



SEPTEMBER 2007

Dear Member

REVISED CONTRIBUTIONS AND BENEFITS FOR 2008

With the year drawing to a close it is time for you to decide if you wish to change to another benefit option in 2008 or remain on your current option.

During the past three years the Scheme has been fortunate in keeping contribution increases well below the industry average.

In finalising the contribution changes for 2008, however, the Trustees had to take into account a number of factors, including medical inflation, claiming patterns, legislative changes and the Scheme's benefit design. Despite these challenges, we have limited our increase to below the expected medical inflation rate of 9.8%. In part this is also due to the wise utilisation of benefits by our members.

The Trustees' decision was ultimately aimed at ensuring the Scheme's long-term financial well-being.

Contribution increases

At the Board of Trustee meeting held on 5 September 2007, the Trustees agreed on average increases of 2.5% and 8.5% on the Classic and Premier Options respectively. Please note that the increases referred to above is applied to the total contributions on a uniform basis. Your portion of the total contribution may increase at a different rate depending on the impact of the maximum subsidy Metropolitan is allowed to provide you in terms of government regulations.

Benefit improvements

In addition, the Trustees approved the following benefit improvements with effect from 1 January 2008:

Option	Benefit category	Benefit for 2007	Benefit for 2008
Classic	GP visits and medication (out of hospital)	None	R500 per family
Premier	Over-the-counter medication	R550	R750
	Physiotherapy (post operative)	Subject to auxiliary benefit	Limited to 30 days from date of discharge

All individual limits on the Classic and Premier Options will be increased by 9%.

Continued overleaf

Option changes for 2008

Enclosed are detailed benefit schedules and contribution tables for 2008, as well as an option selection form.

Please read this communication carefully to make sure that you understand the differences between the options and the benefits offered.

If, after careful consideration, you decide to change to another option, please ensure that the form is sent to the following address by no later than 30 November 2007 (forms received after this date will not be considered):

Metropolitan Medical Scheme
PO Box 15716
Vlaeberg
8018

The option selection form can also be faxed to (021) 480 4420.

Please note that should you wish to remain on your current option, you are not required to complete the enclosed option selection form.

Should you have any enquiries regarding the above, please contact our Client Service Department on 0861 888 104 or (021) 480 4414.

Yours faithfully

THE TRUSTEES
METROPOLITAN MEDICAL SCHEME