

GENERAL NOTICES • ALGEMENE KENNISGEWINGS

DEPARTMENT OF HEALTH

NOTICE 943 OF 2017

NOTICE OF DECLARATION OF UNDESIRABLE BUSINESS PRACTICE IN TERMS OF SECTION 7 OF THE FINANCIAL INSTITUTIONS (PROTECTION OF FUNDS) ACT, 2001 (ACT NO. 28 OF 2001) AS READ WITH SECTION 61(1) OF THE MEDICAL SCHEMES ACT, 1998 (ACT NO. 131 OF 1998)

COUNCIL FOR MEDICAL SCHEMES MEDICAL SCHEMES ACT, 1998 FINANCIAL INSTITUTIONS (PROTECTION OF FUNDS) ACT, 2001

In terms of section 7 of the Financial Institutions (Protection of Funds) Act, 2001 as read with section 61 of the Medical Schemes Act, 1998, the Registrar of Medical Schemes after consultation with the Council for Medical Schemes, and with the concurrence of the Council for Medical Schemes and the Minister of Health, declares that it is an irregular or undesirable practice for:

- 1 An employee, director, officer, consultant, associate of a person who renders contractual, administrative or intermediary services to a medical scheme including an administrator, or managed healthcare organisation of the medical scheme concerned, or of a broker, or of the holding company, subsidiary, joint venture or associate of any of those service providers, to:
 - 1.1 Approach and or persuade any person to stand as a candidate for election to be a member of the board of trustees of the relevant medical scheme.
 - 1.2 Canvass for proxies or to obtain proxies for use in voting for any particular person who stands as a candidate for election to be a member of the board of trustees of the relevant medical scheme.
 - 1.3 Use -for the purposes of bringing about the election or the appointment of any particular person into becoming a member of the board of trustees of the medical scheme- of personal information of members in the possession of the relevant medical scheme service provider.
 - 1.4 Fund or organise the election of candidates for membership of the board of trustees of a medical scheme or to campaign for the election of any particular representative of members to the board of trustees of the relevant medical scheme.
- 2 A person who renders -contractual, administrative or intermediary- services to a medical scheme including an administrator, or managed healthcare organisation or any employee, director, officer, consultant or contractor of a person who renders such services, to:
 - 2.1 approach any person to nominate a candidate for the purposes of appointment or election, or
 - 2.2 to procure proxies for use in favour of any nominated person for the purposes of bringing about the appointment or election of such nominated person as a members' representative on the board of trustees of the medical scheme concerned.
- 3 A medical scheme or any employee, director, officer, consultant or contractor of a medical scheme, to:
 - 3.1 approach any employee of a medical scheme in order to nominate a candidate for the purpose of appointment or election, or
 - 3.2 to procure proxies for use to vote in favour of any employee of a medical scheme for the purposes of bringing about the election or appointment of an employee of the medical scheme concerned.
- 4 Any person who renders -contractual, administrative or intermediary- services to instruct or influence its employees to stand for election as a member trustee on the board of trustees of a medical scheme, or to instruct or influence his employees to vote for a particular person to be a member of the board of trustees of any medical scheme.

Note: The above practices do not apply to election practices required or permitted by the rules of the medical scheme concerned.



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