

IMPORTANT NOTICE

TO HEALTH SQUARED MEDICAL SCHEME MEMBERS

The Council for Medical Schemes (CMS) will oppose the liquidation application by Health Squared Medical Scheme. Health Squared Medical Scheme approached the High Court on 18 August 2022, in terms of Section 51 of the Medical Schemes Act (131 of 1998) (MSA) due for leave to apply for the voluntary winding up of the scheme in the interest of its members, as contemplated by Sections 51(5)(e) and 53. The winding-up application is intended to be submitted on 1 September 2022.

The CMS is on the tail end of discussions with seven medical schemes to consider options for Health Squared Medical Scheme members while ensuring their existing membership is not unduly disadvantaged. These medical schemes have more than 100 000 members with a solvency ratio above 25%. It is hoped that the schemes will be able to absorb the risk and dilute it with their demographics if the risk is shared equitably.

These discussions continue with due consideration to the urgency of the situation and that Health Squared members need to be onboarded by 1 September 2022. The CMS aims to conclude a concession that will allow Health Squared Medical Scheme members to join these schemes without the conditions of reinsurance and waiting periods to guarantee members' financial protection.

Whilst the CMS concludes discussions, Health Squared members are urged to avoid panic-inspired movements that might leave them worse off but instead wait on the announcement CMS is expected to make in due course. Health Squared members who join other schemes may not qualify to be part of the dispensation, should the migration concession be successful.

Read more: <https://bit.ly/3clbMnN>



Issued by the Council for Medical Schemes
information@medicalschemes.co.za
Customer Care Centre: 0861 123 267