



PRESS RELEASE

MINISTER OF HEALTH SUPPORTS REGULATORS INVESTIGATIONS INTO ALLEGED RACIAL PROFILING OF HEALTHCARE PROVIDERS AND THE SIU INVESTIGATIONS INTO THE ALLEGED IRREGULARITIES BY CMS TOP MANAGEMENT

PRETORIA, SEPT 20, 2019 - The Minister of Health, Dr Zweli Mkhize, has expressed his support to the Council for Medical Schemes (CMS) for demonstrating leadership, and ensuring adherence to good governance by instituting a Section 59 Investigation into allegations of racial profiling by healthcare providers in the medical scheme sector. The Minister further conveyed his support for the SIU investigation into the allegation of irregularities and maladministration by some members of the CMS top management.

Following a briefing on the latest developments at CMS offices by the Chairperson, Dr Clarence Mini and Registrar and Chief Executive, Dr Siphon Kabane, the Minister said the cautionary suspension of the five officials over the allegations of irregularities and maladministration following anonymous tip-offs on its hotline and the Section 59 investigation into alleged racial profiling of medical healthcare providers, by the medical schemes, will help the regulator to properly ventilate all the issues raised.

"I am happy with the CMS initiatives. They demonstrate strong leadership and good governance in regulating the Medical Schemes for the benefit of their members and the industry as a whole. Good leadership means you tackle challenges head on", said Minister Mkhize.

The Minister expressed confidence that the section 59 investigation chaired by Advocate Thembeke Ngcukaitobi and its findings as well as its recommendations will assist CMS in dealing with issues of fraud, waste and abuse in the private medical sector, said Dr Kabane.

The Section 59 Investigations was initiated by complaints made by members of the National Health Care Professionals Association who said they had been unfairly treated and that their claims were being withheld by medical schemes based on the colour of their skin and ethnicity.

On the issue of the whistleblower the Minister reiterated his full support for the Investigation led by the SIU into the allegations of maladministration, corruption and fraud levelled against members of CMS's top management. "I believe that the regulator needs ethical and good governance", said the Minister.

Dr Kabane, informed the Minister that the employees, two executives and three senior managers, had all been placed on precautionary suspension with full pay.

In his response, Minister indicated that he will await the Section 59 report by Advocate Thembeke Ngcukaitobi as well as the SIU report under the leadership of Advocate Andy Mothibi.

The allegations, some of which predate the appointment of Dr Siphon Kabane, were also sent to local newspapers; the Ministry and Department of Health.

The CMS regulates 75 Medical schemes, covering 8 million lives and contributes to 4.8 percent to the GDP of the country.

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