



CIRCULAR

Reference: Broker Fees
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Circular 2 of 2017: Adjustment to fees payable to Brokers with effect from 1 January 2017

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, 131 of 1998 to **R85.00** plus value added tax (VAT).

Government Gazette No 40496 incorporating Government Notice No. 1559 dated 15 December 2016 is appended hereto for your information. The effective date of implementation in respect of contributions received by medical schemes is **1 January 2017** 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) R85.00, 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.”



Dr H Zokufa
Chief Executive and Registrar
Council for Medical Schemes

GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS


DEPARTMENT OF HEALTH

NO. 1559

15 DECEMBER 2016

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) ("the Act"), read with Regulation 28(2)(a) of the Regulations in terms of the Medical Schemes Act, as amended, determined R85,00 plus Value Added Tax (VAT) as an amount that is payable by medical schemes to brokers with effect from 1 January 2017.



DR. A. MOTSOLEDI, MP
MINISTER OF HEALTH
DATE: 17/11/2016