

## **MEDIA STATEMENT**

2 November 2009

for immediate release

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### **RESOLUTION LAUNCHES 2010 HEALTH PRODUCTS AND ADDITIONAL BUSINESS ASPECTS**

Johannesburg – Resolution, today launched its 2010 healthcare products together with a range of new features across the company's various other bouquets.

2010 will once again see Resolution Health Medical Scheme ensuring that members enjoy the traditional benefits which have made the Scheme's benefit options amongst the best value for money in the industry.

Overall annual limits will increase across the board for all benefit options as from 2010. Out-of-hospital limits for General Practitioners and Specialist visits have been adjusted in line with market trends on the Progressive and Prestige plans.

An excellent benefit increase has been introduced for maternity, with Specialist visits increasing to 6 per annum for the Progressive Plan and 9 per annum for the Prestige Plan which caters for young families.

In the case of the Fundamental Plan, the following changes have been implemented:

- Income bands will be introduced for contributions to the Fundamental Plan
- Hospitalisation will be limited to R100 000 per annum per family

The Preventative Care Programme which provides for a number of annual measures aimed at the early identification of illness, will remain in place to offer members the benefit of monitoring their health on an ongoing basis.

2009 saw the launch of the Recharger health programme which integrates with the disease management programme and can be accessed online or via a pharmacy network. Recharger provides them with access to their customised assessment, measurements and a health portfolio.

In a market that has seen many more expensive schemes struggling, Resolution has remained financially stable yet affordable during these tough economic times. With the likelihood of inflation being affected by further significant electricity increases in 2010, affordability of fundamentals such as healthcare cover will be increasingly important

Except for the changes as discussed above, current benefits on all option plans will remain the same across the board, ensuring that members continue to enjoy the benefits they have become accustomed to. The average contribution increase for 2010 will be 12.8%.

Across the other aspects of the Resolution product houses, Resolution Life, Resolution insurance and Resolution Market Management have dedicated themselves to building their client bases during 2010.

Resolution Life provides innovative Life cover that is based on the principles of providing affordable, simple and easy to understand policies that cover whole-life, term, income protection, impairment and critical illness. Resolution Life has introduced a revolutionary approach to underwriting. With Resolution's Rapid Underwriting Matrix (RUM\*) healthy lives need not go through any time consuming medical underwriting requirements. Based on specific criteria and the associated RUM\* limits being taken into consideration, a decision on your cover is made immediately.

Resolution Insurance of which Resolution Underwriters forms a part, offers a wide variety of short-term Insurance policies which include products complimentary to medical cover such as Gap Cover, Essential 13 (co-payment cover) and SAPMEDS ( a hospital cover option for those who cannot afford medical cover).

Resolution Market Management, the newest addition to the Resolution stable is licenced by the Johannesburg Stock Exchange as a Derivatives Broking company. Trading in the following products is facilitated via an electronic trading platform:

- i. Safex Equity Derivatives

ii. Commodity Derivatives

iii. Yield-X

The ever popular HealthCard medical savings card continues to show growth as a complimentary and / or alternative option to medical cover.

In an industry that experienced a net healthcare deficit of almost R1 Billion last year, Resolution has shown a profit of over R10 million rand for the 2008 financial year. These and other financial contrasts between the market and Resolution became apparent with the release of the Council for Medical Schemes Annual Report, which detailed the financial and other relevant standings of medical scheme players.

Affordability continues to play a key role in medical costs, with the man on the street needing to shop around for the best benefits and prices during the current recession. As in the past, Resolution has proved to be a highly affordable healthcare option coming in with an average Gross Contribution Income (GCI) of just R589 as opposed to other offerings in the market.

Investments also proved to be a high point for Resolution in 2008, with average return on investment for the year set at 10.75 %.

“The medical scheme market remains volatile and many factors contribute to the success of a well managed medical scheme”, said Helene van der Walt, Acting Principal Officer of Resolution Health Medical Scheme, “at the end of the day all these factors need to be considered together with quality of benefits and services to draw a conclusion as to who the market leaders are. In this regard, we believe Resolution to be up there with the best.’

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For more information: Vanessa Roux  
\_Regional Manager  
\_072 767 6041