Mr D Lehutjo
Acting: Registrar Council for Medical Schemes
Private Bag x 34
HATFIELD
0028

Fax: 0124307644

Dear Mr. Lehutjo

## CENTRAL REPOSITORY OF MEDICAL SCHMEME MEMBERS

The National Department of Health has identified the need for a central repository of medical scheme members. The Council for Medical Schemes as the regulator of medical schemes collects this information for the purpose of monitoring the impact of current policies. Additionally the DoH would need this information to indentify medical scheme members who access services in the public sector.

The National Department of Health requests all medical schemes, administrators and regulated private health care funding entities to furnish the CMS with regular updated electronic records pertaining to basic personal, demographic (including domicile) details of all members and their beneficiaries, as stored on their respective member management systems. The method, frequency and security of provisioning of the data will be determined and implemented by the CMS in close collaboration with affected stakeholders. Information related to the medical history of medical scheme members is not required.

The Ministry of Health extends our gratitude in advance to all participants as we anticipate effective advocacy, cooperation and consultation in this process in establishing and maintaining a central repository.

Kind regards

DR A MOTSOALEDI (MP)
MINISTER: HEALTH
DATE: 19/7/2016

**CMS**
Council for Medical Schemes

CIRCULAR

| | |
|---|---|
| Reference: | ICT1_2016_7_15 |
| Contact person: | Mr. JJ Kugel |
| Tel: | +27124310517 |
| E-mail: | j.kugel@medicalschemes.com |
| Date: | 15 July 2016 |

## Circular 47 of 2016: Ministerial Directive on the Establishment of a Beneficiary Registry

The Council for Medical Schemes (CMS) would like to inform all Principal Officers of medical schemes, as well as third party medical scheme administrators that the Minister of Health has issued a directive dated 12 July 2016 wherein the CMS as the Regulator of Medical Schemes is tasked with the responsibility of collecting medical scheme member information for the purpose of:

1. Monitoring the impact of current policies, and
2. Identifying medical scheme members who access services in the public sector.

The directive invokes section 7(h) of the Medical Schemes Act, 131 of 1998, which enables Council to "perform any other functions conferred on the Council by the Minister or by this Act."

The directive requires all medical schemes, administrators and regulated private healthcare funding entities to furnish the CMS with regular updated records pertaining to the basic personal and demographic (including domicile) details of all members and their beneficiaries, but excludes information related to the medical history of medical scheme members.

We wish to assure all affected stakeholders that the method, frequency and security of provisioning of the data to the CMS will be determined in a transparent manner and in close collaboration. To this end, it is the intention of the CMS to resume collaborative workshops and sessions with all affected parties in the near future and further communication to this effect will be issued as and when arrangements have been finalised.

Attached please find the directive from the Minister of Health.

The CMS would like to thank you in advance for your cooperation in the process of establishing and maintaining a central beneficiary registry.

Jaap Kugel
I Accept this document
15/Jul/2016 04:23:01 +02:00

15 Jul 2016

Jaap. J. Kugel
Chief Information Officer
Council for Medical Schemes

Chairperson: Prof. Y Veriava Chief Executive & Registrar: Dr M Gantsho
Block E Hadefields Office Park 1267 Pretorius Street Hatfield Pretoria 0028
Tel: 012 431 0500 Fax: 012 430 7644 Customer Care: 0861 123 267
Information@medicalschemes.com www.medicalschemes.com

Page 2

## Circular 68 of 2016: Principal Officer Workshop regarding the Beneficiary Registry

### 1. Introduction

The Council for Medical Schemes (CMS) is a statutory body established by the Medical Schemes Act, 131 of 1998 to provide regulatory supervision of private health financing through medical schemes. The CMS is responsible for overseeing the medical schemes industry in South Africa.

The CMS has been tasked by the Honourable Minister of Health to establish a central repository containing all funded (medical scheme) patients in South Africa. This activity is also listed as a Programme Performance Indicator on the National Department of Health Annual Performance Plan for 2015/16 and 2016/17.

The CMS is obliged under section 7(h) of the Medical Schemes Act (MSA) to perform any functions conferred on the Council by the Minister, please see Circular 47 of 2016.

The CMS wishes to collaborate with all our stakeholders to embark on this project to forge (build) effective, transparent, accountable and coherent relations without compromising the integrity, confidentiality or the ownership of such data.

In order to properly introduce the Beneficiary Registry project, the CMS intends conducting two (2) Principal Officer Workshops at the CMS Head office in Gauteng and in Cape Town respectively. Principal Officers are required to elect data officers for their respective medical scheme prior to the workshops. The Principal Officers

together with their elected data officers should attend the workshop. Hence, you are kindly required to forward the circular to the nominated data officers for their attention and confirmation of the workshop attendance.

During the workshops, CMS will present the draft data specification (this document outlines the data requirements of the registry in full), discuss the data collection process and address any security concerns relating to the collection and storage of the data. The workshop will also serve to establish the dates and terms of more in-depth technical workshops, which will be conducted with data officers and other technical staff and which will follow in October 2016.

## 2. Importance of the Beneficiary Registry

The Beneficiary Registry is an important project for the following reasons:

- Medical schemes will benefit from this registry as members will find it more difficult to defraud the system and belong to more than one medical scheme.
- CMS will be in a better position to answer questions related to health resource planning, such as membership by district, which is pertinent for the National Health Insurance (NHI) initiative. A future geospatial analysis can also assist the National Department of Health (NDoH) in resource planning activities.
- One beneficiary ID number will be allocated to a member for life. This will allow administrators to verify previous membership and access membership history. To this end, a unique number will be developed in close collaboration with academics in the field.
- The system will aid public healthcare facilities in avoiding fraudulent member activity (i.e. accessing state facilities claiming not to be on a medical scheme).
- The system will assist the regulator and industry in better understanding member health seeking behaviour and member movement through anti-selection analysis and benefit option analysis.
- The system will lead to more accurate risk profiling and
- Improve the quality of our Annual Statutory Returns data.

## 3. High Level Project Plan

This project will be implemented commencing in the current financial year (2016/17).

| Planning/Analysis | August 2016 – October 2016 |
|---|---|
| ○ Scope from NDoH and CMS | August 2016 |
| ○ Data Specification and Definitions | August 2016 |
| ○ Stakeholder Interaction | September – October 2016 |
| Design | October 2016 |
| Functional Requirements Specification | October – November 2016 |
| Development | November 2016 – February 2016 |
| ○ Develop in XRM | November – December 2016 |
| ○ Deployment | January 2017 |
| ○ Pilot phase | January – February 2017 |
| Roll out | March 2017 |
| ○ Data Taken On | March 2017 |

## 4. Workshop Dates

- 29th September 2016 a workshop will be held in **Gauteng** from **10:00 – 13:00**. The venue is Block A, Eco Glades 2 Office Park, 420 Witch-Hazel Avenue, Eco Park, Centurion.

- 3rd October 2016 a workshop will be held in **Cape Town from 10:00 – 13:00**, the venue will be announced once it has been confirmed.
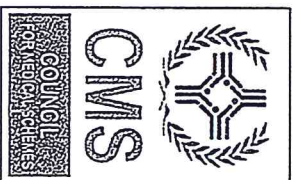
Please R.S.V.P to the relevant workshop before the 23rd of September 2016 by clicking here.

Paresh Prema
I Accept this document
20/Sep/2016 08:42:23 +02:00

**Paresh Prema**
**Chairperson Beneficiary Registry Task Team**
**Council for Medical Schemes**

Beneficiary Registry

# Why?

- The CMS has been tasked with establishing a central repository containing all funded (Medical Scheme) patients in South Africa, by the Minister of Health. This activity is listed as a Programme performance Indicator on the National Department of Health Annual Performance Plan for 2015/16 and 2016/17.

- The CMS is obliged under Section 7(h) of the Medical Schemes Act (MSA) to perform any functions conferred on the Council by the Minister and thus we are eager to embark on a consultative process with Medical Scheme Administrators as well as self-administered Medical Schemes on how this objective can best be achieved without compromising the integrity, confidentiality as well as the ownership of such data.

# Current Legal Mandate

- Section 42 of the MS Act - Registrar may require additional particulars

  – Section 42 (3): The Registrar may require such information as to enable the Council to make recommendations to the Minister on the matters referred to in section 7(c).

- Section 7 of the MS Act – Functions of Council

  – Section 7(c): make recommendations to the Minister on the criteria for the measurement of quality and outcomes of the relevant health services provided for by medical schemes and such other services as the Council may from time to time determine

  – Section 7(h): perform any other functions conferred on the Council by the Minister. Function of establishing a central repository for funded patients conferred to CMS by Minister as outlined in the NDOH Annual Performance Plan.

# Amendment Bill

- Dealt with in the new CHAPTER 3A: CENTRAL BENEFICIARY REGISTER

- Section 19A- Establishment and purpose of Central Beneficiary Register

- Section 19B Obligations of medical schemes with regard to information required for inclusion in Central Beneficiaries Register

- Section 19C- Verification of information

- Section 19D- Risk factors

# POPI

- Once all the sections of the Act are enacted beneficiaries will have to give consent before their personal information is provided to their scheme/administrator and ultimately to the CMS.

- The consent will have to be provided at the level of the scheme.

- The scheme consent form will have to contain a provision relating to the Beneficiary Registry and the purpose for which the information will be used, together with other provisions relating to managed care etc.

- Extract from the Act:

## Consent, justification and objection

11. (1) Personal information may only be processed if—

   (a) the data subject or a competent person where the data subject is a child consents to the processing;

   (b) processing is necessary to carry out actions for the conclusion or performance of a contract to which the data subject is party;

   (c) processing complies with an obligation imposed by law on the responsible party;

   (d) processing protects a legitimate interest of the data subject;

   (e) processing is necessary for the proper performance of a public law duty by a public body; or

   (f) processing is necessary for pursuing the legitimate interests of the responsible party or of a third party to whom the information is supplied.
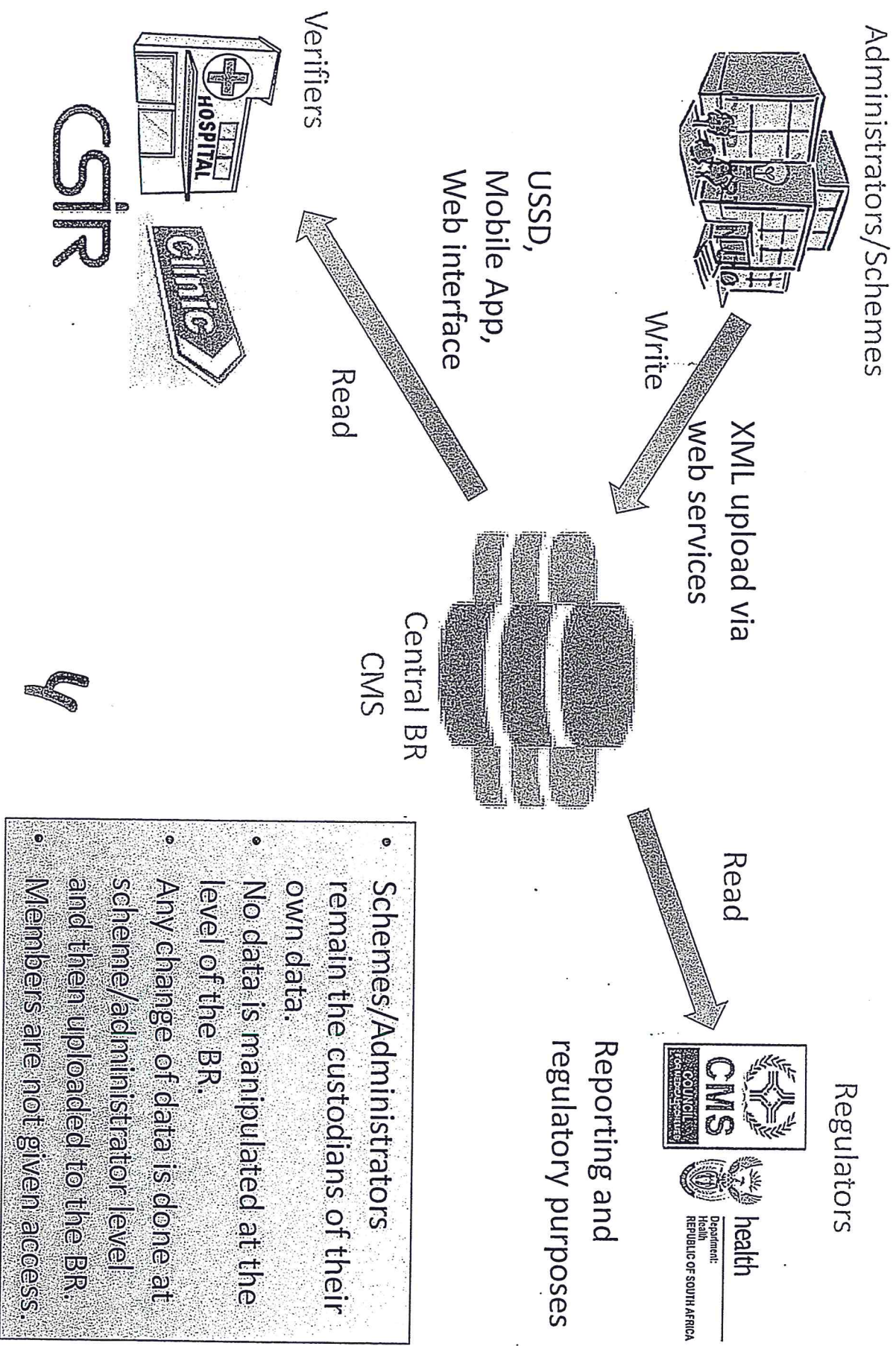
# What is it?

- The Beneficiary Registry is a single repository of all funded patients.

- The SAID will be used to uniquely identify a beneficiary.

# What will it be used for?

- By the NDoH to verify membership of patients that have medical aid cover, visiting state facilities.

- By the NDoH and CMS for regulatory reporting and planning purposes.

- By medical schemes and administrators to verify their records only against the Beneficiary Registry.

# Conceptual Solution

Administrators/Schemes

Write

XML upload via
web services

Central BR
CMS

Read

Reporting and
regulatory purposes

Regulators

CMS
COUNCIL FOR MEDICAL SCHEMES

health
Department:
Health
REPUBLIC OF SOUTH AFRICA

Verifiers

USSD,
Mobile App,
Web interface

Read

HOSPITAL

Clinic

CSIR

4

- Schemes/Administrators
  remain the custodians of their
  own data.
- No data is manipulated at the
  level of the BR.
- Any change of data is done at
  scheme/administrator level
  and then uploaded to the BR.
- Members are not given access.

# Example of data to be collected

## Demographic information

- Scheme Beneficiary No
- Family ID
- Scheme Reference Number
- Benefit Option
- Membership Status
- Action (New registration, Change notification, Terminated, Suspended)
- First Name
- Initials
- Surname
- Title
- Maiden Name
- Marital Status
- SAID
- Passport
- Race
- Gender
- Date Enrolled
- Date Entitled to Benefits
- Date Terminated

# What will be collected?

- Beneficiary Registration allows CMS to collect information on any of the following:

✓ A beneficiary has joined a scheme and become eligible to receive benefits.

✓ The relationship between a principal member and his/her dependents.

✓ A beneficiary has changed from one option to another within a scheme.

✓ Dates, like the date of enrolment, the date when the beneficiary was first entitled to benefits, termination date.

# Data Dump Step 1: XML Files

- CMS will cater for schemes to upload XML based files. This method of upload is the same as that used for the current submission of Utilisation data as part of the Annual Returns.

- A separate username and password will be created to access the upload portal for each of the schemes to add a layer of risk mitigation for cross-communication of the file between the schemes.

- A password length of 9 with a complexity of a-z; A-Z; 0-9 + symbols should be adopted. This would give a theoretical strength of 1000 years against a brute-force attack.

- A traditional email with the credentials will be sent to a user who is assigned by the principal officer for each scheme.
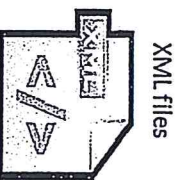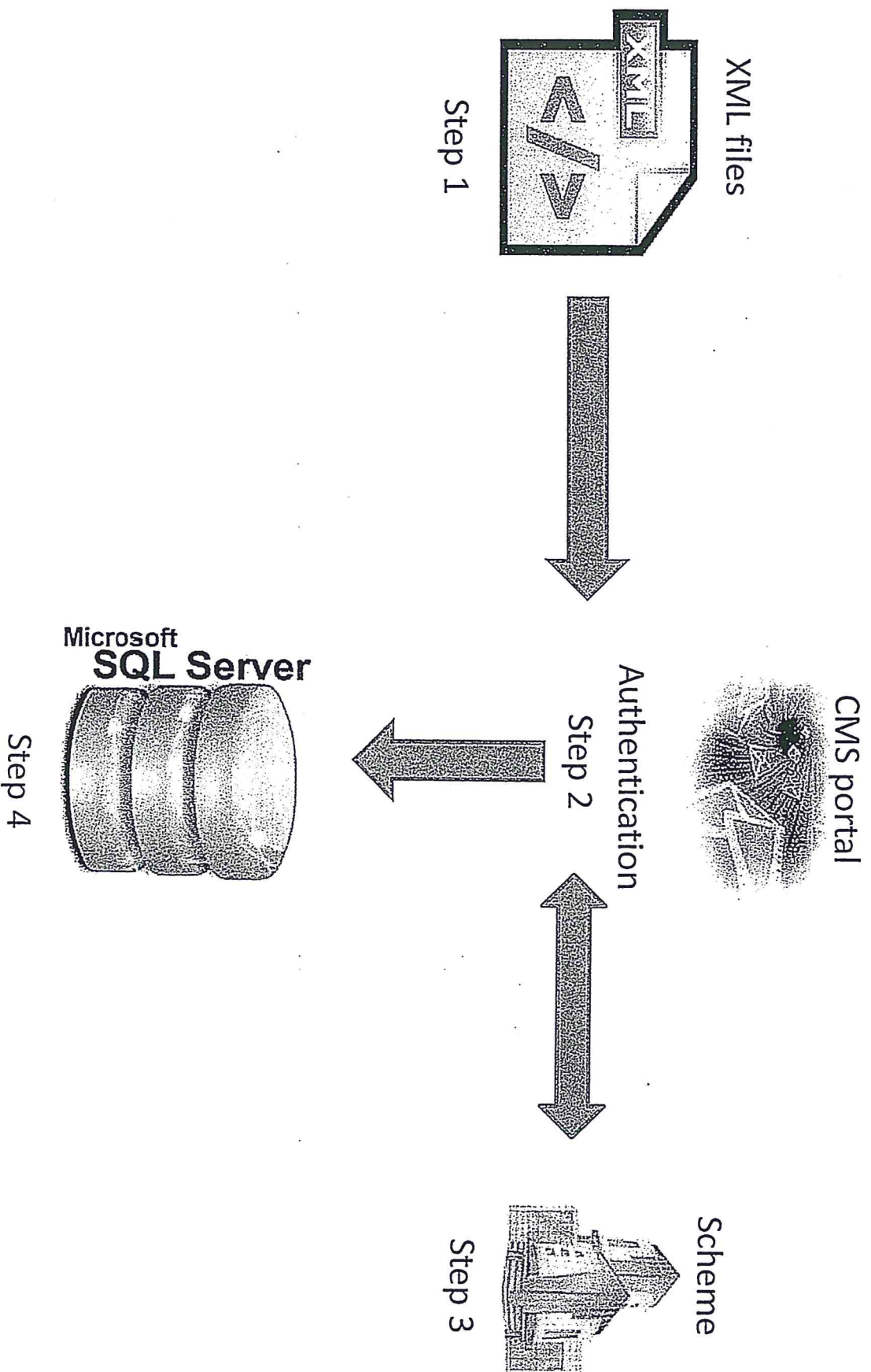
XML files

Step 1

# How the data will be collected.
## Initial Data Dump

XML files

Step 1

Microsoft
**SQL Server**

Step 4

Authentication
Step 2

CMS portal

Step 3

Scheme

# Data Dump Step 2: Authentication

- CMS will generate an Application Programming Interface Key (API key) for each scheme.

- The API key as well as the username and password will then be used to authenticate the user and the scheme.

CMS portal

Authentication

# Data Dump Step 3: Scheme

- The scheme will populate an XML based file and upload this file onto the CMS portal.

- The data can be put together in excel, but before the upload to the CMS portal the excel file will have to be converted to XML.
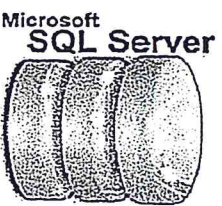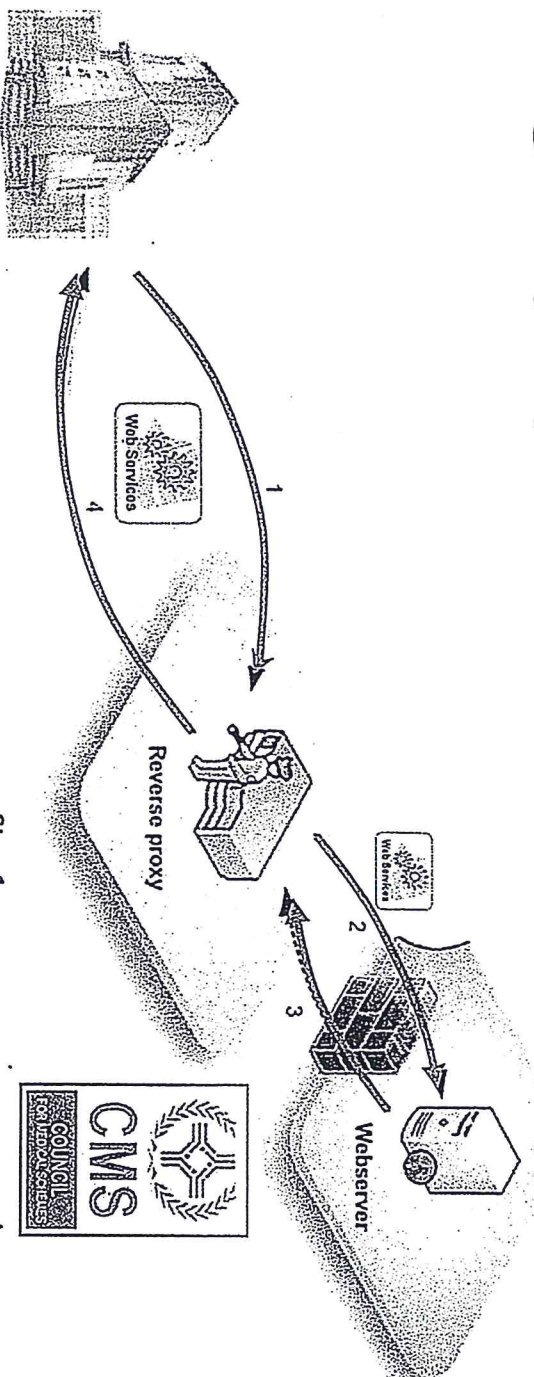
Scheme

Step 3

# Step 4: Storage

- The data will first be stored in a SQL Server staging database at the CMS.

- It will then be sanitized and stored on the Beneficiary Registry utilizing Microsoft Dynamics CRM/XRM.

- Data utilised for verification and reporting purposes will be read from Microsoft Dynamics CRM/XRM.

- No direct changes or manipulation of data will be allowed on the Beneficiary Registry.

Microsoft
SQL Server

# Registry Updates and Security Process

## Schemes & Administrators

**Reverse proxy**

**Webserver**

Web Services

CMS
COUNCIL

- **Step 1:**
  - Schemes will be sending through beneficiary data via the web service hosted at CMS.
  - The reverse proxy server will take the request and terminate the schemes session, thereby limiting the CMS network from being compromised by sniffers, hackers or malware attacks.

- **Step 2:**
  - The reverse proxy server will pass the request to the CMS internal network, which lies behind a firewall.

- **Step 3:**
  - The web service would perform necessary processing of data and pass required data back to the reverse proxy server.

- **Step 4**
  - The reverse proxy server will re-initiate the connection with the scheme and pass the data from the web service to the scheme.
  - All data passed to and from the scheme will be encrypted.

# Registry Updates: Use of Web Services

- CMS will use web services to interact with schemes.

- Web services are application programming interfaces that can be accessed over a network, such as the Internet, and be executed on a remote system hosting the requested services (CMS).

- Web services are designed to support interoperable interaction over a network.

- The web service will collect beneficiary data as well as respond to schemes with exceptions and data errors.

- The interaction with the web service is real-time.

- Changes on the Microsoft Dynamics Beneficiary Registry can only be affected once a self-administered medical scheme or administrator has made a change on their respective member management systems.

- The CMS will supply an API to make it easier for schemes to interact with the Beneficiary Registry via web services using their respective member management systems.

Web Services

# Project Plan

This project will be implemented in the current financial year (2015/16)

- Interaction with industry

- Initial data dump

- Schemes and administrators to put systems into place to interact with the CMS web service to pass real time beneficiary data. It is assumed that the current utilisation returns systems can be utilised for this purpose.

- Allow CSIR, state hospitals/clinics as well as the NDOH to interact with the collected data for verification purposes.

- Access collected data for reporting / regulatory and health resource planning purposes