

# HealthGroup Strategic Review: Western Gap Cover 2026 vs 2027 Benefit & Rate Guide

**Product Provider:** Western Gap Cover

**Administrator:** Kaelo Risk (Pty) Ltd (FSP No. 36931)

**Underwriter:** Western National Insurance Company Limited (FSP No. 9465)

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## 1. Executive Summary & Strategic Overview

Rising specialist tariffs, strict procedural co-payments, and escalating oncology expenses continue to drive out-of-pocket healthcare costs. Western Gap's 2027 renewal balances targeted limit expansions with manageable premium adjustments across its four core product tiers: **Gap**, **Gap Plus**, **Gap Select**, and **Gap LPE**.

- **Overall Annual Limit (OAL) Expansion:** The statutory Demarcation OAL across all medical-related benefits increases from R219 845 to **R233 035** per insured party per annum.
- **Innovative Oncology Medicine:** Drug shortfall cover doubles on Gap, Gap Plus, and Gap Select, moving from 25% of the total drug cost (max R15 000) to **50% of the total drug cost (max R25 000)**.
- **Casualty Emergency Enhancement:** After-hours emergency casualty visits for members aged 13 and older increase from R2 600 to **R2 800** per event across Gap, Gap Plus, and Gap Select.
- **Transparent Lifestyle Benefits (VAS):** Monthly retail rates clearly unbundle pure-risk premiums from the optional Kaelo Lifestyle Benefits package, which moves from R18 to **R21** per month. This package provides 24/7/365 telephonic and virtual counselling in all 11 official languages and Dis-Chem Better Rewards savings (up to R850 per month).
- **Dedicated Oncology Supplementary Buy-Up:** For members seeking critical illness cash-flow and breast cancer recovery funding, the optional Oncology Supplementary Buy-Up adjusts to **R164** per month (continuation members adjust to **R90** per month).

## 2. Retail Premium Comparison (2026 vs 2027)

All premiums reflect gross monthly rates inclusive of VAT. Pure-risk premiums exclude the Kaelo Lifestyle Benefits fee, which is listed separately.

### Western Gap

Comprehensive shortfall protection covering in-hospital tariff shortfalls up to 600%, sub-limits, oncology co-payments, step-down facilities, and casualty benefits.

| Category             | 2026 Pure Risk | 2027 Pure Risk | Risk Increase (%) | 2027 Lifestyle (VAS) | 2027 Total Premium (Incl. VAS) |
|----------------------|----------------|----------------|-------------------|----------------------|--------------------------------|
| Single (<60 yrs)     | R373           | R403           | +8.0%             | R21                  | R424                           |
| Single (60+ yrs)     | R490           | R529           | +8.0%             | R21                  | R550                           |
| Family (<60 yrs)     | R519           | R561           | +8.1%             | R21                  | R582                           |
| Family (60+ yrs)     | R680           | R735           | +8.1%             | R21                  | R756                           |
| Continuation Members | R378           | R410           | +8.5%             | R21                  | R431                           |

### Western Gap Plus

Adds standard procedural co-payments and upfront deductibles up to the Overall Annual Limit, alongside penalty co-payment protection.

| Category             | 2026 Pure Risk | 2027 Pure Risk | Risk Increase (%) | 2027 Lifestyle (VAS) | 2027 Total Premium (Incl. VAS) |
|----------------------|----------------|----------------|-------------------|----------------------|--------------------------------|
| Single (<60 yrs)     | R488           | R527           | +8.0%             | R21                  | R548                           |
| Single (60+ yrs)     | R639           | R690           | +8.0%             | R21                  | R711                           |
| Family (<60 yrs)     | R676           | R733           | +8.4%             | R21                  | R754                           |
| Family (60+ yrs)     | R885           | R956           | +8.0%             | R21                  | R977                           |
| Continuation Members | R506           | R547           | +8.1%             | R21                  | R568                           |

## Western Gap Select

Flagship protection offering enhanced limits on accidental casualty (R23 500), dental reconstruction (R23 500), step-down care (R11 660), and First-Time Cancer Diagnosis (R39 400).

| Category             | 2026 Pure Risk | 2027 Pure Risk | Risk Increase (%) | 2027 Lifestyle (VAS) | 2027 Total Premium (Incl. VAS) |
|----------------------|----------------|----------------|-------------------|----------------------|--------------------------------|
| Single (<60 yrs)     | R566           | <b>R611</b>    | +8.0%             | R21                  | <b>R632</b>                    |
| Single (60+ yrs)     | R738           | <b>R797</b>    | +8.0%             | R21                  | <b>R818</b>                    |
| Family (<60 yrs)     | R782           | <b>R852</b>    | +9.0%             | R21                  | <b>R873</b>                    |
| Family (60+ yrs)     | R1 021         | <b>R1 103</b>  | +8.0%             | R21                  | <b>R1 124</b>                  |
| Continuation Members | R556           | <b>R609</b>    | +9.5%             | R21                  | <b>R630</b>                    |

## Western Gap LPE (Listed Procedure Enhancer)

Structured specifically to cover specialist tariff shortfalls on scheme-defined procedures (e.g. joint replacements, scopes, dental, and spinal surgeries).

| Category             | 2026 Pure Risk | 2027 Pure Risk | Risk Increase (%) | 2027 Lifestyle (VAS) | 2027 Total Premium (Incl. VAS) |
|----------------------|----------------|----------------|-------------------|----------------------|--------------------------------|
| Single (<60 yrs)     | R385           | <b>R416</b>    | +8.1%             | R21                  | <b>R437</b>                    |
| Single (60+ yrs)     | R507           | <b>R548</b>    | +8.1%             | R21                  | <b>R569</b>                    |
| Family (<60 yrs)     | R535           | <b>R578</b>    | +8.0%             | R21                  | <b>R599</b>                    |
| Family (60+ yrs)     | R700           | <b>R756</b>    | +8.0%             | R21                  | <b>R777</b>                    |
| Continuation Members | R393           | <b>R425</b>    | +8.1%             | R21                  | <b>R446</b>                    |

## 3. Oncology Supplementary Buy-Up Benefit

The **Oncology Supplementary (OS) Buy-Up** is an optional add-on benefit designed to provide extra financial protection against the significant non-medical, personal, and recovery expenses associated with cancer treatment.

- **2027 Monthly Premium:** **R164** per month for standard policies; **R90** per month for continuation members.
- **Who Can Join:** Available to any Western Gap policyholder up to 66 years of age.
- **Who Is Covered:** Once added, all insured parties registered on the Western Gap policy are covered under the benefit.
- **Waiting Periods:** Cover is active on the first day of the month the policy is activated—there is no waiting period.

**Oncology Supplementary Benefit Schedule**

| Benefit Element                                    | 2027 Benefit Limit           | Clinical & Operational Rule                                                                                                                       |
|----------------------------------------------------|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| First-Time Cancer Diagnosis                        | R42 450 per insured lifetime | Paid upon first-time confirmed diagnosis of Stage 2 or higher cancer by an oncologist or pathologist (insured must be under age 66 at diagnosis). |
| Breast Cancer Reconstruction (Non-Affected Breast) | R45 000 per insured lifetime | Provided for symmetry reconstruction of the unaffected breast if the medical scheme approves surgery on the affected breast.                      |
| Breast Prosthesis Cover                            | R4 000 per insured lifetime  | Additional allowance for external breast prostheses if required.                                                                                  |

**Important Rules & Exclusions (Oncology Buy-Up):**

- Does not cover secondary or metastasised cancer.
- Cancer must not have been previously diagnosed or treated prior to inception.
- Claims must be submitted within six months of hospitalisation or diagnosis, supported by the treating oncologist's formal histological report.

## 4. Comprehensive Benefit Comparison by Option

**Western Gap**

| Benefit Category           | 2026 Limit            | 2027 Limit            | Strategic Impact                                                 |
|----------------------------|-----------------------|-----------------------|------------------------------------------------------------------|
| Overall Annual Limit (OAL) | R219 845              | R233 035              | Statutory ceiling applied across all core medical benefits.      |
| Tariff Shortfalls          | Up to additional 600% | Up to additional 600% | Covers specialists, anaesthetists, and surgical balance billing. |

| Benefit Category                  | 2026 Limit                 | 2027 Limit                        | Strategic Impact                                                      |
|-----------------------------------|----------------------------|-----------------------------------|-----------------------------------------------------------------------|
| Consumables                       | R7 120 per insured pa      | <b>R7 120 per insured pa</b>      | In-hospital medicine, internal materials, and doctor-billed items.    |
| Oncology Co-Payments & Sub-Limits | Included                   | <b>Included</b>                   | Covers co-payments and sub-limits once medical aid limit is exceeded. |
| Innovative Oncology Medicine      | Lesser of 25% or R15 000   | <b>Lesser of 50% or R25 000</b>   | <b>Major enhancement:</b> Biological cancer drug coverage doubled.    |
| Oncology First-Time Diagnosis     | R15 000 (<66 yrs)          | <b>R15 000 (&lt;66 yrs)</b>       | Lump sum payout upon first confirmed diagnosis (Stage 2+).            |
| Accidental Casualty               | R15 950 per policy pa      | <b>R15 950 per policy pa</b>      | Emergency room trauma and accidental injury costs.                    |
| Child Illness Casualty (<12 yrs)  | R3 300 per event (2 pfpa)  | <b>R3 300 per event (2 pfpa)</b>  | After-hours emergency room visits (18:00–08:00 & weekends).           |
| Casualty Emergency (13+ yrs)      | R2 600 per event (1 pfpa)  | <b>R2 800 per event (1 pfpa)</b>  | Emergency after-hours illness visits for adults and teens.            |
| Step-Down Facility                | R8 350 per event (1 pfpa)  | <b>R8 350 per event (1 pfpa)</b>  | Sub-acute rehabilitation following a 3-day minimum stay.              |
| Dental Reconstruction             | R11 500 per insured pa     | <b>R11 500 per insured pa</b>     | Maxillofacial surgery due to accidental injury, trauma, or cancer.    |
| Accidental Death & Disability     | PH: R15 600   Dep: R10 550 | <b>PH: R15 600   Dep: R10 550</b> | Lump sum payout on accidental death or permanent disability.          |
| Scheme Contribution Waiver        | R4 940/month for 6 months  | <b>R4 940/month for 6 months</b>  | Covers medical scheme contributions upon death/disability.            |
| Gap Premium Waiver                | 6 months premiums waived   | <b>6 months premiums waived</b>   | Policy waiver upon accidental death, disability, or retrenchment.     |

## Western Gap Plus

Contains all core benefits from Western Gap with the addition of standard and penalty co-payment covers.

| Benefit Category                   | 2026 Limit PDF              | 2027 Limit PDF                     | Strategic Impact                                                 |
|------------------------------------|-----------------------------|------------------------------------|------------------------------------------------------------------|
| Overall Annual Limit (OAL)         | R219 845                    | <b>R233 035</b>                    | Statutory ceiling applied across all core medical benefits.      |
| Standard Co-Payments & Deductibles | Limited to OAL              | <b>Limited to OAL</b>              | Full cover for diagnostic, surgical, and hospital deductibles.   |
| Penalty Co-Payments (Non-DSP)      | R12 200 (Max 2 events pfpa) | <b>R12 200 (Max 2 events pfpa)</b> | Reimburses penalties for voluntary non-DSP network hospital use. |
| Sub-Limit Benefits                 | Included in core benefits   | <b>Included in core benefits</b>   | Relieves shortfalls on scheme sub-limits.                        |
| Innovative Oncology Medicine       | Lesser of 25% or R15 000    | <b>Lesser of 50% or R25 000</b>    | <b>Enhanced:</b> 50% drug cost cover up to R25 000.              |
| Casualty Emergency (13+ yrs)       | R2 600 per event (1 pfpa)   | <b>R2 800 per event (1 pfpa)</b>   | Adult/teen after-hours illness casualty visits.                  |

## Western Gap Select

Flagship tier featuring higher limits across specialized clinical categories.

| Benefit Category                   | 2026 Limit                  | 2027 Limit                         | Strategic Impact                                              |
|------------------------------------|-----------------------------|------------------------------------|---------------------------------------------------------------|
| Overall Annual Limit (OAL)         | R219 845                    | <b>R233 035</b>                    | Statutory ceiling applied across all core medical benefits.   |
| Standard Co-Payments & Deductibles | Limited to OAL              | <b>Limited to OAL</b>              | Unlimited diagnostic and surgical co-payment cover.           |
| Penalty Co-Payments (Non-DSP)      | R14 100 (Max 2 events pfpa) | <b>R14 100 (Max 2 events pfpa)</b> | Non-DSP penalty cover for out-of-network hospital admissions. |

| Benefit Category              | 2026 Limit                 | 2027 Limit                        | Strategic Impact                                               |
|-------------------------------|----------------------------|-----------------------------------|----------------------------------------------------------------|
| Sub-Limit Shortfalls          | R75 000 per policy pa      | <b>R75 000 per policy pa</b>      | Dedicated internal prosthesis and surgical sub-limit pool.     |
| Oncology First-Time Diagnosis | R39 400 (<66 yrs)          | <b>R39 400 (&lt;66 yrs)</b>       | Lump sum payout upon confirmed cancer diagnosis.               |
| Innovative Oncology Medicine  | Lesser of 25% or R15 000   | <b>Lesser of 50% or R25 000</b>   | Doubled drug shortfall coverage up to R25 000.                 |
| Accidental Casualty           | R23 500 per policy pa      | <b>R23 500 per policy pa</b>      | Higher trauma and accidental casualty limit.                   |
| Dental Reconstruction         | R23 500 per insured pa     | <b>R23 500 per insured pa</b>     | Enhanced maxillofacial and implant shortfall protection.       |
| Step-Down Facility            | R11 660 per event (1 pfpa) | <b>R11 660 per event (1 pfpa)</b> | Sub-acute facility rehabilitation benefit.                     |
| Maternity Booster             | R3 700 (1 event pfpa)      | <b>R3 700 (1 event pfpa)</b>      | Stated benefit for additional expenses incurred at childbirth. |

#### Western Gap LPE (Listed Procedure Enhancer)

Focuses on high-frequency surgical procedures where medical schemes impose limits or exclusions.

| Benefit Category                    | 2026 Limit             | 2027 Limit                    | Strategic Impact                                              |
|-------------------------------------|------------------------|-------------------------------|---------------------------------------------------------------|
| Overall Annual Limit (OAL)          | R219 845               | <b>R233 035</b>               | Statutory ceiling applied across all core medical benefits.   |
| Tariff Shortfalls                   | Up to additional 600%  | <b>Up to additional 600%</b>  | Covers in-hospital and outpatient doctor balance billing.     |
| In-Hospital Listed Procedures Limit | R97 600 aggregate pfpa | <b>R97 600 aggregate pfpa</b> | Dedicated shortfall pool covering listed surgical procedures. |

| Benefit Category                 | 2026 Limit                | 2027 Limit                | Strategic Impact                   |
|----------------------------------|---------------------------|---------------------------|------------------------------------|
| Accidental Casualty              | R15 950 per policy pa     | R15 950 per policy pa     | Emergency outpatient trauma care.  |
| Child Illness Casualty (<12 yrs) | R3 300 per event (2 pfpa) | R3 300 per event (2 pfpa) | After-hours emergency room visits. |

#### Listed Procedures Covered under the LPE R97 600 Sub-Limit:

- **Joint Replacements & Orthopaedics:** Hips, knees, shoulders, elbows, arthroscopy, and back/neck treatment or surgery.
- **Endoscopy & Abdominal:** Diagnostic endoscopies, reflux/hiatus hernia surgery, and hernia repairs.
- **ENT & Dental:** Tonsillectomies, myringotomies, adenoidectomies, functional nasal surgery, impacted teeth, and accidental reconstructive dentistry.
- **Specialised Interventions:** Cochlear implants, auditory brain implants, internal nerve stimulators, bunions, varicose veins, skin disorders/lipomas, and refractive eye surgery.

## 5. Policyholder Eligibility, Underwriting & Rules

- **Single vs Family Structure:** Single policies cover the principal member only. Family policies cover the principal member, spouse, and eligible children.
- **Multiple Medical Schemes:** Spouses and children can be covered under one policy even if they belong to different medical schemes.
- **Child Dependant Rules:** Children are covered up to and including age 26 (until the day before turning 27). Cover extends past 26 only for registered full-time students or financially dependent special needs children.
- **Adult Special Dependants:** Parents and grandchildren qualify for cover only if they are formally registered dependants on the policyholder's medical scheme.
- **Dual Insurance Restriction:** Members may not hold cover or submit claims under more than one gap policy for the same event.
- **Underwriting & Waiting Periods:**
  - **3-Month General Waiting Period:** Applies to all benefits, waived for accidents.
  - **10-Month Maternity Waiting Period:** Applies to pregnancy and childbirth.
  - **6-Month Procedure-Specific Waiting Period:** Applies to pre-existing conditions (within 12 months prior to cover) relating to joint surgery, nasal/sinus, tonsils, adenoids, grommets, scopes, hernias, hysterectomy, cardiac, spine, dentistry, and cataracts.
  - **12-Month Oncology Waiting Period:** Applies to previously diagnosed cancer.
- **Switching Providers:** Unexpired waiting periods transfer across, and completed waiting periods are fully waived if switching from another gap cover policy with less than 90 days break in cover.
- **Newborns & Spouses:** Newborns and new spouses join without waiting periods if registered within **90 days** of birth or marriage.
- **Claims Protocols:** Written claims must be submitted within **6 months** from the end of the insured event. Valid claims are processed and settled directly into the policyholder's account.

## 6. HealthGroup View

Western Gap's 2027 renewal provides structured, cost-effective shortfall protection. Pure-risk premium adjustments have been maintained at a consistent **8.0% to 8.4%** across core adult brackets, while clinical limits on Innovative Oncology Medicines have doubled to R25 000.

The unbundling of the R21 Kaelo Lifestyle fee allows policyholders to clearly understand their risk premium while enjoying access to 24/7 counselling support and retail savings.

HealthGroup recommends **retaining your existing Western Gap policy for 2027**. Members on Gap who anticipate in-hospital co-payments should consider upgrading to **Gap Plus or Gap Select**, while those requiring comprehensive dental, cancer, or maternity benefits are best served by **Gap Select**. For members concerned about out-of-pocket cancer support, the **Oncology Supplementary Buy-Up** (at R164 per month) provides substantial peace of mind with zero waiting periods.