



PRESS RELEASE

Reference : Sizwe Medical Fund under provisional curatorship
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Date : 5 September 2012

Press release 15 of 2012: Sizwe Medical Fund under provisional curatorship

The North Gauteng High Court in Pretoria placed Sizwe Medical Fund under provisional curatorship yesterday, following the successful application of the Council for Medical Schemes to address governance concerns at the scheme.

Council is the regulator of the medical schemes industry, responsible for enforcing compliance with the Medical Schemes Act 131 of 1998 to ensure that the interests of beneficiaries are prioritised at all times.

The provisional curator, Dr Marshall Ngubekhaya Gobinca, replaces the current Board of Trustees and must ensure that a new Board takes over the reigns at Sizwe in due course, one that is fit and proper to run the affairs of the scheme.

Assurance to beneficiaries

Beneficiaries of Sizwe should rest assured that the claims-paying ability of their scheme is not affected by the provisional curatorship.

“The provisional curatorship has nothing to do with the financial soundness of the scheme,” said Dr Monwabisi Gantsho, Registrar of Medical Schemes and Chief Executive of the Council. “There are no concerns whatsoever over the financial position of the scheme.”

Sizwe remains one of the largest and healthiest schemes in the market. At the end of 2011, the scheme had over 150 000 beneficiaries and a solvency of 27.0% – which is above the 25.0% required by the Medical Schemes Act. Sizwe remains financially sound and sustainable in the long run.

Advice to brokers

Brokers are advised to act with restraint. Any advice they give must accord with the principles of best advice, have the best interests of their clients at heart, and be based on a proper assessment of the situation.

As financial advisors, brokers are also reminded of the Financial Services Board (FSB) legislation which clearly stipulates that consumers are entitled to best – independent – advice at all times.

The court order

The court order can be obtained from the North Gauteng High Court in Pretoria. The case number is 50546/12.

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