



CIRCULAR

Reference: Declaration for Designated Service Providers (DSP)
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Circular 56 of 2021: Declaration for Designated Service Providers

The CMS wishes to update the industry on Government Gazette [Notice 214 of 2021](#), the declaration based on section 61 of the Medical Schemes Act (131 of 1998) (MSA), pertaining to the selection process of Designated Service Providers (DSP's) and matters relating to the imposition of excessive co-payments.

This declaration was issued as part of [Circular 31 of 2021](#) in April 2021, where CMS committed to develop guidelines aimed at identifying instances of specific undesirable conduct in relation to the selection of DSP's and the method pertaining to selection of DSP's practices, and the charging of penalty co-payments by medical schemes, in consultation with industry stakeholders. This commitment was in line with the fundamental objectives of the CMS, which is to co-ordinate the activities of the industry in a fair, reasonable, and just manner.

Nevertheless before CMS could complete the process of developing the guidelines, an appeal against the declaration was lodged to the Appeals Board in July 2021. As such, the CMS will hold on making the guidelines officially available and allow the appeals process to be concluded.

The CMS will also continue to ensure that the rights of affected parties are protected within the current provisions of the MSA and its regulations and will communicate the decision of the Appeals Board immediately when it is issued.

Yours sincerely,

Dr Siphon Kabane
Chief Executive & Registrar
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