

Impact of COVID-19 on medical aid payments in Pretoria, South Africa

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Abstract

This study investigates the impact of the COVID-19 pandemic on medical aid payments in South Africa. The research objectives are: 1) to determine the impact of COVID-19 on medical aid payments, 2) to explore shifts or changes in medical aid schemes' policies and offerings in response to the pandemic, and 3) to identify strategies implemented by medical aid schemes in South Africa to mitigate negative impacts and ensure continued healthcare access for beneficiaries.

The study was qualitative, and data was gathered through semi-structured interviews, open ended questionnaires and focus group discussions with a sample size of 20 participants residing in Pretoria (South Africa). The findings indicate that the COVID-19 pandemic led to significant financial hardships and affordability challenges for medical aid subscribers in South Africa. Factors such as job losses, pay cuts, high living costs and rising out-of-pocket expenses made it difficult for many to continue paying premiums, with some subscribers failing to pay.

This directly impacted medical aid payments, as subscribers prioritized basic needs over medical aid during economic disruptions. In response, medical aid schemes made changes including reducing subscriptions, adjusting coverage levels and benefits, and implementing restrictions like limits on COVID-19 testing.

The study revealed that schemes also expanded the COVID-19 coverage, but this was accompanied by increased co-payments and out-of-pocket costs for beneficiaries. Key strategies implemented by schemes to mitigate the pandemic's impact and ensure continued healthcare access include: covering vaccine costs, charity initiatives, expanding services to non-subscribers, educational campaigns, providing alternative payment solutions, enabling virtual healthcare, and partnering with researchers. The study recommended that regulators promote coordinated care and collaboration among medical aid providers and medical aid providers to provide personalised care and interventions during pandemic times.