

6 December 2007

RE: Medcover Medical Scheme Mark-up Pricing Changes

Dear Service Provider

Medcover Medical Scheme has decided to implement a change to their current pricing strategy for medicines dispensed to Medcover Members from 1 January 2008.

New pricing strategy for medicine claims, with service date post 1 January 2008:

Pharmacies:

- Registered products:
 - SEP + 26%, Capped at R26.00 (excluding VAT)
- Unregistered Products:
 - SEP + 26% uncapped

Dispensing Doctors:

- Registered products:
 - SEP + 16%, Capped at R16.00 (excluding VAT)
- Unregistered Products:
 - SEP + 26% uncapped

We trust you would find this change appropriate in light of the department of Health's approach to more affordable and fair reimbursement for medicines, as well as Medcover Medical Scheme's strive to keep healthcare funding affordable for their valued members.

Please do not hesitate to contact Medcover Medical Scheme on 0800 116 244 for more information and assistance.

CarewarePBM Team
(on behalf of Medcover Medical Scheme)

