

As the Covid bubble bursts, the need for adequate healthcare coverage is clearer than ever

By [Brian Harris](#)

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During the worst of the Covid-19 pandemic, medical claims looked very different to the usual patterns.



Source: 123RF

Now, however, the Covid-bubble has burst, and we are beginning to get back to greater levels of normalcy. One thing that Covid-19 highlighted was the need to have adequate healthcare in place. When the future is uncertain, ensuring you are covered for medical expense shortfalls can save both your health and your financial wellbeing.

Dips and spikes

During Covid-19, there were no elective surgeries, and many procedures were put off because people were avoiding hospitals. There were fewer accidents and injuries because there were fewer people on the roads and no sporting events or outdoor activities. There was also a sharp increase in claims related to stress, anxiety and mental health issues, as well as claims related to casualty benefits, non-designated service provider (DSP) hospital co-payment claims, and other Covid-related medical expense shortfalls.

With the drop off in certain types of medical procedures during lockdown, it was inevitable that these would eventually pick up again. Now, we are once again seeing an increase in things like joint replacements and muscular-skeletal treatments, limited only by the capacity of surgeons, specialists and hospitals. We are also seeing more normalised levels of maternity claims. So, what does this mean for healthcare going forward?

Spotlight on healthcare

The unprecedented nature of the Covid-19 pandemic means that all of the medical schemes are reacting differently to events. While claims may have decreased during the pandemic, it was a given that eventually this would normalise. In addition, medical schemes are carrying the cost of vaccinations for their members. Increased membership fees are inevitable, but the different providers all have varying approaches, including increased co-payments and sub-limits on cover

in an attempt to remain sustainable.



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At the same time, the limits on the healthcare sector mean that demand had outpaced supply, and specialists and surgeons in high demand are charging much more than medical aid rates, which means that the gap between what is covered and what will be for a member's own pocket is widening. What has become clear is that healthcare is critical, and that medical expense shortfalls will continue to increase. Gap cover has become an essential and affordable tool to help members avoid paying these expenses out of pocket and potentially ruining their financial future.

Co-payments and shortfalls can be crippling

The pandemic has highlighted that medical aid on its own is no longer enough, and this is not about Covid-19 claims. While the pandemic caused certain aspects of life to pause, conditions like cancer and dreaded diseases, as well as accidents, can strike at any time. Maternity care remains critical regardless of external circumstances, and medical needs do not stop.

While life may have returned to 'normal' there is now definitely increased awareness of healthcare and the need for adequate insurance and cover. For example, the average shortfall on a maternity claim is R8,500. Co-payments for procedures and non-DSP hospitals can be enormous as well, and we have seen claims of anywhere from R7,500 to well over R40,000. Specialists can charge between three- and five-times medical aid rates, sometimes even higher, which can run into hundreds of thousands of Rands.

Many people underestimate the out-of-pocket expenses related to healthcare, but the pandemic has made us all realise how critical healthcare coverage is. It is not just about the lowest premium, but about getting the best cover at the most cost-effective rate, and gap cover is an affordable way to achieve this. We do not know what the future holds, but peace of mind that medical expenses are covered is invaluable for physical and financial wellbeing.

Understanding your medical aid cover and having the right gap policy to augment it is essential and one should seek assistance from their financial advisor in order to obtain the correct gap cover offering to meet your needs

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