



PRESS RELEASE

Reference: Hosmed Medical Scheme placed under provisional curatorship
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Press release 6 of 2014: Hosmed Medical Scheme placed under provisional curatorship

The North Gauteng High Court in Pretoria placed Hosmed Medical Scheme under provisional curatorship on Tuesday, 29 April 2014, following a successful application by the Council for Medical Schemes (CMS) to address governance concerns at the scheme.

The CMS 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 court further appointed Mr Siyabonga Jikwana as provisional curator, replacing the current Board of Trustees. Mr Jikwana is tasked to ensure that a new Board takes over the reins at Hosmed in due course, one that is fit and proper to run the affairs of the scheme.

Assurance to beneficiaries

Beneficiaries of Hosmed are assured that the claims-paying ability of their scheme is not affected by the provisional curator.

Advice to brokers

Furthermore, 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 – which means 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 30335/14.

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For more information

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