

GUIDE TO USING MEDICAL EXPENSES SPREADSHEET

Example 1

A caregiver is required immediately at a cost of R 15,000 per month including VAT in 01/01/2017 money terms costed over 15 months per annum for life. See item number 1 for input.

Example 2

20 sessions of physiotherapy are required following a major fracture at a cost of R 800 per session excluding VAT in 01/01/2017 money terms. See item number 2 for input.

Note

The expert has not provided the timing of the fracture, which in reality is impossible to do. However, we need to make some assumption and for the purposes of this illustration we assume that the major fracture will occur once off in 20 years' time.

Further important note

If a cost is required on a once-off basis and column J is made to read "once-off" then you must make column K and column L "once-off".

Example 3

There is a 10% chance of epilepsy treatment costing R 12,000 per annum and commencing in 5 years from present time for life. The cost of epilepsy is in 01/01/2017 money terms and excludes VAT. See item number 3 for input.

Example 4

Occupational therapy costing R 600 excluding VAT and in 01/01/2017 money terms is required at the rate of 40 sessions for the first 2 years, 30 sessions for the following 3 years and 20 sessions for the following 3 years. Thereafter occupational therapy is required at the rate of 10 sessions a year for life. See item number 4 to item number 7 for input.

Example 5

A total hip replacement is required in 10 years' time costing R 150,000 in 01/01/2017 money terms. Thereafter there is a 50% chance of a revision hip replacement 15 years after the initial hip replacement costing R 150,000 in 01/01/2017 money terms. The costs include VAT. See item number 8 to item number 9 for input.

To reiterate above

If a cost is required on a once-off basis and column J is made to read "once-off" then you must make column K and column L "once-off".

Example 6

Conservative treatment of R 50,000 including VAT is required over life in 01/01/2017 money terms.

The description can just state this and the actuary will manipulate it accordingly. In such an instance it is not necessary to complete the remainder of the row – in other words only column B requires completion. In essence such a cost requires manual entry by the actuary.

Example 7

Psychiatric treatment of R 30,000 including VAT is required 5 times over life in 01/01/2017 money terms.

The description can just state this and the actuary will manipulate it accordingly. In such an instance it is not necessary to complete the remainder of the row – in other words only column B requires completion. In essence such a cost requires manual entry by the actuary.

Example 8

Institutionalization is required at R 120,000 per annum including VAT for the last 5 years of life. The cost is in 01/01/2017 money terms.

The description can just state this and the actuary will manipulate it accordingly. In such an instance it is not necessary to complete the remainder of the row – in other words only column B requires completion. In essence such a cost requires manual entry by the actuary.