

ALLIANCE-MIDMED MEDICAL SCHEME
ANNEXURE A
CONTRIBUTIONS
(With effect from 1 January 2021)

1. Definition of income

"Income" shall mean, in respect of -

1.1 an employee –

his monthly pensionable earnings received from his employer;

1.2 a continuation member –

the member's current income, to include all income from all sources, i.e. investments, retirement annuities, etc.

1.3 a member who registers his or her spouse or partner as a dependant –

Notwithstanding who is registered as the Principal member, the higher of the income of the member or spouse or partner.

2. Contributions payable by or on behalf of all members

The total monthly contribution, based on the income of the member and number of dependants registered from time to time is the sum of the contribution in Table A of the Contribution Table below.

3. Personal Medical Savings Account

Savings levels are fixed at 5% of the member's premium as defined in point 2.

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4. Contribution Table

Based on a 3.9% Premium Increase

Income band	Contribution type	Principal member	Adult dependant	Child dependant
R0 - R5,000	Risk Contribution	R2 328	R2 029	R419
	Savings Contribution	R123	R107	R22
	Total Contribution	R2 451	R2 136	R441
R5,001 - R6,000	Risk Contribution	R2 333	R2 122	R693
	Savings Contribution	R123	R112	R36
	Total Contribution	R2 456	R2 234	R729
R6,001 - R7,000	Risk Contribution	R2 549	R2 323	R769
	Savings Contribution	R134	R122	R40
	Total Contribution	R2 683	R2 445	R809
R7,001 - R8,000	Risk Contribution	R2 685	R2 443	R809
	Savings Contribution	R141	R129	R43
	Total Contribution	R2 826	R2 572	R852
R8,001 - R9,000	Risk Contribution	R2 806	R2 552	R841
	Savings Contribution	R148	R134	R44
	Total Contribution	R2 954	R2 686	R885
R9,001 - R10,000	Risk Contribution	R2 958	R2 691	R887
	Savings Contribution	R156	R142	R47
	Total Contribution	R3 114	R2 833	R934
R10,001 - R13,500	Risk Contribution	R3 090	R2 813	R924
	Savings Contribution	R163	R148	R49
	Total Contribution	R3 253	R2 961	R973
R13,501 - R17,500	Risk Contribution	R3 192	R2 907	R962
	Savings Contribution	R168	R153	R51
	Total Contribution	R3 360	R3 060	R1 013
R17,501 - R19,000	Risk Contribution	R3 250	R2 958	R977
	Savings Contribution	R171	R156	R51
	Total Contribution	R3 421	R3 114	R1 028
R19,001 - R25,000	Risk Contribution	R3 348	R3 046	R1 002
	Savings Contribution	R176	R160	R53
	Total Contribution	R3 524	R3 206	R1 055
R25,001+	Risk Contribution	R3 381	R3 077	R1 012
	Savings Contribution	R178	R162	R53
	Total Contribution	R3 559	R3 239	R1 065

5. Time for payment of contributions

5.1 All members except continuation members

Contributions in respect of all members except continuation members shall be paid monthly in arrear to the Scheme by not later than the third day of the month following that to which the contribution applies.

5.1.1 Where continuation members are responsible for a portion of the contribution, such portion is to be paid by debit order by not later than the third day of the month following that month to which the contribution applies.

6. Premium penalties for persons joining late in life

6.1 Premium penalties may be applied to a late joiner. Such penalties shall be applied only to that portion of the contribution relative to the late joiner and shall not exceed the following bands.

PENALTY BANDS	MAXIMUM PENALTY
1 – 4 years	0.05 x contribution
5 – 14 years	0.15 x contribution
15- 24 years	0.15 x contribution
25+ years	0.15 x contribution

6.2 The following formula shall be applied to determine the applicable penalty band:

A = B minus (35 +C) where:

A = number of years to determine appropriate penalty band

B = age of the late joiner at time of application

C = number of years of creditable coverage which can be demonstrated

6.3 Should a late joiner penalty already have been imposed and evidence of creditable coverage is produced thereafter, the penalty shall be recalculated, and such revised penalty shall be applied from the time that such evidence was provided.

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- 6.4** If an applicant is unable to obtain documentary proof to substantiate periods of creditable coverage, he/she shall be entitled to produce a sworn affidavit declaring such detailed information and that reasonable efforts to obtain documentary evidence of such periods of creditable coverage were unsuccessful. It remains however, the discretion of the scheme to make the final decision on whether the late joiner penalty will be applicable.
- 6.5** Late Joiner Penalties will not apply for dependants, where a member has been a member of the Scheme for a continuous period of five years and longer.