

**BMW EMPLOYEES MEDICAL SOCIETY
DOCTOR NETWORK ARRANGEMENTS FOR 2010**

1. Application

The arrangements set out in this annexure are applicable to the Members of BMW Employees Medical Society (“the Scheme” for purposes of this Annexure) during the 2010 calendar year.

References to “Scheme Rate” in this annexure refer to the 2010 NHRPL rate. Should at the time of application of these arrangements, an official 2010 NHRPL not yet have been published by the National Department of Health, the 2009 NHRPL rate escalated with a certain percentage will be applicable.

2. Objectives of the Scheme

The objectives which the Scheme intends to achieve with these network arrangements are:

- 2.1 To develop a primary care provider network arrangement as of 1 March 2010; and
- 2.2 To provide Beneficiaries with improved value (better outcomes per rand spent).

3. Conditions for Participation

In order to participate in this network arrangement the Participating Doctor (GP) agrees to the following:

- 3.1 Adhere to the terms of the main Medscheme IPA Doctor Network Agreement to which this is an Annexure;
- 3.2 Charge for the Relevant Health Services rendered in terms of the Defined Medical Benefits at the Scheme rate (2010 NHRPL) unless an enhanced fee is payable in terms of this Annexure;
- 3.3 Confirms that he has not been found guilty of a legal transgression in his professional capacity;
- 3.4 Not to levy any co-payments;
- 3.5 Review quarterly analyses of the performance of his / her practice;
- 3.6 Participate in the peer management process where applicable. This to be performed by a central peer management committee as utilised by the Medscheme IPA Doctor Network; and
- 3.7 Actively participate in and support the specialist referral management process;
- 3.8 Adhere to the use of a formulary when prescribing chronic medication;
- 3.9 Consent to having his / her practice listed in a database that is accessible to Beneficiaries;
- 3.10 Collaborate to build and maintain positive relations with BMW the company for the benefit of the Scheme’s Beneficiaries ensuring optimal care

4. Proposed Model

4.1 Tiered reimbursement

All Participating Doctors will be measured on the REPI analytical tool. During 2010 this will measure cost and quality measures that will be benchmarked against peers. The reimbursement structure for Participating Doctors will be:

- REPI category 1 Doctor – Scheme rate (RPL) plus 10%
- REPI category 2 Doctor – Scheme rate (RPL) plus 5%
- REPI category 3 Doctor – Scheme rate

If a non Participating Doctor is consulted, the Member will be paid directly.

4.2 Linking of Beneficiaries to Participating Doctors

This reduces “doctor hopping” and supports the Participating Doctor in his/her role as co-ordinator of care.

4.3 Co-ordination of Care

Specialist referral management will be implemented. This process will be applicable irrespective of whether the Beneficiary consults an in- or out-of-network medical practitioner. No benefits are available to Members who consult a specialist without referral.

5. Supporting Interventions

The following supporting interventions will be part of this network model:

5.1 Web based and call centre access to details of the Doctor Network;

5.2 Communication strategy with network GPs which will include:

- A manual that explains the network model and includes the Scheme’s benefit schedule;
- Quarterly REPI performance reports;
- Clinical guidelines and communications.

5.3 Beneficiary care interventions integrated with communications to the Participating Doctors.

6. Proviso

From time to time it may be necessary for Medscheme to make minor changes to the methodology in this model. Unless these changes have a material effect on the outcome of this model Medscheme reserves the right to make these changes without necessarily adding an addendum to this Agreement.