
GENERAL NOTICE

PROPOSED LEVIES ON MEDICAL SCHEMES ISSUED IN TERMS OF SECTION 3(a) OF THE COUNCIL FOR MEDICAL SCHEMES LEVIES ACT (ACT 58 OF 2000)

The Council for Medical Schemes referred to in Section 1 of the Council for Medical Schemes Levies Act, 2000 (Act No. 58 of 2000), hereby proposes the imposition of levies on medical schemes, as set out in this Notice. The proposed levies are due to be imposed for the purpose of meeting the general regulatory and administrative costs of the Council for Medical Schemes and the function performed by the Registrar of Medical Schemes. The quantum of the levy has been determined on the basis of the Council's budget, and is also based on the number of principal members of medical schemes. The full budget can be viewed on the Council website www.medicalschemes.com.

Representation on the proposed levies may be made to the Council not later than 9 April 2009. Such representation must be forwarded to the Registrar of Medical Schemes, and marked for the attention of: Mr Dan Lehutjo, Private Bag X34, Hatfield, 0028, Fax number (012) 430 7644.

By order of the Council for Medical Schemes.



Prof. William Pick

Chairperson: Council for Medical Schemes.

Date: 5 March 2009

SCHEDULE

Definitions

1. In this notice, unless the context indicates otherwise –
 - i. “Council” means the Council for Medical Schemes referred to in the Act;
 - ii. “Levy year” means the period from 01 April 2009 to 31 March 2010 and, subject to the provision of this Notice and any amendments, substitution or repeal thereof, such corresponding period in succeeding year in respect of which levies are imposed;
 - iii. “Registrar” means the Registrar of Medical Schemes, appointed in terms of Section 18 of the Medical Schemes Levies Act, 1998 (Act No. 131 of 1998);
 - iv. “The Act” means the Council for Medical Schemes Levies Act, 2000 (Act No. 58 of 2000).

Proposed Imposition

2. In respect of a medical scheme registered in terms of section 20 of the Medical Schemes Act, 1998 (Act No. 131 of 1998), the proposed levy for the 2009/10 levy year shall be set at an amount of R15.42 per member per year, which shall be paid in two equal installments, the first of which shall be paid not later than 31 May of the levy year, and the second of which shall be paid not later than 31 August of the levy year.
3. In respect of the levy year, the calculation of the levy is based on the number of members referred to in item 2 shall correspond with the latest statistics furnished to the Registrar in terms of or by virtue of the Medical Schemes Act, 1998 (Act No. 131 of 1998) or with the latest certified number of members sent to the Registrar by the medical scheme. If a transfer of members is in process and not finalized on 31 December 2008, the transferor must pay the levy in respect of the members to be transferred.

Payment/Interest on overdue of Levies

4. On amounts of overdue levies, interest will be charged at a rate applicable to a debt owing to the state, as determined by the Minister of Finance in terms of section 80(1)(b) of the Public Finance Management Act.
5. The levies (once finally imposed) and interest (if any) referred to in this Notice shall be paid by a medical scheme directly in the bank account of the Council, the details of which are:

Bank : ABSA
Account Holder : Council for Medical Schemes
Branch Name : ABSA Corporate Branch (Cnr Pretorius and Vermeulen Streets,
Pretoria)
Branch Code : 517 245
Account Number : 405 116 3394

6. A deposit advice slip issued by the aforementioned Bank in respect of a deposit contemplated in item 5, received by the Council for Medical Schemes, and bearing the name of the relevant medical scheme, shall serve as *prima facie* proof of payment of a levy.

COUNCIL FOR MEDICAL SCHEMES
Full Budget for the financial year 2009/2010

Expenditure	Total	Month												TOTALS
	Budget	April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar	
Accreditation Costs	180,000	16,116	4,544	21,484	20,724	22,584	22,584	15,024	17,004	0	0	39,936	0	180,000
Administrators Training	115,720	0	0	0	0	0	0	0	0	0	40,000	35,200	40,520	115,720
Appeal Board	360,000	90,000	0	0	0	90,000	0	0	90,000	0	0	90,000	0	360,000
Audit Fees: Internal	450,000	0	52,400	47,240	52,500	50,000	43,860	60,040	0	74,960	0	69,000	0	450,000
Audit Fees: External	400,000	0	0	60,800	0	180,000	0	90,000	0	37,000	32,200	0	0	400,000
Amortisation	180,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000
Books	20,000	2,000	2,000	2,000	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,556	1,552	20,000
Bank Charges	36,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Cleaning & Gardening	250,000	21,500	20,500	20,500	21,500	20,500	20,500	21,500	20,500	20,500	21,500	20,500	20,500	250,000
Computer Expenses	143,760	19,380	17,980	12,980	18,380	7,980	7,980	18,380	7,980	7,980	8,380	7,980	8,380	143,760
Consumer Education	657,900	37,900	40,000	100,000	120,000	50,000	120,000	30,000	20,000	15,000	5,000	10,000	110,000	657,900
Council Committees	527,145	44,429	65,000	44,429	44,429	65,000	44,429	44,429	65,000	0	0	65,000	45,000	527,145
Courier & Postage	154,000	8,500	11,500	18,500	8,500	11,500	18,500	8,500	11,500	18,500	8,500	11,500	18,500	154,000
Consulting Fees	488,000	29,250	24,250	169,250	111,250	4,250	44,250	4,250	4,250	44,250	4,250	4,250	44,250	488,000
CMS News	236,000	500	58,000	500	58,000	500	58,000	500	500	500	500	500	58,000	236,000
Copy Costs	75,000	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000
Depreciation	840,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	840,000
Donations	6,000	0	0	0	0	0	0	0	6,000	0	0	0	0	6,000
Employee Wellness	192,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	192,000
External storage	100,000	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	7,500	7,500	100,000
General Expense Admin	85,020	7,085	7,085	7,085	7,085	7,085	7,085	7,085	7,085	7,085	7,085	7,085	7,085	85,020
Employee Benefits	987,540	82,295	82,295	82,295	82,295	82,295	82,295	82,295	82,295	82,295	82,295	82,295	82,295	987,540
HR/Organisational Strategy	460,000	0	0	110,000	0	150,000	50,000	0	150,000	0	0	0	0	460,000
Insurance	163,500	13,625	13,625	13,625	13,625	13,625	13,625	13,625	13,625	13,625	13,625	13,625	13,625	163,500
Internet Expenses	237,154	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	19,700	20,454	19,700	19,700	237,154
Investigation Costs	650,000	0	0	162,500	0	0	162,500	0	0	162,500	0	0	162,500	650,000
IPP	360,000	0	100,000	0	0	120,000	0	0	100,000	0	40,000	0	0	360,000
Legal Fees	3,200,000	200,000	200,000	400,000	200,000	200,000	400,000	200,000	200,000	400,000	200,000	200,000	400,000	3,200,000
Media and Promotion	867,500	9,000	50,000	110,000	72,500	260,000	59,833	46,833	46,833	72,500	70,000	70,000	0	867,500
Council Members fees	216,732	15,000	24,183	15,000	15,000	24,183	15,000	15,000	24,183	15,000	15,000	24,183	15,000	216,732
Motor Vehicle	30,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Printing	106,600	0	0	0	50,000	0	50,000	0	0	0	6,600	0	0	106,600
Recruitment & Relocation	500,000	100,000	0	120,000	0	180,000	0	0	100,000	0	0	0	0	500,000
Refreshments	134,016	10,968	10,168	12,168	10,968	10,168	12,968	10,968	10,968	12,168	10,168	10,168	12,168	134,016
Rent	2,362,450	185,000	197,950	197,950	197,950	197,950	197,950	197,950	197,950	197,950	197,950	197,950	197,950	2,362,450
Rental Copiers	300,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
Rental Other Assets	12,960	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	1,080	12,960
Operational Planning	360,000	0	0	0	0	0	0	0	0	0	60,000	300,000	0	360,000
Repairs & Maintenance Office	333,686	27,693	25,607	19,407	27,693	19,407	25,607	27,693	19,407	52,951	19,407	19,407	49,407	333,686
Research Costs	72,500	0	0	7,500	8,750	10,000	8,750	27,500	10,000	0	0	0	0	72,500
Knowledge Management	223,000	26,000	0	0	0	0	0	0	0	47,000	97,000	53,000	0	223,000
Salaries	38,309,167	2,946,859	2,946,859	2,946,859	2,946,859	2,946,859	2,946,859	2,946,859	2,946,859	2,946,859	2,946,859	2,946,859	5,893,718	38,309,167
Security- Computers	248,733	103,985	3,985	67,998	40,885	3,985	3,985	3,985	3,985	3,985	3,985	3,985	3,985	248,733
Year End Function	50,000	0	0	0	0	0	0	0	0	50,000	0	0	0	50,000
Staff Training	1,867,991	305,452	186,055	135,964	261,000	188,450	176,000	66,186	190,700	20,500	82,545	118,441	136,698	1,867,991
Stationery	208,742	18,175	11,817	27,217	13,117	14,321	24,517	10,417	10,417	28,422	13,117	10,417	26,788	208,742
Strategic Planning Costs	198,000	0	0	0	58,000	0	0	140,000	0	0	0	0	0	198,000
Subscriptions	42,084	1,060	4,500	1,765	0	0	0	0	0	1,265	25,494	8,000	0	42,084
Software Licence Subscription	150,500	62,000	0	0	20,000	15,000	0	10,000	43,500	0	0	0	0	150,500
Telephone & Fax	833,292	69,441	69,441	69,441	69,441	69,441	69,441	69,441	69,441	69,441	69,441	69,441	69,441	833,292
Temp Services	292,000	24,333	24,333	24,333	24,333	24,333	24,333	24,333	24,333	24,333	24,333	24,333	24,333	292,000
Transcription Services	41,000	0	0	10,250	0	0	10,250	0	0	10,250	0	0	10,250	41,000
Travel	280,400	26,617	15,617	28,867	19,117	27,117	24,867	20,617	21,617	19,867	15,617	23,617	36,867	280,400
Trustee Training	550,000	50,000	50,000	25,000	40,000	100,000	55,000	70,000	29,800	50,000	40,200	10,000	30,000	550,000
Water & Electricity	300,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
Workman's Compensalon	200,000	0	0	0	0	200,000	0	0	0	0	0	0	0	200,000
Website Development	600,000	0	600,000	0	0	0	0	0	0	0	0	0	0	600,000
TOTAL:	61,246,091	4,746,193	5,111,724	5,284,937	4,827,487	5,560,119	4,994,554	4,476,996	4,739,318	4,700,272	4,355,391	4,739,258	7,709,842	61,246,091

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