



CIRCULAR

Reference: Broker Fees
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Date: 21 May 2014

Circular 25 of 2014: Adjustment to fees payable to Brokers with effect from 1 February 2014

The Council for Medical Schemes (CMS) hereby confirms that the Minister of Health, Dr Aaron Motsoaledi, has approved an increase to the maximum amount payable to brokers in terms of Section 65 of the Medical Schemes Act, 1998 (Act No 131 of 1998) to R71.07 plus value added tax (VAT).

Government Gazette No 37643 incorporates Government Notice No 367 dated 15 May 2014 is appended hereto for your information. The effective date of implementation in respect of contributions received by medical schemes is 1 February 2014 and beyond.

Regulation 28(2) published in terms of the Medical Schemes Act, now effectively reads as follows:

“Subject to sub-regulation (3), the maximum amount payable to a broker by a medical scheme in respect of the introduction of a member to a medical scheme by that broker and the provision of ongoing service or advice to that member, shall not exceed –

- (a) *R71.07, plus value added tax (VAT) per month, or such other monthly amount as the Minister shall determine annually in the Government Gazette, taking into consideration the rate of normal inflation; or*
- (b) *3% plus value added tax (VAT) of the contributions payable in respect of that member, whichever is the lesser."*

Yours sincerely

D. Lehutjo

A handwritten signature in black ink, appearing to be 'D. Lehutjo', written in a cursive style.

Acting Chief Executive and Registrar
Council for Medical Schemes

GOVERNMENT NOTICE

DEPARTMENT OF HEALTH

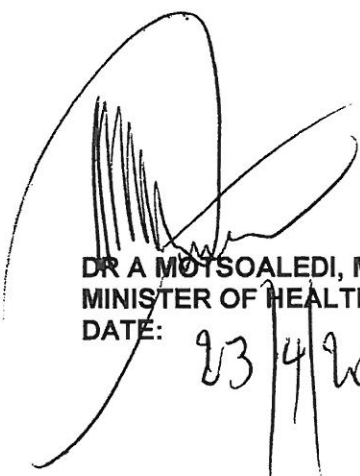
No. 367

15 May 2014

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

ADJUSTMENT TO FEES PAYABLE TO BROKERS

The Minister of Health has, in terms of section 65 of the Medical Schemes Act, 1998 (Act No. 131 of 1998), read with Regulations made in terms of the Act, as amended, determined R71,07 plus value added tax (VAT) as an amount that is payable by medical schemes to brokers with effect from 1 February 2014.



DR A MOTSOLEDI, MP
MINISTER OF HEALTH
DATE: 23/4/2014