

GENERAL NOTICE

PROPOSED LEVIES ON MEDICAL SCHEMES ISSUED IN TERMS OF SECTION 3(a) OF THE COUNCIL FOR MEDICAL SCHEMES LEVIES ACT (ACT 58 OF 2000)

The Council for Medical Schemes referred to in Section 1 of the Council for Medical Schemes Levies Act, 2000 (Act No. 58 of 2000), hereby proposes the imposition of levies on medical schemes, as set out in this Notice. The proposed levies are due to be imposed for the purpose of meeting the general regulatory and administrative costs of the Council for Medical Schemes and the function performed by the Registrar of Medical Schemes. The quantum of the levy has been determined on the basis of the Council's budget, and is also based on the number of principal members of medical schemes. The full budget can be viewed on the Council website www.medicalschemes.com.

Representation on the proposed levies may be made to the Council not later than 15 April 2010. Such representation must be forwarded to the Registrar of Medical Schemes, and marked for the attention of: Mr Dan Lehutjo, Private Bag X34, Hatfield, 0028, Fax number (012) 430 7644.

By order of the Council for Medical Schemes.



Prof. William Pick

Chairperson: Council for Medical Schemes.

Date: 12 March 2010

SCHEDULE

Definitions

1. In this notice, unless the context indicates otherwise –
 - i. “Council” means the Council for Medical Schemes referred to in the Act;
 - ii. “Levy year” means the period from 01 April 2010 to 31 March 2011 and, subject to the provision of this Notice and any amendments, substitution or repeal thereof, such corresponding period in succeeding year in respect of which levies are imposed;
 - iii. “Registrar” means the Registrar of Medical Schemes, appointed in terms of Section 18 of the Medical Schemes Levies Act, 1998 (Act No. 131 of 1998);
 - iv. “The Act” means the Council for Medical Schemes Levies Act, 2000 (Act No. 58 of 2000).

Proposed Imposition

2. In respect of a medical scheme registered in terms of section 20 of the Medical Schemes Act, 1998 (Act No. 131 of 1998), the proposed levy for the 2010/11 levy year shall be set at an amount of R18.29 per member per year, which shall be paid in two equal installments, the first of which shall be paid not later than 31 May of the levy year, and the second of which shall be paid not later than 31 August of the levy year.
3. In respect of the levy year, the calculation of the levy is based on the number of members referred to in item 2 shall correspond with the latest statistics furnished to the Registrar in terms of or by virtue of the Medical Schemes Act, 1998 (Act No. 131 of 1998) or with the latest certified number of members sent to the Registrar by the medical scheme. If a transfer of members is in process and not finalized on 31 December 2009, the transferor must pay the levy in respect of the members to be transferred.

Payment/Interest on overdue of Levies

4. On amounts of overdue levies, interest will be charged at a rate applicable to a debt owing to the state, as determined by the Minister of Finance in terms of section 80(1)(b) of the Public Finance Management Act.
5. The levies (once finally imposed) and interest (if any) referred to in this Notice shall be paid by a medical scheme directly in the bank account of the Council, the details of which are:

Bank : ABSA
Account Holder : Council for Medical Schemes
Branch Name : ABSA Corporate Branch (Cnr Pretorius and Vermeulen Streets,
Pretoria)
Branch Code : 517 245
Account Number : 405 116 3394

6. A deposit advice slip issued by the aforementioned Bank in respect of a deposit contemplated in item 5, received by the Council for Medical Schemes, and bearing the name of the relevant medical scheme, shall serve as *prima facie* proof of payment of a levy.

**COUNCIL FOR MEDICAL SCHEME
CONSOLIDATED BUDGET FOR THE FINANCIAL YEAR 2010/2011**

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Accreditation Cost	10,373	12,951	4,209	4,964	73,398	6,951	40,200	-	-	-	39,685	4,101	196,832
Accreditation Cost (MCO)	-	-	-	-	-	-	2,102	-	-	12,929	2,102	1,857	18,991
Appeal Board	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	31,000	372,000
Annual report	-	-	100,000	50,000	-	510,000	-	-	-	-	-	-	660,000
Bank Charges	3,391	-	3,391	3,391	3,391	3,391	3,391	3,391	3,391	3,391	3,391	3,391	37,300
Cleaning and Gardening	34,896	34,896	34,896	34,896	34,896	34,896	34,896	34,896	34,896	34,896	34,896	34,896	418,758
Computer Expenses	26,137	8,539	8,539	8,967	8,539	8,539	8,967	8,539	8,539	8,967	8,539	8,967	121,773
Complaints Adjudication Forum	5,935	-	-	5,935	-	-	5,935	-	-	-	-	-	17,806
Consulting Fees	18,917	3,917	3,917	33,917	3,917	113,917	3,917	3,917	3,917	3,917	3,917	3,913	202,000
Consumer Education	94,536	82,528	46,936	39,836	109,728	39,836	124,620	46,936	39,836	39,836	356,037	104,836	1,125,501
Copy Costs	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	100,000
Council Committees	63,455	63,455	110,393	63,455	63,455	110,393	63,455	63,455	110,393	63,455	63,455	110,393	949,214
Council Members Fees	14,720	14,720	14,720	14,720	14,720	14,720	14,720	14,720	14,720	14,720	14,720	14,720	176,645
Courier and Postage	16,583	16,583	16,583	16,583	16,583	16,583	16,583	16,583	16,583	16,583	16,583	16,579	198,992
Donations	5,500	-	-	-	-	-	-	-	-	-	-	-	5,500
Employee Benefits	93,346	93,346	93,346	93,346	93,346	93,346	93,346	93,346	93,346	93,346	93,346	93,346	1,120,152
Employee Wellness	75,933	25,933	25,933	25,933	25,933	25,933	25,933	25,933	25,933	25,933	25,933	25,933	361,200
External Audit Fees	191,825	72,610	90,670	-	-	-	-	-	-	83,125	166,250	-	604,480
External Storage	8,917	8,917	8,917	8,917	8,917	8,917	8,917	8,917	8,917	8,917	8,917	8,917	107,000
General Expense Admin	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	10,833	129,996
HR Organisational Strategy	910,000	-	-	-	-	-	-	-	-	-	-	-	910,000
Insurance	10,139	10,139	10,139	10,139	10,139	10,139	10,139	10,139	10,139	10,139	10,139	10,139	121,668
Internal Audit Fees	23,463	-	81,308	54,377	47,600	107,046	-	160,661	94,908	-	156,109	60,323	785,793
Internet Expenses	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	26,210	25,000	25,000	301,210
Investigation Costs	125,000	-	-	125,000	-	-	125,000	-	-	125,000	-	-	500,000
Knowledge Management	54,463	1,783	1,783	9,808	1,783	1,783	1,783	49,933	96,783	13,553	32,278	1,783	267,520
Legal Fees	308,401	308,401	308,401	308,401	308,401	308,401	308,401	308,401	308,401	308,401	308,401	308,401	3,700,812
Media and Promotion	48,000	30,000	-	-	30,000	-	-	20,000	-	-	-	-	128,000
Motor Vehicle -Expenses	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
News Letters	15,000	-	51,500	-	-	1,500	-	-	51,500	-	-	51,500	171,000
Operational Planning	-	-	-	-	-	-	-	-	-	-	600,000	-	600,000
Strategic Projects	16,667	110,667	59,667	26,667	24,667	136,667	30,667	42,667	16,667	26,667	20,667	16,667	529,000
Printing	-	-	-	-	4,280	-	-	-	-	7,260	-	-	11,540
Recruitment and Relocation	160,000	10,000	10,000	260,000	10,000	10,000	160,000	10,000	10,000	160,000	10,000	10,000	820,000

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Total
Refreshments	39,728	11,420	16,420	12,220	11,420	16,420	12,220	11,420	19,420	12,220	11,420	16,420	190,750
Rent	345,651	368,626	368,626	368,626	368,626	368,626	368,626	368,626	368,626	368,626	368,626	368,626	4,400,537
Rental Copiers	26,750	26,750	26,750	26,750	26,750	26,750	26,750	26,750	26,750	26,750	26,750	26,750	321,000
Rental Other Assets	819	819	819	819	819	819	819	819	819	819	819	819	9,828
Repairs & Maintenance	333,994	29,591	106,707	31,823	22,957	26,707	31,823	29,591	26,707	58,849	22,957	58,807	780,509
Research Costs	-	-	-	-	10,000	15,000	15,000	15,000	10,000	-	-	-	65,000
Salaries	4,157,525	3,935,864	4,229,890	4,071,190	3,975,053	3,980,702	3,935,864	3,935,864	3,935,864	3,935,864	3,935,864	7,773,992	51,803,534
Security	24,264	4,264	54,264	43,747	4,264	4,264	4,264	4,264	4,264	4,264	4,264	4,264	160,655
Software License Subscription	177,840	-	-	50,000	21,400	-	-	10,700	35,845	-	-	-	295,785
Staff Training	594,812	178,460	194,407	168,976	107,990	132,818	98,700	196,282	14,300	214,200	35,800	52,118	1,988,863
Stationery	22,793	13,166	31,178	15,293	14,168	29,678	13,293	14,668	30,178	13,293	16,668	30,682	245,054
Strategic Planning Costs	-	-	-	58,000	-	-	140,000	-	-	-	-	-	198,000
Subscriptions	41,770	-	-	-	1,000	-	21,000	-	-	32,664	400	-	96,834
Telephone and Fax	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	800,000
Temp Services	26,767	26,767	26,767	30,619	26,767	30,619	26,767	26,767	31,903	26,767	26,767	26,767	334,040
Transcription Services	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	50,400
Travel	23,017	16,392	25,892	19,517	20,892	21,392	30,017	21,392	17,392	17,017	20,892	38,392	272,204
Trustee Training	80,000	25,000	75,000	25,000	134,151	84,151	79,151	80,000	25,000	25,000	70,000	25,000	727,453
Water & Electricity, Rates & levies	60,678	60,678	60,678	60,678	60,678	60,678	60,678	60,678	60,678	60,678	60,678	60,678	728,136
Website Development	-	200,000	-	-	-	-	-	-	-	-	-	-	200,000
Workmen's compensation	-	-	-	-	200,000	-	-	-	-	-	-	-	200,000
Anniversary Celebration	-	75,000	-	-	-	150,000	-	-	-	-	-	-	225,000
Team Building	-	-	-	-	-	-	-	-	100,000	-	-	-	100,000
Total expenses	8,440,538	6,030,715	6,451,177	6,331,043	6,049,161	6,660,114	6,096,478	5,873,788	5,805,147	6,007,790	6,725,803	9,522,509	79,994,264