RULINGS ISSUED BY THE OFFICE OF THE REGISTRAR

The CMS hereby publishes summaries of rulings recently issued by the Complaints Adjudication Unit in respect of complaints lodged against regulated entities, in terms of Section 47 of the Medical Schemes Act.

These rulings are published solely for information purposes and may not be taken to be precedent setting in any way. Decisions articulated in these rulings may still be appealed in terms of Section 48 of the Medical Schemes Act. The CMS reserves the right to modify or remove any information published herein, without prior notice.

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Identifiable personal information of the complainants and any associated individuals have been redacted for their protection.

Dr. V o.b.o Mrs. O v South African Municipal Workers Union Medical Scheme

Short payment of the member's prosthesis

This complaint was referred to the Office of the Registrar by Dr. V, a Medical Orthotist and Prosthetist ("the Complainant"), acting on behalf of Mrs. O ("the member"). The complaint was lodged against the South African Municipal Workers Union Medical Scheme ("the Respondent") after it declined full funding for the member's prosthesis.

The Complainant alleged that the Respondent engaged in improper conduct by failing to fully fund the prosthesis as a Prescribed Minimum Benefit (PMB). The Respondent approved only R19,670, which the Complainant argued was inadequate (only 9% of the total cost) and denied the member access to essential healthcare. The Complainant requested that the Respondent be compelled to fully fund the prosthesis in line with PMB regulations.

The Respondent requested three quotations, then approved the amount up to the available appliance benefit limit, citing Rule D20.2. The Respondent acknowledged that the member's diagnosis (ICD-10 code I70.02) falls under PMB DTP code 915E, which covers "medical and surgical management, including amputation." However, it argued that an external prosthesis did not fall within the scope of "medical and surgical management" and therefore could not be funded as a PMB. It also invited the member to apply for ex gratia funding.

The key dispute was whether the Respondent was legally justified in limiting the funding for the prosthesis. The matter was referred to the Registrar's Clinical Review Committee (CRC) for review. The CRC confirmed that prostheses are routinely available in the public sector for amputees and are considered part of medical management and rehabilitation. Although prostheses are not explicitly listed in DTP 915E, the CRC advised that they are a necessary component of medical management post-amputation, restoring function and quality of life.

The investigation noted that Regulation 8(1) of the Medical Schemes Act 131 of 1998 requires medical schemes to pay in full for the diagnosis, treatment, and care of PMB conditions. Scheme

rules, including Rule D20.2, explicitly state that PMB benefits override any limits, meaning the Respondent could not rely on its benefit cap. Further, Explanatory Note 2 to Annexure A requires PMB interpretations to align with prevailing public sector practices, which routinely include provision of prostheses after amputation.

The Registrar also considered the Bonitas Medical Scheme v T obo F[1] matter, which held that schemes cannot limit PMB benefits by capping costs or referencing lower public sector pricing. Applying these principles, the Registrar found that the Respondent's monetary limit was unlawful and inconsistent with its own rules, Regulation 8(1), and established jurisprudence.

The Registrar concluded that the Respondent's decision to limit funding for the member's prosthesis to R19,670.00 was not justified in law. The member's condition qualifies as a PMB, and the prosthesis forms an integral part of medical management and rehabilitation. The Respondent is therefore directed to fully fund the member's prosthesis in accordance with Regulation 8(1) of the Act, as PMB benefits override any benefit limits imposed by scheme rules.

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1. Bonitas Medical Scheme v T obo F CMS84280 issued 2 July 2024