

THE COUNCIL FOR MEDICAL SCHEMES
APPEAL COMMITTEE

In the matter between:

WB

Appellant

and

ELLERINES MEDICAL SCHEME

Respondent

APPEAL RULING

1. Mr WB's complaint is that the Respondent refused to pay for hospital treatment in respect of his wife, E, from 17 November to 20 November 2003 despite having authorised this treatment on 18 November 2003 under authorisation number X.

2. The Respondent subsequently established that Mr WB had resigned from the Ellerines Group on 1 November 2003, and since contributions were paid by the Group to the Scheme in arrears, his membership of the Ellerine Holding Medical Aid Society had ceased on that date.

3. Having established this, the Respondent contended then that it could not be held to the authorisation previously given, and required the Appellant to pay for the hospitalisation expenses incurred.
4. It appears that the confusion arose as a result of the fact that there was a delay in communication between Ellerines and its medical scheme concerning the Appellant's resignation. As at the date upon which the authorisation was given the Scheme had not yet been informed that Mr WB was no longer an employee and consequently no longer a member.
5. The rules of the Respondent provide, in paragraph 4.4 thereof, that the granting of a prior authorisation reference number is confirmation that the proposed clinical procedure or treatment complies with the clinical and funding protocols, and is not a guarantee that benefits will be paid.
6. As a matter of law, the scheme could not be obliged to meet hospitalisation expenses of a former member, incurred on a date after which that person ceased to be a member of that scheme.

7. While it is regrettable that Mr WB was given an authorisation number subsequent to his resignation, it appears to the Appeal Committee that he should have realised that he would no longer be covered by the Scheme subsequent to his resignation. Mr WB's contention that he thought that membership contributions were paid in advance, and that he would be covered for a month after the resignation does not, in the view of the Appeal Committee, appear to be reasonable.

8. In the circumstances the Appeal Committee concludes that the Respondent behaved in accordance with its rules and its legal obligations, and the appeal is consequently dismissed.

DATED at JOHANNESBURG on the 13th day of MARCH 2008

P R JAMMY

For: Appeal Committee