NOTICE 333 OF 2015

COUNCIL FOR MEDICAL SCHEMES

MEDICAL SCHEMES ACT, 1998 (ACT NO. 131 OF 1998)

NOTICE OF INTENTION TO PUBLISH DECLARATION OF CERTAIN ELECTORAL AND VOTING PRACTICES UNDESIRABLE BUSINESS PRACTICE IN TERMS OF SECTION 61(2) OF THE MEDICAL SCHEMES ACT, 1998 (ACT NO.131 OF 1998).

- 1. In terms of section 61(2) of the Medical Schemes Act, 131 of 1998, the Registrar of Medical Schemes hereby:
 - a. publishes his intention to make the following undesirable business practice declaration; and
 - b. Invites written representations in respect of the proposed declaration.
- The written representations addressed to: <u>The Registrar of Medical Schemes (Attention: Sibonelo</u> <u>Cele)</u>, <u>Block A, Eco Glades 2 Office Park</u>, 420 Witch-Hazel Avenue, Eco Park, <u>Centurion</u>, or email: <u>s.cele@medicalschemes.com</u> are to reach the Registrar of Medical Schemes within 21 days after the date of publication of this notice.

DRAFT DECLARATION

In terms of section 61(1) of the Medical Schemes Act, 1998 (Act No. 131 of 1998), the Registrar of Medical Schemes, with the concurrence of the Council for Medical Schemes and the Minister of Health, makes declaration contained in the Schedule to this notice, which shall be applicable to all medical schemes and its members.

SCHEDULE

It shall be undesirable business practice for-

- A member of a medical scheme who also is an officer of the same medical scheme to participate as a member in the electoral process on one hand, on the other hand serves as an officer in regard to the election processes.
- For a person that is a service provider to a medical scheme (including holding company, subsidiary, joint venture or associate of such service provider), and or officers or agents of such service provider to:

- 2.1. influence or campaign for an employee(s) of the service provider to serve as a proxy or proxies to be appointed to vote to elect trustee(s) at a general meeting of members;
- 2.2. influence or campaign for a proxy or proxies of their choice to be appointed to vote in general meetings in order to elect trustee(s) or take decisions that affect rights of members and interests of medical schemes at a general meeting of members; or
- 2.3. influence or campaign for candidate(s) of their choice to be elected as trustee(s) at a general meeting of members.
- 3. For any person who -by virtue of services provided to a medical scheme and its beneficiarieshas access to or possession of information and details of members of a medical scheme to use such information and details, and/ or alternatively provide such details and information to another person, for purposes of campaigning or influencing the outcome of election of members of a board of trustees.

Note: The above practices do not apply to ordinary campaigns and election processes of a medical scheme that are required of medical schemes –through their officers or delegates- in accordance with the rules of a medical scheme.

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DANIEL LEHUTJO THE ACTING REGISTRAR OF MEDICAL SCHEMES