



SECTION 59 PANEL INQUIRY ORAL PRESENTATION:PUBLIC HEARINGS

"SIGHT – THE MOST DELIGHTFUL OF OUR SENSES"



KMRA

Background

The SA Optometric Association (SAOA)

- **Profession of Optometry**
- **Non Profit Company (NPC)**
- **Private sector + Public sector**





PROUDLY SOUTH AFRICAN

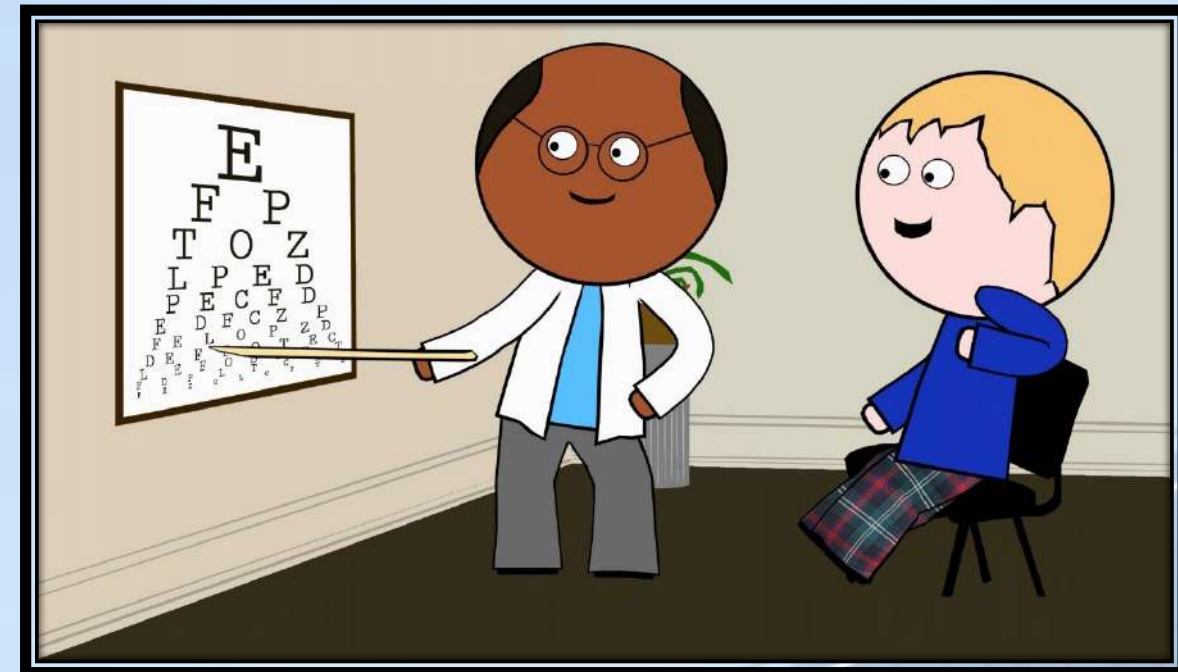
SA OPTOMETRY

AMONGST FINEST IN THE WORLD

Optometry

= healthcare profession:

- autonomous,
- educated,
- regulated



Optometrists

= the primary healthcare practitioners of the eye and visual system



Optometry defined

Provide comprehensive eye and vision care, which includes refraction and dispensing, detection/diagnosis and management of disease in the eye, and the rehabilitation of conditions of the visual system

HEALTH CARE/ EYE CARE

SPECIAL CONSIDERATION



Optometry in SA

- **Eye Examination**
- **Spectacles**
- **Contact lenses**
- **Sunglasses**
- **Diagnostics**
- **Therapeutics**



FRAUD WASTAGE ABUSE

SAOA POSITION

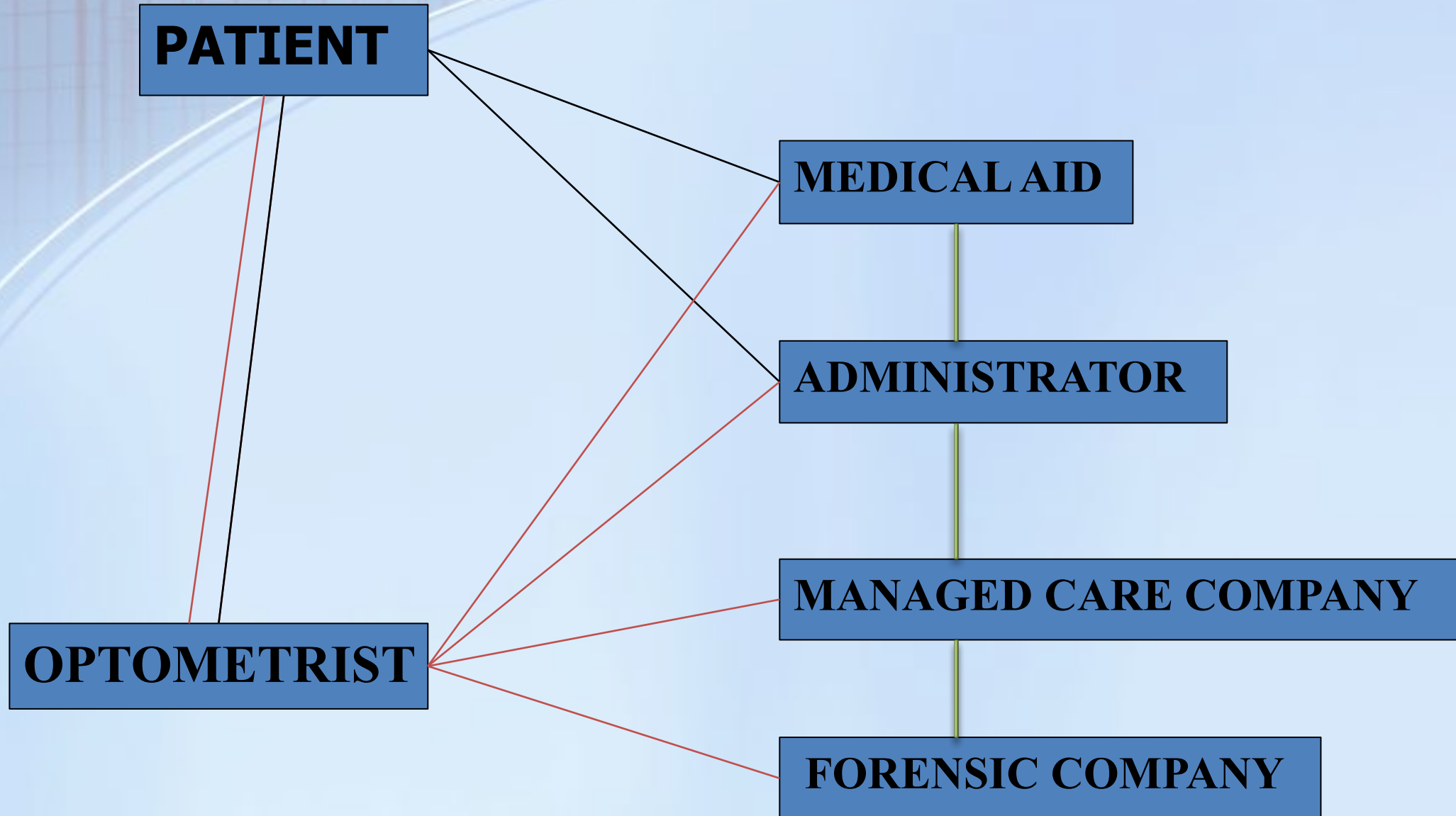
OPPOSE

**FRAUD WASTAGE AND ABUSE IN ANY
SHAPE OR FORM**

KEY ISSUES

- **RACE AND ETHNICITY**
- **CMS**

MANAGED CARE



UNETHICAL CONDUCT OF SCHEMES

- **Non-accredited MCO's**
- **2019 Manual**
- **Discounts off discounted rates**
- **Access to record cards**
- **Indirect payment**
- **Canvassing – SMS Campaign**
- **Differential payments**
- **Desk Top Systems and Algorithms**
- **Random Audits**
- **Clawbacks**
- **Withholding of claims**
- **Punitive actions in the absence of proven guilt**
- **Intimidation**
- **Frame mark-ups**
- **Acknowledgements of Debt**
- **Autonomy**



POWER ASYMMETRY



ASYMMETRY OF POWER



**FEAR OF LOSING
PATIENT**



**FEAR OF LOSS OF
INCOME**

FORENSIC ROLES OF SCHEMES



The Medical Scheme Defined

Medical Scheme Act:

“Business of a medical scheme” means the business of undertaking liability in return for a premium or contribution-

- To make provision for the obtaining of any relevant health service**
- To grant assistance in defraying expenditure incurred in connection with the rendering of any health service;**
- Where applicable, to render a relevant health service, either by the medical scheme itself, or by any supplier or group of suppliers of a relevant health service or by any person, in association with or in terms of an agreement with a medical scheme**

COUNCIL OF MEDICAL SCHEMES

**'ombudsman' of the medical aid
industry.**

**statutory body - regulatory
supervision of private health
financing through the medical
schemes**



CMS : OBJECTIVES

- To protect the interests of medical schemes and their members;
- To monitor the solvency and financial soundness of medical schemes;
- To control and co-ordinate the functioning of medical schemes
- To investigate complaints and settle disputes
- To collect and disseminate information about private health care in South Africa;
- To make rules
- To make recommendations to the Minister of Health.

DESIGNATED SERVICE PROVIDER (DSP)

PREFERRED PROVIDERS

NETWORKS



THE DESIGNATED SERVICE PROVIDER (DSP)



Networks



Preferred Providers



**Managed Care
Organisations**

DSP's

HPCSA - no objection

- **All practitioners in the area(s) concerned were informed that they could apply to be preferred providers for the scheme.**
- **No practitioner was unreasonably excluded from being a preferred provider for that scheme.**
- **The patient was not deprived of his or her right of freedom of choice of a practitioner, although it may cost the patient more (e.g. by the scheme requiring a co-payment)**

HPCSA Rules and Regulations: **Credentialing and Accreditation**

- **Transparency**
- **Professional qualifications**
- **Competence of the providers**
- **Experience of the Providers**
- **Equitable opportunity to participate.**
- **Not exclusive**

DSP's

A group of providers
'selected' to provide the
diagnosis, treatment
and care in respect of
one or more PMBs.

(Regulation 7 MSA)

PARTICIPATING PROVIDERS



Preferred providers based on a contract directly between that provider and a medical scheme'

CONTRACTUAL **CONDITIONS**

The provider group must be accredited as a managed healthcare organisation by the Council for Medical Schemes (CMS)

Accreditation of managed Care Providers

Managed Care Organisation

MUST be accredited by the CMS

Section 15A and 15B of the MSA

NON – ACCREDITATION = NO JURISDICTION

“ Preferred Provider Negotiator(PPN) is not an accredited managed care organisation “

Clinical Analyst: MCO: CMS

NB. Also applicable to Iso Leso, Opticlear and others

SCHEME ABDICATION

“ Bonitas appointed PPN as its service provider regarding all aspects of the optometry benefitsBonitas cannot interfere... ”

“ Bestmed can unfortunately not get involved beyond this point and suggest that you take this further directly with PPN”

BOARD OF TRUSTEES ACCOUNTABILITY

The Board of Trustees of a Medical Scheme is tasked with ensuring that that “the rules, operation and administration of the medical scheme comply with the provisions of this Act and all other applicable laws”.

Section 57 (4) (h) : Medical Schemes Act

'Concerns over the exploitation of Health Care Practitioners'

HPCSA Media Release: 24 March



ACCESS TO PATIENT INFORMATION

“ ..the provisions of Regulation 15 A of the Medical Schemes Regulation which entitles a Participating Medical Scheme , as a MHCO, access to any treatment record held by a participating service provider pertaining to the diagnosis, treatment and health status of a beneficiary in terms of this agreement

RANDOM AUDITS OF PRACTICES

"You have been selected to participate in our random audit programme..."



ACCESS TO THE
MEMBER'S
CLINICAL
RECORDS HELD
BY A
PRACTITIONER
BY A MEDICAL
SCHEME

Medical schemes entitled to access any treatment record held by a managed healthcare organisation or healthcare provider

Regulation 15J (2) © of the Medical Schemes Act Regulations

Written informed consent

FRAME MARKUPS



FRAME MARK-UP

“ Our Optometry Advisor has informed us that a 60% mark-up on frames is acceptable....”

Forensics Analyst - Medscheme

KFML

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graph TD; KFML[KFML] --- PPN[PPN]; KFML --- SPECSAVERS[SPECSAVERS]; KFML --- CLEAR_VISION[CLEAR VISION]; KFML --- EXECUSPECS[EXECUSPECS]; PPN --- Non_KFML_Practices[Non KFML Practices]; KFML -.-> SPECSAVERS;
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PPN

SPECSAVERS

CLEAR VISION

EXECUSPECS

Non KFML Practices

INDUCEMENT

PPN MANUAL

- Professional service charges linked to Desktop ordering
- Exclusive suppliers
- Additional charges : benefit confirmation
- Compulsory discounts
- Frame mark-ups

VIDEO

- **INTIMIDATION**

WITHHOLDING OF CLAIMS DUE TO PRACTITIONERS BY MEDICAL SCHEMES

*Pay claim to either to the
member or practitioner within
30 days of receiving the claim*

PAYMENT SUSPENSION

“ Please assist us with copies Your practice has been suspended ”

Discovery Health

CLAWBACKS

Retrieving money already paid out, to practitioners



CLAW BACK

“ At the time of your offices confirming the available benefits ... and at the time of providing treatment Fedhealth is entitled to recover costs of the former member’s treatment..”

Fedhealth

CLAWBACKS

Section 59(3) of the Medical Schemes Act 131 of 1998

" Notwithstanding anything to the contrary contained in any other law, a medical scheme may, in the case of— (a) any amount which has been paid bona fide in accordance with the provisions of this Act to which a member or a supplier of health service is not entitled to; or (b) any loss which has been sustained by the medical scheme through

theft, fraud, negligence or any misconduct which comes to the notice of the medical scheme, deduct such amount from any benefit payable to such a member or supplier of health service'



INDIRECT PAYMENT



INDIRECT PAYMENT

“ At this time, the scheme does not believe that direct payment will be in the best interests of our members....”

GEMS

PUNITIVE ACTION : NO GUILTY VERDICT

I have not received a report on the investigations done on my practise with Practise number1234567, **and still awaiting a report and charge** on the current practise under practise number 8912345. Find attached hereto previous correspondence and forms sent to yourselves in relation to the practise number 0050016.

It is significant that I again reiterate that **I was not charged by GEMS** on both practise numbers, and this has kept me and my practise in limbo as it has frustrated the payment processes for the services I have already given, if I was charged- then such charges have neither been communicated to me and/or the HPCSA.

PAYMENT ARRANGEMENTS MADE BETWEEN HEALTH PRACTITIONERS AND MEDICAL SCHEMES:

LAWFUL OR UNLAWFUL ?



SECTION 34 OF THE PREVENTION AND COMBATING OF CORRUPT ACTIVITIES ACT 12 OF 2004 PROVIDES THAT:

(1) Any person who holds a position of authority and who knows or ought reasonably to have known or suspected that any other person has committed-

(a) an offence under Part 1, 2,3 or 4, or section 20 or 21 (in so far as it relates to the aforementioned offences) of Chapter 2; or

(b) the offence of theft, fraud, extortion, forgery or uttering a forged document, involving an amount of R 100 000 or more, must report such knowledge or suspicion or cause such knowledge or suspicion to be reported to any police official.

(2) Subject to the provisions of section

37(2), any person who fails to comply with subsection (1), is guilty of an offence

ACKNOWLEDGEMENT OF DEBT

" Dear....

We have actioned the release of the remaining funds as agreed.

**Please confirm once you have withdrawn CMS complaint:
72085**

Regards,

General Manager: Healthcare Forensics

Advertising, Touting and Canvassing

Responsible communication – informed choice by consumers of health care



RETALITORY TACTICS: SMS CAMPAIGN

“ An optical benefit enquiry has been made on your profile by an Out –of- Network provider .

Your frame benefit is 43% more if you visit an In- Network Provider .

Click here to find a Provider “

HPCSA COMPLAINT PPN

- "..... please note that PPN is not a practitioner registered under the HPA hence outside our jurisdiction.
- **However, an investigation will be conducted regarding unethical advertising against all the practitioners who are contracted to PPN in terms of Section 41 A of the act.**
- Complaints Handling and Investigation Unit

HEALTH PROFESSIONS COUNCIL OF SOUTH AFRICA

Thank You Very Much!

Siyabonga

Ke a leboga

Enkosi

Ngiyathokoza

Dankie

Ro livhuwa

Ke a leboha

Inkomo

Ngiyabonga

