



PRESS RELEASE

Reference: Keyhealth curatorship
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Date: 18 September 2020

Press Release 13 of 2020: Keyhealth Medical Scheme on provisional curatorship

The Pretoria High Court has on 16 September 2020, placed Keyhealth Medical Scheme under provisional curatorship following a successful application by the Registrar of the Council for Medical Schemes (CMS), in terms of Section 56(1) of the Medical Schemes Act, No. 131 of 1998, and Section 5(1) and (2) of the Financial Institutions (Protection of Funds) Act 28 of 2001.

The curatorship application against KeyHealth Medical Scheme was brought after a CMS commissioned inspection report revealed certain corporate governance irregularities. These included the Board of Trustees (BoT) not being properly constituted. In addition, the BoT disregarded scheme rules in offering the current Principal Officer a permanent contract of employment and the PO having accepted this.

Mr Johannes Seoloane has been appointed the provisional curator and is authorized to take immediate control of the scheme in the place of the BoT. The appointed curator will further manage the business and operations of the scheme together with all the assets and interests relating to the business of Keyhealth Medical Scheme.

The curator continues control of the business of the scheme to ensure proper corporate governance. There is therefore no need for any concern on the part of Keyhealth Medical Scheme members and service providers, regarding the day-to-day operations of the scheme. The Court Order calls on the BoT and other interested person to show cause, if any on 20 October 2020 or soon thereafter as Counsel may be heard, why the provisional curatorship should not be confirmed.

Advice to brokers

Brokers are strictly cautioned not to act in any manner that negatively affects the integrity of the scheme's risk pool. Any advice provided to members must be in line with the principles of good advice, and their best interests. The CMS will continue to exercise statutory oversight regarding the affairs of the medical schemes, and to ensure that the interests of members of medical schemes are protected at all times.

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Media enquiries

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