



COUNCIL FOR MEDICAL SCHEMES REGULATORY PLAN AND BUDGET **2005/6**



COUNCIL FOR MEDICAL SCHEMES



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STRATEGIC OBJECTIVES

Secure an appropriate level of protection for beneficiaries of medical schemes and the public by authorising the conduct of medical schemes business and monitoring the financial performance and soundness of schemes.

Provide support and guidance to trustees and promote understanding of the medical schemes environment by trustees, beneficiaries and the public.

Foster compliance with the Act by medical schemes, administrators and brokers and initiate enforcement action where required.

Investigate and resolve complaints raised by beneficiaries and the public.

Monitor the impact of the Act, research developments, and recommend policy options to improve the regulatory environment.

Foster the continued development of the CMS as an employer of choice.

Develop strategic alliances nationally, regionally and internationally.

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COUNCIL FOR MEDICAL SCHEMES REGULATORY PLAN AND BUDGET 2005/6 FINANCIAL YEAR



PART I

CHIEF EXECUTIVE OFFICER'S OVERVIEW

INTRODUCTION

This Regulatory Plan explains the priorities of the Council for Medical Schemes' for 2005/2006. It is also the basis that we and others will judge our progress. The plan also provides an indication of the resources we will need in order to discharge our responsibilities. It is guided by two key themes: a consideration of the key strategic risks for the next few years outlined by Council, and a continuation of the approach and work set out in our last Regulatory Plan.

The background to this plan remains unchanged. We remain committed to:

- Securing an appropriate level of protection for beneficiaries of medical schemes by ensuring that the medical schemes market operates fairly, effectively and in a clean and sustainable manner;
- Pursuing a risk-based regulatory approach, which accepts that a zero-failure environment is not possible in every instance; and
- Regulating in a manner that is proportionate and that recognises the responsibilities of trustees to govern the operations of medical schemes.

There are a number of key policy concerns and challenges that lie ahead in further securing an appropriate level of protection for beneficiaries of medical schemes, and ensuring that our own operations are seamless.

There is an urgent need to move the business of schemes to greater simplicity. In this regard, we will commence work on possible restructuring of benefits within medical schemes, including the development of a basic



“Our work with consumers has highlighted the need for Council to work through the realities of the law from the perspective of a consumer”

benefit package and a few standardised supplementary benefit packages. We hope that such benefit restructuring will encourage medical schemes to compete more effectively on price, efficiency and choice of designated service providers. In the process, various elements of benefit structures need to be standardised, including the structure of medical savings accounts, how they relate to deductibles, and their thresholds.

We will continue to simplify the process of rules registration and encourage their timeous submission. The experience of requiring medical schemes in 2004 to submit benefit and contribution changes by the end of October will be assessed, and, and if it is found to have resulted in efficiency gains, we will consider entrenching it in the law. We will begin more earnest work on the implementation of online rule approvals and website access to the rules of all medical schemes in order to expedite the rule approval process.

We are now reaching the final stages of the required legislative accreditation of intermediaries such as administrators, managed health care organizations and brokers. Our focus will now shift to ensuring compliance with requirements and ensuring that these intermediaries operate in an efficient and ethical manner.

We will continue to pay considerable attention to improving the financial soundness of medical schemes. At the same time, one of the key regulatory issues will be to ensure proper management and investment of the high reserves which may accumulate within medical schemes.

We will continue our work on containing levels of contribution increases. High contribution levels have a negative impact on the ability of members of the public to join medical schemes and differentially affect lower income and more

sickly members. We will continue our far more robust review of high contribution increases, and will require substantial motivation for increases above projections of CPIX. In this context, the need for more stringent regulation of hospital costs has also become apparent. We will institute a formal process of investigating increases faced by medical schemes in respect of hospital expenditure. We have set up a working party which has been tasked with drafting a report to Council, for submission to the Minister of Health.

There are still many core shortcomings in governance of medical schemes. Our work will continue to focus on this issue. We will consult on our findings with regard to our Governance Theme Project and decide whether or not the existing legislative model of medical scheme governance (which is predicated on promoting member participation and ensuring independence of trustees from parties with commercial interest), is itself a contributory factor toward governance failures, or whether these failures would occur in any event even if the model was different.

Our work with consumers has highlighted the need for Council to work through the realities of the law from the perspective of a consumer (rather than a scheme or a doctor, for instance). We will review the Act and some of our approaches from the perspective of a consumer. An important issue in this regard is to finalise our consultative work on the nature of marketing materials offered to consumers, so that we can reduce the particularly large gap between the regulated scheme rules and the often limited and sometimes misleading marketing or consumer information.

We will begin the testing of the Risk Equalisation Fund (REF) this year, as part of the move toward implementation of Social Health Insurance (SHI). We will work to gain greater understanding of the implications of REF for the structure of the industry and its regulation. We will also assess the regulatory capacity needed to cope with the implementation of the REF. In this context, we will also consult widely with industry and consumers in order to identify and remove any constraints to the development of a lower cost health insurance market.

There is a need to further sharpen and refine our regulatory tools and approaches in order to better protect beneficiaries. We will build on the work

done last year and finalise a review of our enforcement procedures and adopt appropriate improvements to our legislative and operational frameworks. We will seek to establish greater predictability of enforcement actions in order to improve their effectiveness, and to reduce the time lag between an infraction having taken place and any subsequent enforcement action. We will also change our focus away from counting enforcement actions for their own sake to increasing levels of compliance. This will require that we finalise our work on the best ways in which we can deploy a strategy that build on an array of compliance tools such as education, outreach, partnership, consensus and facilitation.

The future of the National Health Reference Price List (NHRPL) is subject to a further political process, given section 90(1)(u) of the National Health Act 2004 which enables the Minister to make regulations regarding processes for the determination and publication of health reference price lists. To the extent that the NHRPL remains our function, we will continue to improve the information base required for the setting of reference prices reflecting actual costs of services rendered.

THEME PROJECTS FOR 2005/06

We will continue to marry our risk-based regulatory approach to theme-based work. We will engage in two theme projects during this year. The first one will focus on the development of “fit and proper” standards for trustees and principal officers. We will investigate the development of this issue in other jurisdictions, and review case law and other authorities in this regard. We will then publish a consultation paper for discussion with stakeholders. We hope to agree these “fit and proper” standards towards the end of the year.

The second theme project will continue our work on improving fair treatment of beneficiaries of medical schemes. We will focus in particular on dispute resolution processes and procedures, and propose mechanisms for the streamlining of these processes.

“We will work with trustees and principal officers to assist them in setting visions for their medical schemes for the fair treatment of beneficiaries, and building this vision into the operations and culture of their medical schemes”

FAIR TREATMENT OF BENEFICIARIES

We published our policy paper on “Fair Treatment of Beneficiaries” during February 2004. We had two aims when we published this position paper: We sought to understand the causes of potential unfairness to beneficiaries of medical schemes and ways to mitigate them. In this context our position paper of February 2004 was also intended as a guide for schemes to use in adopting strategies for fair treatment of beneficiaries. We were also intent on providing a blueprint for action by Council to promote the fair treatment of beneficiaries.

We have begun implementing a number of recommendations made in the policy paper. We continue to believe nonetheless, that treating consumers fairly is ultimately the responsibility of Boards of Trustees and senior management of medical schemes. In addition to the work on fair treatment of beneficiaries that we have prioritised, we will work with trustees and principal officers to assist them in setting visions for their medical schemes for the fair treatment of beneficiaries, and building this vision into the operations and culture of their medical schemes.



OUR PEOPLE AND OTHER BUSINESS CAPABILITIES

We move into a challenging period, particularly in relation to retention of key staff, some of whom have been with us since the inception of Council five years ago. We will reflect further on sharpening our staff retention and succession planning strategies. We will do much of this work within the context of our work on aligning our business processes with a people strategy.

Ultimately, we believe that our long term success hinges on doing well on for broad thematic concerns:

- effective governance of medical schemes and our ability to take appropriate enforcement actions, two concerns which have been repeatedly emphasised in this overview.
- reducing costs of medical schemes membership and removing constraints for the development of low cost health insurance, because this will ultimately determine the comprehensiveness of coverage of medical scheme beneficiaries.
- fair treatment of members, an issue that still needs to be better embedded in the operations of medical schemes; and
- placing our people at the centre of our organisational purpose, by ensuring that we continue to work on aligning our business plans with a strategy for people and their development.

OUR BUDGET

We propose expenditure of R36 115 206 during 2005/06. This is 5 higher than our last year's budget. The effect on levies charged will be a 6% increase from R9,22 to R9,80 per member per year or just over 81 cents per member per month.

This budget provides an indication of what we require to maintain our core functions – it does not include funding for the testing of the risk equalisation schemes. These latter costs will continue to be borne through a grant from the Department of Health.

CONCLUSION

The responsibilities of the Council are broad and complex. We hope that the overall balance of activities that we have proposed in this regulatory plan will be seen as a reasonable judgment in effecting our medium term strategic direction but also building on the work of the last year. In particular, we hope that this work will allow us to deliver on our statutory remit of securing the protection of members and promoting the stability of medical schemes.

T Patrick Masobe
March 2005.



PART 2 REGULATORY PLAN



REGISTRATION AND ACCREDITATION

Provide support and guidance to trustees, and promote understanding of the medical schemes environment by trustees, beneficiaries and the public

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Promote sound corporate governance of medical schemes	Participate in BoT Training Workshops as requested by Training Division	BoT Training Workshops	Improved governance of schemes by BoT's
Ensure fair treatment of beneficiaries by determining minimum standards of information provided to the public	Finalise guidelines for compliance of marketing material and application forms used by medical schemes	Industry agreement on minimum set of information to be given to members, by June 2005 Publish final version by October 2005 Information provided to members by Policy proposal by August 2005	schemes is simple, understandable and promotes fairness Greater protection of beneficiaries with regard to contribution and benefit changes
Secure an appropriate level of protection for beneficiaries of medical schemes and the public by authorizing the conduct of medical schemes business			
Ensure compliance by all schemes in their rules with the Act, amended regulations and revised model rules	Evaluate and process rule amendments	40% within 30 days of receipt 80% within two months of receipt 100% within 3 months of receipt due to need for further interaction	Rules are consistent with Act, Regulations and policy framework
	Interpret and guide stakeholders re contents of model rules	Communication to stakeholders, as required	Certainty in application of law is achieved
	Communicate reasons for not registering unacceptable rules and provide justifiable reasons	Upon registration of rules Within 7 days of analysis if rules are unacceptable for registration	Certainty in application of law is achieved



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Implement the Risk Based Operating Framework at CMS	Manage amalgamation and liquidation procedures in compliance with the expositions approved and prevailing legislation	Report to Registrar for confirmation within tow weeks of application to appoint liquidator and submission of Liquidation and Distribution accounts	Ensure compliance with relevant provisions upon amalgamation between and dissolution of schemes
	Ensure submission by schemes of Appendix 1 and Annexure A on contributions and benefit changes, by 31 October of each year	Appendix 1 and Annexure A to be analysed and approved/registered by 31 December of each year	Contribution and benefit changes are evaluated and approved prior to implementation by schemes
	Engage in approval of contributions and benefits together with R&M and FSU to determine criteria and make recommendations as it relates to annual contribution increases	Contribution increases approved and registered by 31 December	Timeous registration of scheme contribution and benefit changes prior to the effective date of implementation
Monitor changes with schemes in line with the risk they pose	Assist FSU in developing a Risk Assessment Framework (RAF) for the last 16 schemes judged high impact and discuss with Bot's	RAF for the last 16 high impact schemes developed 8 schemes finalised by September 2005 16 schemes finalised by end March 2006	Schemes are supervised in line with the risk they pose
	Develop a Risk Mitigation Plan (RMP) including regulatory tools, for the last 16 high impact schemes and discuss with Bot's	RMP for high impact schemes developed 8 schemes by September 2005 16 schemes by end March 2006	Schemes are supervised in line with the risk they pose
	Monitor changes in RAF and implementation of RMP	Quarterly reports on extent to which risks identified in RAF are being mitigated	Identified risk in high impact schemes is mitigated
Establish electronic scheme rules database as part of electronic document management system	Finalise technical specification document in conjunction with IT	Finalise pilot study of 10 scheme rules by August 2005	Online submission of scheme rules
	Commence pilot study with identified analyst and schemes	Capturing of 50% scheme rules by March 2006	Shared information available electronically for management purposes

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Assist Compliance with reviewing sustainability of benefit options and taking appropriate action	<p>Conduct an assessment of benefit options based on Annual Financial Statements and Q4 (previous year) results and Q1 current year results in order to determine trends so as to evaluate:</p> <ul style="list-style-type: none"> • Adequacy of membership • Financial performance • Proposed measures to communicate and manage identified schemes' failure to comply 	Analysis completed by July 2005	<p>Compliance with legal requirements</p> <p>Avoid unnecessary proliferation of benefit options within schemes</p>

Foster compliance with the Act by managed care organisations

Effect accreditation of managed care organisations	<p>Ensure submission of applications as determined</p> <p>Review application form</p> <p>Steering Committee to evaluate applications and prepares recommendations for submission to Registrar</p> <p>Participate in meetings of Council Subcommittee to review applications as required</p> <p>Evaluate responses to conditions imposed and make recommendations re continued accreditation status if required</p> <p>Make recommendations to Council with respect to suspension/withdrawal of accreditation</p> <p>Commence with review of applications in terms of Phase 2 of the project</p>	<p>By May 2005</p> <p>Within 2 months of receipt of all relevant information</p> <p>Quarterly meetings of Council Subcommittee</p> <p>Quarterly reports on extent of compliance with conditions imposed at time of accreditation</p> <p>Report on possible suspension/withdrawal of accreditation</p> <p>Publication of suspension/withdrawal on Council website and as determined</p> <p>Commence Phase 2 by January 2006</p>	<p>Accreditation in compliance with MSA</p> <p>Ensure submission of relevant information</p> <p>Create safe environment for schemes to contract for specified services</p> <p>Accreditation in compliance with MSA</p> <p>Ensure compliance with Act and accreditation requirements</p> <p>Ensure full compliance with all aspects of accreditation criteria</p>
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Foster compliance with the Act by broker and broker organisations

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Ensure accreditation of brokers in terms of the Act	Review and process applications for accreditation of brokers Maintain database for broker accreditation Renewal notification Advisory services	60% of applicants for accreditation or renewal within 30 days of receipt; 100% within 60 days of receipt due to further interaction. Notification sent to brokers/organisations at least 60 days before expiry of accreditation Handle electronic, written, telephonic and persons visiting making enquiries	All brokers are accredited in terms of the Act Complete records are maintained Ensure timeous accreditation Brokers are familiar with legislative environment
	Render assistance to Compliance on request with respect to suspension/withdrawal of accreditation	Report, jointly with Compliance, on possible suspensions/withdrawals of accreditation. Publication of suspension/withdrawal of broker accreditation on Council website, and as determined	Ensure compliance with FAIS requirements and in terms of the Act.
	Liaison with FSB to ensure consistency with FAIS	Meetings with FSB and Ombudsman	Ensure consistency between FAIS and MSA on broker regulation
Foster compliance with the Act by administrators			
Accreditation of administrators	Manage performance by contractor in finalising the accreditation process in relation to 5 applicants Evaluation of reports by Steering Committee and preparing recommendations for Registrar & Council	3 administrators finalised by October 2005 5 finalised by March 2006 Analysis and report prepared by Steering Committee within 6 weeks after having received all relevant comments and information from administrator in relation to evaluation report	Administrators function in terms of regulatory standards Administrators are accredited in terms of the Act and requirements.
	Review results and identify areas for improving accreditation criteria	Report by Steering Committee on possible improvements, by March 2006.	Document to reflect current developments as monitoring tool



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Ensure compliance by administrators with the requirements for accreditation	Participate in meetings of Council Sub-committee to review applications as required	Quarterly sub-committee meetings	Administrators are financially sound Administrators function in terms of regulatory standards
	Ensure submission of management representation letters and annual audit reports on systems of internal financial control and annual financial statements of administrators	Submission of Regulation 25 annual reports within 4 months after administrators financial year end.	
	Evaluate responses to conditions imposed and make recommendations re continued accreditation status if required	Quarterly reports on extent of compliance with conditions imposed at time of accreditation Steering Committee to complete evaluation and recommendations within 2 months of receipt of relevant documents	Administrators comply fully with conditions imposed
	Make recommendations to Council with respect to suspension/withdrawal of accreditation	Report on possible suspension/withdrawal of accreditation Publication of suspension/withdrawal on Council website and as determined	Ensure compliance with Act and accreditation requirements



FINANCIAL SUPERVISION

Secure an appropriate level of protection for beneficiaries of medical schemes and the public by monitoring the financial performance and soundness of medical schemes

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Help improve standard of medical schemes' reporting.	Training of administrators on the preparation of financial statements and returns.	Administrator workshops in CT, Durban and Jhb during April.	Improved quality of standardized reports by medical schemes.
Fair treatment of beneficiaries	Work with ASSA to finalise the professional guidance note (PGN) on setting of contributions.	PGN by August (but greatly depends on ASSA's processes).	Ensure that contribution setting reports contain adequate information for the purposes of the price valuation and to maintain the professionalism of ASSA and its members.

Promote financial stability, soundness and sustainability of medical schemes

Improve statutory returns as tools for reporting.	Identify and document changes to statutory returns to incorporate changes in accounting standards, legislation and to be more user friendly.	<div>Refined statutory returns:</div> <ul style="list-style-type: none">• Annual return IT specifications by October 2005.• Quarterly returns IT specifications by November 2005.	Improve availability of data for sound decision making (both regulatory and scheme management).
	Development of quarterly returns.	Quarterly returns changes finalised by Feb/April 2005 and Feb/April 2006.	Trustees are able to review financial performance of their schemes on an ongoing basis.
	Development of the 2005 annual return.	Annual return changes finalised by Dec 2005/Feb 2006.	
	Disseminate the 2004 on-line annual statutory return.	Annual return available to industry for completion, by March 2005/2006.	
	Disseminate 2005 on-line quarterly statutory returns.	Quarterly return available to industry for completion, by May 2005.	
	Analysis of quarterly returns.	Report published 8 weeks after official submission date of return.	
	Analysis of annual returns.	Financial analyses contained in the Annual report, by end June 2005.	



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Standardised regulatory actions with respect to inadequate reserve levels.	<p>Review of literature.</p> <p>Development of criteria, and subsequent internal workshop with the Office by August 2005.</p> <p>Consultation with stakeholders by September 2005.</p>	Report on principles and approach by July 2005.	More transparent regulatory approach; improved sound decision making and levels of compliance.
Improve Audit and Accounting guide issued by SAICA.	<p>Finalisation of criteria and publication by March 2006.</p> <p>Liaise with SAICA and assess amendments to the Act, Regulations and Accounting and Audit standards to ascertain the impact on the content of Audit and Accounting Guide for Medical Schemes.</p>	<p>Triage of regulatory actions (March 2006).</p> <p>Revised Audit and Accounting Guide (September but greatly depends on SAICA's processes).</p>	Enhanced financial reporting based on updated legislation and accounting standards reflected in the guide.
Monitor the financial soundness of medical schemes.	<p>Identifying of schemes that do not comply with Regulation 29, using the returns and supporting documents.</p> <p>Examine and evaluate methodically and in detail the structure and elements of the Regulation 29(4) business plan in order to assess the true financial position and performance of the medical schemes.</p> <p>Monitoring meetings with the BoT to ensure compliance with the action plan.</p>	<p>Reports of schemes that are non-compliant with Regulation 29; 8 weeks after official submission date of return.</p> <p>Report for implementation of an action plan in respect of continuous adherence to the Act.</p> <p>Compliance with agreed action plan.</p>	Improved financial position and performance of the medical schemes and compliance with the Act.



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Ensure compliance with the financial aspects of the Act.	Analysis of the following applications received from schemes:		Improved levels of compliance.
	Auditor approval;	Reports in respect of Auditor approvals by end September.	
	Reinsurance contracts;	Reinsurance contracts: <ul style="list-style-type: none">• Reply to the scheme within 30 days of receipt of application;• Report within 4 weeks after all information has been received.	
	<ul style="list-style-type: none">• Exemptions from the provisions of the Act;• New schemes;• Amalgamations.	<ul style="list-style-type: none">• Exemptions from the provisions of the Act;• New schemes;• Amalgamations.	
	Identifying of schemes that do not comply with the Act and Regulations into financial aspects using the returns and supporting documents.	Quarterly reports to the compliance unit of the schemes that are non-compliant with the Act and Regulations; 8 weeks after official submission date of return.	
	Update of the internal investments manual as new products and data becomes available (i.e. a guide to assist the analysts in understanding the nature of products when evaluating compliance with the Act).	Updated internal investments manual, by every 6 months.	
	Update the investment information bank on a bi-annual basis for purposes of inter alia exemption applications.	Updated investment information bank during September 2005 and March 2006.	



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Ensure that financial guidelines used by CMS are up to date.	<p>Review of the auditor approval process.</p> <p>Gathering of any new information and recording of changes to be made to the following standard documentation:</p> <ul style="list-style-type: none"> • Business plans; • Management accounts; and • Reinsurance guidelines. <p>Internal meeting to discuss the changes to be made to the documentation.</p>	<p>Revised auditor approval documentation by end April 2005.</p> <p>A list of all the possible changes by December 2005.</p> <p>Revised documentation by end March 2006.</p>	Improved and updated standard documentation to be used by medical schemes.
Assist in ensuring that medical schemes' benefit options are financially sound.	<p>Assessment of the financial impact of new benefit options and material restructuring of existing options to ensure that options are financially sound and self-supporting.</p> <p>Compile and provide quarterly reports on the financial soundness of every option in schemes to R&A and Compliance, for implementation of an action plan in respect of continuous adherence to the Act.</p>	<p>Report in respect of new benefit options and material restructuring to existing options within 4 weeks after all information has been received.</p> <p>Reports on medical schemes that fail to comply with section 33; 8 weeks after official submission of return.</p>	Improve financial soundness of the benefit options in a medical scheme.
Implement the Risk Based Operating Framework at CMS.	<p>Develop Risk Assessment Frameworks (RAFs) for the last 16 schemes judged high impact and discuss with BoTs.</p> <p>Develop a Risk Mitigation Plans (RMPs) including regulatory tools, for the last 16 high impact schemes and discuss with BoTs.</p>	<p>RAFs for the last 16 high impact schemes. First 8 schemes by September 2005; last 8 schemes by March 2006.</p> <p>RMPs for high impact schemes. First 8 schemes by September 2005; last 8 schemes by March 2006.</p>	Schemes are supervised in line with the risk they pose.



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Monitor changes with schemes in line with the risk they pose.	Monitor changes in R&F and implementation of RMP.	Quarterly reports on extent to which risks identified in R&F are being mitigated (April/July/October/January).	Reduced risk of CMS not meeting its strategic objectives.
Registration of rules in respect of contributions and benefits.	Participation in the development of an electronic submission of contribution increases and benefit changes by April 2005.	Re-designed format.	Contribution and benefit changes are assessed for their financial impact.
	Engage in the assessment of all contribution and benefit changes from schemes together with R&A and R&M.	Final decisions on the 2006 contribution and benefit changes by end December 2005.	

Provide support and guidance to trustees, and promote understanding of the medical schemes environment by trustees, beneficiaries and the public

Promote good governance in the medical schemes industry.	Assist with the maintenance of the financial modules for the Board of Trustees manual.	Enhanced financial modules for the Bot manual on request by the training unit.	Improved financial understanding of schemes by Bot's.
Contribute to Bot training on financial issues.	Prepare and present modules on financial management of schemes to Bot's at training workshops.	Financial modules presented as per training targets (April 2005/February & March 2006). Ad hoc financial modules presented on request of the Training unit.	Increased capacity by Bot's for financial management of schemes.
	Take part in Registrar's annual road shows with Bot's.	Presentations at road shows, during September 2005.	Greater industry appreciation of findings of annual report.



Foster compliance with the Act by medical schemes, administrators, managed care organizations and brokers

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Accreditation of managed care organizations.	Participation in managed care accreditation review processes.	Advice provided on request of R & A.	Accreditation in compliance with Medical Schemes Act.
Accreditation of administrators.	Participation in administrator accreditation review processes, including evaluation of reports.	Assistance provided on request of R & A.	Administrators function in terms of regulatory standards.
Help improve the integrity of controls and systems of the administrators.	Provide assistance to R & A in the evaluation of the reports to be submitted by the administrators in terms of Regulation 17 and 25.	Recommendation on evaluation of Annexure C1 report in terms of Regulation 17 (2)(d) (Accreditation of Administrators). Recommendation on evaluation of Annexure C2 (Annual Financial reports) and Annexure D (Management representation letter) in terms of Regulation 25.	Improved systems of internal controls amongst accredited administrators.
Help ensure the financial soundness of the administrator.	Provide input on the financial soundness of the administrator (Regulation 22).	Recommendation on the financial soundness of the administrator (Regulation 22).	Financial Soundness of administrators.
Instituting routine inspections of selected schemes based on compliance strategy.	Assist in conducting inspections per request received.	Assist in preparation of the inspection report. <ul style="list-style-type: none"> Routine inspections (2 days per month) Ad hoc inspections (upon request) 	Scheme management is improved.

Monitor the impact of the Act, research developments and recommend policy options to improve the regulatory environment

Improving cost containment and efficiency within medical schemes.	Informational support in terms of analysis of specific statutory return data as requested.	Report on data within 2 weeks (depending on the nature and extent of information) of request by R & M.	Greater understanding of hospitals as cost drivers as a basis for policy review.
	Financial analysis of additional financial information received directly from third parties.	Report on data within 2 weeks (depending on the nature and extent of the additional information) of request by R & M.	



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Legislation.	Participation in changes to the Act by May/June 2005.	Recommendations for improvement to the legislative framework and amendments necessary to accommodate REF.	Improved enabling regulatory framework consistent with policy developments.
Assist in the standardisation of benefit design.	Participation in workshop.	Standardised treatment of benefits and options.	Greater simplicity of benefit design to enhance consumer understanding and to facilitate speedy approval of rules.
	Assist with testing against approved benefit structures by end July 2005.	Revised format and process for submission of rules.	
	Assist with template by end August 2005.	Basic requirements for formats of presentation of benefit structures to members.	
Foster the continued development of the CMS as an employer of choice			
Knowledge Management.	Participate as part of the Community of Practitioners representing each unit to develop strategies for knowledge management.	Attend consultative workshops and provide advice on request from R & M by May 2005.	A knowledge driven and learning organisation.



Risk Equalisation Fund – Support by FSU

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Development of shadow REF statutory returns as tools for reporting	Development of return		
	Participate in the development of the IT specifications for the quarterly REF return.	IT specifications document by March/April.	Testing of the REF shadow system is successful.
	Testing of the different parts of such return during May.	REF Return: Live 31 May 2005.	
	Participate in the development of the help file.	REF Help file by 31 May 2005.	
	Communication to BoT/ administrators		
	Assist schemes to complete the REF return.	Accurate and timely submission of REF returns.	Schemes provide required REF data in a timely manner.
	Reconciliation of REF returns with quarterly returns		
	Cross referencing of REF return with quarterly return reports.	Reconciliation of the quarterly REF and detailed return reports.	Data consistency between REF and statutory returns.
	Reporting of any variances.	- Variance report.	
	Report		
	Participation in the IT development of required report(s) including exception reports.	REF Reports to Council and back to medical schemes.	Greater testing of shadow REF system.
	Testing of such report(s).		
	Analysing accounting impact on solvency & liquidity of the schemes		
	FSU workshop iro impact on schemes' solvency.	Workshop by end July 2005.	Greater understanding of impact of REF on schemes' solvency.
	Analysis of impact.	Report iro impact on the solvency of schemes by end September 2005.	



RESEARCH & MONITORING

Secure an appropriate level of protection for beneficiaries of medical schemes and the public by authorising the conduct of medical schemes business.

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Clinical support in relation to registration of scheme rules	Rendering of clinical advice and support as per request Review of compliance of exclusions with PMBs regulations Revision of questions and answers document	Advice provided to R and A, within one week of request Production of a document on questions and answers on a quarterly basis	Evidence based and legally compliant rules, which facilitate access to appropriate care Improved consumer awareness and understanding of legislation

Investigate and resolve complaints raised by beneficiaries and the public

Clinical support in resolution of complaints	Rendering of clinical advice and support as per request	Advice provided to Complaints unit, within one week of request	Clinically appropriate resolution of complaints, resulting in greater protection for consumers
Fair treatment of beneficiaries	Issue circular to schemes requesting information on PMB's CDL's & DSP's to be made more explicit.	Circular to schemes, with examples of information to members, by May 2005	Improved beneficiaries awareness of CDL, PMB and DSP legislation

Monitor the impact of the Act, research developments and recommend policy options to improve the regulatory environment.

Monitoring the impact of the Medical Schemes Act and trends in Private Health Finance	Review of contents of quarterly and annual statutory returns Analysis of non-accounting data, including, demographics, utilisations, burden of disease and geographic distribution of membership for quarterly and annual statutory returns	Report to IT on additional indicators by October 2005 Submission of annual report by end June 2005 Submission of quarter 1 report by end July 2005 Submission of quarter 2 report by end August 2005 Submission of quarter 3 report by end November Submission of quarter 1 report by end February 2006	Appropriate data collection by the office to meet policy and regulatory needs Improved monitoring of the legislation Better informed industry and public
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OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Monitoring of the impact of the designed service provider (DSP) regulations and the chronic disease list (CDL)	Award of tender for phase 2 of the CDL and DSP project by end April 2005 Close project management and participation in research processes	Report to be presented to CMS for input by August 2005. Incorporation of CMS inputs and finalisation of report by end September 2005 Presentation to Council by November 2005	Improved understanding of the impact of DSPs and CDL, and appropriate regulatory response
Monitoring affordability issues within medical schemes	Workshop with R and A, FSU and R and M, to institutionalise the process of assessment of contribution and benefit changes. Development of an electronic database for submission of contribution and benefit changes Receipt of all proposed contribution increases and benefit changes Analysis of all contribution and benefit changes from schemes by end December 2005	Institutional framework for approving rules on contributions and benefits, by April 2005 Electronic database by April 2005 Rules files from schemes by October 2005 Report on extent of contribution and benefit changes from 2005 to 2006, by end December 2005	Rules on benefits and contribution changes are approved by 1 January 2006
Review of minimum benefit package	Refinement of coded PMB guidelines to form CMS interpretation of PMBs Limited costing of coded PMB Development of the Basic Benefit Package and Supplementary Benefit Packages Document the philosophical underpinnings of PMBs	Implementation of coded PMBs from 1 July 2005 Report on the financial impact of coded PMBs by end May 2005 Standard benefit structure by August 2005. Revised definition of basic package of benefits by December 2005 A standardised package of benefits, by March 2006 Report by July 2005	Improved consistency in application of PMBs Greater protection of member benefits A standardised package of benefits that is affordable and saleable



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Review of CDL therapeutic algorithms	Finalisation of the development of outstanding algorithms for CDL conditions, including Bipolar Mood Disorder and Multiple Sclerosis	Gazetting of the outstanding algorithms by December 2005	CDL algorithms which are complete, up to date, and evidence-based
National Health Reference Price List	Receipt of inputs from stakeholders by end May 2005 Evaluation of inputs from June to Aug 2005 Maintenance of NRPL	Publication of final NRPL by Sept 2005 Ongoing maintenance of NRPL	A more scientifically based reference price list, to serve as a basis for price negotiations, benefit determination and planning purposes
Cost containment and efficiency within medical schemes. Part 1: Hospital costs	Assessment of problems and causes of hospital cost increases Recommendations and solutions	1st report by end July 2005 2nd report by end September 2005 Final report on extent and causes of escalating hospital costs, and recommended policy solutions, by November 2005	Greater understanding of hospitals as cost drivers as a basis for policy review
Development of a low cost health insurance environment	Consultation with Dept of Labour, and other stakeholders, on the strategies for the regulation of Bargaining Council schemes Manage research on developing low cost health insurance	Presentation of final recommendations of strategies to Council by August 2005 Report and recommendations, September 2005	Appropriate protection of members of bargaining council schemes.
Managed Health Care	Mapping managed care entities operating in the industry to identify risk takers, non-risk takers and other related entities Consultation with stakeholders to finalise the development of an appropriate regulatory framework for managed care entities	Report on different managed care entities, by September 2005 Report on an appropriate regulatory framework for managed care entities, by February 2006	Increased protection of members in managed care entities



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Monitoring of implementation of ICD10	Ongoing monitoring of the implementation of ICD 10 through consultation and regular feedback meetings with stakeholders	Mandatory submission of claims with ICD 10 with effect from 1 July 2005	Greater efficiency through standardisation of billing practices and data collection
Legislation	<p>Legislation workshop March 2005</p> <p>Proposed amendments to Act forwarded to department by end April 2005</p> <p>Cooperation with Department of Health during legislative process</p> <p>Proposed amendments to regulations forwarded to DOH by end June 2005</p>	<p>Recommendations for improvement to the legislative framework, and amendments necessary to accommodate REF</p>	Improved enabling framework consistent with policy developments

Foster the continued development of the CMS as an employer of choice.

Effective management of information	Efficient management of Resource Centre, including procurement, cataloguing, information provision, and management of information requests in terms of POATIA	Provision of high quality library and information retrieval service to staff and Council, on an ongoing basis	An informed and data rich working environment
Implementation of Knowledge Management (KM)	<p>Assessment of feasibility of knowledge management within CMS in consultation with IT and external consultants</p> <p>Development of strategies for the introduction of KM in consultation with representatives from each unit</p>	<p>Report on the feasibility of KM by end April 2005</p> <p>Report on the strategies to introduce KM</p> <p>Introduction of KM by August 2005</p>	A knowledge driven and learning organisation.



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Promotion of Access to Information Act	Processing of all requests in terms of POATIA	Requests responded to within 30 days (section 25) Preparation of manual for 2005, including translations into a minimum of 3 languages by end August 2005	Greater accessibility of information to consumers and other stakeholders Full compliance with POATIA in respect of handling of requests, publication of manuals and notices, and provision of statistics
	Submit statistics to South African Human Rights Commission	Statistics to be submitted on or before 30 April 2005 POATIA section 32 statistics submitted on 28 January 2006	
	Development of a guide to requesting information from CMS with regard to (POATIA)	Document on operating procedures regarding CMS handling of information requests, by end September 2005	

Develop strategic alliances nationally, regionally and internationally.

Improve relations with provider groups and medical schemes	Regular meetings with groups of providers and Medical Advisors	Increased awareness and understanding of the regulatory environment by providers and medical advisors Effective interaction with providers	Informed providers and increased consumer protection
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COMPLIANCE

Foster compliance with the Act by medical schemes, administrators and brokers and initiate enforcement action where required.

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Full inspection of non compliant schemes	Inspection triggered by auditor interviews, market intelligence, financial or governance concerns.	Initiate inspection within 10 days of concerns being raised.	Plan to ensure compliance of scheme.
Ensure compliance with reinsurance guidelines	Take enforcement action on illegal reinsurance contracts referred by FSU.	Within a month of referral from FSU.	More appropriate use of reinsurance and compliance with reinsurance guidelines.
Ensure compliance with demarcation agreement	Liaise with FSB in respect of short-term insurers. Review applications for new products.	Ongoing New products within 3 months of becoming aware thereof.	Insurers complying with demarcation agreement. Products complying with demarcation agreement.
Ensure schemes comply with identified priorities ie non-healthcare expenditure, governance and managed healthcare	Routine inspection of medical schemes to check for compliance with non-healthcare expenditure including illegal payments to brokers, governance and conflicts of interest with specific reference to procurement and managed healthcare with respect to schemes getting value for money.	Inspection of schemes from May to Oct 2005 – 1 scheme per month. Inspection report for discussion with Registrar 1 month after the inspection visit. Prosecution of non-compliance.	Compliance with Act and Regulations.
Improve manner in which we conduct inspections and take enforcement action	Manage the review of how we approach inspections and all enforcement actions and make recommendations.	Workshop on review document by April 2005; recommendations for amendments to the Act by May 2005.	Certainty by stakeholders in respect of expected enforcement action.
To enforce rulings made by the Registrar, including persistent non-adherence	Review rulings made by Complaints with the view to enforcing same. Advise Legal Services of persistent non-adherence for possible court action.	Schemes implementing Registrar's rulings. Monthly memorandum to Legal Services.	Adherence to rulings. Persistent non-compliance with rulings dropped.



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Preparation of exemptions for Council	Provide recommendations to Registrar in respect applications for exemptions.	Within 21 days of next Council meeting.	Adherence to the Act by schemes.
Promote guidance and support to trustees, and promote an understanding of the medical schemes environment by trustees, beneficiaries and the public of the medical schemes environment.			
To provide training on the compliance priorities to Boards of Trustees	Participation in trustee training.	BoT workshops per training targets.	Improved standard of governance of medical schemes.
Facilitation of compliance	Face-to-face visits with schemes to exchange views on burning issues.	Ad hoc (2 visits per month), excluding RAF schemes.	Better compliance by schemes.
Risk Assessment Framework	3. Monitoring compliance with Risk Mitigation Plans.	As from September 2005.	Compliance with RMP.
Investigate and resolve complaints raised by beneficiaries and the public.			
To review complaints regarding broker infringements of the Regulations and FAIS code of conduct	Review complaints lodged against brokers for infringements of the Regulations and FAIS code of conduct.	Review complaints within 10 days of receipt. Initiate complaints procedure in respect of valid complaints – refer complaints to FAIS Ombud where necessary.	Compliance with the Act, Regulations and FAIS code of conduct by brokers.
To conduct disciplinary hearings for broker infringements of the Regulations and FAIS code of conduct	Lead investigations regarding infringements by brokers leading to suspension or withdrawal of accreditation.	Ensure Council Disciplinary Subcommittee operational by May 2005. Number of disciplinary hearings in a priority area.	Compliance by brokers with the Act, Regulations and FAIS code of conduct.
	Liaison with FSB FAIS division to ensure consistency with FAIS.	Meeting with FSB and FAIS Ombud.	Consistency of actions between MSA and FAIS Acts when dealing with brokers.
Develop strategic alliances nationally and internationally.			
Assist Legal Services with establishing a relationship with specialist regulatory bodies	With Legal Services enter into discussions with SAPS and NPA to develop MoU.	Finalised MoUs – access to dedicated prosecutors and investigators March 2006.	Increased co-operation between regulatory bodies with view to prosecuting petty contraventions.



LEGAL SERVICES

Provide support & guidance to trustees and promote understanding of the medical schemes environment by trustees, beneficiaries & the public.

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Promote sound corporate governance amongst Board of Trustee Members.	Participation in trustee training & education on the Act, their responsibilities as trustees and principles of good governance. Identifying key corporate governance concerns picked by legal opinions and compliance related issues and feed those into legislation/regulatory changes	Presentations at BoT workshops per training targets; Report in September and February 2006	Improved governance of medical schemes; Trustees with sound knowledge & grasp of legal implications and fiduciary responsibilities.

Securing an appropriate level of protection for beneficiaries of medical schemes & the public by authorizing the conduct of the medical schemes industry.

Ensure compliance of all medical scheme rules with the Act and Model Rules	Render technical legal assistance on rule amendments.	Amendment of rules in accordance with legislative provisions & policy directives.	Rule amendments in accordance with the Act.
	Render legal advice in instances of disputes concerning registration of schemes & rule amendments.	Resolution of disputes in accordance with the Act & other relevant legislation.	Properly resolved disputes in accordance with the Act.

Investigating & resolving complaints raised by beneficiaries & the public

Render support to Complaints Unit.	Render support & advice on complaints of a complex legal nature.	Legally sound & enforceable rulings.	Legal certainty and confidence in the Council.
	Take responsibility for appeals brought before Council.	Appeals scheduled and heard within 60 days	Improved protection of members.



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Render legal support to various units			
Provide legal support to the Registrar & the Council/Operational Units in the office of the Registrar.	Review of contracts, policies & procedures of Units;	Efficient & effective policies & procedures;	Proper delivery of service to the industry.
	Render rapid, reliable internal legal opinions	Provide legal opinions as and when required. Obtain Counsel advice and opinion when appropriate.	Achieving regulatory mandate of the Council.
	Take responsibility for litigation against Registrar & Council.	Brief Counsel and drive legal process.	Council/ Registrar protected
Participation in activities of Legislative Review Committee	Provide legal support to R&M in reviewing the Act for purposes of amendment.	Finalisation of proposed amendments within committee time frames.	Effective regulation through improved legislative frame work.
Conduct comprehensive review of Medical Schemes Act to identify powers of Registrar and Council	Review Act in its entirety;	Draft review document, by July 2005.	Optimum utilisation of powers provided by the Act in ensuring sound regulation of the industry.
	Identify relevant powers;		
	Review judicial authority on exercise of powers;		
	Review relevant statutes [eg POATIA].		
	Workshop to discuss draft document	August 2005	
	Final document identifying powers and manner in which they should be invoked.	October 2005	



COMPLAINTS

To monitor and effectively resolve complaints raised by members and the public.

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Resolve complaints raised by beneficiaries	Analyse complaints raised by beneficiaries and send to schemes for comments as required by Section 47 of the Medical Schemes Act	Acknowledgement letters sent to members within 3 days of receipt of complaint and analysis within 7 days of receipt of the complaint	Informed members
	Resolve complaints having received comments from schemes	Ruling/Decision to be made within 38 days of date of referral of the complaint to the scheme	Speedy resolutions of complaints
Make progress where schemes fail to respond within 30 days	Resolve complaints having not received comments from the schemes	Rulings/Decisions to be made within 38 days of date of referral of the complaint to the scheme	Speedy resolution of complaints
Resolve complaints through mediation	Arrange mediation and resolve complaints where scheme has not responded and there is a dispute of facts	Arrange mediation within 38 days of referral to the scheme, with the complaint being resolved within 60 days of such referral	Improved confidence in the complaints resolution process
Inform parties of the resolution of complaints	Letters sent to the scheme and the complainant in respect of the outcome of complaint or any further action, where necessary	Within 3 days of making a ruling/decision	Improved confidence and transparency in the complaints resolution process
Handle walk-in consultations.	Provide speedy assistance to "walk-in" complainants	Attending to members timeously	Enhanced customer service
Resolve complaints received from service providers	Organise meeting-between provider (s) and scheme to resolve complaint on nonpayment of accounts	50% of complaints ' resolved within 30 days; 90% within 60 days and 100% within 90 days	Speedy resolution of complaints



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Appeals in terms of Section 48 or 49 of the Medical Schemes Act	Refer Notices of Appeal and all relevant documentation to the Legal Services Unit Provide input to the Appeal Sub Committee on behalf of the Registrar in respect of s49 appeals	Within a day of receipt On Notification by Legal Services	Appeals are dealt with by Council effectively.
Giving stakeholders accurate information	Provide training on the Medical Schemes Act	Training to be conducted once a week	Stakeholders are well informed on the Medical Scheme Act
Improve awareness of complaints handling and processes by consumers, trade unions, schemes and trustees	Presentations on the complaints handling processes Radio Talk Shows on complaints handling processes	On request by the Communication Unit On request by the Communication Unit	Greater awareness by the public of complaints resolution mechanism within the medical schemes industry
Customer Service	Handle telephonic queries and enquiries Manage the quality of advice	Resolve 90% of queries on first contact ' Resolve 100% of queries within 48 hours Retrieve and analyze voice recordings on a weekly basis	Excellent customer service Ensure better quality of information is given to stakeholders
Accurate Data capturing	Maintain data of all calls received Manage data captured	100% of queries-logged in correspond to calls received On an ongoing basis	Improved recording and storage of data Improved protection of members' interests Quality information availability for management.



COMMUNICATION AND EDUCATION

Provide support and guidance to trustees and promote understanding of the medical schemes environment by trustees, beneficiaries and the public.

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Promote understanding of medical scheme environment by trustees, beneficiaries and public	Co-ordinate publication of the Annual Report	Reports in from units, end March 2005	Provide resources and information for the industry and meet statutory obligations
		Produce first section of the report mid April 2005	
		Finance reports in, end June 2005	
		Analysis July 2005	
		Editing, layout and printing end August 2005	
		Annual Report published by the end of August 2005	In compliance with PFMA
	Co-ordinate publication of CMS news in print and electronic versions.	CMS News published during June, September, December 2005 and March 2006	Informed consumers and stakeholders
	Electronic newsletter to inform stakeholders on urgent matters	Monthly or as necessary	Informed consumers and stakeholders
	Take responsibility for consumer-friendly section of the website	News flashes when appropriate for consumers	
REF: Information to relevant stakeholders and public	Communicate findings of testing phase of the Risk Equalisation Fund	Quarterly	Stakeholder understanding of process of risk equalisation
Inform staff and Council members and certain stakeholders of current events and provide internal support	Produce Masihambisane to be used a regular "communiqué" to staff on issues of internal concern, and health news of relevance to CMS	As and when necessary - but at least monthly Updates will be placed on bulletin board	Motivated, well informed confident colleagues and stakeholders who participate in decisions and decision making process.



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Promote understanding of the Medical Schemes Act by board of trustees	Organise and participate in trustee training workshops	12 monthly workshops in various centers in 2005/6	Improve governance and decision making in medical schemes
Contribute to fair treatment of beneficiaries of medical schemes	Produce training material for each session Conduct specialised BoT training sessions on: <ul style="list-style-type: none">• Confidentiality and access to member information; legal parameters of liability; consent waivers and legal limits of member information used by schemes.• Drafting rules in plain language to enhance members' understanding Draft circular to medical schemes on approaches to confidentiality, etc. dealt with at BoT training workshops. Update trustee training manual Produce IT material to assist trustee training	Board of Trustees training material Three BoT training workshops, by August 2005. Circular to schemes, by end August 2005. December 2005 New curriculum with experts and possible IT material to be effected from June 2005	Improve governance and decisions in medical schemes September 2005 Improve governance and decisions in medical schemes
Consumer education	Consumer education workshops/seminars with consumer groups, trade unions, consumer advice centres, paralegal officers, EAP's ect. Participation in activities organised by Provincial Consumer Affairs Officers and other consumer groups Participating in Outside Radio Broadcasts (OBS) with other regulators	Monthly workshops As per request Quarterly	Improve the understanding of consumer needs and protection Improve the understanding of provincial consumer needs and protection Improve the understanding of consumer needs and protection



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
	Commission the development of a simple guide to the Medical Schemes Act	Guide published by July 2005	Improve the understanding of consumer needs and protection
	Produce pamphlets, brochures, posters on specific aspects and themes with relevant key facts	As needed	Improve the understanding of consumer needs and protection
	Contact with local and international consumer groups to inform and educate on rights of consumer. Research to be conducted form local base as far as possible, but include a trip or conference (with outside funding if necessary)	Subscribe to consumer publications and organizations from April, explore consumer groups in health sphere internationally Publicise trends in health care and complaints	
Improve the quality of member communication by schemes	Design a competition for best member communication by schemes. Communicate around competition and invite applications. Organise gala evening to recognise best performing schemes.	Project plan and design by May 2005 November 2005	To help members enforce their rights, and align rules submitted by schemes with info sent out to members.
Promote understanding of medical schemes environment by employer groups	Information sessions/meetings and seminars with employer groups (Chamber of Mines, AmCham, Banking groups, major insurers, universities ect.)	3 gatherings for 2005	Greater understanding by employers of the health care needs of their employees, and the changes in the health care environment.
Promote understanding of medical schemes environment by health care providers (with Prof vd Merwe)	Interact through CPD programmes, SAMAs, IPAs, HPCSA, universities, Big pharmacies)	3 Gatherings for 2005	Informed health care providers who understand the medical schemes environment.



THEME PROJECT I:

Review of dispute resolution processes & procedures

This theme project will continue our work on creating an environment where beneficiaries of medical schemes are treated fairly. The theme project will focus on the dispute resolution processes and procedures as provided for in the medical Schemes Act. It will propose a streamlined process for speedy resolution of disputes. The project will also review the current appeals processes with a view to streamlining the levels of appeals. The theme project will be conducted jointly by Legal, Compliance and Complaints units.

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Contribute to fair treatment of beneficiaries by reviewing dispute resolution processes & procedures.	Coordinate the activities of the theme project team. Develop project plan and organise internal workshop to agree plan	Legal Project Plan and workshop by April 2005	Streamlined process for resolution of complaints;
Standardized dispute resolution processes at scheme level.	Investigation of causes of failure of the system. Investigate and propose appropriate models for dispute resolution and appeals Finalisation of the report.	Report by September 2005 Report by November 2005. Report by February 2006	



THEME PROJECT 2:

Develop Fit and Proper Standards for Principal Officers and Trustees

The theme project will focus on the development of “fit & proper” standards for Principal officers & trustees. The project will also focus on the link between the standards and the application of section 46 and 57. The project will in conclusion set out the procedure that has to be followed by a party that has the responsibility of ensuring that the trustees and Principal Officer are fit and proper before taking office. The theme project will be conducted by Legal and Registration and Accreditation units.

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Develop document on guidelines and Standards on “Fit and Proper” requirements for trustees	Convene task team comprising R&M and Legal Services;	Project Plans by 1 April 2005;	Competent and capable representation of members by trustees who are fit and proper to assume fiduciary responsibility.
	Draft questionnaire for circulation to BoTs	Questionnaire for circulation to BoTs by 1 April 2005;	
	Investigate and research case law, relevant legislation and literature;	Report by end August 2005	
	Request input on draft guidelines and standards.	Report by Nov 2005	
	Consolidated Report by Feb 2006	Incorporation of document into Model Rules.	
Consolidation of draft reports.			



INTERNAL FINANCE

Ensure the financial management of Council in a manner that is consistent with the Public Finance Management Act and other applicable legislation

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Prepare accurate monthly management accounts for Council. S40 (4) b	Accurate recording and processing of transactions in various books of first entry. Correct allocation of account codes in the processing of EFT transactions, cheques and receipts.	Submit financial information in the prescribed format on actual revenue and expenditure of the preceding month. Management reports eg income statement, balance sheet, cash flow statement, variance report and notes to the financial statements are produced within seven (7) days of month end.	Management accounts are produced monthly and serve at SMM, Council and Audit Committee. The structures interrogate these accounts and provide advice where applicable. Decisions are taken on the basis of a fair presentation of accounts.
Prepare Annual Financial Statements in the form required by the Auditor General for audit. (S55). Financial statements are prepared in accordance with the Generally Accepted Accounting Practice.	Collect all the invoices and receipts and any other relevant information needed for the making of provisions and prepayment. <ul style="list-style-type: none">• Prepare an audit file	Annual financial statements are submitted to the Auditor General and Treasury on 31 May each year. <ul style="list-style-type: none">• Audit Committee evaluates the AFS seven days after the Auditor General report.• Submit annual financial statements to relevant Treasury and the Executive Authority by 31 August each year.	To have an unqualified audit opinion each year. Annual financial statements are tabled in the National Assembly by the Minister on 30 September each year.
Maintenance of effective and efficient Internal Controls. (TR.3.2), S38 (ia), S76 (4).	Conduct a risk assessment regularly to identify emerging risk of Council. (Work of internal auditors).	Revised policies incorporated in the finance and procedure manual.	Ensure that Council transactions are conducted in terms of the finance policies, HR policies and any other relevant legislation governing Council. Maintenance of policies that is consistent with changing needs of the corporate environment and relevant legislation.
Revision of finance policies and procedure manual in line with the PFMA and treasury regulations and the Preferential Procurement Act.	Document the necessary changes and discuss them at SMM, Audit Committee and Council Communicate the internal controls to all staff.		An improved culture of adherence to internal control is maintained in Council. Workshops are conducted with staff.



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
<p>To ensure Audit Committee meetings are held quarterly. (TR.3.1), S76 (4d)</p> <ul style="list-style-type: none"> An effective and properly constituted Audit Committee in terms of the PFMA. 	<p>Audit committee meetings are held quarterly.</p> <ul style="list-style-type: none"> Preparation of documentation and distribution to Audit Committee members seven days before the meetings to all audit committee members e.g. Financial Statements, policy documents etc. Communicate Audit Committee recommendations to relevant structures of Council. <p>Review Terms of Reference of Audit Committee members annually.</p> <p>Review audit charter and communicate to Audit Committee members annually.</p>	<p>Audit committee meetings take place as scheduled.</p> <ul style="list-style-type: none"> Audit Committee recommendations are implemented timeously. 	<p>Continuous assessment of the financial position of Council and the identification of risks inherent in the management of an organisation. Provide financial advice to Council.</p>
<p>Preparation and maintenance of Annual Budget. (S53)</p> <p>Review budget to ensure consistency with approved budget and projected cash flow.</p>	<p>Consultative budget meetings are convened in line with the budget cycle.</p> <ul style="list-style-type: none"> Cost centre heads submit their budget inputs with clear projections on a month to month basis. Obtaining quotations where applicable. Consolidate the Council budget. Monthly variance reports are produced. 	<p>Spending is in line with the approved budget.</p> <ul style="list-style-type: none"> Reviews are documented to comply with the Public Finance Management Act (PFMA). A consolidated budget is submitted six months before or another period agreed to. 	<p>The annual budget is submitted to Council for approval.</p> <ul style="list-style-type: none"> The budget is approved by the Executive Authority. A levy on schemes is determined and published in the gazette.
<p>Revenue Management (S38)(1)</p>	<p>Collect all monies due to Council.</p> <p>Maintain proper records of all debtors.</p> <p>Charge interest on overdue accounts.</p>	<p>Improved debtor's collection system is maintained in Council.</p> <p>Management of revenue is in line with the PFMA.</p>	<p>An accurate presentation of Debtors balances in the balance sheet.</p> <p>Manage revenue efficiently and effectively.</p>



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Expenditure Management (S76) (4)b	Ensure all expenditure is necessary; all expenditure is appropriate and is paid promptly. Ensure that expenditure is approved, in line with budget and in line with strategic objectives.	Statutory creditors are settled within the prescribed period. Expenditure is managed and is in line with budget and strategic objectives.	An accurate presentation of Creditors balance in the balance sheet. Ensure there is no fruitless and wasteful expenditure.
Maintenance of the Supply chain Management Framework(s76) 4 (c)	Maintain and update a supplier database annually. Continuous risk assessment in the organisation. Ensure that an effective tender committee is in place. Risk management committee meetings. Communicate Supply Chain Management changes to all staff. Submit monthly report to Treasury as required by the SCM framework.	An efficient and effective procurement system is maintained.	Full compliance with the supply chain management framework.
Procurement system (T.R. 16.6.)	Review procurement policy in the policies and procedures document. Ensure that procurement is in line with policy.	Sign contracts and service level agreements with preferred suppliers. Ensure preferred supplier list is maintained.	A fair, open and transparent procurement system that ensures compliance with BEE principles is maintained. Report on BEE suppliers is provided.
Cash Management (S11)	Maintenance of an EFT system. Adherence to investment policies. Making timeous payments. Cash forecast/cash flow projections. Bank accounts approved by Treasury.	Determine cash flow requirements from time to time. Investments are held with approved financial institutions.	Make informed decisions on cash flow requirements.



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Asset Management (S31)(1)d	<p>Maintenance of:</p> <ul style="list-style-type: none"> • an up to date fixed asset register • an up to date register of redundant assets <p>Ensure that assets are insured at all times.</p>	Proper control systems exist for assets.	Council's assets are not exposed to risks.
Personnel costs management. (T.R 8.3.)	<p>A payroll system that complies with relevant legislation is maintained.</p> <p>Liase with HR on personnel records that affect salary.</p> <p>Prepare accurate information on the IRP5 at the end of each tax year.</p> <p>Statutory creditors are settled by the 7th of each month.</p> <p>Legislated deductions against payroll are made.</p> <p>Ensure that all appointments are approved by the CEO.</p> <p>Changes to conditions of employment approved by CEO.</p>	<p>Salaries are paid on the 25TH of each month.</p> <p>Personnel costs are within budget.</p>	All salaries are within budget and for appointed staff.
Keeping abreast of the changes in Treasury Regulations and the PFMA	<p>Effect changes to the Treasury Regulations and the PFMA:</p> <ul style="list-style-type: none"> • Liase with the National Treasury and the Office of the Auditor General. • Attend workshops and seminars organised by Treasury or Auditor General • Effect changes in our policy and procedures manual • Communicate changes to staff SMM and Audit Committee. 	Implement the required changes to comply with the PFMA and Treasury Regulations.	Full compliance with the PFMA and Treasury Regulations.



HUMAN RESOURCES

Continue the development of CMS as an employer of choice

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Realign the organizational objectives and the context within which staff work, by facilitating the development of organizational strategy through CMS Active.	Communicate broad aims, plans and progress of the process to the wider organization	A report every two months to the wider organization on progress being made by CMS Active	People within the organization are put in the center of organizational strategy which allows for collective thought, trust and commitment to developing direction for the Council.
Coordinate the “visioning” sessions of CMS Active	Continue with the development of proposals, through CMS Active, on the following issues pertaining to People processes: <ul style="list-style-type: none">• Career-pathing• Succession-planning at CMS.	New proposals to SMM on career pathing, and succession planning at CMS on completion of organizational restructuring Recommendations on career pathing and succession planning to SMM by July and to Council by August 2005	Staff are able to identify career paths within the CMS.
Develop a set of cultures, values and core beliefs that the organisation can agree on.	Develop proposals, through CMS Active, on the following issues pertaining to Cultures and Values at CMS: <ul style="list-style-type: none">• Creating a positive environment for work motivation,• Teamwork• managing diversity and fostering a non-discriminatory environment.	Actions plans to create an environment in which staff can be motivated to deliver their best performance, by June 2005.	Optimize human capital by bringAn environment that allows each member of staff to contribute optimally in his/her own unique way.
	Address conditions of service with regard to employee contract i.e. contract vs. permanent employment through CMS Active & staff consultation	Develop proposal to Council based on recommendations from staff, Management and CMS Active, September 2005	An organization where barriers have been dissolved while still operating within the letter and spirit of non-discrimination laws. Concerns raised in regard to employee contracts will have been addressed and resolved



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
	Address conditions of service with regard to Retirement planning through CMS Active and staff and Management consultation	Develop proposal regarding retirement benefits for submission to Council taking into account the contractual arrangement currently in place, by October 2005	Staff if successful, would benefit From competitive rates based on group retirement benefits
Manage the HR requirements of the organisation with particular attention to scarce skills.	Secure suitably qualified permanent and temporary staff.	Timely recruitment of talented personnel for both permanent and temporary positions through advertising and headhunting	Improved management of recruitment. Talented staff are attracted and retained.
Implement a Remuneration Strategy	In line with Remuneration Strategy, <ul style="list-style-type: none"> • Undertake a job evaluation for all positions on new structure • Undertake grading evaluation for all positions on new structure • Conduct Salary benchmark • Determine and implement appropriate remuneration per position in line with recommended grading system • Determine and implement appropriate benefit structures per position in line with recommended grading system • Determine salary progression for employees 	<ul style="list-style-type: none"> • Evaluation and grading of all positions completed, and revised grades implemented according to recommended grading system and Benchmark recommendations. • Salary progression of staff determined 	Consistency and clarity is provided in remuneration and is linked to career pathing.
Develop a workplace HIV/AIDS policy	Consult with staff and others to draft HIV/AIDS policy	Report by December 2005	Policy to manage HIV/AIDS in the workplace

**Implement affirmative action and employment equity in line with national policy**

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Manage equity profile in line with National objectives.	Report on Employment Equity in terms of the Employment Equity Act	Dol informed of the Employment Equity Plan for the Council for Medical Schemes for 2005/06 by October 2005.	Equity targets within the Council developed in line with the Employment Equity Act.
	Facilitate the EE Forum	All staff informed and engaged in process of developing Employment Equity Plan for the Council through workshops and presentations by April 2005.	Requirements of the Employment Equity Act fulfilled.
	Consult Staff on an Employment Equity Framework	EE Framework and EE Plan are presented to Staff by April 2005 and to Council by May 2005. .	Requirements of the Employment Equity Act fulfilled.
	Consult staff on an Employment Equity Plan.	EE plan presented to Staff by April 2005 and to Council by May 2005.	Requirements of the Employment Equity Act fulfilled.
	Submit EE Plan to Dept. of Labour	Plan submitted to Dol Labour by July 2005.	Requirements of the Employment Equity Act fulfilled.
Assist managers to implement performance management			
Manage Performance in line with care and grow principle.	Assist managers to implement a new performance management system.	New system is implemented by April 2005. Managers are competent and objective in their management of performance of staff.	A performance driven organisational culture is nurtured and developed.
	Collate results, managed moderation as required and formalize payment of performance bonuses.	Results are collated, documented and tabled to the moderating committee for approval, by end of February 2005. Payment of performance bonuses effected by March 2006.	Performance bonuses effected on time in an objective formalized fashion.



Organizational efficiency and effectiveness

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Monitor efficiency and effectiveness of organization.	Provide ongoing Employee relations and general consultancy to Heads, Line Managers and staff including the provision of the following management reports to SMM on a quarterly basis; <ul style="list-style-type: none">• Leave statistics• Cost of Training and Development• Employment Equity Reports	Effective and efficient management of Human Capital in the employ of the Council Quarterly reports to SMM	Improved internal service to staff Audit HR policies, and submit to SMM for approval after staff consultation.

Develop Management competencies (on soft issues)

Implement various Management programmes.	Research various management programmes, liaise with various institutions.	Recommended Development presented to SMM on an ongoing basis Council's managers.	Managers acquire competencies in various management disciplines.
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INFORMATION TECHNOLOGY

OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
To facilitate an efficient, timely, focussed and educated workforce, through information technology interventions.	Deploy Microsoft Sharepoint Portal Server, thereby enhancing the current Intranet Collaboration ability of CMS	Microsoft Portal Server deployed and all collaboration features, including version control on electronic documentation enabled.	Improved workforce efficiency through electronic collaboration, training interventions as well as an efficient helpdesk function.
	Establish an IT Training Committee.	Conduct monthly meeting and recommend end-user training interventions to HR.	
	Initiate a Microsoft Office Power User Program for CMS.	Identify 1 power user per cost center, through IT Training Committee. Establish a clear mandate for power users. Collaborate with HR to train power users in the use of the full suite of Office products.	
	Maintain an efficient IT Helpdesk.	New IT Helpdesk System sourced and implemented. Maintain and create new end-user profiles on Microsoft Active Directory, Exchange and on the telephone, fax and SMS systems. Respond to all calls logged by end-users. Assist the Internal finance unit with the upkeep of the IT Asset Register. Assist with the procurement of IT goods and services. Deploy new versions of Microsoft software applications and patches. Perform regular network cable and equipment testing. Maintenance of printer and photocopy machines.	



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
To source and maintain the latest information on our stakeholders by developing, implementing and maintaining reliable, stable and efficient it systems.	Re-aligning existing databases into a comprehensive inter-related data warehouse.	<p>New Schemes Database developed, encompassing:</p> <ul style="list-style-type: none"> • Meta Data • Trustee Info • Rules & Benefit Options. • Linkage to Online Returns, REF System, Complaints and Accreditation of Brokers, Brokerages, Managed Care Organisations and Administrators. • A Web Portal for Schemes on our Website. <p>New Accreditations Database developed, encompassing:</p> <ul style="list-style-type: none"> • Brokers • Brokerages • Administrators • Managed Care Organisations • Linkage with FSB/FAIS • A web portal for brokers, brokerages, administrators and managed care organisations on our website. 	Our stakeholders (internal and external), are always able to access data pertaining to their areas of responsibility quickly, effectively, anytime and anywhere.
	Ongoing development and maintenance of Online Quarterly and Annual statutory Returns.	Amend Quarterly and Annual Returns as per inputs from FSU, R&M and SAICA.	
	Risk Equalisation Fund Return System Developed.	In-House development of "Shadow REF Return System."	
		Render assistance during feasibility study into IT Infrastructure and Database solution for "live REF system",	
		Render assistance during development of "live REF System" by external developers.	



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Ensure 100% "uptime" through effective maintenance, upgrade and administration of the CMS information technology infrastructure.	Deploy Microsoft SQL Reporting Services as a Business Intelligence and Knowledge Management Tool.	Deploy and configure Microsoft SQL Reporting Services. Identify, develop and publish relevant Business Intelligence Reports.	All servers and telephone system components running at peak performance with 100% uptime 24/7 and true 100 Mbs LAN connectivity maintained..
	Ongoing maintenance of existing -in-house developed systems.	National Health Reference Price List Portal. Complaints System. Accreditations System. CMS Internet Site. Various Report requests.	
	Deployment of Tracker System and Training of end-users	Tracker System fully deployed by Cost Center and end-users trained in the use thereof.	
	LAN infrastructure tested and maintained.	LAN cabling tested twice annually for problems and defunct cabling replaced or patched.	
	Server farm health regularly assessed and required "patches" loaded.	Ensure that all servers are running the latest service packs and that they perform optimally once a week.	
Ensure that disaster recovery and data backup procedures are in place.	Telephony infrastructure tested and maintained.	Perform checks on the Telephone system once a week.	Data backup and disaster recovery measures ensure a minimised risk to the organisation.
	Perform Daily Differential Backups and Weekly Full Backups.	Backups performed on a scheduled daily and weekly basis. Backup tapes stored offsite on a weekly and monthly basis. Backed up data restored from time to time to test backup success.	
	Uninterrupted Power Supply System (UPS) tested and maintained.	Ensure that the Power Generator (Genset) and UPS remain optimally functional by performing failover tests bi-weekly.	



OBJECTIVES	ACTIVITIES	OUTPUTS	OUTCOME
Ensure that adequate domain security measures are in place.	Environmental Monitoring System on main server room tested and maintained.	Perform failover tests weekly to ensure that all the EMS Alarm triggers are in working condition.	
	Security infrastructure tested and regularly checked for vulnerabilities.	Check Intrusion Detection Logs weekly to monitor possible intrusion attempts and perform a controlled penetration test at least once a year to test system vulnerability.	Implementation of adequate domain security measures ensure that unauthorised access attempts (hacks) are prevented, the end-user environment controlled and restricted and the CMS domain kept 100% Virus Free..
	Continue to Fine tune Group Policy to enable a secure private network.	Perform a monthly review of Group Policy Objects and fine tune if required.	
	Ensure the upkeep of Anti-Virus Measures to prohibit the spread of computer viruses or malicious Trojans or worms.	Perform daily checks to ensure that the newest Anti-Virus Patterns have been disseminated on the domain.	
To ensure that information technology policies and procedures are formulated and updated.	Hold at least 2 IT Sub-Committee meetings per annum..	IT Sub-Committee meetings held twice per annum.	Policies and procedures formulated and up to date.
	Develop a Business Continuity Plan which will incorporate a Disaster Recovery Plan.	Business Continuity Plan developed by IT Sub-Committee	



RISK EQUALISATION

Understanding and piloting the requirements for implementation of risk equalisations.

OBJECTIVES	ACTIVITIES	OUTPUTS
Information Technology: Establish the IT requirements of the REF and its integration into the existing systems	Purchase software licenses	April 2005
	Purchase equipment	April 2005
	Feasibility assessment of IT and organizational requirements	May 2005
	Software development	June 2005
	Develop interim arrangement for shadow REF 2005	April 2005
Research: Determine and implement the shadow formula process	Appoint/assign dedicated analyst	May 2005
	Preliminary reporting framework developed	April 2005
	Request for reports to be submitted by the industry	April 2005
	Develop validation rules for schemes returns	May 2005
	Compile database from medical schemes returns	July 2005
Legal Framework: Develop amendments to the Medical Schemes Act	Assess reports and apply formula	August 2005
	Submit reports to the schemes indicating the impact of the REF formula	September 2005
	Legislation	
	<ul style="list-style-type: none">• Determine required amendments• Consult with the industry• Submit to Cabinet• Submit to Parliament• Hearings	May 2005 May 2005 June 2005 August 2005 September 2005
	Regulations <ul style="list-style-type: none">• Determine required regulations• Consult with the industry• Finalise regulations	August 2005 August 2005 February 2006
Finalise entry criteria for CDLs	Review proposals from RETAP	May 2005
	Develop SAICA guideline for process audit requirements	September 2005



OBJECTIVES	ACTIVITIES	OUTPUTS
Develop audit and accounting requirements for REF and Schemes	Support development of reports to schemes (REF adjustments)	May 2005
	Validate scheme REF returns against quarterly returns	July 2005
	Support development of SAICA guideline	September 2005
	Develop policy on scheme solvency	September 2005
	Develop solvency requirements for the REF	September 2005
Establish the financial management framework for REF	Engage with Feasibility Study to determine internal finance requirements	May 2005
	Develop internal audit process	September 2005
	Determine required levy adjustments	November 2005
	Determine and implement banking arrangements	November 2005
	Establish an interim organizational framework	April 2005
Determine the organizational requirements of the REF in both the interim and final	Co-ordinate preliminary appointments	April 2005
	Engage with Feasibility Study	May 2005
	Establish final organizational structure	September 2005
	Co-ordinate first layer of appointments	November 2005
	Circular on Cabinet decision to Medical Schemes	March 2005
Effectively communicate the requirements and progress of the REF to affected stakeholders	Detailed request for information from medical Schemes	March 2005
	Forum – to present framework and process to the industry	March 2005
	Technical workshops	April 2005
	Incorporate REF communication in Trustee Training	May 2005
	Co-ordinate RETAP	Ongoing
Social Health Insurance: Finalise the policy framework and technical requirements for the full implementation of SHI	Establish a Technical Advisory Committee (TAC) to replace RETAP	November 2005
	Co-ordinate the MTT	Ongoing
	Macroeconomic audit/review	July 2005
	Finalise modeling	September 2005
	Engage with stakeholders	September 2005
	Compile report for Cabinet, with recommendations	December 2005
	Develop position on low-income insurance	December 2005



PART 3

BUDGET

for 2005/6

INCOME BUDGET FOR THE FINANCIAL YEAR 2005/2006

INCOME	Total	Month												Total
	Budget	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	
Accreditation Fees	3 000 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	250 000	3 000 000
Interest Received	1 500 000	125 000	125 000	125 000	125 000	125 000	125 000	125 000	125 000	125 000	125 000	125 000	125 000	1 500 000
Levy on Medical Schemes	26 345 139	0	0	13 172 570	0	0	13 172 570	0	0	0	0	0	0	26 345 139
Registration Fees	336 000	28 000	28 000	28 000	28 000	28 000	28 000	28 000	28 000	28 000	28 000	28 000	28 000	336 000
Surplus Funds	4 974 067	2 487 034	2 487 034	0	0	0	0	0	0	0	0	0	0	4 974 067
Total	36 155 206	2 890 034	2 890 034	13 575 570	403 000	403 000	13 575 570	403 000	403 000	403 000	403 000	403 000	403 000	36 155 206



FULL BUDGET FOR THE FINANCIAL YEAR 2005/2006

Expenditure	Total	Month											
	Budget	April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Accreditation Costs	500 000	0	0	0	100 000	0	100 000	0	0	150 000	0	0	150 000
Appeal Board	305 000	0	0	76 250	0	0	76 250	0	0	76 250	0	0	76 250
Audit Fees: Internal	150 600	0	0	20 000	0	20 000	30 000	0	30 600	0	0	50 000	0
Audit Fees: External	170 000	0	40 000	0	70 000	0	20 000	0	40 000	0	0	0	0
Bank Charges	45 000	3 750	3 750	3 750	3 750	3 750	3 750	3 750	3 750	3 750	3 750	3 750	3 750
Cleaning & Gardening	126 353	7 500	10 000	11 000	9 000	9 000	9 000	9 000	9 000	22 853	10 000	10 000	10 000
Computer Expenses	171 168	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264
Conferences and Seminars	469 868	88 336	12 174	41 094	72 995	54 770	31 898	18 367	25 495	48 898	20 091	40 758	14 995
Consultancy Fees	75 000	14 583	4 583	4 583	14 583	4 583	4 583	4 583	4 583	4 583	4 583	4 583	4 583
Consumer Education	201 456	16 788	16 788	16 788	16 788	16 788	16 788	16 788	16 788	16 788	16 788	16 788	16 788
Council Committees	390 816	32 568	32 568	32 568	32 568	32 568	32 568	32 568	32 568	32 568	32 568	32 568	32 568
Courier & Postage	92 107	7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676	7 676
Depreciation	1 496 000	124 667	124 667	124 667	124 667	124 667	124 667	124 667	124 667	124 667	124 667	124 667	124 667
Donations	5 000	0	0	0	0	0	0	0	0	5 000	0	0	0
Entertainment	6 099	420	685	420	420	685	420	685	420	685	420	420	420
Employee Wellness	110 604	9 217	9 217	9 217	9 217	9 217	9 217	9 217	9 217	9 217	9 217	9 217	9 217
External Storage	40 248	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354
Fair Treatment	170 000	20 000	0	0	40 000	0	0	50 000	0	0	60 000	0	0
General Expense Admin	41 076	3 423	3 423	3 423	3 423	3 423	3 423	3 423	3 423	3 423	3 423	3 423	3 423
Group Personal Insurance	60 000	0	0	0	60 000	0	0	0	0	0	0	0	0
HR/Organisational Strategy	486 569	40 547	40 547	40 547	40 547	40 547	40 547	40 547	40 547	40 547	40 547	40 547	40 547
Insurance	95 580	7 965	7 965	7 965	7 965	7 965	7 965	7 965	7 965	7 965	7 965	7 965	7 965
Internet Expenses	170 000	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167
Investigation Costs	690 176	0	60 000	130 000	30 000	30 000	50 176	50 000	30 000	60 000	120 000	30 000	100 000
Legal Fees	1 805 004	0	300 834	0	300 834	0	300 834	0	300 834	0	300 834	0	300 834
Media and Promotion	600 030	50 000	0	50 000	0	220 000	0	100 000	80 030	0	50 000	0	50 000
Council Members fees	192 876	10 000	10 000	28 219	10 000	10 000	28 219	10 000	10 000	28 219	10 000	10 000	28 219
Motor Vehicle	14 868	1 239	1 239	1 239	1 239	1 239	1 239	1 239	1 239	1 239	1 239	1 239	1 239
Printing	74 000	0	24 000	12 500	0	0	12 500	0	0	12 500	0	0	12 500
Recruitment & Relocation	145 000	0	0	50 000	0	0	0	95 000	0	0	0	0	0
Refreshments	36 724	2 972	3 634	2 972	2 972	2 972	2 972	2 972	2 972	3 372	2 972	2 972	2 972
Rent	2 124 221	154 000	179 111	179 111	179 111	179 111	179 111	179 111	179 111	179 111	179 111	179 111	179 111
Rental Copiers	461 197	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433
Rental Other Assets	6 252	521	521	521	521	521	521	521	521	521	521	521	521
Operational Planning	58 410	0	0	0	0	0	0	0	0	0	58 410	0	0
Repairs & Maintenance Office	88 992	7 416	7 416	7 416	7 416	7 416	7 416	7 416	7 416	7 416	7 416	7 416	7 416

FULL BUDGET FOR THE FINANCIAL YEAR 2005/2006 continued

Expenditure	Total	Month											
	Budget	April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Research Costs	820 000	90 000	35 000	65 000	100 000	35 000	90 000	45 000	100 000	15 000	150 000	45 000	50 000
Resource Centre	277 047	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087
RSC - Levies	102 000	8 500	8 500	8 500	8 500	8 500	8 500	8 500	8 500	8 500	8 500	8 500	8 500
Salaries	21 267 559	1 689 684	1 715 713	1 607 348	1 637 877	1 547 524	1 720 438	1 652 201	1 626 518	1 527 660	1 659 044	1 677 289	3 206 264
Security- Computers	83 778	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982
Year End Function	17 481	0	0	0	0	0	0	0	7 481	10 000	0	0	0
Staff Training	312 000	26 000	26 000	26 000	26 000	26 000	26 000	26 000	26 000	26 000	26 000	26 000	26 000
Stationery	159 446	13 287	13 287	13 287	13 287	13 287	13 287	13 287	13 287	13 287	13 287	13 287	13 287
Strategic Planning Costs	75 220	0	0	0	0	0	0	0	75 220	0	0	0	0
Strengthening Dispute Resolution	212 400	0	0	53 100	0	0	53 100	0	0	53 100	0	0	53 100
Subscriptions	31 385	7 460	3 394	531	0	0	0	0	0	15 000	5 000	0	0
Telephone & Fax	610 260	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855
Temp Services	94 344	7 862	7 862	7 862	7 862	7 862	7 862	7 862	7 862	7 862	7 862	7 862	7 862
Transcription Services	28 332	0	0	7 083	0	0	7 083	0	0	7 083	0	0	7 083
Travel	164 000	10 250	15 750	15 250	17 750	10 250	15 250	12 250	12 750	18 250	12 750	13 250	10 250
Trustee Training	283 500	23 625	23 625	23 625	23 625	23 625	23 625	23 625	23 625	23 625	23 625	23 625	23 625
Water & Electricity	184 596	15 383	15 383	15 383	15 383	15 383	15 383	15 383	15 383	15 383	15 383	15 383	15 383
Workman's Compensation	91 863	0	0	0	0	91 863	0	0	0	0	0	0	0
NRPL	879 000	0	146 500	0	146 500	0	146 500	0	146 500	0	146 500	0	146 500
TOTAL:	37 370 503	2 646 780	3 062 953	2 856 036	3 293 617	2 717 334	3 379 909	2 730 745	3 183 089	2 739 139	3 291 289	2 564 957	4 904 656
CAPITAL BUDGET													
Computer Software	21 800												
Computer Equipment	23 132												
Other Assets													
Motor car	150 771												
Office Equipment													
Furniture and Fittings	85 000												
TOTAL CAPITAL BUDGET	280 703												
TOTAL BUDGET	37 651 206												
Less: Depreciation	1 496 000												
WORKING BUDGET	36 155 206												



BUDGET PER UNIT

CEO

Budget	Total Budget	Month											
		April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Conferences Seminars & W/Shops	138 140	64 438	0	0	0	35 470	0	6 372	0	0	0	31 860	0
Council Committees	390 816	32 568	32 568	32 568	32 568	32 568	32 568	32 568	32 568	32 568	32 568	32 568	32 568
Council Members Fees	192 876	10 000	10 000	28 219	10 000	10 000	28 219	10 000	10 000	28 219	10 000	10 000	28 219
Courier & Postage	40 000	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333
Donations	5 000	0	0	0	0	0	0	0	0	5 000	0	0	0
Entertainment	1 062	89	89	89	89	89	89	89	89	89	89	89	89
Refreshments	5 310	443	443	443	443	443	443	443	443	443	443	443	443
Salaries	1 738 366	124 169	184 064	124 169	124 169	144 033	124 169	124 169	124 169	124 169	124 169	124 169	292 748
Stationery	60 780	5 065	5 065	5 065	5 065	5 065	5 065	5 065	5 065	5 065	5 065	5 065	5 065
Staff Training	19 629	1 636	1 636	1 636	1 636	1 636	1 636	1 636	1 636	1 636	1 636	1 636	1 636
Strategic Planning Costs	75 220	0	0	0	0	0	0	0	75 220	0	0	0	0
Travel	48 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000
TOTALS	2 715 199	245 740	241 197	199 521	181 302	236 636	199 521	187 674	256 522	204 521	181 302	213 162	368 100

LEGAL

Budget	Total Budget	Month											
		April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Appeal Board	305 000	0	0	76 250	0	0	76 250	0	0	76 250	0	0	76 250
Conferences Seminars & W/Shops	30 975	0	3 098	3 098	3 098	0	3 098	3 098	3 098	3 098	3 098	3 098	3 098
Courier & Postage	15 000	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250
Entertainment		0	0	0	0	0	0	0	0	0	0	0	0
Legal Fees	1 805 004	0	300 834	0	300 834	0	300 834	0	300 834	0	300 834	0	300 834
Refreshments	1 062	89	89	89	89	89	89	89	89	89	89	89	89
Salaries	1 208 242	86 303	98 649	86 303	86 303	86 303	86 303	86 303	86 303	86 303	116 603	86 303	216 263
Stationery	6 000	500	500	500	500	500	500	500	500	500	500	500	500
Staff Training	19 629	1 636	1 636	1 636	1 636	1 636	1 636	1 636	1 636	1 636	1 636	1 636	1 636
Strengthening Dispute resolution	212 400	0	0	53 100	0	0	53 100	0	0	53 100	0	0	53 100
Subscriptions	531	0	0	531	0	0	0	0	0	0	0	0	0
Transcription Services	28 332	0	0	7 083	0	0	7 083	0	0	7 083	0	0	7 083
Travel	10 000	0	2 500	0	2 500	0	0	0	2 500	0	2 500	0	0
TOTALS	3 642 175	89 777	408 555	229 839	396 209	89 777	530 142	92 875	396 209	229 308	426 509	92 875	660 102

BUDGET PER UNIT *continued*

COMMUNICATIONS AND EDUCATION

Budget	Total	Month											
	Budget	April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Conferences Seminars & W/Shops	27 276	0	3 276	0	8 000	0	8 000	0	0	0	5 000	0	3 000
Consumer Education	201 456	16 788	16 788	16 788	16 788	16 788	16 788	16 788	16 788	16 788	16 788	16 788	16 788
Entertainment	1 062	89	89	89	89	89	89	89	89	89	89	89	89
Media and Promotion	600 030	50 000	0	50 000	0	220 000	0	100 000	80 030	0	50 000	0	50 000
Refreshments	2 655	221	221	221	221	221	221	221	221	221	221	221	221
Salaries	1 055 292	75 378	99 063	87 724	75 378	75 378	75 378	114 725	75 378	75 378	75 378	75 378	150 756
Stationery	8 000	667	667	667	667	667	667	667	667	667	667	667	667
Staff Training	24 629	2 052	2 052	2 052	2 052	2 052	2 052	2 052	2 052	2 052	2 052	2 052	2 052
Subscriptions	8 394	5 000	3 394	0	0	0	0	0	0	0	0	0	0
Travel	7 500	625	625	625	625	625	625	625	625	625	625	625	625
Trustee Training	283 500	23 625	23 625	23 625	23 625	23 625	23 625	23 625	23 625	23 625	23 625	23 625	23 625
TOTALS	2 219 794	174 445	149 800	181 791	127 445	339 445	127 445	258 792	199 475	119 445	174 445	119 445	247 823

FINANCIAL SUPERVISION

Budget	Total	Month											
	Budget	April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Conferences Seminars & W/Shops	69 000	15 000	0	6 000	8 000	0	0	0	0	40 000	0	0	0
Consulting Fees	40 000	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333
Entertainment	789	66	66	66	66	66	66	66	66	66	66	66	66
Refreshments	1 062	89	89	89	89	89	89	89	89	89	89	89	89
Salaries	4 851 980	383 591	370 255	346 570	425 264	346 570	432 894	346 570	346 570	346 570	408 107	366 434	732 585
Stationery	15 000	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250
Staff Training	61 953	5 163	5 163	5 163	5 163	5 163	5 163	5 163	5 163	5 163	5 163	5 163	5 163
Subscriptions	20 000	0	0	0	0	0	0	0	0	15 000	5 000	0	0
Travel	15 000	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250
TOTALS	5 074 784	409 741	381 405	363 720	444 414	357 720	444 044	357 720	357 720	412 720	424 257	377 584	743 735



RESEARCH AND MONITORING

Budget	Total		Month											
	Budget		April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Conferences Seminars & W/Shops	48 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000	4 000
Entertainment	1 062	89	89	89	89	89	89	89	89	89	89	89	89	89
Printing	74 000	0	24 000	12 500	0	12 500	0	12 500	0	12 500	0	12 500	0	12 500
Refreshments	1 062	89	89	89	89	89	89	89	89	89	89	89	89	89
Research Costs	820 000	90 000	35 000	65 000	100 000	35 000	90 000	45 000	100 000	15 000	150 000	45 000	50 000	50 000
Resource Centre	277 047	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087	23 087
Salaries	3 151 960	247 494	231 506	275 163	231 506	231 506	273 179	265 925	231 506	231 506	231 506	231 506	233 281	447 882
Stationery	6 372	531	531	531	531	531	531	531	531	531	531	531	531	531
Staff Training	42 336	3 528	3 528	3 528	3 528	3 528	3 528	3 528	3 528	3 528	3 528	3 528	3 528	3 528
Travel	34 992	2 916	2 916	2 916	2 916	2 916	2 916	2 916	2 916	2 916	2 916	2 916	2 916	2 916
Project NRPL	879 000	0	146 500	0	146 500	0	146 500	0	146 500	0	146 500	0	146 500	146 500
TOTALS	5 335 831	371 733	471 245	386 902	512 245	300 745	556 418	345 164	512 245	293 245	562 245	332 520	691 121	

REGISTRATION AND ACCREDITATION

Budget	Total		Month											
	Budget		April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Accreditation Costs	500 000	0	0	0	0	100 000	0	100 000	0	0	150 000	0	0	150 000
Conferences Seminars & W/Shops	35 000	0	0	0	20 000	0	0	15 000	0	0	0	0	0	0
Entertainment	1 062	0	266	0	0	0	266	0	266	0	266	0	0	0
Refreshments	1 062	89	89	89	89	89	89	89	89	89	89	89	89	89
Salaries	2 681 353	192 826	192 826	192 826	192 826	192 826	211 319	203 873	291 684	192 826	202 665	236 489	378 368	
Stationery	25 000	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083	2 083
Staff Training	35 070	2 923	2 923	2 923	2 923	2 923	2 923	2 923	2 923	2 923	2 923	2 923	2 923	2 923
Travel	11 000	0	3 000	0	0	0	0	0	2 000	0	3 000	0	3 000	0
TOTALS	3 289 548	197 920	201 186	217 920	297 920	198 186	331 413	211 233	296 778	351 186	207 759	244 583	533 462	



BUDGET PER UNIT *continued*

COMPLAINTS

Budget	Total Budget	Month											
		April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Conferences Seminars & W/Shops	27 877	3 098	0	6 196	3 098	0	0	3 098	3 098	0	6 193	0	3 098
Entertainment		0	0	0	0	0	0	0	0	0	0	0	0
Refreshments	1 500	125	125	125	125	125	125	125	125	125	125	125	125
Salaries	2 143 876	153 134	177 736	176 819	174 909	153 134	153 134	172 998	153 134	153 134	182 842	153 134	339 768
Staff Training	30 189	2 516	2 516	2 516	2 516	2 516	2 516	2 516	2 516	2 516	2 516	2 516	2 516
Stationery	6 372	531	531	531	531	531	531	531	531	531	531	531	531
Travel	10 008	834	834	834	834	834	834	834	834	834	834	834	834
TOTALS	2 219 822	160 237	181 742	187 021	182 012	157 140	157 140	180 101	160 237	157 140	193 041	157 140	346 871

COMPLIANCE

Budget	Total Budget	Month											
		April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Conferences Seminars & W/Shops	12 000	0	0	0	12 000	0	0	0	0	0	0	0	0
Fair Treatment	170 000	20 000	0	0	40 000	0	0	50 000	0	0	60 000	0	0
Investigation Costs	690 176	0	60 000	130 000	30 000	30 000	50 176	50 000	30 000	60 000	120 000	30 000	100 000
Refreshments	1 062	0	662	0	0	0	0	0	0	400	0	0	0
Salaries	611 198	87 314	43 657	43 657	43 657	43 657	43 657	43 657	43 657	43 657	43 657	43 657	87 314
Stationery	2 000	167	167	167	167	167	167	167	167	167	167	167	167
Staff Training	9 043	754	754	754	754	754	754	754	754	754	754	754	754
Travel	20 000	0	0	5 000	5 000	0	5 000	0	0	5 000	0	0	0
TOTALS	1 515 479	108 234	105 239	179 577	131 577	74 577	99 753	144 577	74 577	109 977	224 577	74 577	188 234



HUMAN RESOURCES UNIT

Budget	Total Budget	Month											
		April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Conferences Seminars & V/Shops	21 600	1 800	1 800	1 800	1 800	1 800	1 800	1 800	1 800	1 800	1 800	1 800	1 800
Employee Wellness Programme	110 604	9 217	9 217	9 217	9 217	9 217	9 217	9 217	9 217	9 217	9 217	9 217	9 217
Entertainment	1 062	89	89	89	89	89	89	89	89	89	89	89	89
HR/Organisational Strategy	486 569	40 547	40 547	40 547	40 547	40 547	40 547	40 547	40 547	40 547	40 547	40 547	40 547
Motor Vehicle	14 868	1 239	1 239	1 239	1 239	1 239	1 239	1 239	1 239	1 239	1 239	1 239	1 239
Operational Planning	58 410	0	0	0	0	0	0	0	0	0	58 410	0	0
Recruitment & Relocation	145 000	0	0	50 000	0	0	0	95 000	0	0	0	0	0
Refreshments	19 887	1 657	1 657	1 657	1 657	1 657	1 657	1 657	1 657	1 657	1 657	1 657	1 657
Salaries	1 108 296	120 837	87 666	79 164	79 164	79 164	79 164	99 028	79 164	79 164	79 164	88 289	158 328
Stationery	15 000	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250
Year End Function	17 481	0	0	0	0	0	0	0	7 481	10 000	0	0	0
Staff Training	18 660	1 555	1 555	1 555	1 555	1 555	1 555	1 555	1 555	1 555	1 555	1 555	1 555
Subscriptions	2 460	2 460	0	0	0	0	0	0	0	0	0	0	0
Temp Services	94 344	7 862	7 862	7 862	7 862	7 862	7 862	7 862	7 862	7 862	7 862	7 862	7 862
Travel	1 000	83	83	83	83	83	83	83	83	83	83	83	83
TOTALS	2 115 241	188 596	152 965	194 463	144 463	144 463	144 463	259 327	151 944	154 463	202 873	153 588	223 627

BUDGET PER UNIT continued

INTERNAL FINANCE

Budget	Total	Month											
	Budget	April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Audit Fees : Internal	150 600	0	0	20 000	0	20 000	30 000	0	30 600	0	0	50 000	0
Audit Fees : External	170 000	0	40 000	0	70 000	0	20 000	0	40 000	0	0	0	0
Bank Charges	45 000	3 750	3 750	3 750	3 750	3 750	3 750	3 750	3 750	3 750	3 750	3 750	3 750
Cleaning & Gardening	126 353	7 500	10 000	11 000	9 000	9 000	9 000	9 000	9 000	22 853	10 000	10 000	10 000
Conferences Seminars & W/Shops	35 000	0	0	0	8 000	13 500	0	0	13 500	0	0	0	0
Consultancy Fees	15 000	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250	1 250
Courier & Postage	37 107	3 000	0	0	4 107	0	9 000	0	6 000	0	10 000	5 000	0
Depreciation	1 496 000	124 667	124 667	124 667	124 667	124 667	124 667	124 667	124 667	124 667	124 667	124 667	124 667
Entertainment	0	0	0	0	0	0	0	0	0	0	0	0	0
General Expense Admin	41 076	3 423	3 423	3 423	3 423	3 423	3 423	3 423	3 423	3 423	3 423	3 423	3 423
Group Personal Insurance	60 000	0	0	0	60 000	0	0	0	0	0	0	0	0
Insurance	95 580	7 965	7 965	7 965	7 965	7 965	7 965	7 965	7 965	7 965	7 965	7 965	7 965
Refreshments	1 062	89	89	89	89	89	89	89	89	89	89	89	89
Rent	2 124 221	154 000	179 111	179 111	179 111	179 111	179 111	179 111	179 111	179 111	179 111	179 111	179 111
Rental Other Assets	6 252	521	521	521	521	521	521	521	521	521	521	521	521
Repairs Maintenance Office Air conditioners & computers	88 992	7 416	7 416	7 416	7 416	7 416	7 416	7 416	7 416	7 416	7 416	7 416	7 416
RSC - Levies	102 000	8 500	8 500	8 500	8 500	8 500	8 500	8 500	8 500	8 500	8 500	8 500	8 500
Salaries	1 293 630	93 284	128 622	93 284	103 032	93 284	109 272	93 284	93 284	93 284	93 284	113 148	186 568
Staff Training	24 699	2 058	2 058	2 058	2 058	2 058	2 058	2 058	2 058	2 058	2 058	2 058	2 058
Stationery	6 000	500	500	500	500	500	500	500	500	500	500	500	500
Travel	1 500	125	125	125	125	125	125	125	125	125	125	125	125
Water & Electricity	184 596	15 383	15 383	15 383	15 383	15 383	15 383	15 383	15 383	15 383	15 383	15 383	15 383
Workmans compensation	91 863	0	0	0	0	91 863	0	0	0	0	0	0	0
TOTALS	6 196 531	433 430	533 379	479 041	608 896	582 404	532 029	457 041	547 141	470 894	468 041	532 905	551 325



IT UNIT

Budget	Total		Month											
	Budget		April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar
Computer Expenses	171 168	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264	14 264
Conferences Seminars & W/Shops	25 000	0	0	0	0	25 000	0	0	0	0	0	0	0	0
Consultancy Fees	20 000	10 000	0	0	0	10 000	0	0	0	0	0	0	0	0
External Storage	40 248	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354	3 354
Entertainment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Internet Expenses	170 000	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167	14 167
Refreshments	1 000	83	83	83	83	83	83	83	83	83	83	83	83	83
Rental Copiers	461 197	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433	38 433
Salaries	1 423 366	125 354	101 669	101 669	101 669	101 669	101 669	131 969	101 669	101 669	101 669	101 669	137 007	215 684
Security- Computers & Building	83 778	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982	6 982
Stationery	8 922	744	744	744	744	744	744	744	744	744	744	744	744	744
Staff Training	26 160	2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180	2 180
Rental Telephone & Fax	610 260	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855	50 855
Travel	5 000	417	417	417	417	417	417	417	417	417	417	417	417	417
TOTALS	3 046 099	266 832	233 147	233 147	233 147	268 147	233 147	263 447	233 147	233 147	233 147	233 147	268 485	347 162

MEDIUM TERM EXPENDITURE FRAMEWORK

Expenditure	2004/05 4.9%	2005/06 5%	2006/07 1.057	2007/08 1.05
Appeal Board	305,000	305,000	322,385	338,504
Audit Fees: External	190,000	170,000	179,690	188,675
Audit Fees: Internal	220,000	150,600	159,184	237,108
Accreditation Costs	540,000	500,000	528,500	554,925
Bank Charges	45,208	45,000	47,565	49,943
Cleaning & Gardening	117,488	126,353	133,555	140,233
Computer Expenses	191,972	171,168	180,925	189,971
Conferences and Seminars	598,918	469,868	496,650	521,483
Consultancy Fees	174,684	75,000	79,275	195,334
Consumer Education	190,050	201,456	212,939	223,586
Council Committees	368,000	390,816	413,093	433,747
Council Members Fees	258,000	192,876	203,870	214,063
Courier & Postage	52,500	92,107	97,357	102,225
Depreciation	1,360,800	1,496,000	1,581,272	1,660,336
Donations	5,000	5,000	5,285	5,549
Employee Wellness	120,000	110,604	116,908	122,754
Entertainment	17,504	6,099	6,447	6,769
External Storage	15,000	40,248	42,542	44,669
Fair Treatment	0	170,000	179,690	188,674
General Expense Admin	8,076	41,076	43,417	45,588
Group Personal Insurance	47,638	60,000	63,420	66,591
HR/Organisational Strategy	538,000	486,569	514,303	540,019
Insurance	90,000	95,580	101,028	106,079
Internet Expenses	160,000	170,000	179,690	188,675
Investigation Costs	648,500	690,176	729,516	765,992
Legal Fees	1,700,000	1,805,004	1,907,889	2,003,284
Media and Promotion	565,000	600,030	634,232	665,943
Motor Vehicle	9,501	14,868	15,715	16,501
NRL	879,000	879,000	929,103	975,558
Operational Planning	80,000	58,410	61,739	64,826
Printing	79,000	74,000	78,218	82,129
Recruitment & Relocation	78,750	145,000	153,265	160,928
Refreshments	33,580	36,724	38,817	40,758
Rent	1,532,643	2,124,221	2,245,302	2,357,569
Rental Copiers	442,236	461,197	487,485	511,859
Rental Other Assets	7,800	6,252	6,608	6,939
Repairs & Maintenance Office	64,000	88,992	94,065	98,768



MEDIUM TERM EXPENDITURE FRAMEWORK *continued*

Expenditure	2004/05 4.9%	2005/06 5%	2006/07 1.057	2007/08 1.05
Research Costs	1,050,200	820,000	866,740	910,077
Resource Centre	168,391	277,047	292,839	307,481
RSC - Levies	102,000	102,000		
Salaries	19,811,703	21,267,559	22,479,810	23,603,800
Security- Computers	74,223	83,778	88,553	92,981
Staff Training	419,605	312,000	329,783	391,648
Stationery	146,000	159,446	168,534	176,961
Strategic Planning Costs	75,220	75,220	79,508	83,483
Strengthening Dispute Resolution	350,000	212,400	224,507	235,732
Subscriptions	27,372	31,385	33,174	34,833
Telephone & Fax	602,700	610,260	645,045	677,297
Temp Services	54,000	94,344	99,722	104,708
Transcription Services	26,681	28,332	29,947	31,444
Travel	259,246	164,000	173,348	182,015
Trustee Training	283,500	283,500	299,660	314,642
Water & Electricity	197,628	184,596	195,118	204,874
Workman's Compensation	96,500	91,863	97,099	101,954
Year End Function	20,000	17,481	18,477	22,197
Operating budget	35,498,817	37,370,503	39,392,808	41,592,683
Capital budget			1.057	1.05
Computer Software	37,933	21,800	23,043	24,195
Computer Equipment	249,100	23,132	24,451	25,673
Motor Vehicle		150,771		
Office Equipment				
Furniture and Fittings		85,000	89,845	94,337
Total capital budget	287,033	280,703	137,338	144,205
TOTAL BUDGET	35,785,850	37,651,206	39,530,146	41,736,888
Less: Depreciation	1,360,800	1,496,000	1,581,272	1,660,336
Working budget	34,425,050	36,155,206	37,948,874	40,076,552
Percentage change		5.03%	4.96%	5.61%







COUNCIL FOR MEDICAL SCHEMES