



PRESS STATEMENT

ALL MEDIA / HEALTH JOURNALISTS

25 AUGUST 2023

CMS DEEPLY CONCERNED OVER ALLEGATIONS LEVELLED AGAINST MEDICLINIC

The Council for Medical Schemes (CMS) as the designated regulator of the medical schemes industry in South Africa is deeply concerned and disturbed by the allegations of billing and other fraudulent activities levelled against the prominent hospital group, Mediclinic.

Unofficially, the CMS has not as yet received any formal complaint however, we note these allegations in serious light.

According to the Registrar, Dr Siphon Kabane, CMS concern stems from the real possibility that medical scheme member's funds may have been acquired by these MediClinic hospitals through fraudulent means.

"The consequences of these fraudulent transactions would have led to scheme members suffering premature exhaustion of their funds leading to unnecessary out of pocket and catastrophic health expenditures" he said. According to CMS 2022 medical scheme industry report, medical scheme members paid close to over R32 billion in out-of-pocket payments.

CMS has always championed for an industry free of Fraud, Waste and Abuse (FWA). On this matter, we stand as the protector of medical scheme members interest, as mandated by Section 7 of the Medical Schemes Act 131 of 1998.

The Registrar added "we are interested in the extent and depth of these possible fraudulent acts by hospitals. We are calling for a comprehensive, unhindered and speedy investigation of these allegations by an objective and trusted authority."

Furthermore, the investigation should not just aim to get the names of the responsible parties apprehended but should also ensure that the funds involved are quantified and returned to their rightful owners - the medical scheme members.

Against this backdrop, these allegations underscore our focus on FWA and the need to ensure that all stakeholders in the healthcare value chain work together.

Members of medical schemes are encouraged to report any suspicious activity or lodge a complaint on this number (086) 673 2466 and email complaints@medicalschemes.co.za

Ends.

ISSUED BY OFFICE OF THE REGISTRAR

Media Enquiries

Stephen Monamodi (spokesperson)

Senior Manager: Communications, Marketing and Stakeholder Relations

Email: media@medicalschemes.co.za

NOTE TO EDITORS:

The CMS is a regulatory body as established by the Medical Schemes Act, 1998 (Act No. 131 of 1998) (“the Medical Schemes Act”) which requires the regulator to; protect the interests of the beneficiaries at all times; control and co-ordinate the functioning of medical schemes in a manner that is complementary with the national health policy; make recommendations to the Minister on criteria for the measurement of quality and outcomes of the relevant health services provided for by medical schemes, and such other services as the CMS may from time to time determine; investigate complaints and settle disputes in relation to the affairs of medical schemes as provided for in this Act; collect and disseminate information about private health care; make rules, not inconsistent with the provisions of the Act for the purpose of the performance of its functions and the exercise of its powers; advise the Minister on any matter concerning medical schemes; and perform any other functions imposed on the Council by the Minister or by the Act. Visit www.medicalschemes.co.za