



PRESS RELEASE

Reference: Keyhealth curatorship
Contact person: Ms Mmatsie Mpshane
Contact number: 071 371 5667
E-mail: media@medicalschemes.co.za
Date: 31 March 2021

Press Release 4 of 2021: KeyHealth Medical Scheme curatorship confirmed

The journey of restoring governance at KeyHealth Medical Scheme continues. This follows the curatorship confirmation by the High Court of South Africa on 25 March 2021, in a judgment by Honourable Judge Kollapen.

The Scheme had been placed under provisional curatorship on 16 September 2020, through an order by Honourable Judge Kubishi, and the erstwhile Trustees had brought a reconsideration application.

“This confirmation of curatorship underscores efforts which are already in motion to restore governance at KeyHealth, for the protection and benefit of its members,” said Dr Siphon Kabane, the Registrar of Medical Schemes.

Curatorship is an intervention put in place by the Medical Schemes Act (131 of 1998) that empowers the Registrar of medical schemes to protect members’ interests and assets, where necessary. It involves the removal of the Board of Trustees (BoT), and the appointment of a Curator to take full management of a scheme and rectify the identified issues.

KeyHealth Medical Scheme was placed under curatorship following non-compliance with several regulatory aspects of the Medical Schemes Act. Specifically:

- The irregular appointment of the Chief Executive Officer, contravening its scheme rules;
- Irregularities in the election of some of the scheme’s Trustees;
- The composition of the BoT when effecting the removal of implicated Trustees – including conflict of interest and violation of the Code of Conduct of Trustees;
- The implementation of a discriminatory incentive structure against new older members in favour of new younger members.

In addition to non-compliance, other governance problems were also identified. For instance:

- The long tenure of the existing BoT;
- Interference by external parties in the scheme;
- Divisions within the BoT as a result of dysfunction in the governance structure.

The Curator's role and mandate is to, amongst others, restore overall effective governance of the scheme, facilitating the proper election of a new BoT to oversee its affairs, whilst ensuring continued servicing of members and beneficiaries of the scheme.

To access the ruling, click [here](#).

/Ends/

Media enquiries

Ms Mmatsie Mpshane

Acting General Manager: Stakeholder Relations

071 371 5667

media@medicalschemes.co.za