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RULINGS ISSUED BY THE OFFICE OF THE REGISTRAR

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THE COMPLAINANT

and

COMPCARE WELLNESS MEDICAL SCHEME

THE SCHEME

The complaint was submitted to the Office of the Registrar by the Member's son against CompCare Wellness Medical Scheme. The Complainant alleged incorrect termination of the Member's membership, and the Scheme's subsequent failure to inform him of same. The Complainant submitted that they found out in December 2020 when the Member was admitted in hospital that his membership was terminated due to non-payment of contributions.

In addition to the above, the Complainant alleged that the member suffered financial loss during the Covid-19 period and the Scheme failed to inform him of the exemption granted by the Council for Medical Schemes (CMS) to medical schemes, to facilitate contribution relief to members. On that basis, the Complainant's request was for the Registrar to compel the Scheme to reinstate his membership and fund claims that arose during the period of suspension/termination.

The matter was referred to the Scheme for its response in terms of section 47 of the Medical Schemes Act. In its response, the Scheme confirmed that the member's debit order mandate returned unpaid for July and August 2020 and as per its credit control policy, his membership was suspended. A notice was posted to him, communicating the contribution arrears and subsequent suspension. The Scheme further pointed out that the exemption for contribution relief was not

applicable to the member because he was registered on a hospital plan, and the relief only applied to members whose benefit options had a Personal Medical Savings Account (“PMSA”).

Section 29(2) (a) of the Act stipulates that the Scheme may terminate membership on grounds of failure to pay membership fees within the allowed time. It is not in dispute that the member’s contributions were unpaid. In fact, evidence confirmed that his contributions were unpaid for a period of 6 months prior to termination of his membership. The Scheme was therefore well within its rights to suspend/terminate membership in terms of Scheme rule 13.2, which reads as follows;

...where contributions or any other debt owing to the Scheme has not been paid within three days of the due date, the scheme shall have the right;

- a) To suspend all benefit payments in respect of claims which arose during the period of default*
- b) To give the Member written notice at his domicilium citandi et executandi or by electronic means agreed upon that if the contributions or such debts are not paid within twenty-one (21) days of posting such notice, membership may be cancelled.*

The Complainant’s allegations that the Scheme failed to inform the member of the arrears and subsequent suspension were unfounded and therefore dismissed as the Scheme furnished the Office of the Registrar with the relevant letters, which were posted to the member.

Upon investigation, it was established that the member belonged to a hospital plan, and he would not have been eligible for the contribution relief, as the relief only applied to members whose PMSA’ had accumulated at the least, savings contribution equivalent to 12 months. Therefore, the Scheme was not obliged to communicate the exemption to him as it would not have affected his personal circumstances.

The Office of the Registrar found that the termination of membership was in line with the provisions of Section 29(2)(a) of the Medical Schemes Act and that he was not entitled to the contribution relief. The complaint was dismissed.