

# Your 2023 Guide to Understanding Underwriting

DISCOVER THE  
**BRILLIANCE**  
OF  
**GEMS**



# Understanding Underwriting - FAQs

## 1. What is “underwriting”?

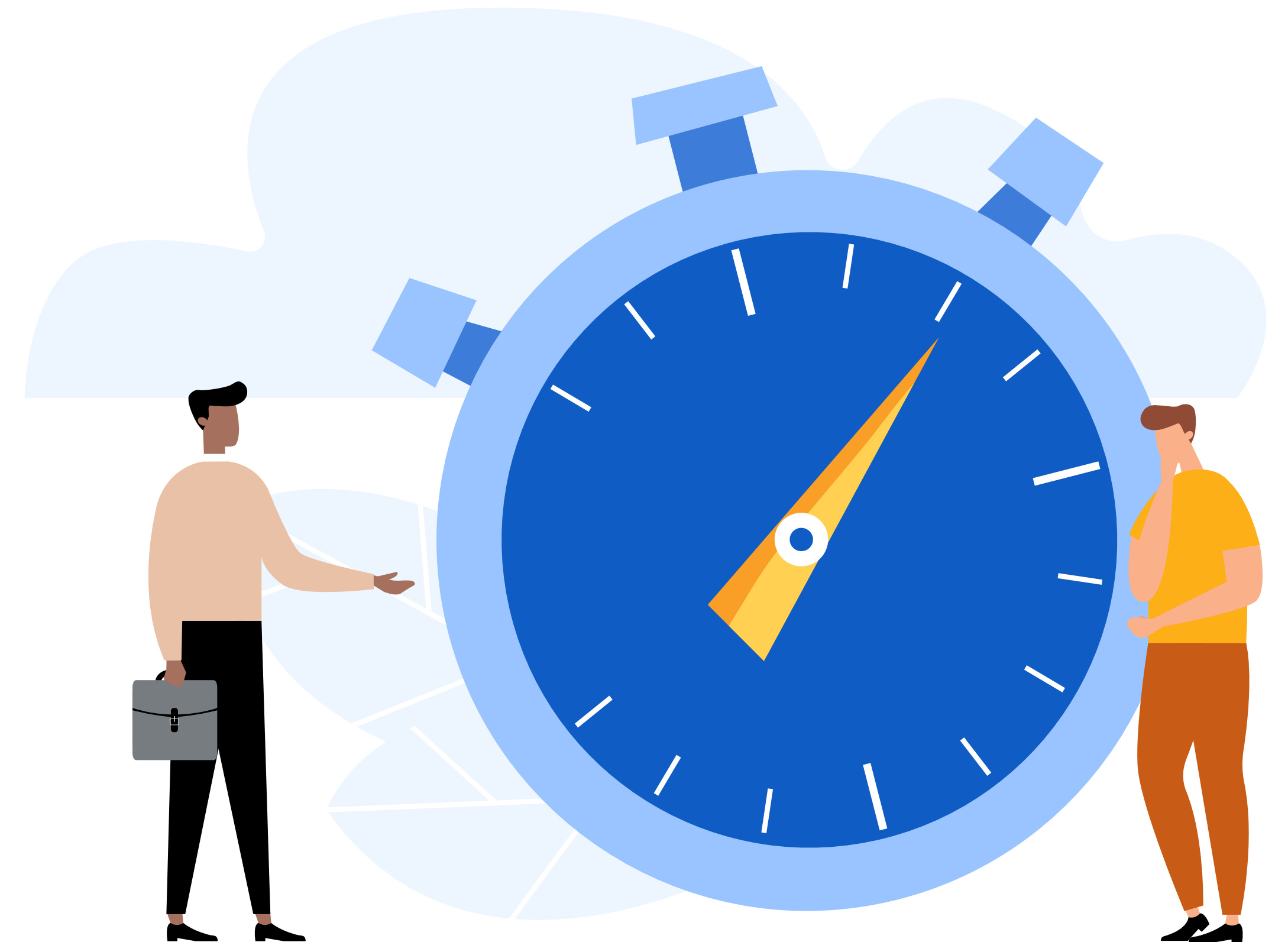
Underwriting refers to the assessment of a new member or their beneficiaries' medical history, as well as previous medical insurance cover, to determine their risk profile to the Scheme. GEMS may apply waiting periods before a member can claim healthcare services, with a view to reduce the Scheme's exposure to anti-selective behaviour.



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## 2. What is a “waiting period”?

A waiting period is a period during which a beneficiary may not have access to all or some of his/her benefits, but during which you (the principal member) will be expected to pay his/her full monthly contributions. A waiting period may be of 3-months' duration, 12 months' duration or may be the balance of a waiting period that a member comes into GEMS with from another Scheme.



## 3. What are the **GEMS Rules** governing waiting periods?

GEMS rules 8.3 and 8.4 provides for the application of waiting periods by the Scheme. These rules mirror Section 29A(1), (2) and (3) of the Act, thereby ensuring the Scheme’s compliance with Medical Scheme’s Act 131 of 1998.

[Click here to view the GEMS Rules](#)

Underwriting acronyms & terminology:	
UWP	Underwriting Potential
GWP	General Waiting Period
CSWP	Condition-Specific Waiting Period
PMB	Prescribed Minimum Benefits



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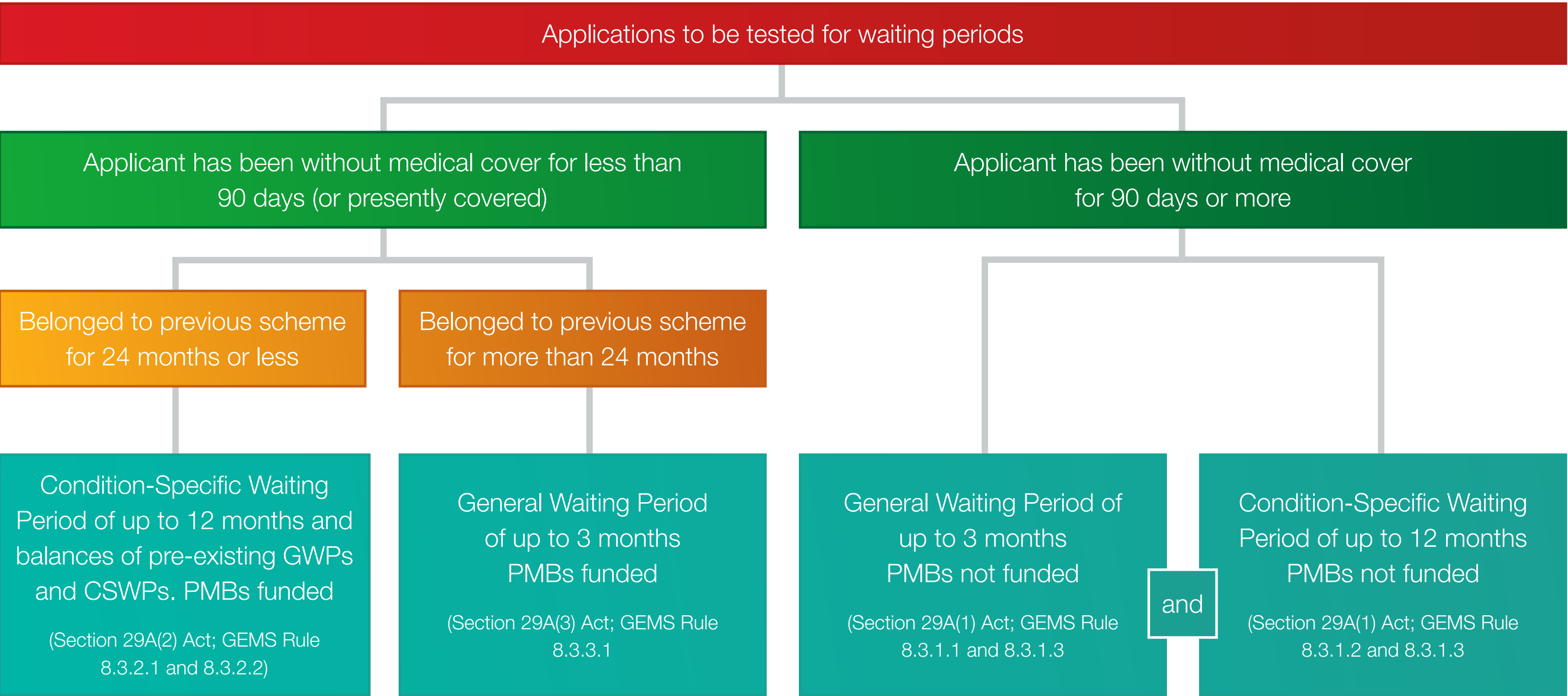
## 4. How will underwriting be applied?

Underwriting Principles		Apply	Not Apply
1	First-time joiners irrespective of previous medical cover		✗
2	Re-joiners	✓	
3	GEMS to GEMS (no break)		✗
4	GEMS to GEMS (with break)	✓	
5	<b>Underwriting follows</b> after the last four principles have been assessed		

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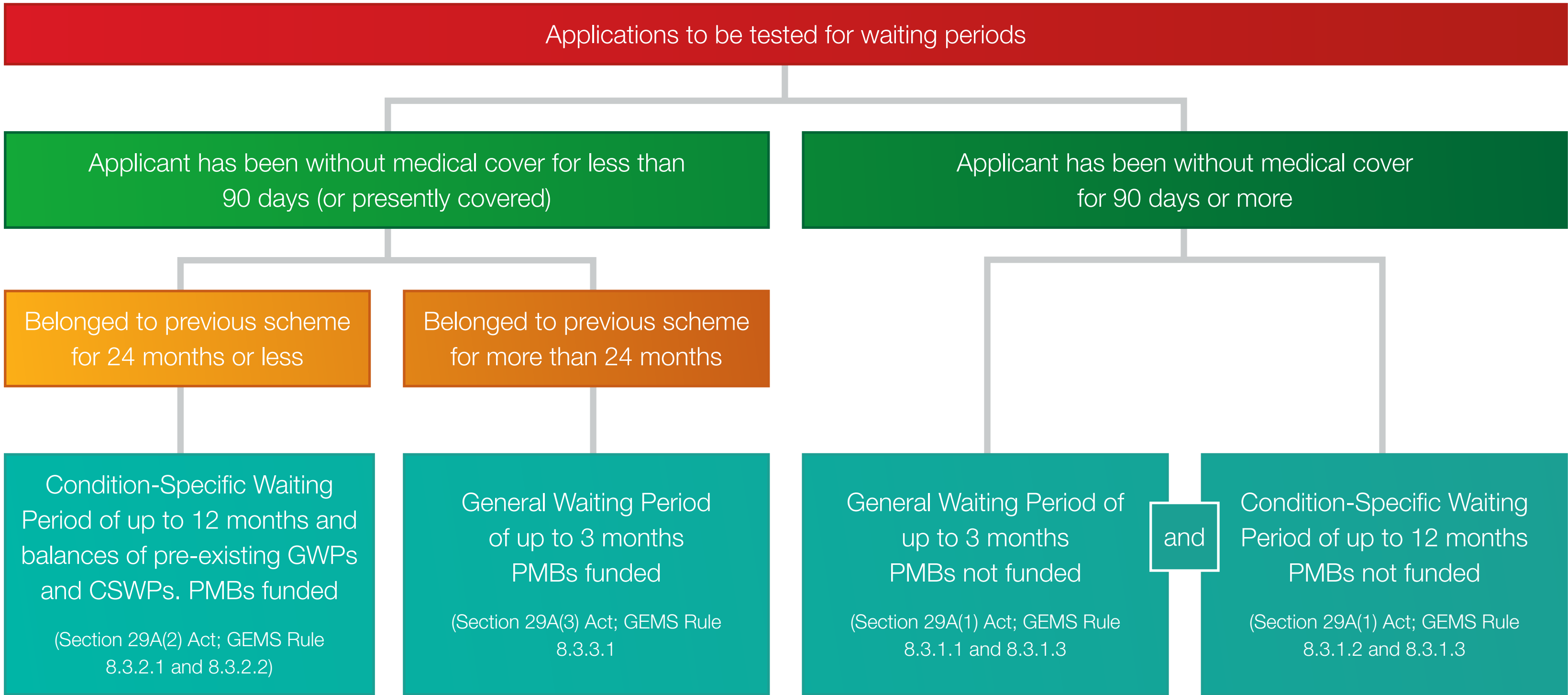


## 5. If I am subjected to underwriting, which waiting period will apply?



## 6. Will my Prescribed Minimum Benefits (PMBs) be affected by my waiting period?

If you are subjected to a waiting period because you were not a beneficiary of a medical scheme for a period of at least ninety (90) days preceding the date of your application for membership of the Scheme, your Prescribed Minimum Benefits (PMBs) will be affected.





## 7. What are PMBs and which conditions are classified as PMBs?

Prescribed Minimum Benefits (PMBs) are the basic benefits that GEMS provides for certain medical conditions, such as asthma and hypertension as mandated by the Medical Schemes Act.

Prescribed Minimum Benefits (PMBs) are a set of defined benefits to ensure that all medical scheme members have access to certain minimum health services, regardless of the benefit option they have selected:

1. any emergency medical condition;
2. a limited set of 271 medical conditions (defined in the Diagnosis Treatment Pairs); and
3. 26 chronic conditions (defined in the Chronic Disease List).





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## 8. What conditions should be treated as a PMB?

The specific conditions are defined within the diagnostic treatment pairs (DTPs) and on the chronic disease list (CDL). Also, any emergency\* medical condition should be considered a PMB.

**CLICK HERE**

to see the list of all PMB conditions

\* An emergency medical condition means the sudden and, at the time, unexpected onset of a health condition that requires immediate medical treatment and/or an operation.

If the treatment is not available, the emergency could result in weakened bodily functions, serious and lasting damage to organs, limbs or other body parts, or even death.

In an emergency it is not always possible to diagnose the condition before admitting the patient for treatment. However, if doctors suspect that the patient suffers from a condition that is covered by PMBs, the medical scheme has to approve treatment.

Schemes may request that the diagnosis be confirmed with supporting evidence within a reasonable period of time.



## 9. How will I be notified if I am subjected to a waiting period?

We will send you an underwriting acceptance letter which details the waiting periods for you or your dependants. This letter must be signed and returned to us within seven (7) days in order for your application process to be finalised. You can also use the USSD functionality by dialing \*134\*20018# and follow the prompts to accept underwriting.

Your waiting period(s) will reflect on your GEMS welcome letter and membership certificate, which we will send to you upon your successful registration on the Scheme.



## 10. What happens if I do not disclose a pre-existing medical condition?

A pre-existing condition is a medical condition that existed before a beneficiary joined the Scheme for which the beneficiary was receiving medical or surgical treatment.

Non-disclosure is the failure of the beneficiary to disclose a pre-existing medical condition on application to join the Scheme.

If non-disclosure of a pre-existing medical condition is confirmed, the Scheme will impose underwriting and the resulting waiting periods retrospectively, from your date of registration. Accordingly, the Scheme may not fund the healthcare costs associated with your pre-existing medical condition, unless it is a Prescribed Minimum Benefit (PMB) condition, in which case PMBs will apply. This is provided that you were a member of a medical scheme at any time during the 89 days immediately preceding your GEMS membership application date.





## 11. If I am subjected to a waiting period, how will my claims be processed?

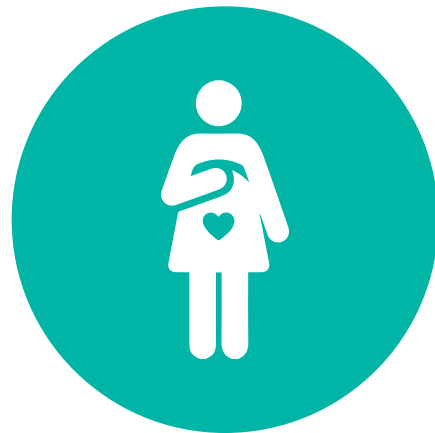
If you are subjected to a 3-month General Waiting Period or a 12-month Condition Specific Waiting Period, claims will not be funded depending on the waiting period imposed.

The Scheme will not fund any healthcare costs associated with your pre-existing medical conditions unless it is a Prescribed Minimum Benefit (PMB) condition, in which case PMBs will apply. This is provided that you were a member of a medical scheme at any time during the 89 days immediately preceding your GEMS membership application date.



In the instances above, where healthcare costs are not funded by the Scheme, you will receive a claims statement, showing your rejected claims and the reasons for rejection. You will be required to fund your claims until the waiting period has expired.

## 12. Will my pregnancy be covered during a waiting period?



If a **member fell pregnant after joining GEMS**, then the pregnancy will be covered as no waiting period will be applied.



If the member did not disclose a pregnancy prior to joining GEMS and information is received after joining, a non-disclosure investigation will be conducted. If confirmation is received that **the pregnancy is pre-existing, then a waiting period will be applied** for the remainder of the pregnancy.



If the member has access to PMB cover during the waiting period, the **pregnancy will still be covered** during the waiting period.



If the member does not have access to PMB cover during the waiting period, the **member will be responsible to cover all costs** relating to the pregnancy. This includes antenatal, delivery and post natal care.

# Get in touch

Monday – Friday: 08h00 – 17h00  
Saturday: 08h00 – 12h00  
Closed on Sundays and public holidays

## Member Call centre



**GEMS member call centre**  
0860 00 4367



**Fax**  
0861 00 4367



**Web**  
[www.gems.gov.za](http://www.gems.gov.za)



**Email**  
[enquiries@gems.gov.za](mailto:enquiries@gems.gov.za)



**Postal address**  
GEMS, Private Bag X782,  
Cape Town, 8000

## Council for Medical Schemes (CMS)



**CMS Contact Centre**  
0861 123 267



**Email**  
[information@medicalscheme.co.za](mailto:information@medicalscheme.co.za)



**Web**  
[www.medicalschemes.co.za](http://www.medicalschemes.co.za)



**USSD to accept underwriting**  
Dial \*134\*20018# and follow the prompts



Make use of the multi-function GEMS Member App to interact with the Scheme at home or on the go to make your life easier.

Use the QR Code to download the GEMS Member App, or download it from your Play or App Store.

