

ANNUAL REPORT
2014 /

15

CARE





OUR MISSION

To provide lifetime care to our members
and contribute towards their peace of mind
through flexible health care covers

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MEFPA CHAIRPERSON'S MESSAGE



Mrs Catherine Ahnee Gouérec
Chairperson

Dear Member,

I am delighted to present to you the 2014/15 annual report which highlights the MEFPA's activities and financial status in the fiscal year ended 30/06/2015, as well as the Association's future Plan for 2015/16.

Despite the year being marked by the chaotic situation created by the down fall of one local insurance operator and the backdrop of an increasingly competitive market leading to softening insurance premium rates and offering tailor made services, MEFPA continued its persistent and relentless efforts in order to sustain to these conditions.

With all the challenges experienced in the year under review, MEFPA generated a net surplus of Rs4.3M. The drop of the net surplus from Rs7.9M in 2013/14 to Rs4.3M in 2014/15 is attributed to the fact that there were understatements of fees in prior years for brokers which had to be adjusted during the current year. During the year 2014/15 MEFPA has noted a decrease in corporate membership, from 695 in 2013/14 to 688 in 2014/15 with 23,404 beneficiaries which was mainly due to the departure of non compliant MEF members. However, the increasing level of competition between local players and the downward pressure on rates also contributed to constrain the growth opportunities.

In order to ensure continuous sustainability of the Association, the Managing Committee of the Association has carried out the annual review of the rates of contribution. The rates were increased based on utilization ranging from 5% - 9% as from January 2015. The exercise has been conducted on the basis of both the national and medical inflation rates.

We have also been able to implement the claims settlement through bank transfer. This allows members to have their claims being credited directly into their personal bank accounts. This is a faster way for members to have their refund. They will be notified by a statement once the amount has been credited into their bank accounts. In order to extend this facility to a larger number of members, we encourage them to submit their bank details on the prescribed electronic bank transfer form.

As we step into a new year, our objectives will be to further strengthen our customer base. We shall adopt

a marketing strategy where we will create more brand awareness among MEF members which are not yet members of MEFPA and prospective members to join both the MEF and MEFPA to benefit from a panoply of flexible health care covers. This will be done through brand communication activities which will span over several months.

We shall nevertheless continue to differentiate ourselves from competitors through constant innovation and unmatched quality customer service to our members. With the collaboration of our Administrator, we shall develop more innovative services to facilitate the admission and claim procedures of our members. We shall set up a help desk at the Fortis Clinique Darne to provide a preliminary on spot authorisation and ensure that the patient experiences no hassle at the time of discharge. MEFPA shall soon accept online submission of claims. Members will shortly be able to use the mobile application which will enable them to view their detailed medical cover information in real-time.

As a closing note I would like to acknowledge the commitment, leadership and hard work of committee members who have dedicated a tremendous amount of their time to the Association. My gratitude also goes to Mr Kirsley Bagwan who has withdrawn from the Managing Committee, for his valuable contribution to MEFPA. I would also like to thank all the external members who have contributed enormously to the sub-committees.

I would also seize this opportunity to convey my warm thanks to the MEF and Medscheme (Mauritius) team for having been in the forefront in the provision of services to our members.

As always, we pledge our best efforts to meet your medical needs in ways that exceed your expectations. We wish you good health and great success in 2015!

FACES AT MEFPA

Managing Committee



**Mrs Catherine
Ahnee Gouérec**
Chairperson
*Chargée d'Etudes
Les Moulins de la Concorde Ltée*



**Mr Rehaz
Sayed Hassen**
Vice-Chairperson
*Finance Manager
Mauritius Oil Refineries Ltd*



**Mrs Ansuya
Virasami**
Secretary
*Assistant Human
Resources Manager
Leal & Co Ltd*



**Mr Georges
Montagu**
Treasurer
*Treasurer
Princes Tuna (Mauritius) Ltd*



**Mr Michael
Webb**
Assistant Treasurer
*Director
English Bay Company Ltd*



**Mr Kirsley
Bagwan**
Member
*(Until April 2015)
Administrative Manager
Security and Property
Protection Agency Co Ltd*



**Mr Tejnarin
Chumroo**
Member
*President
Federation of Union of Managers
of Private Sector Colleges*



**Mrs Meera
Latchmoodoo**
Member
*HR Executive
MEF*

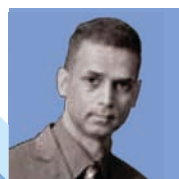
MEFPA Sales & Marketing Team



**Mrs Isabelle
Ferrière**
Head of Marketing
*(Until March 2015)
MEF*



**Mr Nilesh
Gammoo**
**Sales & Marketing
Officer**
MEF



**Mr Sujit
Woozageer**
Managing Director
Medscheme Mauritius



**Mrs Isabelle
Cangy**
Head Client Relations
Medscheme Mauritius

Administrators

AN OVERVIEW

Managing Committee

The Managing Committee is the strategy and policy-making arm of the Association.

During the year 2014/15 eleven meetings were held. The Audit and Corporate Governance, Marketing and Investment sub-committees have also held meetings to assist the Managing Committee in its decision-making processes.

Investment Sub-committee

The Committee is chaired by Mr. Rehaz Sayed Hassen and consists of the following members:

- Mr Avikanand Kooyela
- Mr Bernard Yen
- Mr Georges Montagu
- Mr Rajiv Lutchmiah, (External Member)

The Committee met twice during the year.

Audit and Corporate Governance Sub-committee

The Committee was chaired by Mr. Kirsley Bagwan (until April 2015) and taken over by Mr Michael Webb. The committee consists of the following members:

- Mr Bernard Prefumo(External Member)
- Mr Daniel Chan Chong(External Member)
- Mrs Elsie Rasolohery(External Member)

The Committee met four times during the year.

Marketing Sub-committee

The Committee was chaired by Mrs. Isabelle Ferrière (until March 2015) and consists of the following members:

- Mrs Isabelle Cangy
- Mrs Ansuya Virasami
- Mr Tejnarin Chumroo

The Committee met once during the year.

AGM HIGHLIGHTS

The 32nd Annual General Meeting of MEFPA was held on Friday 03rd October 2014 at 10.30 at the MEF –MCCI Building, Rue Du Savoir, Ebene Cybercity, Ebène, where all issues related to the Association and its future were discussed alongside the Audit Report and Accounts.

The election of the MEFPA Managing Committee Members for the year 2014/15 was also held.

Highlights of the Chairperson's Report

The Chairperson started his report with an overview of MEFPA's activities during the year 2013/14.

Despite the difficult market conditions and increasing competition, it has been a positive year for MEFPA.

1. An Increase in Premium was applied in January 2014 due to an accumulated deficit in income over expenditure. This was a major challenge for the Managing Committee. The increase in premium resulted in a net surplus of Rs7.96M for the year ended 30 June 2014 compared to a deficit of Rs4.18M in the previous year.

2. A Service Level Agreement was finalised between MEFPA and Medscheme since 1 July 2014. The SLA provides clear deliverables to be achieved by Medscheme (Mauritius) regarding various aspects, with the overall aim of enhancing the level of service offered and improving the decision making process.

3. A "Case Management Programme" in collaboration with Medscheme (Mauritius) for all in patient treatments at clinics. The main objective of this initiative was to provide a seamless and more efficient service to our members for any admission in a clinic.

4. MEFPA website has been revamped and is now more dynamic and user friendly. It is hosted at a new address namely <http://www.mefpa.com>.

5. A Special General Meeting was also convened in September 2014 to amend two rules of the Association. However the proposed changes could not be ratified due to a lack of quorum.

ACTIVITIES DURING YEAR 2014/2015

1. Helpdesk at Apollo Bramwell Hospital

Our trained nurse (Medical Coordinator) available from 08.30 to 12.30 on a daily basis, excluding Week ends and Public Holidays, will gather all medical evidence in order to provide a preliminary authorisation. As such will:

- Ensure that the authorisation provided is in line with the treatment being given. Any changes during the course of the initial treatment plan will be immediately shared with Medscheme's Prise en Charge Team so that the authorisation can be adapted accordingly in a timely manner.

- Verify interim bills and communicate any disallowed items and charges for doctors as per scale of cost and scheme rules well before discharge.

- Ensure the patient and his family experience no hassle at the time of discharge.

- Meet the patients to explain any disallowed items and/ or excess to be borne by them as and when required.

The above initiative will not only provide a seamless service to patients but will also allow Medscheme to settle inpatient claims with more accuracy, efficiency and rapidity.

2. Special General Meeting

The Special General Meeting has been postponed to the year 2016 as we have to consider a rebranding strategy which is in line with the shift of MEF to Business Mauritius and to assess all the implications for our Association.

3. Claims Refund through Bank Transfer

The settlement of claims through bank transfer is now a reality. The mechanism of repayment of claims through bank transfer has been put in place by the administrator. Members willing to have their claim being credited directly into their bank accounts shall fill in the appropriate electronic bank transfer form which has been circulated to their respective employers. This is a faster way for members to receive their reimbursements.

4. Increase in Rates

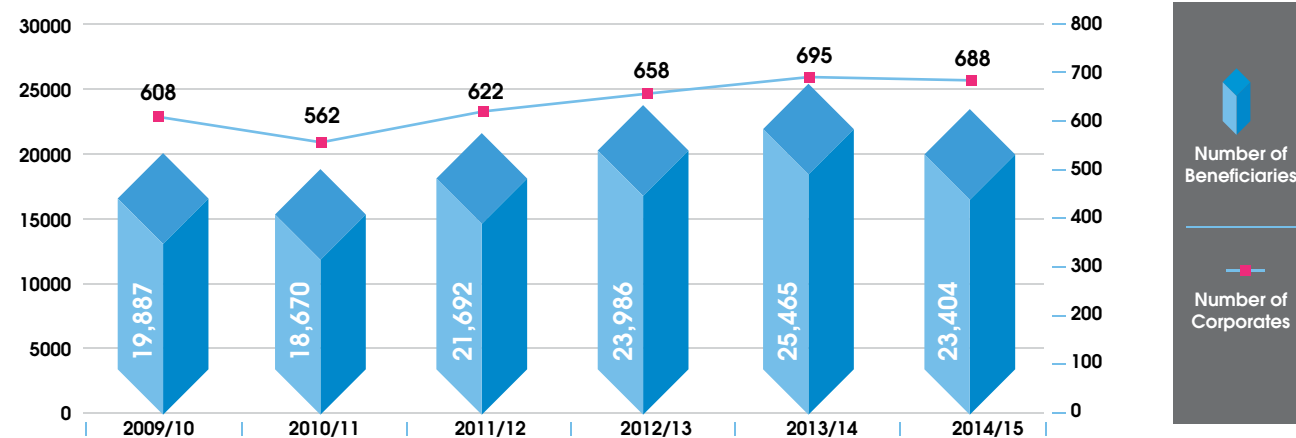
In order to assure the continuing sustainability of the Association, the Managing committee decided to review the rates of MEFPA. An increase ranging from 5%-9% was applied as from January 2015 to the different plans proposed by MEFPA. The exercise has been conducted on the basis of the increasing number of claims and the medical inflation.

STATISTICS

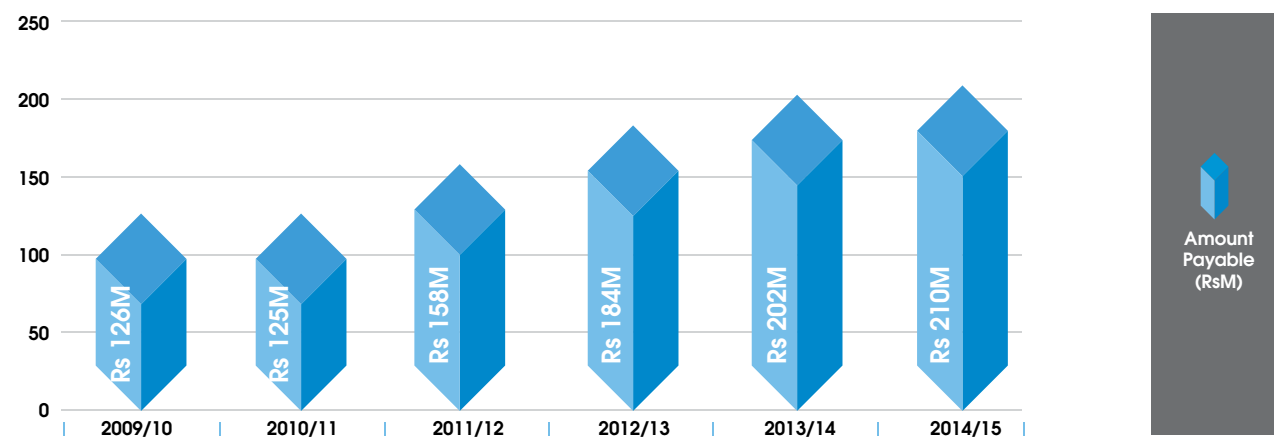
Membership Trend

■ MEFPA has welcomed 44 new corporate members during the year and the membership stood at 688 at the end of the year 2014/15.

■ The number of beneficiaries has decreased from 25,465 in 2013/14 to 23,404 in 2014/15.



Claims Payable



AUDITOR'S REPORT

AUDITOR'S REPORT

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2015

	2015 Rs.	2014 Rs.
ASSETS		
Contribution receivable	8,533,322	13,393,933
Amount receivable from insurers - net	893,012	-
Sundry debtors and prepayments	4,116,470	3,805,155
Investment in unit trust	4,778,846	4,778,846
<i>Held to maturity investments:</i>		
■ Term deposits	50,280,834	42,806,962
■ SBM notes (listed)	4,000,000	4,000,000
■ MCB notes (listed)	2,000,000	2,000,000
Deposit at call	-	37,628
Cash at bank	14,729,549	14,324,543
	<u>89,332,033</u>	<u>85,147,067</u>
LIABILITIES		
Contribution prepaid and sundry creditors	5,167,903	4,942,485
Amount payable to insurers - net	-	2,205,459
Claims payable	16,815,009	14,958,518
	<u>21,982,912</u>	<u>22,106,462</u>
	<u>Rs. 67,349,121</u>	<u>63,040,605</u>
ACCUMULATED FUND		
Accumulated surplus	29,249,121	28,340,605
Contingency reserves (IBNR)	38,100,000	34,700,000
	<u>Rs. 67,349,121</u>	<u>63,040,605</u>

AUDITOR'S REPORT (Continued)

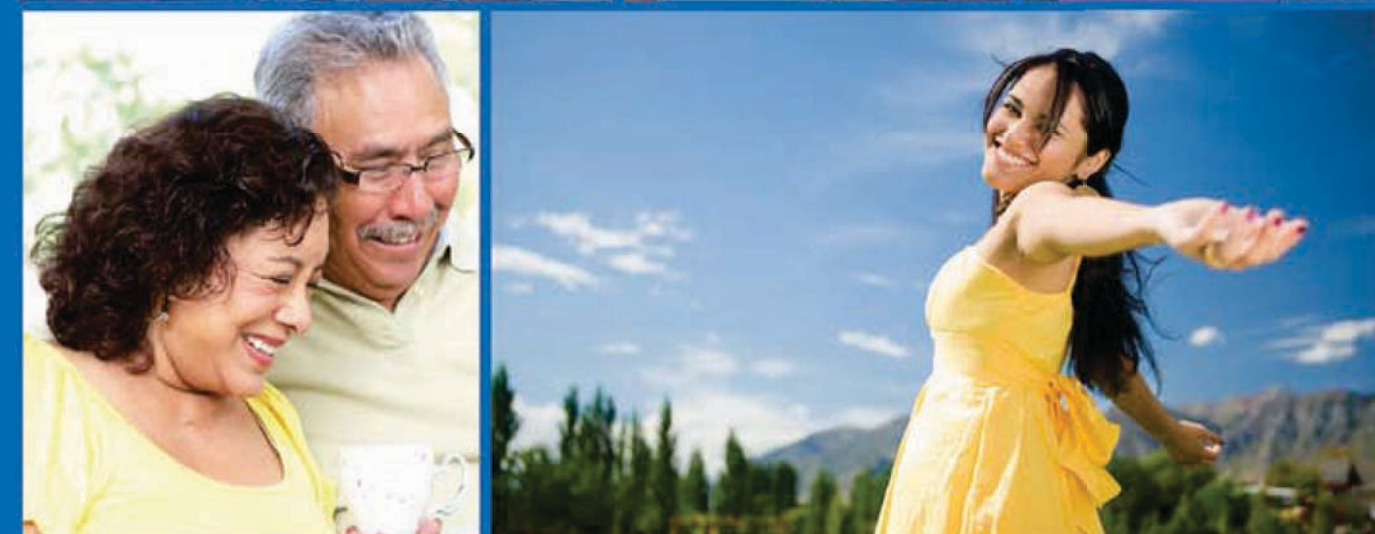
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED JUNE 30, 2015

	2015 Rs.	2014 Rs.
INCOME		
Gross subscription	252,323,084	237,510,466
Insurance subscription	(32,771,054)	(39,234,949)
Net subscription	<u>219,552,030</u>	<u>198,275,517</u>
EXPENDITURE		
Gross claims payable	210,860,608	202,607,522
Insurance claim	(26,963,430)	(33,456,926)
Net claims payable	183,897,178	169,150,596
Management fees	24,596,544	16,966,069
Brokerage fees	7,263,404	4,435,863
Stationery and photocopy charges	507,405	478,981
Audit fees	178,250	165,025
Bank charges	75,902	62,060
Marketing fees	1,786,057	1,670,492
Medical, professional and consultancy fees	1,375,488	995,160
Returned cheques w/off	-	56,790
Sundry expenses	34,656	42,256
	<u>219,714,884</u>	<u>194,023,292</u>
(Loss)/profit before interest receivable and foreign exchange gain	(162,854)	4,252,225
Investment income	48,626	45,103
Interest receivable	3,100,913	2,859,800
Profit on disposal of investments	-	778,846
Foreign exchange gain	1,321,831	24,131
Surplus for the year	<u>4,308,516</u>	<u>7,960,105</u>
Accumulated surplus brought forward	28,340,605	27,280,500
	<u>32,649,121</u>	<u>35,240,605</u>
Amount transferred to contingency reserves (IBNR)	(3,400,000)	(6,900,000)
	<u>Rs. 29,249,121</u>	<u>28,340,605</u>
Accumulated surplus carried forward		

AUDITOR'S REPORT (Continued)

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED JUNE 30, 2015

Bank balance on July 01, 2014	Rs. 14,324,543
Call deposit at bank on July 01, 2014	37,628
	<u>14,362,171</u>
RECEIPTS	
Subscription	245,808,738
Matured deposits	18,000,000
Interests and dividends received	2,264,081
Receipts from reinsurers	2,835,462
	<u>268,908,281</u>
PAYMENTS	
Claims paid	(201,421,706)
Management fees	(23,774,064)
Net payment to reinsurers	(9,117,106)
Deposits effected	(24,000,000)
Medical, professional and consultancy fees	(180,309)
Marketing fees	(2,447,310)
Brokerage paid	(6,247,989)
Stationery and photocopy charges	(507,405)
Audit fees	(166,750)
Sundry expenses	(601,904)
Bank charges	(76,360)
	<u>(268,540,903)</u>
Balance at June 30, 2015	Rs. 14,729,549
Bank balance at June 30, 2015	14,729,549
Call deposit at bank at June 30, 2015	-
	<u>Rs. 14,729,549</u>



Since its inception in 1982, MEFPA offers flexible health care covers for the employees and dependants of MEF member enterprises.

Its non-profit association status allows MEFPA to focus on its primary mission : Provide Lifetime care for its beneficiaries, from babies to seniors.

MEFPA continuously enhances the quality of its services and products to offer lifetime care to its beneficiaries.

FOR MORE INFO PLEASE CONTACT US

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www.mefpa.com



PEACE
OF MIND



WELLNESS



FLEXIBLE
COVERS



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