



foreSight
2026

Exploring The Health Insurance Market

Anneri Swanepoel



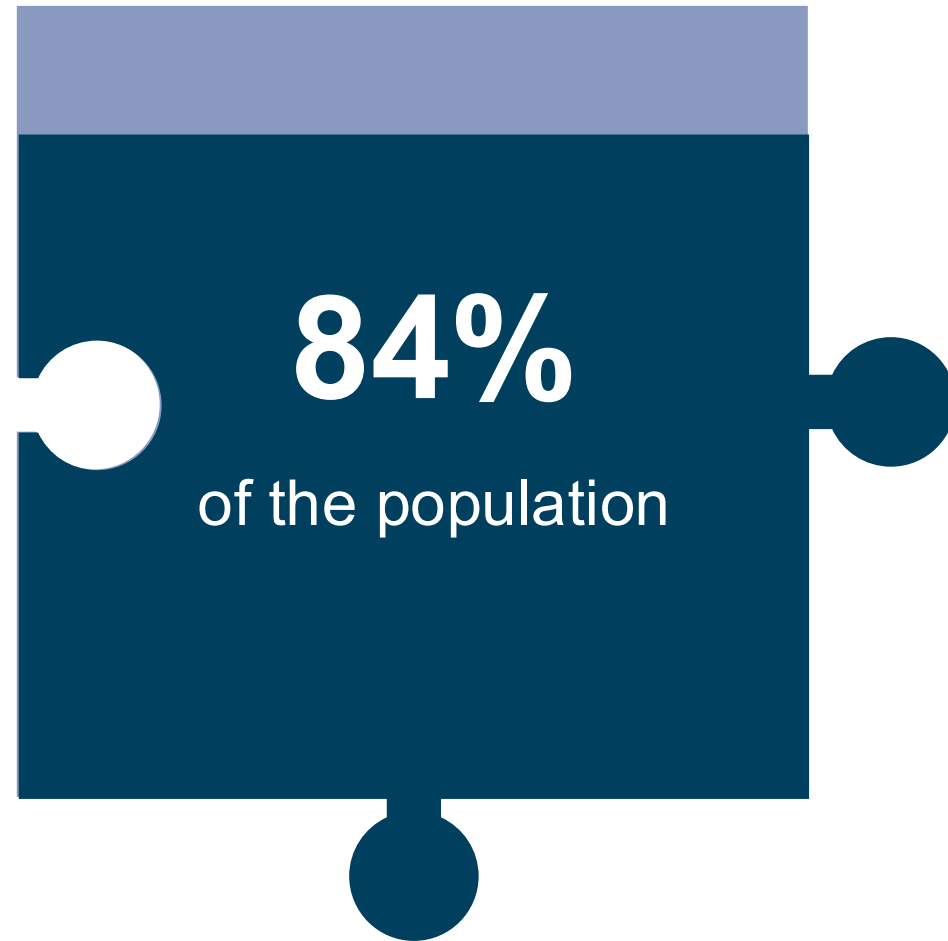
01 Setting the scene

02 Medical scheme vs Health insurance

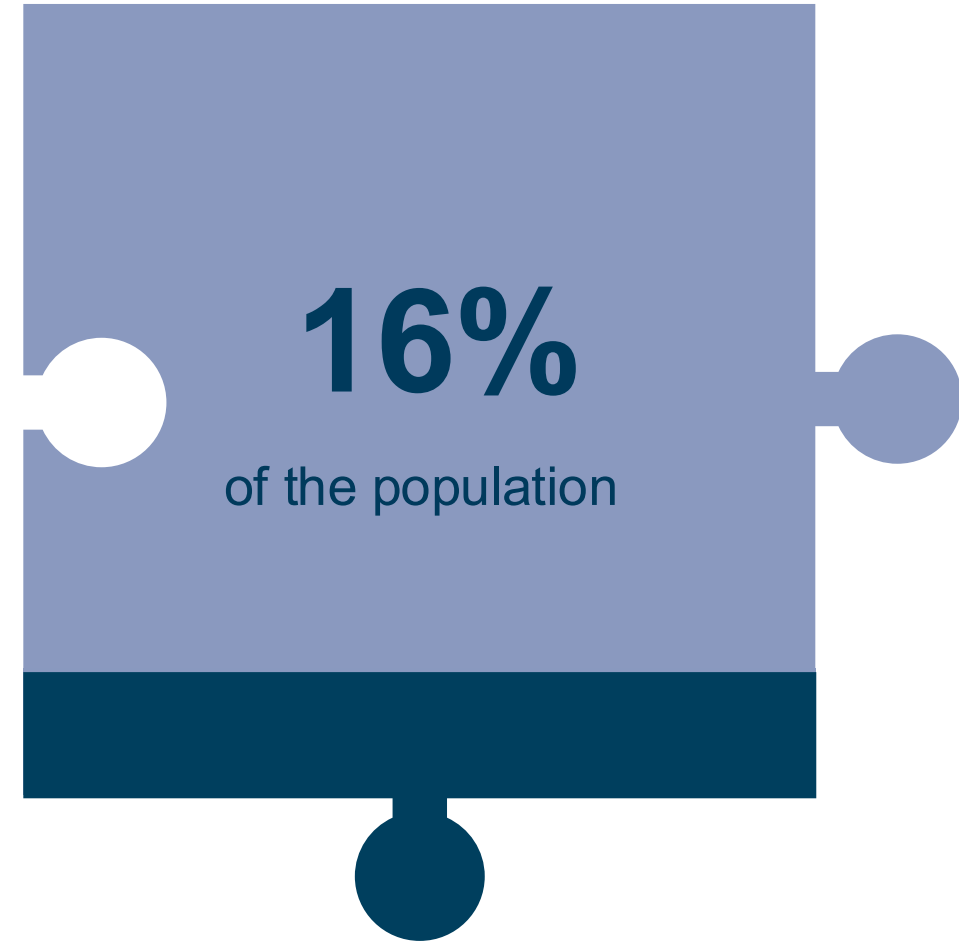
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04 Looking ahead

Setting the scene | The WHY

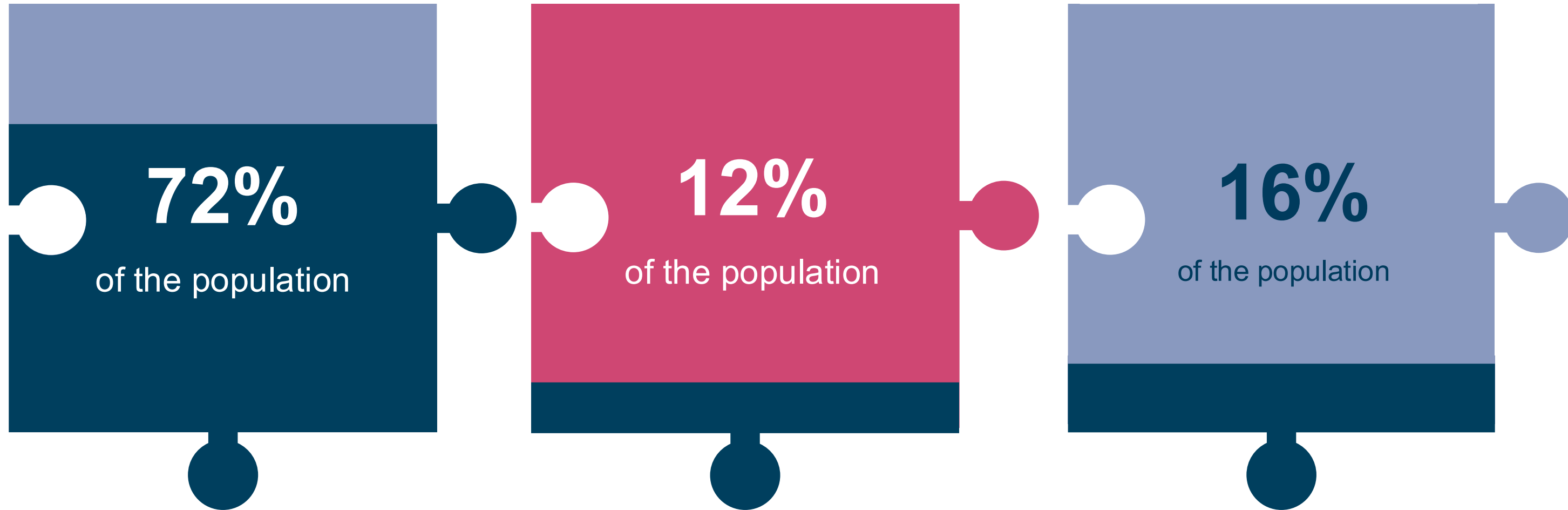


Public sector



Private sector
(through medical scheme membership)

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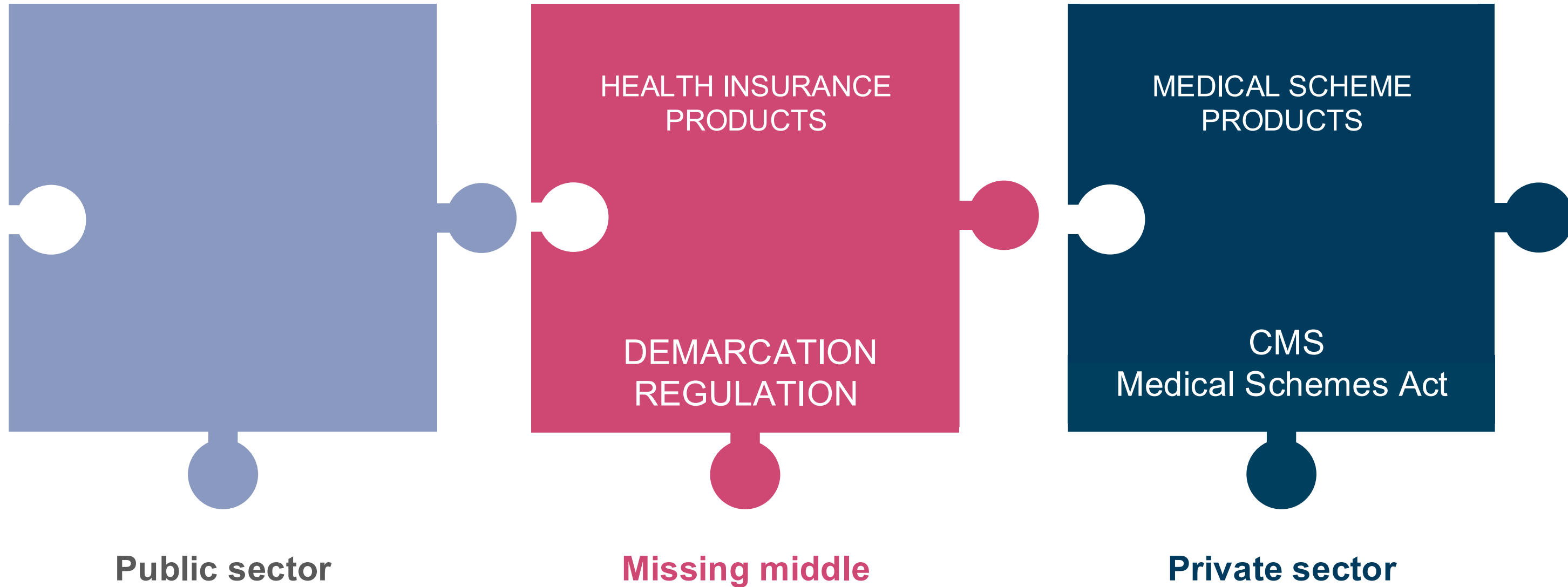


Public sector

Missing middle

Private sector
(through medical scheme membership)

Setting the scene | The WHY



Setting the scene | The WHY

8M South Africans
earn **too much** for public health
and too little to afford medical scheme
cover

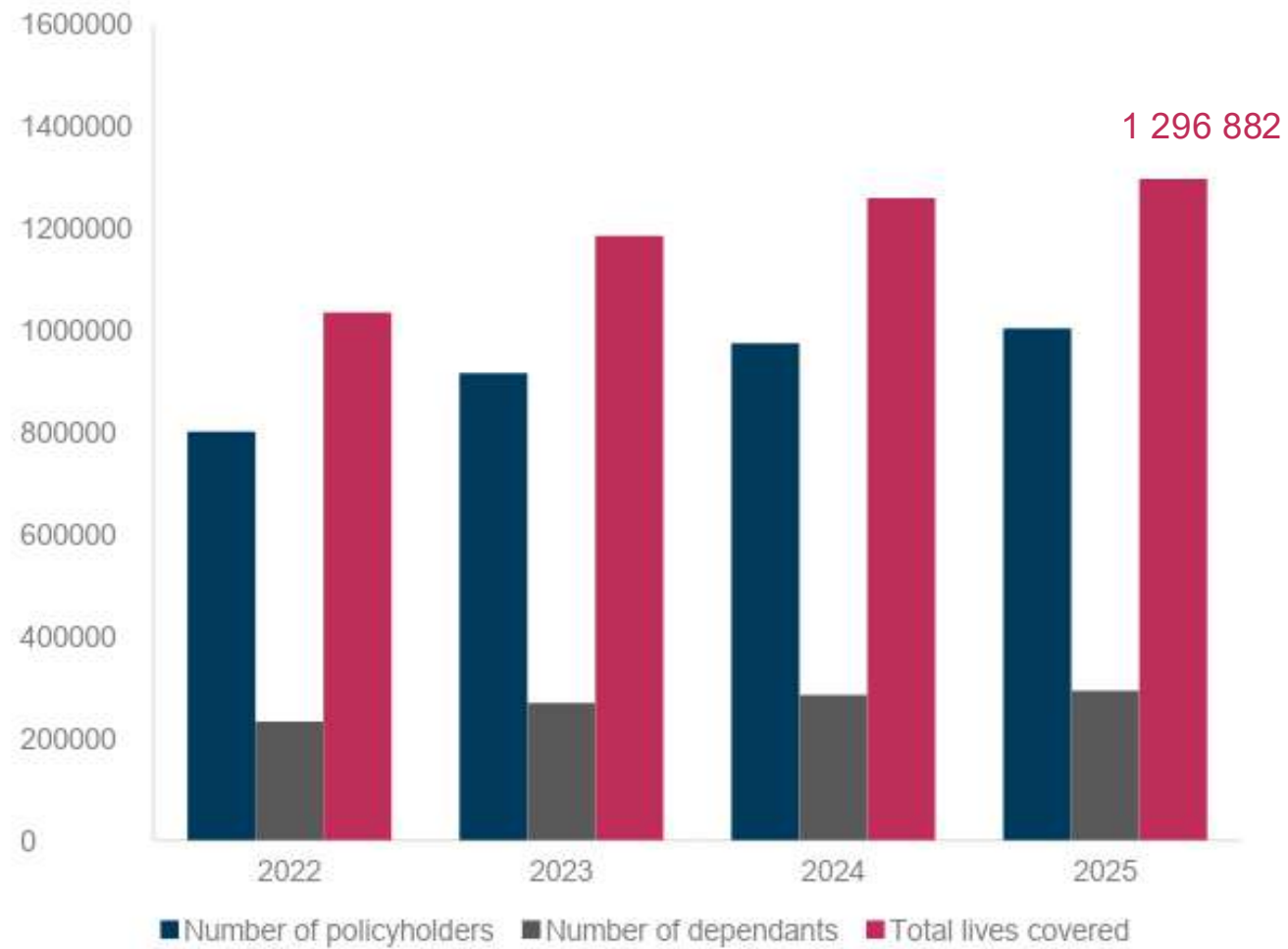
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Missing middle

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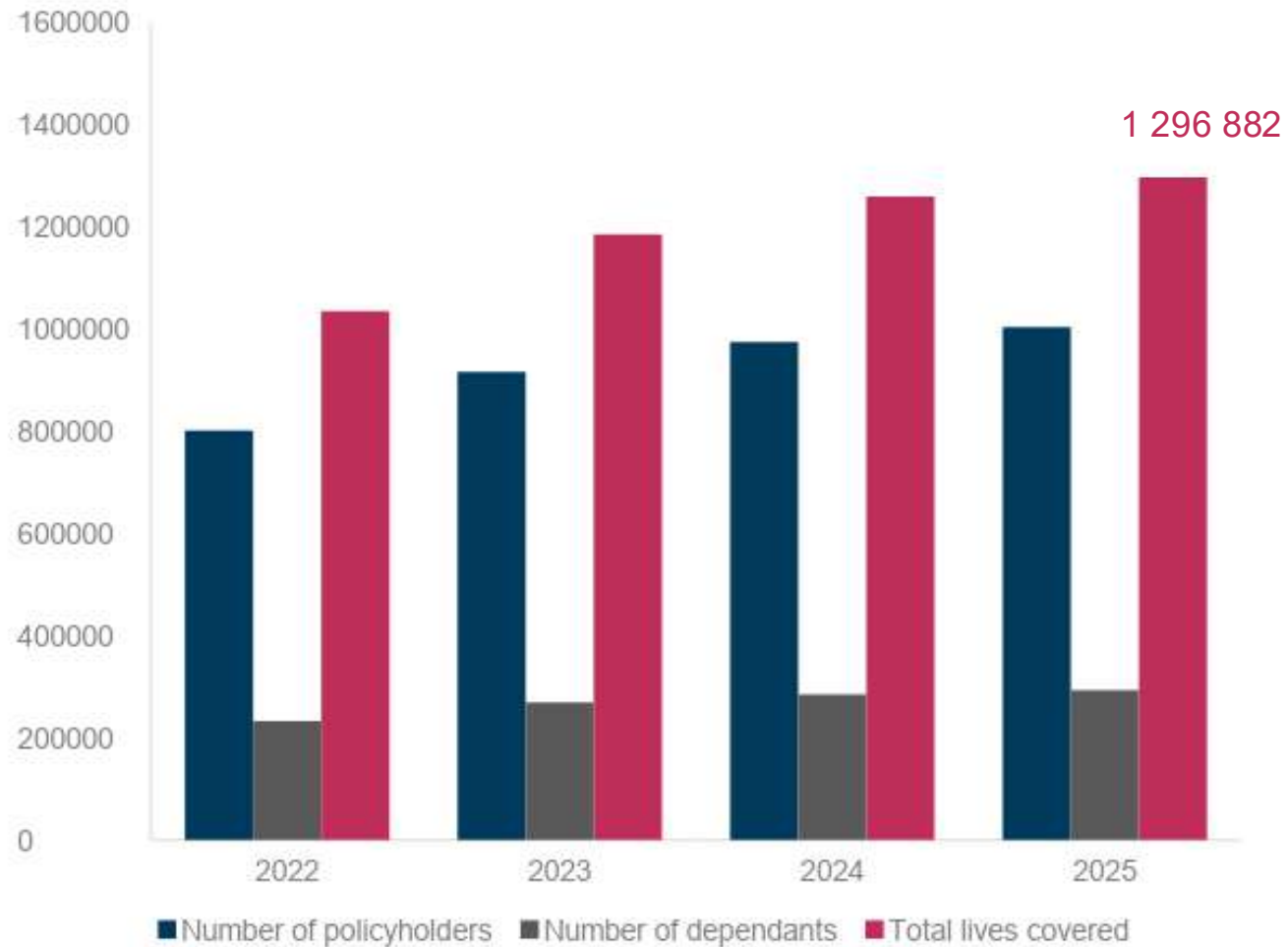
Setting the scene | The SIZE of the market

Estimated size of the health insurance market

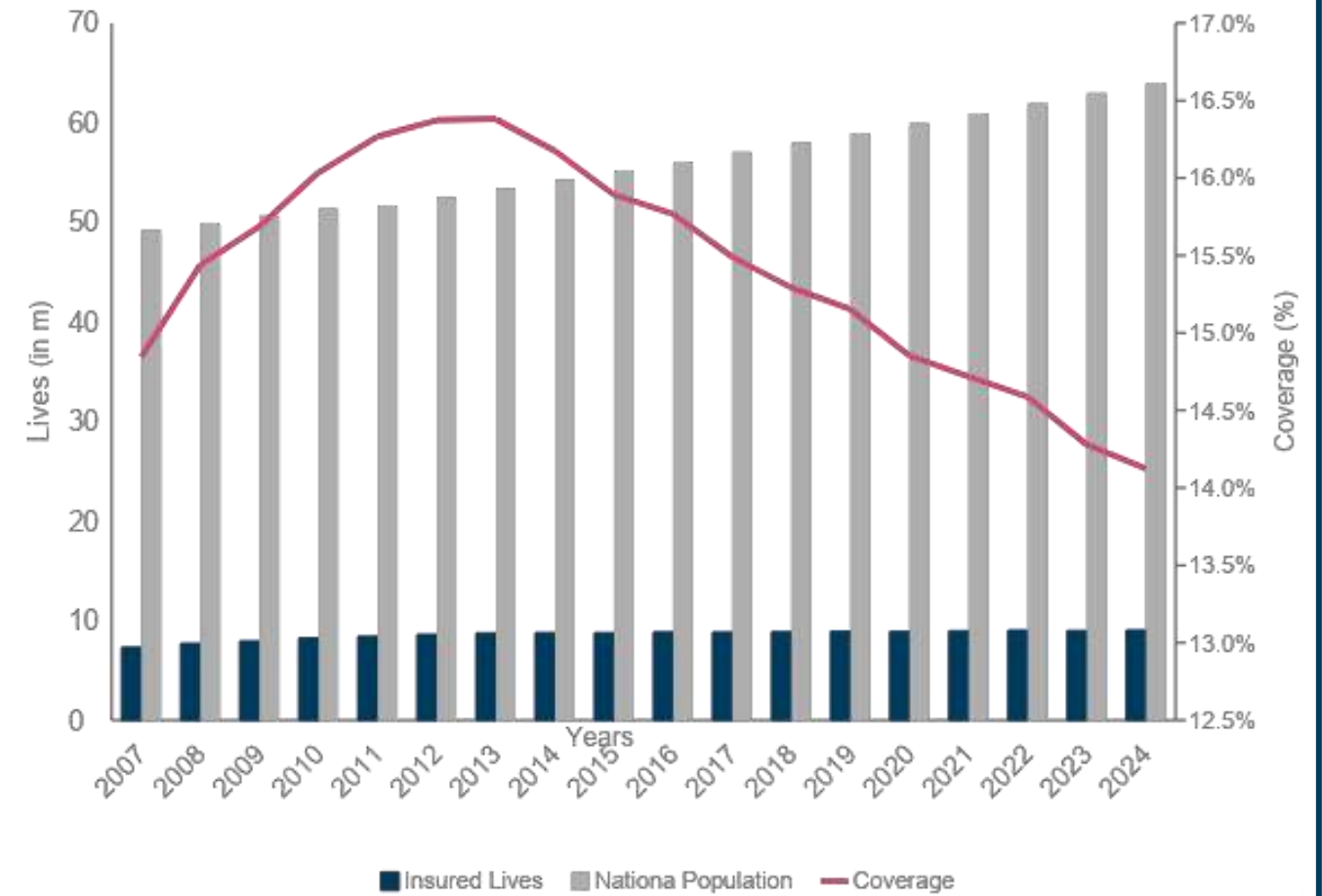


Setting the scene | The SIZE of the market

Estimated size of the health insurance market



Medical scheme membership over time







01 Setting the scene

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Medical scheme vs Health insurance

Health insurance

Regulated by the **Financial Sector Conduct Authority (FSCA)** and **Prudential Authority** under the **Long-term or Short-term Insurance Act**



Regulation

Medical scheme
products

Governed by the **Medical Schemes Act (MSA)** and regulated by the **Council of Medical Schemes (CMS)**

Medical scheme vs Health insurance

Health insurance

Regulated by the **Financial Sector Conduct Authority (FSCA)** and **Prudential Authority** under the **Long-term or Short-term Insurance Act**

Basic day-to-day benefits and settles claims up to a policy limit

Cover

Regulation

Medical scheme products

Governed by the **Medical Schemes Act (MSA)** and regulated by the **Council of Medical Schemes (CMS)**

Comprehensive cover and **Prescribed Minimum Benefits (PMBs)** for a monthly premium

Medical scheme vs Health insurance

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Regulated by the **Financial Sector Conduct Authority (FSCA)** and **Prudential Authority** under the **Long-term or Short-term Insurance Act**

Basic day-to-day **benefits** and settles **claims up to a policy limit**

- **Ability to risk rate** based on demographic factors
- **No obligation to pay PMBs** or certain level of care
- **Deny cover**

Cover

Regulation

Benefits

Comprehensive cover and **Prescribed Minimum Benefits (PMBs)** for a monthly premium

Governed by the **Medical Schemes Act (MSA)** and regulated by the **Council of Medical Schemes (CMS)**

Governed by **community rating, open enrolment and PMB level benefits.**

Medical schemes are **not-for profit organisations**

Medical scheme products

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- **Ability to risk rate** based on demographic factors
- **No obligation to pay PMBs** or certain level of care
- **Deny cover**

Network focused benefits only and as a result **more affordable**

Not a replacement for medical scheme benefits but provide access to quality private care

Medical scheme products

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Regulation

Cover

Comprehensive cover and **Prescribed Minimum Benefits (PMBs)** for a monthly premium

Benefits

Governed by **community rating, open enrolment** and **PMB level benefits.**

Medical schemes are **not-for profit organisations**

Premiums / Contributions

Wider provider flexibility depending on medical scheme option choice

More comprehensive, broader cover but as a result, **more expensive**

PRODUCTS

11 products received exemption

April 2017

Exemption Period: 2019 - 2022

#	Insurer	Insurer CEO	Complaints No.	Customer Care No.	Exemption Start	Exemption End	Products	Exemption Conditions
1	African Unity Life Limited (DM1053)	Sanja Visser	0861-234-555	0861-234-555	2019-04-01	2022-03-31	View	View
2	Auto & General Insurance Company Limited (DM1055)	Robyn Farrell	0860-10-90-99	0861-00-02-00	2019-04-01	2022-03-31	View	View
3	Bryte Insurance Company Limited (DM1112)	Edwyn John O'Neill	0800-12-11-70	0860-00-11-21	2019-04-01	2022-03-31	View	View
4	Centriq Insurance Company Limited (DM1064)	Peter Jennet	011-268-6490	011-268-6490	2019-04-01	2022-03-31	View	View
5	Constantia Insurance Company Limited (DM1043)	Volker Cardinal von Wiedern	011-686-4200	011-686-4304	2019-04-01	2022-03-31	View	View
6	Constantia Life and Health Assurance Company Limited (DM1072)	Volker Cardinal von Wiedern	011-686-4200	011-686-4304	2019-04-01	2022-03-31	View	View
7	Genic Insurance Company Limited (DM1090)	Morhinus Christoffel Stander Du Toit	0861-444-462	086-144-4462	2019-04-01	2022-03-31	View	View
8	Liberty Group Limited (DM1092)	David Charles Munro	0860-45-67-89	0860-102-319	2019-04-01	2021-03-31	View	View
9	Lion of Africa Life Assurance Company Limited (DM1085)	Faizel Cariem	095-999 / 010-503-0758	095-999-0993	2019-04-01	2022-03-31	View	View
10	MMI Group Limited (DM1079)	Nicolaas Kruger	012-884-4486	0860-102-903	2019-04-01	2022-03-31	View	View

Sanlam Primary Standard 2026
CORE BENEFITS

- GP VISITS**
Managed, unlimited visits at a contracted network provider. Pre-authorisation required from 3rd visit
- OUT-OF-NETWORK GP VISITS**
Two consultations per year. Refunded up to a maximum of R500 per visit.
- ACUTE MEDICATION***
Unlimited acute medication from either a dispensing network GP or pharmacy.
- CHRONIC MEDICATION (PER CDL)**
Unlimited chronic medicine, restricted to diseases on the Chronic Disease List (CDL). All chronic medicine must be applied for by the prescribing medical expert.
- OVER-THE-COUNTER (OTC) MEDICATION***
Sub-limit of a R250 per policy per month. Limited to R850 per policy per year.
- BASIC PATHOLOGY***
Unlimited as per our approved formulary. Member must be referred by a network GP.

*Some benefits and services are subject to our approved formulary.



Health insurance | The detail...

Products

11

April 2017

Exemption Period:

2019 - 2022

Insurer

1 African Unity Life Limited (DM1053)

2 Auto & General Insurance Company Limited (DM1055)

3 Brite Insurance Company Limited (DM1056)

RISK RATING

Corporate group premiums:

Health4Me Day-to-day premiums

GP visits:	Member type	Bronze	Silver	Gold
Unlimited with a Hello Doctor pre-authorization	Employee	R227.00	R287.00	R362.00
	Adult	R227.00	R287.00	R362.00
	Child	R227.00	R287.00	R181.00

GP visits booster benefit:

You can choose to pay an additional premium in order for your employees to have unlimited Network GP visits without a Hello Doctor pre-authorization

Member type	All options
Employee	R70.00
Adult	R70.00
Child	R70.00

Retail premiums:

Benefit grouping	Day-to-day benefit option	Major medical event benefit option	Principal member	Adult (per adult)	Child (per child)
Day-to-day benefit	Bronze	None	R709.00	R709.00	R423.00
	Silver		R758.00	R758.00	R446.00
	Gold		R818.00	R818.00	R480.00

1 2

Health insurance | The detail...

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11

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Risk rating

Corporate group

Health4Me Day-to-day pr

GP visits:

Unlimited with a Hello Doct
pre-authorization

GP visits booster by

You can choose to pay
premium in order for
to have unlimited M
without a Hello Do

DESIGN



Primary Care
Benefits



Networks and formularies



Accident Cover
Benefits



Limits and not an indemnity
product



Hospital
benefits



Rand amount per day
in-hospital

1

2

3

Health insurance | The detail...

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Design



FINANCIALS

Up to **20%** commission

Non- healthcare expenses R 130 plpm (**38%**)

GP claims represent **70%** day-to-day expenses

Profit margins **10%** of premium income

1

2

3

4



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Insurance cycle in South Africa

1. SOFT MARKET

2008 – 2019

Decade of cheap cover

Abundant reinsurance capacity,
aggressive new entrants buying
market share



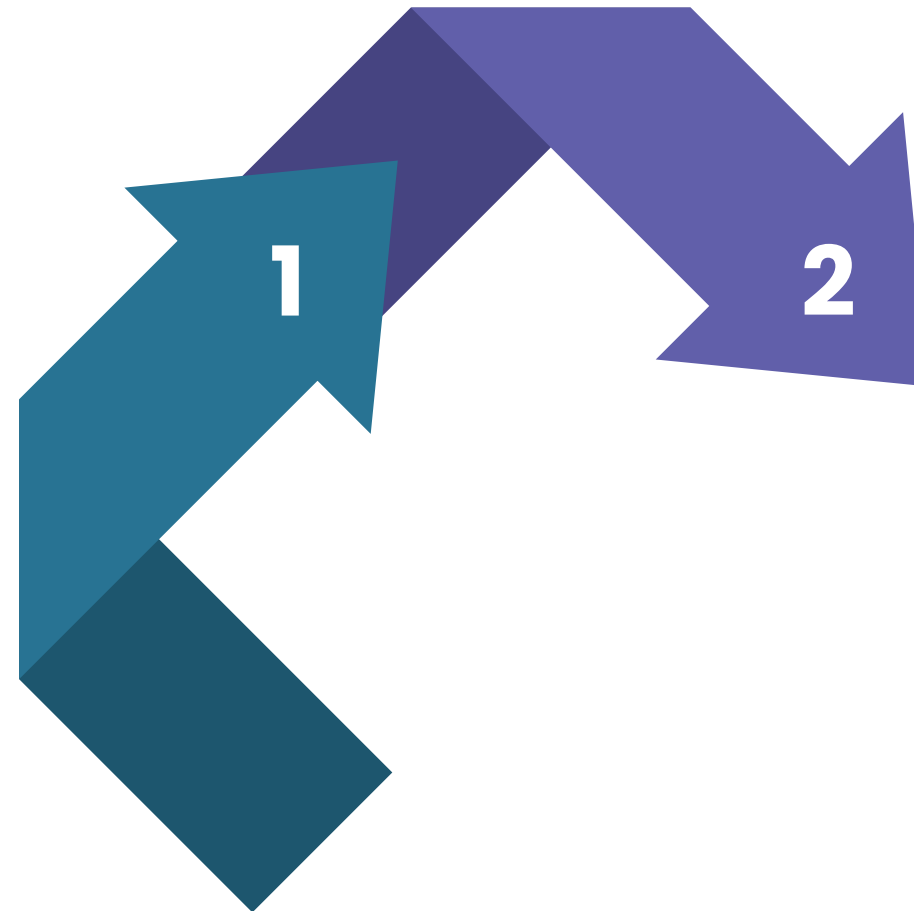
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2. UNDERQUOTING

Warning signs ignored

Margins eroded quietly while growth
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*Sources: Aon SA 2025; PSG Insure / FAnews
Dec 2023*

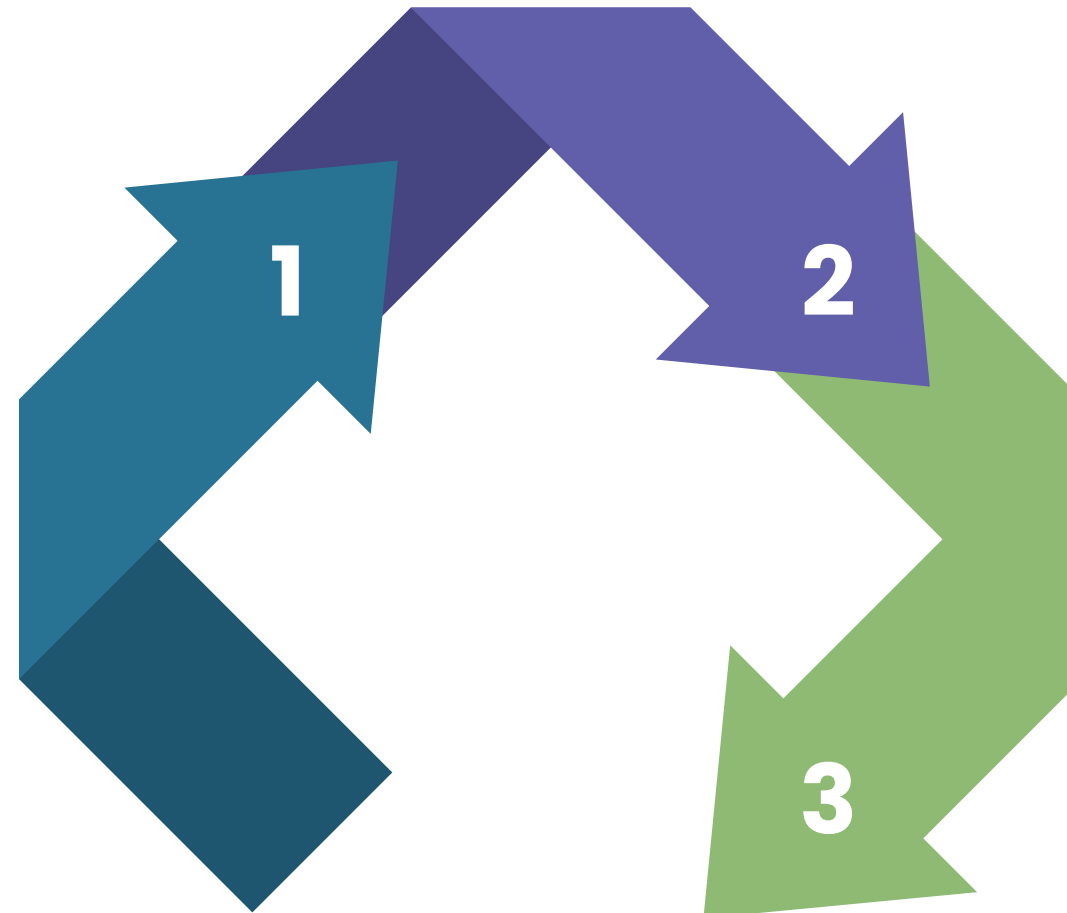
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3. CLAIMS PRESSURE

The triggers:

3 shocks in 2 years

- COVID-19
- July 2021 riots
- KZN floods

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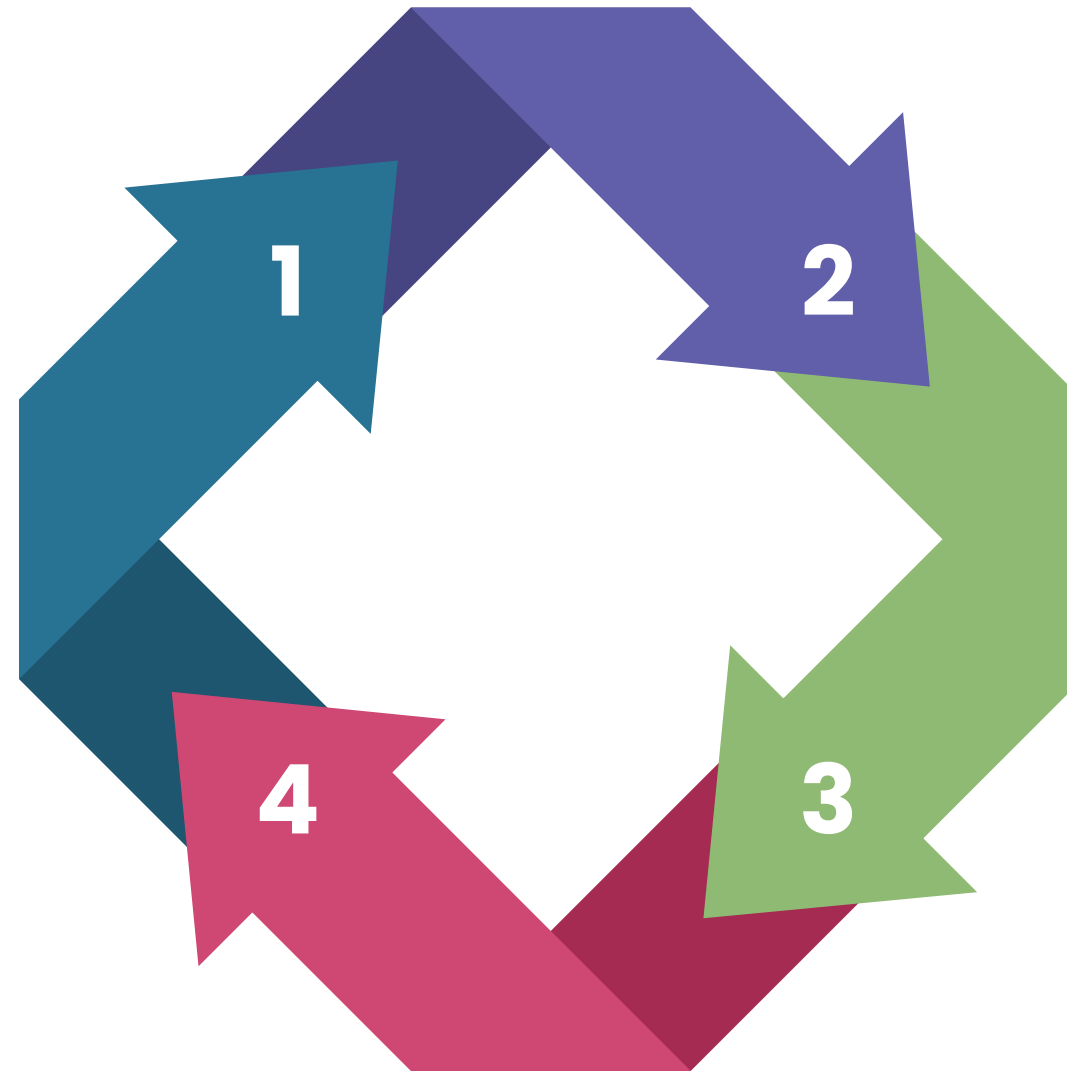
Abundant reinsurance capacity, aggressive new entrants buying market share

4. MARKET RESET

Reinsurance rates **Up to 3x in some classes**

Underwriting **Strict — exclusions expanded**

Consumer impact **Sharp premium increases**



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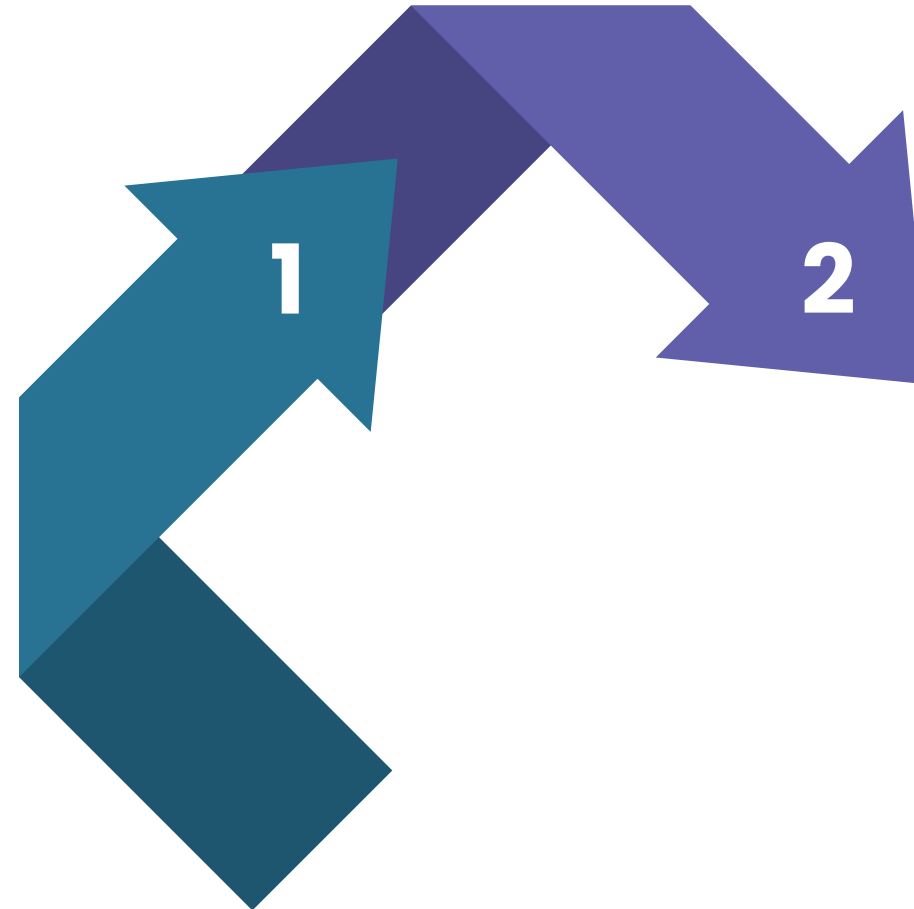
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COVID-19 – positive effect

Competition is tight – especially as a result of **demarcation exempted options**

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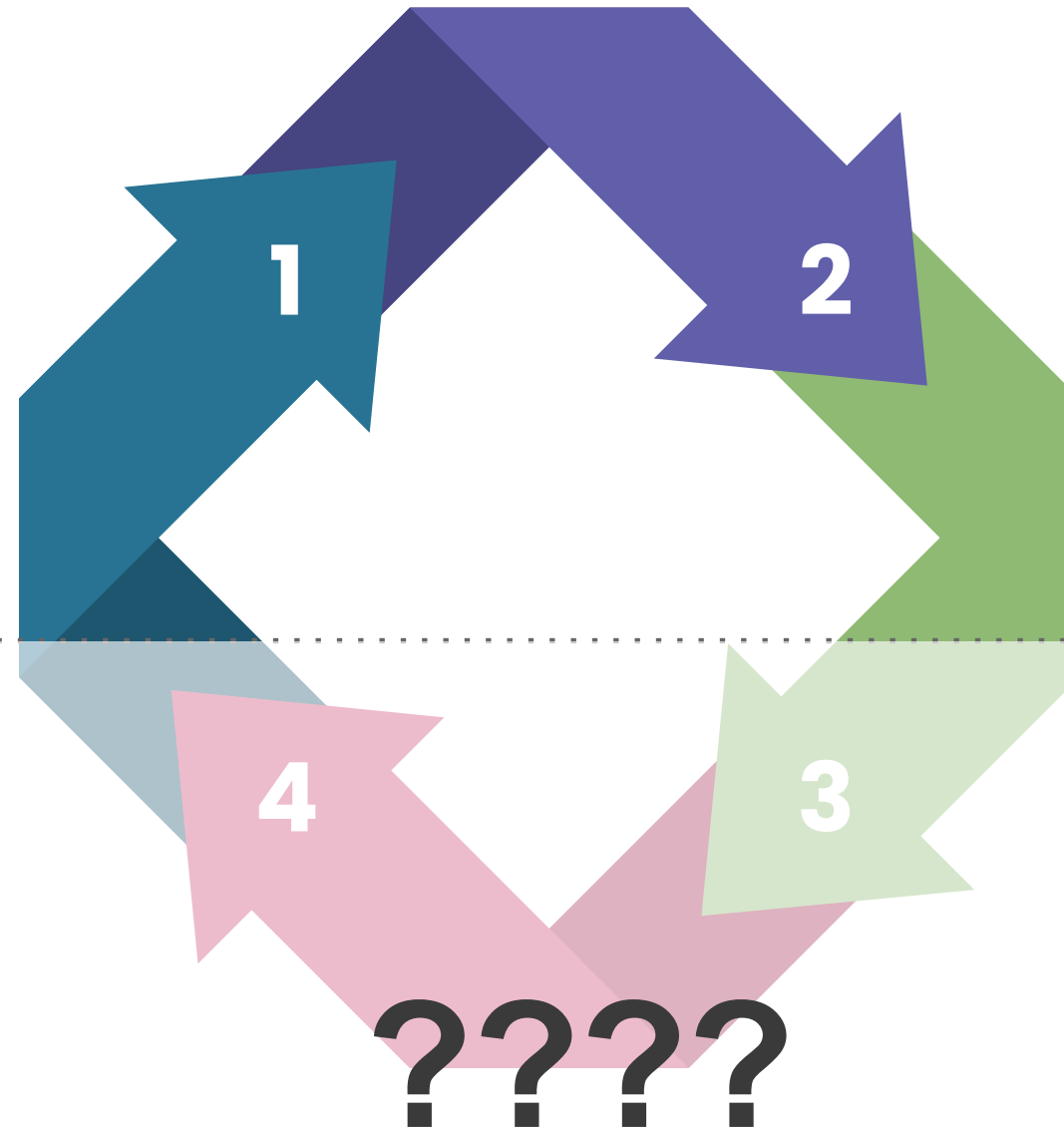
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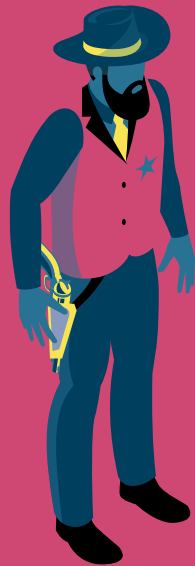
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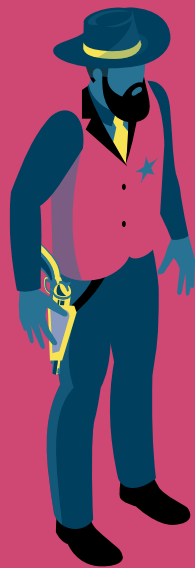
REGULATED MARKET

- Extremely regulated = PMBs, community rating and open enrolment
- Young and health lives cannot afford and do not see the need for medical scheme cover
- Anti-selection and unaffordable premiums



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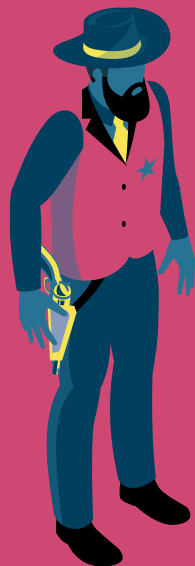
WILD WEST

- Flexible product design
- Risk based pricing drives sustainability and genuine innovation
- Competition ensures premiums are accessible
- Speed of product evolution



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SOME LAW AND ORDER?

- Minimum benefit standards?
- Capital adequacy requirements/ Solvency levels?
- High level, basic reporting

Help the industry find balance:

Prevent the worst outcomes

Preserve innovation and flexibility



WILD WEST

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- Risk based pricing drives sustainability and genuine innovation
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foresight
2026

Thank You