



## RULINGS ISSUED BY THE OFFICE OF THE REGISTRAR

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## M v DISCOVERY HEALTH MEDICAL SCHEME

The complaint concerned the Scheme's decision to terminate the Member's membership in terms of the provisions of section 29(2)(e) of the Medical Schemes Act.

The matter was referred to the Scheme in terms of section 47(1) of the Act for a response. In its response, the Scheme stated that membership commenced in August 2022, and in February 2023, it received a request to authorise the admission of the Member to undergo Laparoscopy and Hysteroscopy procedures. As the request was made within 12 month of membership, the Scheme commenced non-disclosure investigations.

The Scheme indicated that during the non-disclosure investigations, it received a report from the Member's GP indicating that he consulted with the Member in July 2022 for the diagnosis of Endometriosis. Furthermore, that during the investigations, the Member confirmed telephonically that she consulted with the GP in July 2022 regarding Endometriosis. Following this, the Scheme terminated her membership due to non-disclosure in terms of section 29(2)(e) for failing to disclose the consultation and diagnoses of Endometriosis.

Section 29(2)(e) states as follows:

*"A medical Scheme shall not cancel or suspend a member's membership or that of any of his or he dependants, except on the grounds of -;*

...

*(e) the non-disclosure of material information."*

In terms of the above provision, a medical scheme may opt to cancel or suspend membership of a member or dependant where it is found that there has been non-disclosure of material information.

During the investigation of this matter, The Registrar's Office perused the application form and noted that under question 8.3 relating to "Gynaecological and Obstetric Conditions", an example of

“Endometriosis” was provided as a condition and the answer provided by the Complainant was “No”.

For a medical scheme to properly assess risk for underwriting purposes, there is an obligation on a member to act in good faith by providing all the material information required. Therefore, in answering “no” to all medical questions and specifically the question relating to “Gynaecological and Obstetric Conditions”, the Scheme was rendered unable to properly assess the risk.

It was found that the Scheme acted within its powers in terms of section 29(2)(e) of the Act in terminating the membership. The complaint was dismissed.