



## PRESS RELEASE

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Date: 9 October 2020

### Press Release 14 of 2020: Sizwe-Hosmed approval by Competition Commission

The [statement by the Competition Commission](#) on 7 October 2020, related to the merger approval of Sizwe Medical Fund and Hosmed Medical Aid Scheme has reference.

"The decision by the Competition Commissioner to approve the merger does not change or influence the CMS' decision on the proposed amalgamation," said Dr Siphso Kabane, Chief Executive and Registrar of the Council for Medical Schemes (CMS).

The Registrar of medical schemes [declined the proposed amalgamation](#) on 30 July 2020, as it was detrimental to the interests of Hosmed members. Sizwe and Hosmed are medical schemes registered in terms of section 24 of the Medical Schemes Act (131 of 1998) and are subjected to regulatory oversight by the CMS.

The Registrar's decision was based on the prescripts of the Medical Schemes Act, not the Competition Act (89 of 1998), and as such, the decision to decline the merger remains intact and unaffected by the Competition Commission's decision to approve the merger based on competition reasons.

The Commission is empowered to determine whether or not any merger is likely to substantially prevent or lessen competition; and whether it can or cannot be justified on substantial public interest grounds. The focus of the relevant approval is therefore on whether the proposed transaction would have any anti-competitive effects on the market or raise any public interest concerns.

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