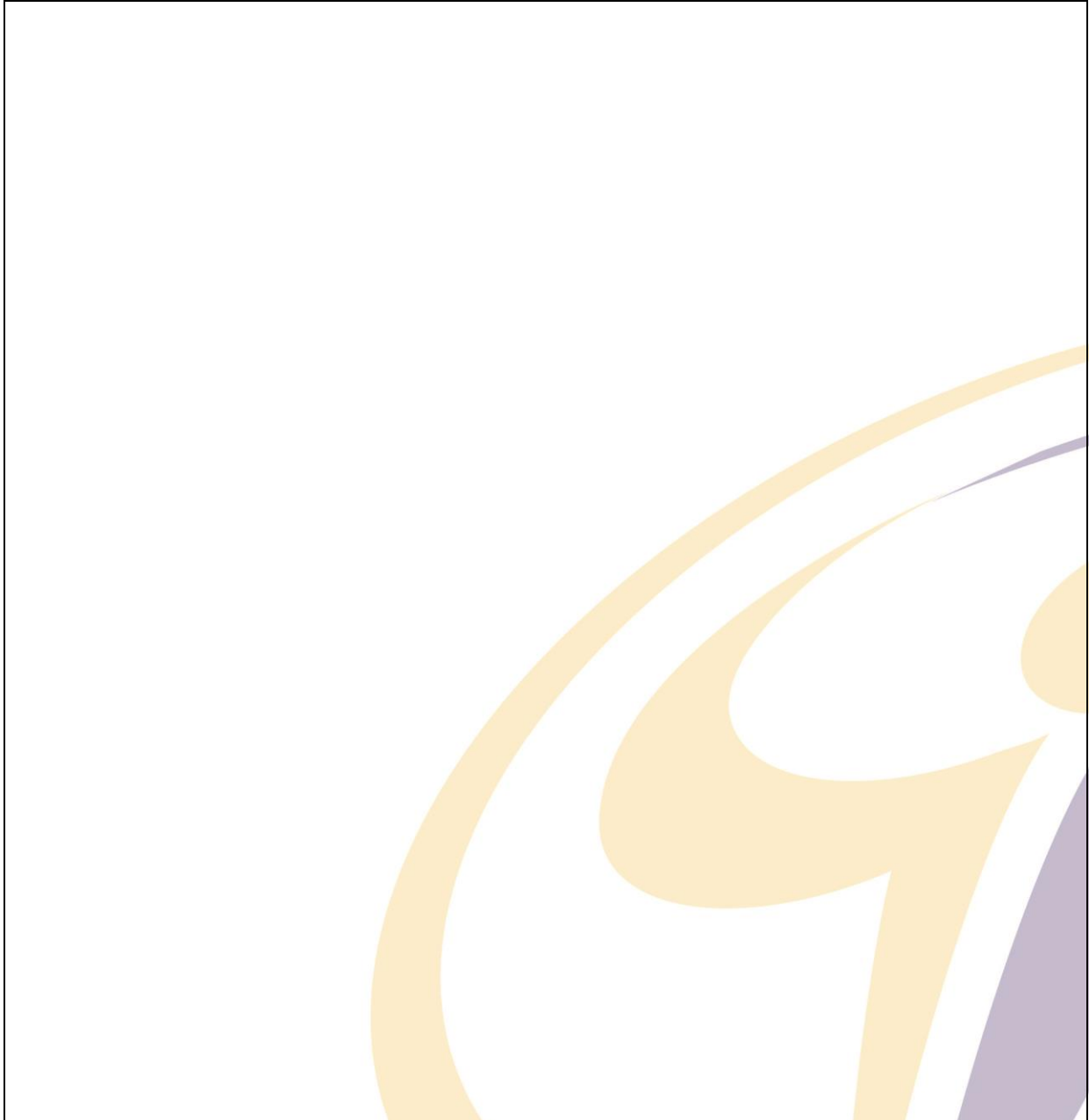
1.2 Using your knowledge of insurance principles; explain the structure of all three medical schemes you have identified for you client in 1.1 above. (12)

Scheme A	Scheme B	Scheme C

1.3 Apply your knowledge of the current Medical Schemes Act and the demarcation debate and differentiate between a medical scheme and medical insurance. (10)

Medical Scheme	Medical Insurance

1.4 Explain the impact of the National Health Policy and other relevant legislation with reference to governance and equitable, affordable and equitable healthcare for all. (5)



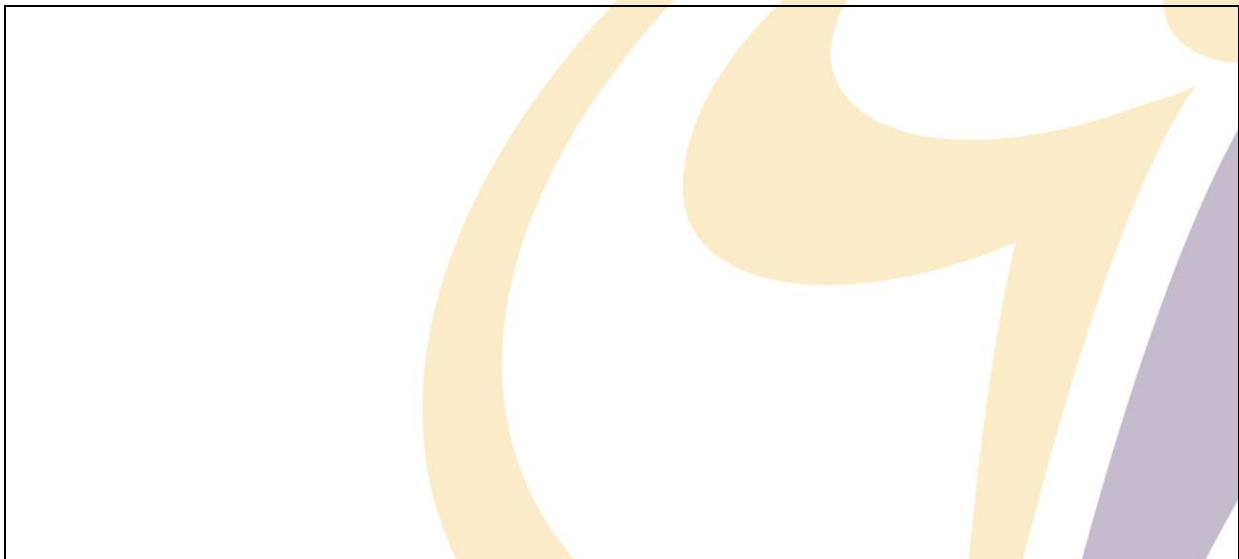
1.5 Analyse selected products from the three Medical Aid Schemes in 1.1 above, to identify the principles of health risk management. (6)

Scheme A	Scheme B	Scheme C

1.6 Identify financial limitations on decisions about product design using practical examples. (5)



1.7 What are the benefits to a client of analysing the income statement and balance sheet of a medical scheme? (3)



Module 2: 7 marks

Activity 2

In this activity you must conduct a needs analysis of a client or target market.

2.1 Using the demographic information of your client in activity 1.1 analyse his /her individual needs. (2)

2.2 Your client has certain expectations regarding membership of a medical scheme. Analyse the perceptions, healthcare needs and other drivers that influence the choice made. (5)

Module 3: 31 marks

Activity 3

In this activity you are expected to apply knowledge of benefit sets to a selected client or target market.

3.1 Analyse the different benefit structures of the products selected and compare them with reference to exclusions, limitations and additional insurance cover. (9)

Criteria	Product A	Product B	Product C
Exclusions			
Limitations			
Additional insurance cover			

Criteria	Product A	Product B	Product C

3.2 Identify issues or factors that will influence your client when choosing a medical scheme. (7)

3.3 Analyse a set of scheme rules, member benefits guides and rate tables to determine cover, exclusions and limitations for the schemes you identified in 1.1 (15)

	Scheme A	Scheme B	Scheme C
Cover			
Exclusions			
Limitations			

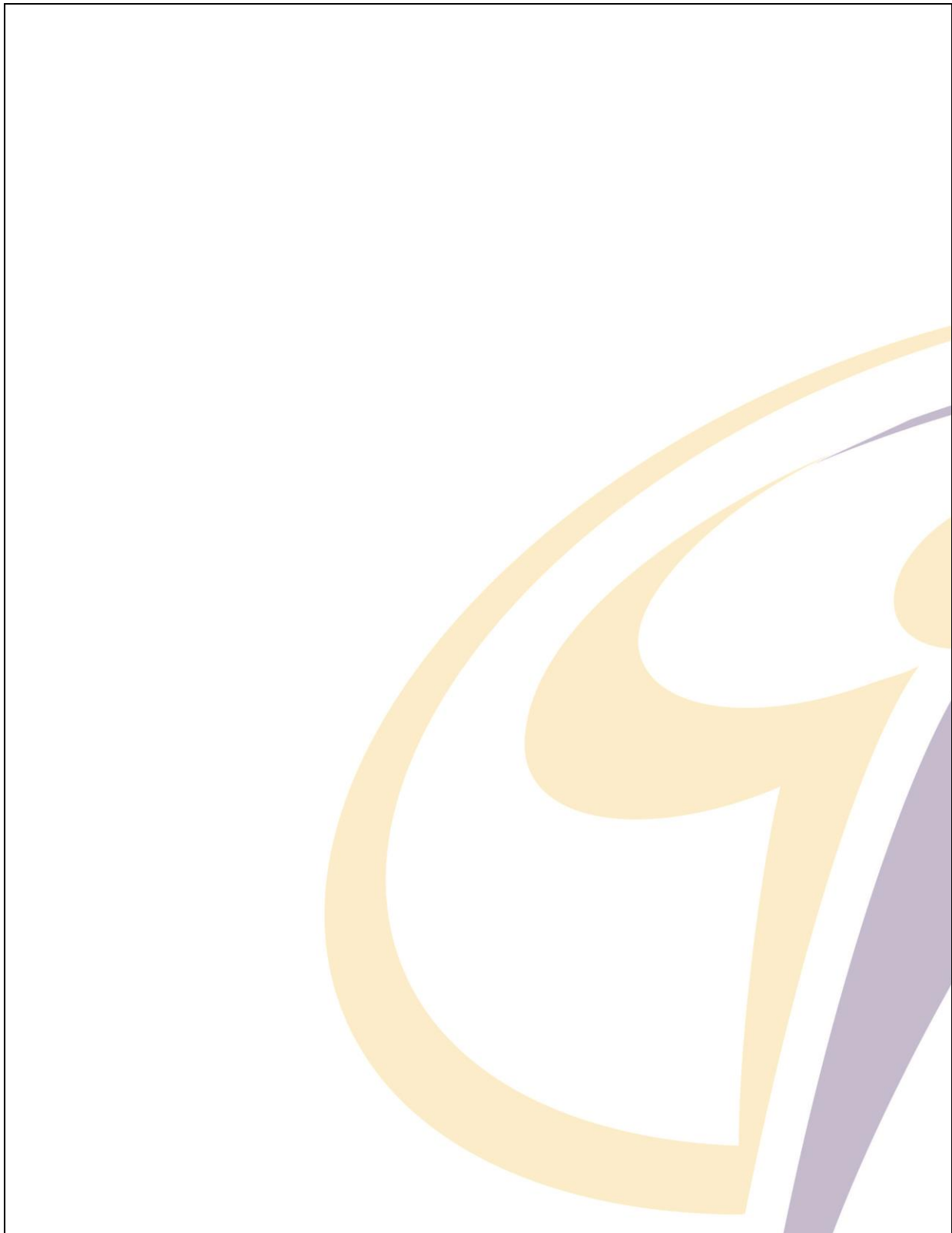
Module 4: 36 marks

Activity 4

In this activity it will be required to analyse current developments in benefit design and the potential impact on schemes and options.

4.1 Explain the limitations on benefit design with reference to legislation and government healthcare policy. Discuss common exclusions. (10)

4.2 Investigate the current medical scheme industry responses to the burden of disease with reference to management of chronic and dread disease, anticipated health threats and pandemics, high cost claims and other high cost drivers. (8)



4.3 Explain what you understand from the term “wellness initiatives”. (2)

4.4 Give three examples of initiatives medical aid companies can introduce, that will lead to the improvement and maintaining better physical and mental health. (3)

4.5 Outline the role of wellness initiatives with reference to the contribution of wellness to the management of risk. (5)

4.6 Discuss challenges to the medical scheme industry as a result of the introduction of low cost options with reference to threats and opportunities. (8)



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SOUTH AFRICAN QUALIFICATIONS AUTHORITY

REGISTERED UNIT STANDARD:

Analyse the product design/structure of different medical schemes to evaluate the benefits of each scheme

SAQA US ID	UNIT STANDARD TITLE			
242567	Analyse the product design/structure of different medical schemes to evaluate the benefits of each scheme			
ORIGINATOR		ORIGINATING PROVIDER		
SGB Insurance and Investment				
QUALITY ASSURING BODY				
-				
FIELD			SUBFIELD	
Field 03 - Business, Commerce and Management Studies			Finance, Economics and Accounting	
ABET BAND	UNIT STANDARD TYPE	OLD NQF LEVEL	NEW NQF LEVEL	CREDITS
Undefined	Regular	Level 5	New Level Assignment Pend.	5
REGISTRATION STATUS		REGISTRATION START DATE	REGISTRATION END DATE	SAQA DECISION NUMBER
Reregistered		2009-11-03	2012-06-30	SAQA 0160/05
LAST DATE FOR ENROLMENT		LAST DATE FOR ACHIEVEMENT		
2013-06-30		2016-06-30		

In all of the tables in this document, both the old and the new NQF Levels are shown. In the text (purpose statements, qualification rules, etc), any reference to NQF Levels are to the old levels unless specifically stated otherwise.

This unit standard does not replace any other unit standard and is not replaced by any other unit standard.

PURPOSE OF THE UNIT STANDARD

This unit standard is intended for learners who work at a senior or strategic level in healthcare benefits administration and/or advise on medical schemes and products. They may recommend decisions related to a client's business policies and overall healthcare. They determine benefits and require a complete view of the healthcare benefits administration sub-sector. It would be useful for senior people in administration and managed care, professionals who consult to medical schemes, risk managers, medical advisors, Trustees, Medical Scheme Consultants, Healthcare Intermediaries, Broker Consultants, Client Liaison officers, employees of the council for Medical Schemes, Systems Designers, Actuaries, Principal Officers, and Senior Operational Administrative Staff who need to understand medical scheme design, issues of compliance and pricing and be able to compare different schemes in terms of benefits.

The qualifying learner is capable of:

- Investigating theories of product development used by medical schemes.
- Conducting a needs analysis of a client or target market.
- Applying knowledge of benefit sets to a selected client or target market.
- Analysing current developments in benefit design and the potential impact on schemes and options.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

It is assumed that learners are competent in Communication and Mathematical Literacy at NQF Level 4.

UNIT STANDARD RANGE

The typical scope of this unit standard is:

- Clients may be individuals, Corporates or other business entities.
- The Legislation includes, but is not limited to, National Health Act, Medical Schemes Act, Pharmacies Act, Medicine and Controlled Substances Act, Compensation for Occupational Injuries and Diseases Act (COIDA), Road Accident Fund (RAF), Financial Advisory and Intermediary Services Act (FAIS).
- Impact of National Health Policy includes, but is not limited to, Low Income Medical Schemes (LIMS), Government Employees Medical Schemes (GEMS), Prescribed Minimum Benefits (PMBs) and Risk Equalisation Fund.
- Health risk management includes, but is not limited to, disease and condition management, managed healthcare programmes, HIV/AIDS and Asthma programmes.
- Demographic information includes, but is not limited to, health status, income, family size and age, geographic distribution, membership of other medical schemes, occupation and level of education.
- Factors influencing member choice include, but are not limited to, professional sports injuries, cover for extreme sports, contraception, malaria precautions, Hormone Replacement Therapy (HRT), the use of formularies, designated service providers, gap cover and medical cover outside of South Africa.
- Limitations on benefit design include, but are not limited to, risk equalisation LIMS, PMBs and primary healthcare.
- Governance include, but are not, limited to, financial matters, communication, contracts, management of risk and service level agreements.
- Analysis of financials includes, but is not limited to, cost drivers, income, expenses, calculation of income, contributions, solvency requirements, underwriting profits and losses, demographics, utilisation, and claims rating.

Specific Outcomes and Assessment Criteria:**SPECIFIC OUTCOME 1**

Investigate theories of product development used by medical schemes.

ASSESSMENT CRITERIA**ASSESSMENT CRITERION 1**

Knowledge of insurance principles is applied to explain the structure of medical schemes.

ASSESSMENT CRITERION 2

Knowledge of the current Medical Schemes Act and the demarcation debate is applied to differentiate between a medical scheme and medical insurance.

ASSESSMENT CRITERION 3

The impact of the National Health Policy and relevant legislation is explained with reference to governance and equitable, affordable and equitable healthcare for all.

ASSESSMENT CRITERION 4

Selected products are analysed to identify the principles of health risk management.

ASSESSMENT CRITERION 5

The income statement and balance sheet of a medical scheme are analysed to identify financial limitations on decisions about product design.

SPECIFIC OUTCOME 2

Conduct a needs analysis of a client or target market.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The needs of an individual member or group are analysed with reference to demographic information.

ASSESSMENT CRITERION 2

The expectations of a selected client or target market regarding membership of a medical scheme are analysed in terms of perceptions, healthcare needs and other drivers that influence the choice of option.

SPECIFIC OUTCOME 3

Apply knowledge of benefit sets to a selected client or target market.

ASSESSMENT CRITERIA**ASSESSMENT CRITERION 1**

Different benefit structures are analysed and compared with reference to exclusions, limitations and additional insurance cover.

ASSESSMENT CRITERION 2

Issues or factors that influence member choice are identified for a selected client or target market.

ASSESSMENT CRITERION 3

A set of scheme rules, member benefits guides and rate tables are analysed to determine cover, exclusions and limitations.

SPECIFIC OUTCOME 4

Analyse current developments in benefit design and the potential impact on schemes and options.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

Limitations on benefit design are explained with reference to legislation and Government healthcare policy.

ASSESSMENT CRITERION 2

Current industry responses to the burden of disease are investigated with reference to management of chronic and dread disease, anticipated health threats and pandemics, high cost claims and other high cost drivers.

ASSESSMENT CRITERION 3

The role of wellness initiatives is researched with reference to the contribution of wellness to the management of risk.

ASSESSMENT CRITERION 4

Challenges to the industry as a result of the introduction of low cost options are discussed with reference to threats and opportunities.

UNIT STANDARD ACCREDITATION AND MODERATION OPTIONS

- Anyone assessing a candidate against this unit standard must be registered as an assessor with the relevant ETQA or ETQA where a Memorandum of Understanding (MOU) exists with the relevant ETQA.
- Any institution offering learning that will enable achievement of this unit standard must be accredited as a provider through the relevant ETQA or ETQA where a Memorandum of Understanding (MOU) exists with the relevant ETQA.
- Moderation of assessment will be overseen by the relevant ETQA according to the moderation guidelines and the agreed ETQA procedures.

UNIT STANDARD ESSENTIAL EMBEDDED KNOWLEDGE

N/A

UNIT STANDARD DEVELOPMENTAL OUTCOME

N/A

UNIT STANDARD LINKAGES

N/A

Critical Cross-field Outcomes (CCFO):**UNIT STANDARD CCFO IDENTIFYING**

The learner is able to identify and solve problems in which responses show that responsible decisions using critical and creative thinking have been made in identifying opportunities and threats as a result of the introduction of low cost options.

UNIT STANDARD CCFO COLLECTING

The learner is able to collect, organise and critically evaluate information in conducting a need's analysis and applying knowledge of benefit sets to a client or target market.

UNIT STANDARD CCFO COMMUNICATING

The learner is able to communicate effectively in discussing challenges relating to low cost options.

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