

Reference:SAMWUMEDContact person:Silindubuhle MnqetaTel:060 995 8002E-mail:s.mnqeta@medicalschemes.comDate:14 March 2019

Press Release 4 of 2019: CMS affirms governance processes have been restored at SAMWUMED

PRETORIA, March 12, 2019 - The Council for Medical Schemes (CMS) said on Tuesday it was pleased that the new Curator has restored stability at the South African Municipal Workers' Union Medical Aid Scheme (SAMWUMED), four months after final curatorship was granted by court.

"We are encouraged that the new Curator has introduced systems and good governance processes to stabilise SAMWUMED; and is focusing on ensuring that members' interests are protected," said Dr Sipho Kabane, Chief Executive and Registrar for the CMS.

To ensure the scheme's long-term sustainability, the CMS appointed Joe Seoloane as Curator in October 2018 after removing the previous Curator, Duduza Khosana because of allegations of misconduct. Seoloane has a wealth of experience in the management of medical schemes, including their turnaround through curatorship. He has been in the medical schemes industry for over 25 years.

"We are happy that member claims are being diligently processed on a bi-weekly basis and all operational areas are running at full capacity," said Seoloane. "We have introduced governance structures and systems that assist the scheme to deliver on its mandate. This means addressing the immediate gaps in our systems, as well as other internal and external challenges, including establishing provider networks, enhancing the accountability mechanisms with our respective service providers, to mention some of the initiatives that we are working on. All these interventions are for the benefit of our members, including engagements with the respective employer groups" added Seoloane. As part of its regulatory supervision of the medical schemes industry, the CMS will continue to exercise statutory oversight regarding the affairs of medical schemes, and to ensure that the interests of members of medical schemes are protected at all times. This week the CMS visited SAMWUMED to engage, consult and to proactively address issues of mutual concern, as part of the regulator's medical schemes roadshow.

Media enquiries Ms Grace Khoza General Manager: Stakeholder Relations (012) 431 0430 g.khoza@medicalschemes.com

Customer Care Centre 0861 123 267 information@medicalschemes.com