



CIRCULAR
FOR RELEASE ON
2011/01/26

Reference : Quarter 3 Reports
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Date : 2011/01/26

**CIRCULAR 5 OF 2011: REGISTRAR PUBLISHES QUARTERLY REPORT FOR THE PERIOD
ENDED 30 SEPTEMBER 2010**

The Office of Registrar of Medical schemes has published consolidated unaudited results for the third quarter of 2010. There are a few notable trends, the most significant of which is the solvency margin. As at 30 September 2010, the overall industry average solvency level was 29.7%, down from 32.9% as at the end of 2010.

It should be noted that the apparent decline in solvency is due to a myriad of factors, such as the fact that the gross contributions factor is annualized (based on a wide range of methodologies); the variation in benefit design as well as seasonality of claims patterns. The number of beneficiaries also increased by more than 200,000 thus having an impact on solvency overall.

However, it is important to note that the industry remains solvent and continues to grow.

The full report is available on the website <http://www.medicalschemes.com/Publications.aspx?i=10&id=6&pageid=1>



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