

# MEDICAL AID Policy – South Africa

## Applicability

Country(ies)	South Africa
Operating Company(ies)/MRC/Johnson & Johnson location(s)/Local Area(s)	Johnson & Johnson Medical (Pty) Ltd, Johnson & Johnson (Pty) Ltd, Janssen Pharmaceutical
Employee Group(s)	Regular employees
Collective Bargaining Unit(s)	N/A

## Policy Summary

This policy outlines the membership criteria and the overall benefits of the Company's Medical Aid Schemes and post-retirement benefit, as a company within the Johnson & Johnson Family of Companies in South Africa. This Policy and any entitlements under it are subject to and governed by the terms of the applicable Medical Aid Scheme. The current scheme of choice is Discovery Health.

## Policy Details

### Medical Aid scheme

#### 1. Eligibility

##### a) Membership

- Subsidised membership of the company appointed Medical Aid Scheme is available through the Company and is a condition of employment for all new, eligible employees where contributions are payable in arrears.
- Employees who are already registered as dependants on their spouse's medical aid scheme are not eligible for membership except in the case of a life-changing event e.g., death, divorce or retrenchment. Proof of their membership must be submitted for company records. If these employees join the scheme at a later date, they will qualify for the benefit offered, at the time of joining the medical aid not as at their date of employment.

##### b) Dependants

Employee who is a principal member of the Company elected Medical Aid Scheme may register the following individuals as his/her subsidised dependants. Dependents of a principal member may join the medical aid scheme, subject to the scheme rules and the principal member will bear the full additional costs of these dependants:

- His/her spouse (provided that spouse does not qualify for benefits from another medical aid scheme) has provided a marriage certificate).
- His/her natural or legally adopted, children up to the age of 21 years (provided that children are dependant on their parents).
- Children who are full-time students attending University or a recognised College of Higher Education only if they provide an unabridged birth certificates and a certificate from University or College (each year up to and including age 25). Adult rates are applicable beyond age 21.

## 2. Company Subsidy

### a) Subsidy Table

Standard subsidy is a fixed rand subsidy which increases at the Company's discretion. If an employee downgrades his/her healthcare plan, the subsidy will be aligned with the plan option chosen, based on the subsidy principle.

Company	High	Special	Standard	Retirees Subsidies
J&J Medical	<p>Employees joining before</p> <p><b><u>1<sup>st</sup> January 1994:</u></b></p> <ul style="list-style-type: none"> <li>100% Subsidy of plan</li> <li>100% Subsidy of Vitality where applicable (<i>Active employees effective 1<sup>st</sup> November 2018 moved to 50% subsidy for vitality</i>)</li> </ul>	<p>Employees joining effective.</p> <p><b><u>1<sup>st</sup> January 1994:</u></b></p> <ul style="list-style-type: none"> <li>50% Subsidy of plan</li> <li>50% Subsidy of Vitality where applicable</li> </ul>	<p>Employees joining effective.</p> <p><b><u>1<sup>st</sup> November 2008:</u></b></p> <ul style="list-style-type: none"> <li>Fixed rand value as per current year's subsidy table</li> <li>50% subsidy of Vitality where applicable</li> </ul>	<p>Retirees with a post-retirement subsidy before</p> <p><b><u>1<sup>st</sup> November 2018:</u></b></p> <ul style="list-style-type: none"> <li>100% Subsidy for Vitality</li> </ul> <p>Retirees with a post-retirement subsidy effective</p> <p><b><u>1<sup>st</sup> November 2018:</u></b></p> <ul style="list-style-type: none"> <li>50% Subsidy for Vitality</li> </ul>
Janssen Pharma	<p>Employees joining before</p> <p><b><u>1<sup>st</sup> September 1992</u></b></p> <p>100% Subsidy of plan</p>	NA	<p>Employees joining after</p> <p><b><u>1<sup>st</sup> September 1992:</u></b></p> <ul style="list-style-type: none"> <li>Fixed rand value as per current year's subsidy table</li> <li>50% subsidy of Vitality where applicable</li> </ul>	<p>Retirees with a post-retirement subsidy before</p> <p><b><u>1<sup>st</sup> November 2009</u></b></p> <ul style="list-style-type: none"> <li>100% Subsidy for Vitality</li> </ul> <p>Retirees with a post-retirement subsidy effective</p> <p><b><u>1<sup>st</sup> November 2009:</u></b></p> <p>50% Subsidy for Vitality</p>

## 3. Change in the Status of the Principal Member

### a) Marital Status

- Members who marry, re-marry, divorce or are widowed after joining the Medical Aid Scheme, are required to notify the Scheme and the employer within 30 days thereof, and to contribute at the amended rates from the first day of the month following the change in their status.
- Members who marry or re-marry after joining the medical aid scheme and who fail to take the action under this Rule will render themselves liable for forfeiture of all benefits in respect of the new conjugal status until they have given the required notification and paid the applicable contribution.

### b) Birth / Adoption if Children

- To affect registration as a dependant, members must notify the Company within 90 days of the birth or adoption of a child. Increased contributions in respect of children will be due from the first day of the month following birth or adoption. Benefits will accrue as from the date of birth or adoption.

## 4. Medical Aid Guidelines

- Members and their registered dependants are entitled to benefits from the first date of the month for which the scheme receives their contributions/membership commences, unless waiting periods are imposed by the scheme. Pro-rated changes (e.g., terminations, adding of dependents, withdrawal of dependents are not allowed by the Scheme).
- Benefits are provided in accordance with the rules of the Scheme and may be revised periodically. It is the responsibility of the principal member to consult with the Scheme before proceeding with treatment where there is any doubt that such treatment qualifies for benefit.
- Annual limits will be in accordance with the portion of the year that the individual was a member of the fund. Should a person leave the Company before year-end, they will be liable for that portion of savings spent in advance to be collected by the scheme.
- An employee will only be able to change options to a higher plan effective January every year. Downgrades to a lower plan are allowed throughout the year. Changes of options will be in accordance with the medical scheme rules.

## 5. Vitality

The Company will subsidize 50% of the vitality cost, even if employees have dependents on their medical aid membership who does not qualify for the medical aid subsidy.

## 6. Subsidised Plans Rates

Plans	2024 Discovery Health Rates			Subsidy paid by JNJ (effective Jan.1,2024)			Amount paid by Employee (effective Jan.1,2024)		
	Member	Spouse / Adult	Child	Member	Spouse/ Adult	Child	Member	Spouse/ Adult	Child
Classic Comprehensive	8,381	7,927	1,671	3,351	3,134	718	5,030	4,793	953
Classic Smart Comprehensive	7,163	6,611	1,671	3,351	3,134	718	3,812	3,477	953
Classic Priority	5,272	4,158	2,108	3,351	3,134	718	1,921	1,024	1,390
Classic Saver	4,182	3,299	1,676	3,351	3,134	718	831	165	958
Essential Saver	3,351	2,514	1,342	3,351	2,514	718	-	-	624
Coastal Saver	3,423	2,574	1,382	3,423	2,574	718	-	-	664
Keycare Plus R15251+	3,354	3,354	897	3,354	3,354	718	-	-	179
Keycare Plus R9451 - R15251	2,271	2,271	640	2,271	2,271	640	-	-	-
Keycare Plus R0 – R9450	1,652	1,652	601	1,652	1,652	601	-	-	-

**Fixed term employees** will receive a monthly allowance of **R 3,423** which is equivalent to the Coaster saver member subsidy and this amount will be reviewed annually based as a result of Discovery rates increase (if applicable).

## 7. Claims Procedure

- Claims submission and the accounts payments is the responsibility of the individual member who should become acquainted with such procedures.
- Claims should be made on-line.
- Members must ensure that all data (Medical Aid number, member name /surname, registered name of patient and treatment date) are present on the account and are correct.
- Receipts should be attached if the account was settled in cash.

# Post-Retirement Medical Aid Benefit

## 1. Post-Retirement Medical Aid subsidy entitlement:

Company	It is important to note the following with regards to historical arrangements (applicable to employees and their dependants at time of retirement)
Medical	<p>Employees who were members of the scheme with date of employment before <b>1<sup>st</sup> June 2008</b> qualifies for a post-retirement medical aid benefit <b><u>after 10 years of service</u></b>.</p> <p>Effective <b>1<sup>st</sup> June 2008</b>; the below employees are <b>NOT</b> eligible for post-retirement benefit:</p> <ul style="list-style-type: none"><li>• Employees with hire date 1<sup>st</sup> June 2008 onwards.</li><li>• Employees who become members of the scheme due to life changing events effective 1<sup>st</sup> June 2008 onwards.</li><li>• Employees transferred to Johnson &amp; Johnson Medical Pty Ltd effective 1<sup>st</sup> June 2008 onwards.</li></ul>
Pharma	<p>Employees who were members of the scheme with date of employment from <b>1<sup>st</sup> January 2008</b> qualifies for a post-retirement medical aid benefit <b><u>after 10 years of service</u></b>.</p> <p>Effective <b>1<sup>st</sup> July 2013</b>; the below employees are <b>NOT</b> eligible for post-retirement benefit:</p> <ul style="list-style-type: none"><li>• Employees with hire date 1<sup>st</sup> July 2013 onwards.</li><li>• Employees who become members of the scheme due to life changing events effective 1<sup>st</sup> July 2013 onwards.</li><li>• Employees transferred to Johnson &amp; Johnson Pharmaceutical effective 1<sup>st</sup> July 2013 onwards.</li></ul>

- If an employee was employed at a time when the benefit was offered and became the member of the scheme after the benefit was grandfathered, the post-retirement benefit will not be applicable.

## 2. Continuation of Membership

- Members who retire (including early retirement) from the Company, in accordance with the Provident Fund rules may retain their membership.
- Retiree membership, including approved dependants who were on the membership at the time of retirement will qualify for the company subsidy if the member remains a permanent resident in Southern Africa and is not a member of another medical aid scheme.
- Employees who are declared permanently disabled will be a retiree for the duration of his/her disability or until he/she reaches Normal Retirement Age as per the basic conditions of employment.
- Retirees retain their subsidy as at retirement.

## 3. Widow /widowers / Orphans / dependents

- Widows and widowers of deceased retirees' members will retain the subsidy the member qualified for at the time of death.
- Widows and widowers of deceased retirees' members are allowed to remain on the scheme and elect annual changes and will be subject to changes in the subsidy.
- Widows and widowers of deceased members who have not qualified for post-retirement subsidy have no benefit if the employee passes away in service.
- Any retiree member who re-marry will not qualify for the Company subsidy for the new spouse.
- Any post-retirement subsidy for widow / widower dependants will terminate as follows:
  - Child dependant reaches the age of 21 years and is not a full-time student.
  - Adult dependant enrolled as a full-time student reaches the age of 26 years.
  - Death of Spouse or divorce

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  - Adult dependant enrolled as a full-time student reaches the age of 26 years.
  - Death of Spouse or divorce.

#### **4. Post-Retirement Medical Aid subsidy suspension**

- Post-Retirement benefit will be suspended should the retiree fail to pay the monthly contribution.
- Post-Retirement benefit can only be reinstated within 3 months period from the date of suspension provided that the retiree pays the full outstanding contribution and complete the Health Declaration as required by the Fund.
- If a member fails to pay the outstanding contribution, the medical aid membership and cover will be suspended. A double debit order will be processed in the following month and if still not successful, the full membership will be withdrawn (lapsed).
- Once the membership is withdrawn (lapsed) the Company contribution will be forfeited, and no backdated Company contributions will be paid.
- Members will have 90 days to make a payment of all outstanding contributions (including both member and Company contributions) in order to reinstate the medical aid membership and cover.
- If the member fails to reinstate the Medical Aid membership within 90 days and wants to re-join; they need to apply for cover in their private capacity without subsidy from the Company.

### **Right to Amend Policy**

The Company reserves the right to modify, suspend, change, or terminate this policy at any time, by providing such notice as may be required by applicable law.

### **Definitions**

Eligible dependents include Spouse, and Children, or legally Adopted Children  
Adult Dependents can also include students up to the age of 26 year.

### **Related Documentation**

N/A

### **Effective Date**

1 January 2024

### **Policy Owner**

Total Rewards