

PLATINUM HEALTH MEDICAL SCHEME

MAIN RULES

2022

AMENDED IN
September. 2021

**RULES FOR PLATINUM HEALTH MEDICAL SCHEME
REGISTERED UNDER THE
MEDICAL SCHEMES ACT, 1998 (ACT NO. 131 OF 1998)**

RULES	TABLE OF CONTENTS	PAGE
1.	NAME.....	3
2.	LEGAL PERSONA	3
3.	REGISTERED OFFICE.....	3
4.	DEFINITIONS	3
6.	MEMBERSHIP	9
7.	REGISTRATION AND DE-REGISTRATION OF DEPENDANTS.....	10
8.	TERMS AND CONDITIONS APPLICABLE TO MEMBERSHIP	11
9.	TRANSFER OF EMPLOYER GROUPS FROM ANOTHER MEDICAL SCHEME	14
10.	MEMBERSHIP CARD AND CERTIFICATE OF MEMBERSHIP.....	14
11.	CHANGE OF ADDRESS OF MEMBER	15
12.	TERMINATION OF MEMBERSHIP	15
13.	CONTRIBUTIONS.....	17
14.	LIABILITIES OF EMPLOYER AND MEMBER.....	19
15.	CLAIMS PROCEDURE.....	19
16.	BENEFITS	22
17.	PAYMENT OF ACCOUNTS.....	23
18.	GOVERNANCE	23
19.	FIDUCIARY DUTIES OF BOARD OF TRUSTEES	28
20.	POWERS OF BOARD.....	29
21.	DUTIES OF PRINCIPAL OFFICER AND STAFF.....	31
22.	INDEMNIFICATION & FIDELITY GUARANTEE	33
23.	FINANCIAL YEAR OF THE SCHEME.....	33
25.	AUDITOR & AUDIT COMMITTEE	33
26.	GENERAL MEETINGS	34
27.	VOTING AT MEETINGS	36
28.	COMPLAINTS AND DISPUTES	36
29.	TERMINATION OR DISSOLUTION.....	37
30.	AMALGAMATION AND TRANSFER OF BUSINESS.....	38
31.	RIGHT TO OBTAIN DOCUMENTS AND INSPECTION OF DOCUMENTS	38
32.	AMENDMENT OF RULES	39

RULES

1. NAME

The name of the Scheme is PLATINUM HEALTH Medical Scheme, hereinafter referred to as the "Scheme".

The abbreviated name is PLATINUM HEALTH

2. LEGAL PERSONA

The Scheme, in its own name, is a body corporate, capable of suing and of being sued and of doing or causing to be done all such things as may be necessary for or incidental to the exercise of its powers or the performance of its functions in terms of the Medical Schemes Act and regulations and these rules.

3. REGISTERED OFFICE

The registered office of the Scheme is situated at Platinum Health Medical Centre, 03 Kgwebo Street, Rustenburg, 0300 but the Board may transfer such office to any other location in the Republic of South Africa, should circumstances so dictate.

4. DEFINITIONS

In these rules, a word or expression defined in the Medical Schemes Act, 1998 bears the meaning thus assigned to it and, unless inconsistent with the context—

- (a) A word or expression in the masculine gender includes the feminine.
- (b) a word in the singular number includes the plural, and *vice versa*; and
- (c) the following expressions have the following meanings:

4.1 Act

The Medical Schemes Act (Act No 131 of 1998), including any regulations under Section 67 thereof.

4.2 Approval

Prior written approval of the Board or its authorised representative.

4.3 Adult dependent

A dependent who is 21 years or older.

4.4 Annual limit

The maximum benefits to which a member and his registered dependents are entitled to as determined by the Board from time to time. Such limits shall be calculated annually to coincide with the financial year of the Scheme and the limits will be adjusted on a pro-rated basis for members who join the Scheme during a financial year, calculated from the date of admission to the end of that financial year.

4.5 Auditor

Means an individual or firm that is a registered auditor as defined in Section 1 of the Auditing Professional Act, 2005.

4.6 Beneficiary

A member or a person admitted as a dependant of a member.

4.7 Board

The Board of Trustees constituted to manage the Scheme in terms of the Act and these rules.

4.8 Child Dependent

A dependent who is under the age of 21 years if he or she is permitted under these rules to be a dependent.

4.9 Condition Specific Waiting Period

A period not exceeding 12 months during which a beneficiary is not entitled to claim benefits in respect of a condition for which medical advice, diagnosis, care, or treatment was recommended or received within the 12 months period ending on the date on which the application was made.

4.10 Contribution

Means a member's recurrent payment to the medical scheme made in accordance with a contribution table complying with Annexure A of these rules, for the purpose of qualifying for benefits offered by the medical scheme in terms of its rules.

4.11 Cost

In relation to a benefit, the total amount payable in respect of a relevant health service charged.

4.12 Council

The Council for Medical Schemes established by Section 3 of the Medical Schemes Act.

4.13 “Creditable coverage” means any period of verifiable medical scheme membership during which a late joiner was

- 4.13.1 A member or a dependent of a medical scheme
- 4.13.2 A member or a dependent of an entity doing the business of a medical scheme which, at the time of his/her membership of such entity, was exempt from the provisions of the Act.
- 4.13.3 a uniformed employee of the South African National Defence Force, or a Dependant of such employee, who received medical benefits from the South African National Defence Force; or
- 4.13.4 a member or a dependant of the Permanent Force Contribution Fund but excluding any period of coverage as a dependant under the age of 21 years.

4.14 Dependant

- 4.14.1 The spouse or partner, dependent children, or other members of immediate family in respect of whom the member is liable for family care and support; or
- 4.14.2 Any other person who, under these Rules is recognized as a dependent of a member.
- 4.14.3 The immediate family of a member other than the member's spouse or partner, who is not in receipt of a regular remuneration of more than the maximum social pension per month.

4.15 Designated Service Provider

Means a health care provider or group of health care providers selected and contracted by the medical scheme as its preferred service provider or providers to provide relevant health care services to its members.

4.16 Domicilium Citandi et Executandi

The member's chosen physical address at which notices in terms of rules 11 and 13 as well as legal process, or any action arising there from, may be validly delivered, and served.

4.17 Emergency Medical Condition

The sudden and, at the time, unexpected onset of a health condition that requires immediate medical or surgical treatment, where failure to provide medical or surgical treatment would result in serious impairment to bodily functions or serious dysfunction of a bodily organ or part or would place the person's life in serious jeopardy.

4.18 Employee

A person in the employment of an employer

4.19 Employer

Is a company and/or associate company that mines Platinum Group Metals and/or Chrome which applies to the scheme for membership of its employees

4.20 Waiting periods

A period of membership during which a member is liable to pay contributions but will not be entitled to claim any benefits for either a 3-month and/or a 12-month period.

4.21 Immediate Family Member

- 4.21.1 A member's spouse or life partner.
- 4.21.2 A member's natural child or stepchild.
- 4.21.3 A member's legally adopted children; or
- 4.21.4 The member's siblings and parents in respect of whom the member is liable for family care and support.

4.22 Medical scheme rate

Means the unit of value, generally corresponding to provider fees (including directly negotiated DSP provider fees) that is used by a medical scheme to determine the extent to which it will directly or indirectly compensate a member in respect of a relevant health service received by the member or any of his dependents.

4.23 Income

For the purposes of calculating contributions in respect of:

- 4.23.1 An individual member – basic rate of pay or 70% of total package.
- 4.23.1.2 A retiree and widow member– gross monthly earnings; (Gross Monthly Income is South African Revenue Services assessed annual income divided by twelve months)

4.24 Late joiner

An applicant or the adult dependent of an applicant, who at the date of application for membership or admission as a dependent, as the case may be, is 35 years of age or older but excludes any member or dependent who enjoyed coverage with one or more medical schemes as from a date preceding 1 April 2001, without a break in coverage exceeding 3 consecutive months since 1 April 2001.

4.25 Member

Any person who is admitted as a member of the Scheme in terms of these rules.

4.26 Member family

The member and all the registered dependents.

4.27 Life Partner

A person with whom the member has a committed and serious relationship akin to a marriage based on objective criteria of mutual dependency and a shared and common household, irrespective of the gender of either party.

4.28 Prescribed Minimum Benefits

Benefits contemplated in Section 29(1) (o) of the Act and consist of the provision of the diagnosis, treatment, and care costs of:

4.28.1 The Diagnosis and Treatment Pairs listed in Annexure A of the Regulations, subject to any limitations specified therein; and

4.28.2 Any emergency medical condition.

4.29 Prescribed Minimum Benefit Condition

A condition contemplated in the Diagnosis and Treatment Pairs listed in Annexure A of the Regulations or any emergency medical condition.

4.30 Registrar

The Registrar or Deputy Registrar/s of Medical Schemes appointed in terms of section 18 of the Act.

4.31 Regulations

The regulations in terms of the Act published under Government Notice R1262 in Government Gazette 20556 of 20th October 1999.

4.32 Continuation member

A member who retains his/her membership of the scheme after his/her retirement or termination of his/her employment due to ill-health or other disability or a surviving dependant who becomes the member after the death of original member.

4.33 Social pension

The appropriate maximum basic social pension prescribed by regulations promulgated in terms of the Social Assistance Act, 1992.

4.34 Spouse

The person to whom the member is married in terms of any law or custom.

5. OBJECTS

The objects of the Scheme are to undertake liability, in respect of its members and their dependents, in return for a contribution or premium —

- (a) To make provision for the obtaining of any relevant health service.
- (b) To grant assistance in defraying expenditure incurred in connection with the rendering of any relevant health service; and/ or
- (c) To render a relevant health service, either by the Scheme itself, or by any supplier or group of suppliers of a relevant health service or by any person in association with, or in terms of an agreement with, the Scheme.

6. MEMBERSHIP

6.1 Eligibility

Subject to rule 8, membership of the Scheme is restricted to:

6.1.1 Employment or former employment of the member by the employer or his/her predecessor or successor in title as defined in these rules, and is either voluntary or compulsory, depending on the employee's conditions of employment.

6.1.2 Retirees.

6.2 Continuation Membership

6.2.1 Continuation member

6.2.1.1 A member shall retain his membership of the Scheme with his registered dependents, if any, in the event of his retiring from the service of his employer or his employment being terminated by his employer on account of ill health or other disability.

6.2.1.2 The Scheme shall inform the member of his right to continue his membership and of the contribution payable from the date of retirement or termination of his employment. Unless such member

informs the Board in writing of his desire to terminate his membership shall continue rules 8 and 12.

6.2.2 Surviving dependents

6.2.2.1 The surviving dependents of a deceased member who are registered with Scheme as his dependents at the time of such member's death shall be entitled to continued membership of the Scheme without any new restrictions, limitations or waiting periods.

6.2.2.2 The Scheme shall inform such dependant of his right to continued membership and of the contributions payable in respect thereof. Unless such person informs the Board in writing of his desire to terminate his membership, shall continue subject to rules 8 and 12.

6.2.2.3 Such a member's membership terminates if he becomes a member or a dependant of a member of another medical scheme.

6.2.2.4 Where there is more than one dependent of a deceased member, the scheme may deem any dependent to be the member and shall pay such contributions applicable to all members.

7. REGISTRATION AND DE-REGISTRATION OF DEPENDANTS

7.1 REGISTRATION OF DEPENDANTS

7.1.1 A member may apply for the registration of his dependents at the time that he applies for membership in terms of rule 8.

7.1.2 If a member applies to register a newborn or newly adopted child within 30 days of the date of birth or adoption of the child, such child shall thereupon be registered by the Scheme as a dependent. Failure to register the newborn or newly adopted child from date of birth/adoption within 30 days, may lead to imposition of waiting periods by the scheme subject to the provisions of rule 8. Increased contributions shall then be due as from the first day of the month following the month of birth or adoption and benefits will accrue as from the date of birth or adoption. No such child shall qualify for benefits until such time as the member qualifies for benefits.

- 7.1.3 If a member who marries subsequent to joining the Scheme, applies within 30 days of the date of such marriage to register his spouse as a dependent, his spouse shall thereupon be registered by the Scheme as a dependent. Failure to register the spouse from date of marriage within 30 days, may lead to imposition of waiting periods by the scheme subject to the provisions of rule 8. Increased adult dependent contributions shall then be due as from the first day of the month following the month of marriage and benefits will accrue as from the date of marriage. The spouse shall not qualify for benefits until such time as the member qualifies for benefits.
- 7.1.4 In the event of any person becoming eligible for registration as a dependent other than in the circumstances set out in rules 7.1.1 to 7.1.3, the member may apply to the Scheme for the registration of such person as a dependent, whereupon the provisions of rule 8 shall apply *mutatis mutandis*.

7.2 De-registration of Dependents

- 7.2.1 A member shall inform the Scheme within 30 days of the occurrence of any event which results in any one of his dependents no longer satisfying the conditions in terms of which he may be a dependent.
- 7.2.2 When a dependent cease to be eligible to be a dependent, he shall no longer be deemed to be registered as such for the purpose of these rules or entitled to receive any benefits, regardless of whether notice has been given in terms of these rules or otherwise.

8. TERMS AND CONDITIONS APPLICABLE TO MEMBERSHIP

- 8.1 A minor may become a member with the consent of his parent or legal guardian.
- 8.2 No person may be a member of more than one medical scheme or a dependent:
- 8.2.1 Of more than one member of a particular medical scheme; or
 - 8.2.2 Of members of different medical schemes; or
 - 8.2.3 Claim or accept benefits in respect of himself or any of his dependents from any medical scheme in relation to which he is not a member or a dependent of a member.

8.3 Prospective members shall, prior to admission, complete and submit the application forms required by the Scheme, together with satisfactory evidence of age, income, state of his health and the health of his dependents and any prior membership or admission as a dependent of any other medical Scheme. The scheme may require an applicant to provide the Scheme with a medical report in relation to any proposed member or dependent in respect of a condition for which any medical advice, diagnosis, care, or treatment recommended or obtained within a period of 12 months immediately prior to the date on which application to the Scheme was made. The costs of any medical tests or examinations required to provide such medical report will be paid for by the Scheme. The Scheme may however designate a provider to conduct such tests or examinations.

Every member will, on admission to membership, receive a summary of the rules which shall include contributions, benefits, limitations and exclusions, the member's rights, and obligations. Members and any person who claims any benefit under these Rules or whose claim is derived from a person so claiming are bound by these Rules as amended from time to time.

8.4 Should a member of the scheme apply to add any dependents, after the initial application to join, the following waiting periods will apply: -

8.4.1 The Scheme may impose upon a person in respect of whom an application is made for membership or admission as a dependent, and who is not a member or dependent of a medical scheme for a period of at least 90 days preceding the date of application:

8.4.1.1 A general waiting period of up to 3 months; and

8.4.1.2 A condition specific waiting period of up to 12 months.

8.4.2 The Scheme may impose upon any person in respect of whom an application is made for membership or admission as a dependent, and who was previously a member or dependent of a medical scheme for a continuous period of up to 24 months, terminating less than 90 days immediately prior to the date of application:

8.4.2.1 A condition specific waiting period of up to 12 months, except in respect of any treatment or diagnostic procedures covered within the prescribed minimum benefits.

8.4.2.2 In respect of any person contemplated in the sub-rule, where the previous medical scheme had imposed a general or condition specific waiting period and such waiting period had not expired at the time of termination, a general or condition specific waiting period for the unexpired duration of such waiting period imposed by the former medical scheme.

8.5 No waiting periods may be imposed on:

8.5.1 A person in respect of whom application is made for membership or admission as a dependent, and who was previously a member or dependent of a medical scheme, terminating less than 90 days immediately prior to the date of application, where the transfer of membership is required as a result of:

8.5.1.1 Change of employment; or

8.5.1.2 An employer changing or terminating the medical scheme of its employees, in which case such transfer shall occur at the beginning of the financial year, or reasonable notice must have been furnished to the Scheme to which an application is made for such transfer to occur at the beginning of such financial year.

8.5.1.3 Where the former medical scheme had imposed a general or condition specific waiting period in respect of persons referred to in this rule, and such waiting period had not expired at the time of termination of membership, the Scheme may impose such waiting period for the unexpired duration of a waiting period imposed by the former medical scheme.

8.5.2 A member or dependent who changes from one benefit option to another within the Scheme unless that member or dependent is subject to a waiting period on the current benefit option, in which case the remaining waiting period may be applied.

- 8.5.3 A child dependent born during the period of membership is automatically regarded as a child dependent of the member concerned and is entitled to immediate coverage without application of a general or any condition-specific waiting period subject to rule 7.1.2.
- 8.6 The registered dependents of a member must participate in the same benefit option as the member.
- 8.7 A member may not cede, transfer, pledge or hypothecate or make over to any third party any claim, or part of a claim or any right to a benefit which he may have against the Scheme. The Scheme may withhold, suspend, or discontinue the payment of a benefit to which a member is entitled under these rules, or any right in respect of such benefit or payment of such benefit to such member, if a member attempts to assign or transfer, or otherwise cede or to pledge or hypothecate such benefit.

9. TRANSFER OF EMPLOYER GROUPS FROM ANOTHER MEDICAL SCHEME

A medical scheme may not impose a general or condition-specific waiting period on a person in respect of whom application is made for membership or admission as a dependent, and who was previously a beneficiary of a medical scheme, terminating less than 90 days immediately prior to the date of application, where the transfer of membership is required as a result of an employer changing or terminating the medical scheme of its employees, in which case such transfer shall occur at the beginning of the financial year, or reasonable notice must have been furnished to the medical scheme to which an application for such transfer to occur at the beginning of the financial year.

10. MEMBERSHIP CARD AND CERTIFICATE OF MEMBERSHIP

- 10.1 Every member shall be furnished with a membership card, containing such particulars as may be prescribed. This card must be exhibited to the supplier of a service on request. It remains the property of the Scheme and must be returned to the Scheme on termination of membership.
- 10.2 The utilization of a membership card by any person other than the member or his registered dependents, with the knowledge or consent of the member or his dependents is not permitted and is construed as an abuse of the privileges of

membership of the Scheme. In the event that such utilization happens as contemplated in this rule, Rule 12.5 will be instituted.

10.3 On termination of membership or on de-registration of a dependent, the Scheme must, within 30 days of such termination, or on request, furnish such person with a certificate of membership and cover, containing such particulars as may be prescribed.

11. CHANGE OF ADDRESS OF MEMBER

A member must notify the Scheme within 30 days of any change of address including his *domicilium citandi et executandi*. The Scheme shall not be held liable if a member's rights are prejudiced or forfeited as a result of the member's neglecting to comply with the requirements of this rule.

12. TERMINATION OF MEMBERSHIP

12.1 Resignation and Involuntary termination

12.1.1 A member who, in terms of his conditions of employment is required to be a member of the Scheme, may not terminate his membership while he remains an employee without the prior written consent of his employer.

12.1.2 A member who resigns or is terminated from the service of the participating employer shall on the date of such termination, cease to be a member and all rights to benefits shall thereupon cease, except for claims in respect of services rendered prior thereto.

12.1.3 A member whose employment is terminated for reasons related to the operational requirements of the employer may, in the discretion of the Board, be allowed continued membership for a period of up to three months after termination of employment, provided that if such member should obtain alternative employment, his membership shall terminate with immediate effect; and

12.1.4 In the case of pregnant members whose employment is terminated for reasons related to operational requirements of the Employer may, at the discretion of the Board be allowed further continued membership until childbirth plus three months after childbirth provided that if such member

obtains alternative employment, her membership shall terminate with immediate effect.

12.2 Voluntary termination of membership

12.2.1

12.2.1.1 A member, who is not required in terms of his conditions of employment to be a member, may terminate his membership of the Scheme on giving one month written notice. All rights to benefits cease after the last day of membership.

12.2.1.2 The one month written notice referred to in 12.2.1.1 applies to all terminations of dependents

12.2.2 Such notice period shall be waived in substantiated cases where membership of another medical scheme is compulsory as a result of a condition of employment.

12.2.3 A participating employer may terminate his participation with the Scheme on giving six months written notice.

12.3 Death

Membership of a member terminates on his death.

12.4 Failure to pay amounts due to the Scheme

If a member fails to pay amounts due to the Scheme, his membership may be terminated as provided in these rules.

12.5 Abuse of privileges, False claims, Misrepresentation and Non-disclosure of Factual information

12.5.1 The Board may exclude from benefits or terminate the membership of a member or dependent whom the Board finds guilty of abusing the benefits and privileges of the Scheme by presenting false claims or making a material misrepresentation or non-disclosure of factual information. In such event he may be required by the Board to refund

to the Scheme any sum which, but for his abuse of the benefits or privileges of the Scheme, would not have been disbursed on his behalf.

- 12.5.2 The Scheme may impose waiting periods on a member or dependent whom the scheme has received proof of non-disclosure of material information to the medical scheme with regard to any medical condition or medical history of the member concerned or that of any of his or her dependent, which arose or occurred during the period of 12 months preceding the date of application for membership.

13. CONTRIBUTIONS

- 13.1 The monthly contributions payable to the *Scheme* shall be determined by the Board and such contributions shall be reviewed on at least an annual basis. The contributions payable shall be as indicated in Annexure A. It shall be the responsibility of the member to notify the Scheme of changes in family structure and income that may necessitate a change in contributions.
- 13.2 Contributions shall be due monthly in arrears from all members whose contributions are deducted through participating employers' payroll and in advance from all single paying members whose contributions are deducted through debit/stop orders, direct deposits, or electronic fund transfers. Contributions shall be payable by not later than the 3rd day of each month. Where contributions or any other debt owing to the scheme, have not been paid within thirty (30) days of the due date, the Scheme shall have the right to suspend all benefit payments in respect of claims which arose during the period of default, and to give the member at the member's *domicilium citandi et executandi* and employer written notice or by electronic means that if contributions or such other debts are not paid up to date within twenty one (21) days of posting/sending of such notice, membership may be cancelled.
- 13.3 A notice posted/sent by prepaid registered post to the member at his *domicilium citandi et executandi* or by any electronic means shall be deemed to have been received by the member on the 7th day after the date of posting/sending. In the event that the member fails to nominate a *domicilium citandi et executandi* or provide an

electronic mail address, the member's postal and residential address on his application form shall be deemed to be his *domicilium citandi et executandi*.

- 13.4 In the event that payments are brought up to date and provided membership has not been cancelled in accordance with rule 13.2 above, then benefits shall be reinstated without any break in continuity subject to the right of the Scheme to levy a reasonable fee to cover any expenses associated with the default. If such payments are not brought up to date, no benefits shall be due to the member from the date of default and any such benefit paid may be recovered by the Scheme.
- 13.5 Unless specifically provided for in the rules in respect of savings accounts, no refund of any assets of the scheme or any portion of a contribution shall be paid to any person where such member's membership or cover in respect of any dependent terminates during the course of a month.
- 13.6 In the event of the scheme creating and registering an option with Personal Medical Savings Account (PMSA), the scheme shall.
 - 13.6.1 Open a separate account for purposes of holding all PMSA monies that belong to members in that option in scheme's name. Within such account, a sub account in the name of each member shall be established on admission to that benefit option.
 - 13.6.2 The amount payable towards the members PMSA which is included in the total monthly contributions payable by member shall not exceed 25% of total contributions and will be credited to members PMSA after receipt of payment
 - 13.6.3 Any funds in member's PMSA remain the property of the member and accumulate in member's name.
 - 13.6.4 The funds available in the members PMSA do not form part of the scheme's assets and may not be used to pay scheme expenses or risk claims.
 - 13.6.5 All interest earned on PMSA shall be paid to members
 - 13.6.6 Costs directly related to PMSA such as bank charges and investment management fees shall be recovered from the PMSA.

13.6.7 Unclaimed PMSA balances, where a member cannot be traced after all reasonable attempts at tracing have been pursued will be paid to Guardian Fund.

14. LIABILITIES OF EMPLOYER AND MEMBER

- 14.1 The liability of the employer towards the Scheme is limited to any amounts payable in terms of any agreement between the employer and the Scheme.
- 14.2 The liability of a member to the scheme is limited to the amount of his unpaid contributions together with any sum disbursed by the Scheme on his behalf or on behalf of his dependents which has not been repaid to the Scheme.
- 14.3 In the event of a member ceasing to be a member, any amount still owing by such member is a debt due to the Scheme and recoverable by it.
- 14.4 The balance standing to the credit of a member in terms of any option which provides for personal medical savings accounts shall, at all-time remain the property of the member.

15. CLAIMS PROCEDURE

- 15.1 Every claim submitted to the Scheme in respect of the rendering of a relevant health service as contemplated in these rules, must be accompanied by an account or statement containing at least the following particulars:
- (a) The surname and initials of the member.
 - (b) The surname, first name and other initials, if any, of the patient.
 - (c) The name of the scheme concerned.
 - (d) The membership number of the member.
 - (e) The practice code number, group practice number and individual provider registration number issued by the registering authorities for providers, if applicable, of the supplier of service and, in the case of a group practice, the name of the practitioner who provided the service.
 - (f) The relevant diagnostic and such other item code numbers that relate to such relevant health service.

- (g) The date on which each relevant health service was rendered.
- (h) The nature and cost of each relevant health service rendered, including the supply of medicine to the member concerned or to a dependent if that member, and the name, quality, and dosage of and net amount payable by the member in respect of the medicine.
- (i) Where a pharmacist supplies medicine according to a prescription to a member or to a dependent of a member of a medical scheme, a copy of the original prescription, if the scheme requires it.
- (j) Where mention is made in such account or statement of the use of a theatre -
 - (i) the name and relevant practice number and provider number contemplated in paragraph (e) of the medical practitioner or dentist who performed the operation.
 - (ii) the name or names and the relevant practice number and provider number contemplated in paragraph (e) of every medical practitioner or dentist who assisted in the performance of the operation; and
 - (iii) All procedures carried out together with the relevant item code number contemplated in paragraph (f); and
- (k) In the case of a first account or statement in respect of orthodontic treatment or other advanced dentistry, a treatment plan indicating
 - (i) the expected total amount in respect of the treatment
 - (ii) The expected duration of the treatment
 - (iii) The initial amount payable; and
 - (iv) The monthly amount payable

15.1.1 If an account, statement, or claim is correct or where a corrected account, statement or claim is received, as the case may be, the Scheme must, in addition to the payment contemplated in Section 59 (2) of the Act, dispatch to the member a statement containing at least the following particulars:

- (a) The name and the membership number of the member.

- (b) The surname, first name and other initials, if any, of the patient.
- (c) The name of the supplier of service.
- (d) The final date of service rendered by the supplier of service on the account or statement which is covered by the payment.
- (e) The total amount charged for the service concerned; and
- (f) The amount of the benefit awarded for such service.

- 15.2 In order to qualify for benefits, any claim must, unless otherwise arranged, be signed, and certified as correct and must be submitted to the Scheme not later than the last day of the fourth month following the month in which the service was rendered.
- 15.3 Where a member has paid an account, he shall, in support of his claim, submit a receipt.
- 15.4 Accounts for treatment of injuries or expenses recoverable from third parties, must be supported by a statement, setting out particulars of the circumstances in which the injury or accident was sustained. Member and his dependents are obliged to assist the scheme to recover all recoverable expenses associated but not limited to, occupational injuries and diseases, motor vehicle accidents and medical services covered by other forms of insurances. Failure to comply with this requirement, may result in the Scheme exercising its rights.
- 15.5 Where the Scheme is of the opinion that an account, statement, or claim is erroneous or unacceptable for payment, the Scheme shall notify the member and the health care provider, whichever is applicable, accordingly within 30 days after receipt thereof. The Scheme shall state the reasons why such claim is erroneous or unacceptable and afford such member and provider the opportunity to return such corrected claim to the Scheme within 60 days following the date on which it is returned for correction.
- 15.6 A member may not cede, transfer, pledge or hypothecate or make over to any third party any claim, or part of a claim or any right to a benefit which he/she may have against the Scheme. The Scheme may withhold, suspend, or discontinue the payment of any benefit, or any right in respect of such benefit under the

rules, if a member assigns, transfers, cedes, pledges, or hypothecates such benefit, or part thereof

16. BENEFITS

- 16.1 Members are entitled to benefits during a financial year, as per Annexure B, and such benefits extend through the member to his registered dependents. A member must, on admission, elect to participate in any one of the available options, detailed in Annexure B.
- 16.2 A member is entitled to change from one to another benefit option subject to the following conditions:
- 16.2.1 The change may be made only with effect from 1 January of any financial year. The Board may, in its absolute discretion, permit a member to change from one to another benefit option on any other date, provided that the member may change to another option in the case of mid-year contribution increases or benefit changes.
- 16.2.2 Application to change from one benefit option to another must be in writing and lodged with the Scheme by not later than 30 November prior to the year upon which it is intended that the change will take place: provided that the member has had at least 30 days prior notification of any intended changes in benefits or contributions for the next year.
- 16.3 The Scheme shall, where an account has been rendered, pay any benefit due to a member, either to that member or to the supplier of the relevant health service who rendered the account, within 30 days of receipt of the claim pertaining to such benefit.
- 16.4 Any benefit option offered in Annexure B covers in full the cost of the prescribed minimum benefits rendered by a State hospital or DSP.
- 16.5 No limitations or exclusions will be applied to the Prescribed Minimum Benefits.
- 16.6 The Scheme may exclude services from benefits as set out in Annexure C.
- 16.7 A member or dependent admitted during the course of a financial year shall be entitled to the benefits set out in the relevant benefit option chosen, with a maximum benefit (with the exception of the prescribed minimum benefits) being

adjusted in proportion to the period of membership calculated from the date of admission to the end of the particular financial year.

- 16.8 Unless otherwise decided by the Board, benefits in respect of medicines obtained on a prescription are limited to one month's supply for every such prescription or repeat thereof.

17. PAYMENT OF ACCOUNTS

- 17.1 Payment of accounts or reimbursement of claims is restricted to the maximum amount of the benefit entitlement in terms of the applicable benefit and option elected
- 17.2 Any discount received in respect of a relevant health service (whether on an individual basis or bulk discount) shall be for the benefit of the member in determining the net amount payable for the service and appropriate deduction from the applicable benefit limit, or medical savings account.
- 17.3 The Scheme may, whether by agreement or not, pay the benefit to which the member is entitled, directly to the member or the supplier (or group of suppliers) who rendered the service.
- 17.4 Where the Scheme has paid an account or portion of an account or any benefit to which a member is not entitled, whether payment is made to the member or to the supplier of service, the amount of any such overpayment is recoverable by the Scheme.
- 17.5 Notwithstanding the provisions of this rule, the Scheme has the right to pay any benefit directly to the member concerned.

18. GOVERNANCE

- 18.1 The affairs of the Scheme must be managed according to these rules by a Board consisting of fourteen persons who are fit and proper to be trustees.
- 18.2 The board members shall elect the Chairperson and Vice-Chairperson from amongst themselves. The board shall be made up of seven employer nominated trustees and seven members elected trustees. Each trustee shall have an alternate who, if, the trustee is unable to attend a board meeting, may be requested to attend on trustee's behalf.

18.2.1 The elected member trustees shall represent members in the following constituencies namely.

Constituency 1 comprising members employed at Anglo American Platinum Limited - Process Division Operations.

Constituency 2 comprising members employed at Siyanda Bakgatla Platinum Limited operations and other operations in the Union mine area.

Constituency 3 comprising members employed at Anglo American Platinum Limited operations and other operations in the Tumela and Dishaba Mines area.

Constituency 4 comprising members employed at the Royal Bafokeng Platinum operations and such other operations in the surrounding area as agreed from time to time.

Constituency 5 comprising members employed at the Modikwa Platinum operations and such other operations in the surrounding area as agreed from time to time.

Constituency 6 comprising of members employed within all other areas not included in the abovementioned and below mentioned constituencies including but not limited to GSS, Corporate Offices, Mogalakwena and Retirees-

Constituency 7 comprising members employed at the Northam Platinum operations and such other operations in the surrounding area as agreed from time to time.

18.2.2

- a. The employer, employing the majority of members in a particular constituency may be entitled to nominate such employer nominated trustees and alternates to the board.
- b. In the event that the employer has or creates its own dedicated" in-house" medical scheme, notwithstanding employees remaining on the scheme, the employer will not be entitled to nominate such employer nominated trustee and alternate to the Board as set out in (a) above.
- c. In the event that the rule set in (b) above applies to the employer, a suitable experienced and competent independent employer nominated trustee will be identified after due diligent search and such nomination

will be placed by the Principal Officer before employer nominated trustees who may accept such nomination.

- d. At least one employer nominated trustee has to have appropriate financial expertise. Furthermore, it would be advantageous for employers to ensure legal, medical and HR expertise amongst the trustees nominated.

- 18.3 Members of the Board shall serve terms of office of four years each provided that retiring members shall be eligible for re- election or re-appointment and provided further that no persons serve on the board for more than two consecutive terms and no more than a total of three terms.
- 18.4 The election of member elected trustees shall be by secret ballot or postal ballot by the members of the scheme in the constituency using the latest membership register as the voters' roll
- 18.5 The following persons are not eligible to serve as members of the Board:
 - 18.5.1 A person under the age of 18 years.
 - 18.5.2 a director, employee, partner, officer, consultant, contractor, representative or agent of the administrator of the Scheme or of the holding company, subsidiary, joint venture, or associate of that administrator.
 - 18.5.3 A person, including a legal person, associated with the administrator of the Scheme or of any controlling or subsidiary company or joint venture or associate of the administrator.
 - 18.5.4 The principal officer of the Scheme.
 - 18.5.5 The auditor of the Scheme; and
 - 18.5.6 A broker
- 18.6 The term of office of the trustees shall commence at the annual general meeting following the elections and lapse at the annual general meeting in the fourth year thereafter.
- 18.7 Nominations to fill vacancies, signed by the proposer and seconder in good standing with the Scheme, must be signed by the candidate signifying his/her consent to stand for election and must be submitted to the Scheme together with

current curriculum vitae. The election of members elected trustees must be carried out in terms of rule 18.4 and nomination of Employer nominated must be carried out in terms of 18.2.2

- 18.8 The Board may co-opt knowledgeable persons to assist it in its deliberations provided that such persons shall not have a vote.
- 18.9 A quorum is constituted by several members of the Board physically present at a meeting of that Board, which number shall be not less than half of the members of the Board plus one. Members of the Board will, for the purposes of constituting a quorum, not include suspended, vacant Board member positions.
- 18.10 In the absence of the chairperson and vice-chairperson, the Board members present must elect one of their numbers to preside.
- 18.11 Matters serving before the Board must be decided by a majority vote and in the event of an equality of votes, the chairperson has a casting vote in addition to his deliberative vote.
- 18.12 A member of the Board may resign at any time by giving written notice to the Board.
- 18.13 A member of the Board ceases to hold office if
- 18.13.1 He becomes mentally ill or incapable of managing his affairs.
 - 18.13.2 He is declared insolvent or has surrendered his estate for the benefit of his creditors
 - 18.13.3 He is convicted, whether in the Republic or elsewhere, of theft, fraud, forgery or uttering of a forged document or perjury.
 - 18.13.4 He is removed by the court from any office of trust on account of misconduct.
 - 18.13.5 He is disqualified under any law from carrying on his profession.
 - 18.13.6 He ceases to be an appointee by a participating employer or being a Board member elected by members of the Scheme, he ceases to be a member of the Scheme.
 - 18.13.7 He absents himself from three consecutive meetings of the Board without the permission of the Chairperson.

18.13.8 He is removed from office by the Council in terms of Section 46 of the Act;
or

18.13.9 He is removed from office in terms of rule 18.18

18.14 The Board must meet at least once every six months or at such intervals as it may deem necessary.

18.15 The chairperson may convene a special meeting should the necessity arise. Any two members of the Board may request the chairperson to convene a special meeting of the Board, stating the matters to be discussed at such meeting.

18.16 The Board may, subject to participation by sufficient members to form a quorum, discuss and resolve matters by telephone or electronic conferencing means and may adopt resolutions on that basis.

18.17 Members of the Board may be reimbursed for all reasonable expenses incurred by them in the performance of their duties as trustees. Such reimbursement must be disclosed to the members in the annual general meeting and included in the annual financial statements.

18.18 A member of the Board who acts in a manner which is seriously prejudicial to the interests of members or dependents of the Scheme may be removed by the Board, provided that:

18.18.1 before a decision is taken to remove the member of the Board, the Board shall furnish that member with full details of the evidence which the Board has at its disposal regarding the conduct complained of and allow such member a period of not less than 30 days in which to respond to the allegations.

18.18.2 The resolution to remove that member taken by at least two thirds of the members of the Board:

18.18.3 The member shall have recourse to disputes procedures of the Scheme or complaints and appeal procedures provided for in the Act.

19. FIDUCIARY DUTIES OF BOARD OF TRUSTEES

- 19.1 The Board is responsible for the proper and sound management of the Scheme, in terms of these rules.
- 19.2 The Board must act with due care, diligence, and skill and in good faith.
- 19.3 Members of the Board must avoid conflicts of interests and must declare any interest they may have in any particular matter serving before the Board.
- 19.4 The Board must apply sound business principles and ensure the financial soundness of the Scheme.
- 19.5 The Board shall appoint a principal officer who is fit and proper to hold such office and may appoint any staff which in its opinion are required for the proper execution of the business of the Scheme and shall determine the terms and conditions of service of the principal officer and of any person employed by the Scheme.
- 19.6 The chairperson must preside over meetings of the Board and ensure due and proper conduct at meetings.
- 19.7 The Board must cause to be kept such minutes, all resolutions passed, accounts, entries, registers, and records as are essential for the proper functioning of the Scheme.
- 19.8 The Board must ensure that proper control systems are employed by and on behalf of the Scheme.
- 19.9 The Board must ensure that adequate and appropriate information is communicated to the members regarding their rights, benefits, contributions, and duties in terms of the rules.
- 19.10 The Board must take all reasonable steps to ensure that contributions are paid timeously to the Scheme in accordance with the Act and the rules.
- 19.11 The Board must take out and maintain professional indemnity insurance and fidelity guarantee insurance from and up to such amount as the Scheme's auditor, with the concurrence of the Registrar, may determine.
- 19.12 The Board must obtain expert advice on legal, accounting, clinical and business matters as required, or on any other matter of which the members of the Board may lack sufficient expertise.

- 19.13 The Board must ensure that the rules and the operation and administration of the Scheme comply with the provisions of the Act and all other applicable laws.
- 19.14 The Board must take all reasonable steps to protect the confidentiality of medical records concerning any member or dependent's state of health.
- 19.15 The Board must approve all disbursements.
- 19.16 The Board must cause to be kept in safe custody, in a safe or strong room at the registered office of the Scheme or with any financial institution approved by the Board, any mortgage bond, title deed or other security belonging to or held by the Scheme, except when in the temporary custody of another person for the purposes of the Scheme.
- 19.17 The Board must make such provision as it deems desirable, and with due regard to normal practice and recommended guidelines pertaining to retention of documents, for the safe custody of the books, records, documents, and other effects of the Scheme.
- 19.18 The Board must appoint the auditors and audit committee annually.

20. POWERS OF BOARD

The Board has the power —

- 20.1 To cause the termination of the services of any employee of the Scheme.
- 20.2 To take all necessary steps and to sign and execute all necessary documents to ensure and secure the due fulfillment of the Scheme's obligations under such appointments.
- 20.3 To appoint a committee consisting of such Board members and other experts as it may deem appropriate.
- 20.4 To appoint a duly accredited administrator on such terms and conditions as it may determine, for the proper execution of the business of the Scheme. The terms and conditions of such appointment must be contained in a written contract, which complies with the requirements of the Act and the regulations.
- 20.5 To appoint, compensate and determine the level of services of any accredited person for the introduction or admission of a member to the Scheme.

- 20.6 To contract with managed health care organisations accredited with the Council subject to the provisions of the Act and its regulations.
- 20.7 To purchase movable and immovable property for the use of the Scheme or otherwise, and to sell it or any of it subject to sound business practice and fair value principles.
- 20.8 To let or hire movable or immovable property.
- 20.9 in respect of any monies not immediately required to meet current charges upon the Scheme and subject to the provisions of the Act, and in the manner determined by the Board, to invest or otherwise deal with such moneys upon security and to realise, re-invest or otherwise deal with such monies and investments.
- 20.10 With the prior approval of the Council, to borrow money for the Scheme from the Scheme's bankers against the security of the Scheme's assets for the purpose of bridging a temporary shortage.
- 20.11 subject to the provisions of any law, to cause the Scheme, whether on its own or in association with any person, to establish or operate any pharmacy, hospital, clinic, maternity home, nursing home, infirmary, home for aged persons or any similar institution, in the interests of the members of the Scheme.
- 20.12 To donate to any hospital, clinic, nursing home, maternity home, infirmary, or home for aged persons in the interests of all or any of the members.
- 20.13 To grant repayable loans to members or to make *ex gratia* payments on behalf of members to assist such members to meet commitments in regard to any matter specified in rule 5.
- 20.14 To contribute to any fund conducted for the benefit of employees of the Scheme;
- 20.15 To reinsure obligations in terms of the benefits provided for in these rules provided that all such reinsurance arrangements are fully disclosed to the Council, including full details of premiums, commissions, and benefits due under such arrangement.
- 20.16 To authorise the principal officer and/or such members of the Board as it may determine from time to time, and upon such terms and conditions as the Board may determine, to sign any contract or other document binding or relating to the

Scheme or any document authorising the performance of any act on behalf of the Scheme;

20.17 To contribute to any association instituted for the furtherance, encouragement and coordination of medical schemes;

20.18 in general, do anything, which it deems necessary or expedient to perform its functions in accordance with the provisions of the Act and these rules.

21. DUTIES OF PRINCIPAL OFFICER AND STAFF

21.1 The staff of the Scheme must ensure the confidentiality of all information regarding its members.

21.2 The principal officer is the executive officer of the Scheme and as such shall ensure that:

21.2.1 He acts in the best interests of the members of the Scheme at all times;

21.2.2 The decisions and instructions of the Board are executed without unnecessary delay;

21.2.3 Where necessary, there is proper and appropriate communication between the Scheme and those parties, affected by the decisions and instructions of the Board;

21.2.4 He keeps the Board sufficiently and timeously informed of the affairs of the Scheme which relate to the duties of the Board as stated in section 57(4) of the Act;

21.2.5 He keeps the Board sufficiently and timeously informed concerning the affairs of the Scheme so as to enable the Board to comply with the provisions of section 57(6) of the Act;

21.2.6 He does not take any decisions concerning the affairs of the Scheme without prior authorization by the Board and that he at all times observes the authority of the Board in its governance of the Scheme.

21.3 The principal officer shall be the accounting officer of the Scheme charged with the collection of and accounting for all moneys received and payments authorised by and made on behalf of the Scheme.

- 21.4 The principal officer shall ensure the carrying out of all of his duties as are necessary for the proper execution of the business of the Scheme. He shall attend all meetings of the Board, and any other duly appointed committee where his attendance may be required and ensure proper recording of the proceedings of all meetings, but shall have no vote.
- 21.5 The principal officer shall be responsible for the supervision of the staff employed by the Scheme unless the Board decides otherwise.
- 21.6 The principal officer shall keep full and proper records of all moneys received and expenses incurred by, and of all assets, liabilities and financial transactions of the Scheme.
- 21.7 The principal officer shall prepare annual financial statements and shall ensure compliance with all statutory requirements pertaining thereto.
- 21.8 The following are not eligible to serve as a principal officer:
- 21.8.1 An employee, director, officer, consultant or contractor of any person contractor by the Scheme to provide administrative, marketing or managing or managed healthcare services, or of the holding company, subsidiary, joint venture or associate of such person;
 - 21.8.2 A broker or an employee, director, officer, consultant or contractor of any person contracted by the scheme to provide broker services;
 - 21.8.3 A Principal Officer or office bearer of another medical scheme; or
Otherwise has a material relationship with any person contracted by the scheme to provide administrative, marketing, broker, managed healthcare or other services or with its holding company, subsidiary, joint venture or associate.
- 21.9 The provisions of rules 18.13.1 to 18.13.5 shall apply mutatis mutandis to the principal officer.

22. INDEMNIFICATION & FIDELITY GUARANTEE

22.1 The Board and any officer of the Scheme must be indemnified by the Scheme against all proceedings, costs and expenses incurred by reason of any claim in connection with the Scheme, not arising from their negligence, dishonesty or fraud.

22.2 The Board must ensure that the Scheme is insured against loss resulting from the dishonesty or fraud of any of its officers (including members of the Board).

23. FINANCIAL YEAR OF THE SCHEME

The financial year of the Scheme extends from the first day of January to the 31st day of December of that year.

24. BANKING ACCOUNT

The Scheme must maintain a banking account with a registered commercial bank. All moneys received must be deposited to the credit of such account and all payments must be made either by electronic transfer, tape exchange or by cheque under the joint signature of not less than two persons duly authorised by the Board.

25. AUDITOR & AUDIT COMMITTEE

25.1 An auditor (who must be approved in terms of section 36 of the Act) must be appointed by resolution at each annual general meeting, to hold office from the conclusion of that meeting to the conclusion of the next annual general meeting.

25.2 The following persons are not eligible to serve as auditors to the Scheme:

25.2.1 Officers of the scheme;

25.2.2 Contractor of the Scheme;

25.2.3 An employee, director officer or contractor of the Scheme's administrator, or of the holding company, subsidiary, joint venture or associate of the administrator;

25.2.4 A person not registered and engaged in public practice as an auditor;

25.2.5 A person who is disqualified from acting as an auditor in terms Section 90 of the Companies Act, 2008;

- 25.2.6 Any person who has a material relationship with the medical scheme or any of its contractors.
- 25.3 Whenever for any reason an auditor vacates his office prior to the expiration of the period for which he has been appointed, the Board must within 30 days appoint another auditor to fill the vacancy for the unexpired period.
- 25.4 If the members of the Scheme at a general meeting fail to appoint an auditor required to be appointed in terms of this rule, the Board must within 30 days make such appointment, and if it fails to do so, the Registrar may at any time do so.
- 25.5 The auditor of the Scheme at all times has a right of access to the books, records, accounts, documents and other effects of the Scheme, and is entitled to require from the Board and the other officers of the Scheme such information and explanations as he deems necessary for the performance of his duties.
- 25.6 The auditor must report to the Audit committee of the Scheme on the accounts examined by him and on the financial statements laid before the Scheme in general meeting.
- 25.7 The Board must appoint an audit committee of at least five members of whom at least two must be members of the Board.
- 25.8 The audit committee shall be responsible for recommending the appointment of the external auditor to the board of trustees as well as overseeing the external audit process.

26. GENERAL MEETINGS

26.1 Annual general meeting

- 26.1.1 The annual general meeting of members must be held not later than 30th June of each year.
- 26.1.2 The notice convening the annual general meeting, containing the agenda, the abridged annual financial statements, auditor's report and Board of Trustees' report, must be furnished to members at least 21 days before the date of the meeting. The non-receipt of such notice by a member does

not invalidate the proceedings at such meeting, provided that the notice procedure followed by the Board was reasonable.

- 26.1.3 At least 15 members of the Scheme present in person constitute a quorum. If a quorum is not present after the lapse of 30 minutes from the time fixed for the commencement of the meeting, the meeting must be postponed to a date determined by the Board with notice of such postponed meeting being issued in terms of rule 26.1.2, and members then present constitute a quorum.
- 26.1.4 The financial statements and reports specified in rule 26.1.2 must be laid before the meeting.
- 26.1.5 Notices of motions to be placed before the annual general meeting must reach the principal officer not later than seven days prior to the date of the meeting.
- 26.1.6 Only members in good standing will be permitted to attend the meeting on presenting proof of membership and identity.

26.2 Special general meeting

- 26.2.1 The Board may call a special general meeting of members if it is deemed necessary.
- 26.2.2 On the requisition of at least 5 members of the Scheme, the Board must cause a special general meeting to be called within 30 days of the deposit of the requisition. The requisition must state the objects of the meeting and must be signed by all the requisitionists and deposited at the registered office of the Scheme. Only those matters forming the objects of the meeting may be discussed.
- 26.2.3 The notice convening the special general meeting, containing the agenda, must be furnished to members at least 14 days before the date of the meeting. The non-receipt of such notice by a member does not invalidate the proceedings at such a meeting, provided that the notice procedure followed by the Board was reasonable.

- 26.2.4 At least 20 members present in person constitute a quorum. If a quorum is not present at a special general meeting after the lapse of 30 minutes from the time fixed for the commencement of the meeting, the meeting is regarded as cancelled.
- 26.2.5 Only members in good standing will be permitted to attend the meeting on presenting proof of membership and identity.

27. VOTING AT MEETINGS

- 27.1 Every member who is present at a general meeting of the Scheme and whose contributions is not in arrears, has the right to vote, or may, subject to this rule, appoint another member of the Scheme as proxy to attend, speak and vote in his stead.
- 27.2 The instrument appointing the proxy must be in writing, in a form determined by the Board and must be signed by the member and the person appointed as the proxy.
- 27.3 The chairperson must determine whether the voting must be by ballot or by a show of hands. In the event of the votes being equal, the chairperson, if he is a member, has a casting vote in addition to his deliberative vote.

28. COMPLAINTS AND DISPUTES

- 28.1 Members may lodge their complaints, in writing, to the Scheme. The Scheme or its administrators shall also provide a dedicated telephone number which may be used for dealing with telephonic complaints.
- 28.2 All complaints received in writing will be responded to by the Scheme in writing within 30 days of receipt thereof.
- 28.3 A disputes committee of three members, who may not be members of the Board, employees of the administrator of the Scheme or officers of the Scheme, must be appointed by the Board to serve a term of office of 3 years. At least one of such members shall be a person with legal expertise.

- 28.4 Any dispute, which may arise between a member, prospective member, former member or a person claiming by virtue of such member and the Scheme or an officer of the Scheme, must be referred by the principal officer to the disputes committee for adjudication.
- 28.5 On receipt of a request in terms of this rule, the principal officer must convene a meeting of the disputes committee by giving not less than 21 days' notice in writing to the complainant and all the members of the disputes committee, stating the date, time, and venue of the meeting and particulars of the dispute.
- 28.6 The disputes committee may determine the procedure to be followed.
- 28.7 The parties to any dispute have the right to be heard at the proceedings, either in person or through a representative.
- 28.8 An aggrieved person has the right to appeal to the Council for Medical Schemes against the decision of the disputes committee. Such appeal must be in the form of an affidavit directed to Council and shall be furnished to the Registrar not later than three months after the date on which the decision concerned was made, or such further period as the Council may for good cause shown allow, after the date on which the decision concerned was made.
- 28.9 The operation of any decision which is the subject of an appeal under rule 28.8 shall be suspended pending the decision of the Council on such appeal.

29. TERMINATION OR DISSOLUTION

- 29.1 The Scheme may be dissolved by order of a competent court or by voluntary dissolution.
- 29.2 Members in general meeting may decide that the Scheme must be dissolved, in which event the Board must arrange for members to decide by ballot whether the Scheme must be liquidated. Unless the majority of members decide that the Scheme must continue, the Scheme must be liquidated in terms of section 64 of the Act.
- 29.3 Pursuant to a decision by members taken in terms of rule 29.2 the principal officer must, in consultation with the Registrar, furnish to every member a

memorandum containing the reasons for the proposed dissolution and setting forth the proposed basis of distribution of the assets in the event of winding up, together with a ballot paper.

- 29.4 Every member must be requested to return his ballot paper duly completed before a set date. If at least 50 per cent of the members return their ballot papers duly completed and if the majority thereof is in favour of the dissolution of the Scheme, the Board must ensure compliance therewith and appoint, subject to the approval of the Registrar, a competent person as liquidator.

30. AMALGAMATION AND TRANSFER OF BUSINESS

- 30.1 The Scheme may, subject to the provisions of section 63 of the Act, amalgamate with, transfer its assets and liabilities to, or take transfer of assets and liabilities of any other medical scheme or person, in which event the Board must arrange for members to be furnished with an exposition of the proposed transaction for consideration to decide by ballot whether the proposed amalgamation or transfer should be proceeded with or not.
- 30.2 If at least 50 per cent of the members return their ballot papers duly completed and if the majority thereof is in favour of the amalgamation or transfer then, subject to section 63 of the Act, the amalgamation or transfer may be concluded.
- 30.3 The amalgamating Board must submit signed copies of a final audited set of financial statements and annual statutory return to the Office of the Registrar.

31. RIGHT TO OBTAIN DOCUMENTS AND INSPECTION OF DOCUMENTS

- 31.1 Any member must on request and on payment of a fee of R20 per copy, be supplied by the Scheme with a copy of the following documents:
- 31.1.1 The rules of the Scheme including any network/preferred providers and DSPs;
- 31.1.2 The latest audited annual financial statements, returns, Trustees reports and auditors report of the Scheme; and

31.2 A member is entitled to inspect free of charge at the registered office of the Scheme any document referred to in rule 31.1 and to make extracts therefrom.

31.3 This rule shall not be construed to restrict a person's right in terms of the Promotion of Access to Information Act, 2000.

32. AMENDMENT OF RULES

32.1 The Board is entitled to alter or rescind any rule or annexure or to make any additional rule or annexure.

32.2 No amendment, rescission or addition which affects the following matters is valid unless it has been approved by a majority of members present in a general meeting or by ballot:

32.2.1 The objects of the Scheme.

32.2.2 The constitution of the Board.

32.2.3 The period of office of the trustees.

32.2.4 The percentage of members voting in the case of dissolution of the scheme and amalgamation or transfer of business.

32.3 Notwithstanding the provisions of rule 32.1 above, the Board must, on the request and to the satisfaction of the Registrar, amend any rule that is inconsistent with the provisions of the Act.

32.4 No alteration, rescission or addition shall be valid unless it has been approved and registered by the Registrar in terms of The Act.