



**THE APPEAL COMMITTEE OF THE COUNCIL FOR MEDICAL SCHEMES  
INSTITUTED IN TERMS OF THE MEDICAL SCHEMES ACT, NO 131 OF  
(1998),  
HELD VIA THE MICROSOFT TEAMS VIDEO AND AUDIO CONFERENCE  
TECHNOLOGY,  
HEARD ON 19.11. 2025  
RULING PRESUMED TO HAVE BEEN ISSUED ON 09.12.2025  
BY CIRCULATION TO THE PARTIES**

**CASE NR: CMS-85325**

In the matter between:

**X**

Appellant

and

**BONITAS MEDICAL SCHEME**

Respondent

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## **RULING AND REASONS**

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### **INTRODUCTION AND BACKGROUND**

- 1) The appellant, Mr X, is a male of advanced age who joined the Respondent, Bonitas Medical Scheme, (the Scheme), and elected the Bonitas BonClassic option together with his wife, effective 01 January 2022. He changed to the BonComprehensive option effective 01 May 2023.
  
- 2) In the present appeal in terms of s 48(1)<sup>1</sup> of the Medical Schemes Act 131 of 1998, (the Act), in which he was unrepresented, X challenged the Scheme's refusal to

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<sup>1</sup> It provides that, *“(1) Any person who is aggrieved by any decision relating to the settlement of a complaint or dispute may appeal against such decision to the Council.”*

cover a shortfall of R18,776.49 for his neck spine fusion surgery.

- 3) The Scheme's position is that the additional costs associated with specific Nappi codes for artificial disc replacements, were not included in the initial quotation and are not considered part of the Prescribed Minimum Benefits (PMBs) under the Act.
- 4) The essence of the Registrar's ruling in the s 47 complaints process issued on 17 February 2025, accorded with the Scheme's aforementioned position on the issue.
- 5) Ordinarily, the Act mandates that medical schemes cover the costs related to the diagnosis, treatment, and care of:
  - i. Any emergency<sup>2</sup> medical condition as part of PMBs, (see footnote);<sup>3</sup>

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<sup>2</sup> **Regulation 7 defines emergency thus**, *'the sudden, and at the time, unexpected onset of a health condition that requires immediate medical or surgical treatment, where failure to render such treatment would result in serious impairment to bodily functions, serious dysfunction of a bodily organ or part, or would place the person's life in serious jeopardy'*

<sup>3</sup> **S 29(1)(o) provides**, *'a medical scheme's rules must make provision for: 'the scope and level of minimum benefits that must be available to beneficiaries, including emergency medical treatment and prescribed minimum benefits'*

- ii. A defined set of 271 medical conditions; and
  - iii. 271 chronic conditions
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- 6) These are collectively known as Prescribed Minimum Benefits (PMBs).
  - 7) The Scheme argues that the disputed Nappi codes pertain to artificial disc replacements, which are not recognized as part of the prevailing State practice for PMB - level - care. Therefore, had these codes been included in the initial quotation, they would have been declined upfront.
  - 8) The Scheme emphasizes the importance of managing healthcare costs sustainably and preventing undue reliance on PMBs.
  - 9) As aforementioned, in the s 47 complaints as a process of first instance, which preceded the appeal *instant*, The CMS Registrar's ruling made a finding and conclusion

that the Scheme did not contravene its registered rules and did not contravene applicable provisions of the Act.

- 10) The Scheme submits that this ruling be upheld, asserting that it is consistent with the principles of the Act.
- 11) In summary, the Scheme's position is that the additional costs are not covered under PMBs, and the appeal should be dismissed.

## **IN THE APPEAL PROCESS:**

### ***Summary of the Appellant's Heads of Argument:***

- 12) Mr X's appeal turns on the Registrar's ruling, dismissing his complaint against the Scheme. He has a history of back pain spanning over a decade and underwent three unsuccessful rhizotomies, leading to kidney issues due to prescribed pain medication.

- 13) On 5 December 2022, the Scheme authorized his admission to XXXXX Hospital for neck spine fusion surgery, based on the hospital's quotation. The Scheme paid the quoted amount of R129,027.41 in full.
- 14) However, the hospital later submitted a claim of R147,803.90, resulting in a shortfall of R18,776.49.
- 15) This discrepancy was due to additional Nappi codes for artificial disc replacements not included in the initial quotation. Mr X contends that the Scheme should cover the entire medical treatment cost.

**SCHEME'S POSITION:**

- 16) The Scheme argues that the disputed Nappi codes pertain to artificial disc replacements, which are not considered PMBs as they do not align with prevailing State practice.
- 17) The Scheme intimated that should these codes have been included in the initial quotation, they would have been declined upfront.

- 18) The Scheme emphasizes the importance of managing healthcare costs sustainably and asserts that medical schemes are permitted to implement measures like pre-authorisation to improve efficiency and effectiveness in healthcare provision.
- 19) Regulation 8(4) of the Act supports this approach, allowing medical schemes to employ interventions such as pre-authorisation, treatment protocols, and formularies.

#### **APPLICABLE STATUTORY AND REGULATORY FRAMEWORK**

- 20) The relationship between a member of a Scheme and the Scheme itself, is governed by the terms of the contract (*‘the scheme rules’*) that the parties concluded. In *casu*, the contractual agreement between Mr X and Bonitas Medical Scheme.
- 21) In turn, the Contract is governed by the Act and the regulations (as amended) contained in the Act; wherein there are managed care and service provider contractual obligations and arrangements.
- 22) Section 32 of the Act, establishes the binding legal status of the rules of a medical scheme and any lawful

amendments thereto. The section operates as a statutory instrument determining rights, duties, and obligations of schemes and beneficiaries.

## **FINDINGS AND CONCLUSION**

23) Mr X's prospects of success in the appeal depends on demonstrating that the Scheme's rejection of the additional Nappi codes was unjustified and that the Scheme is obligated to cover the entire medical treatment cost. In relevant part, the Act and its regulations require medical schemes to cover costs related to the diagnosis, treatment, and care of PMBs, which includes certain medical conditions and treatments. However, treatments not classified as PMBs, such as artificial disc replacements, may not be covered unless specified in the scheme's rules.

24) Given the Scheme's adherence to its rules and the Act, and the lack of evidence indicating that the artificial disc replacement is classified as a PMB, Mr X's prospects of success are negative.

25) For good measure and in a quest to place the issue beyond doubt, it is apposite to record the Registrar's ruling, *viz*:

*'Having considered the merits of the complaint, the Fund response and the CRC cited, the Office of the Registrar finds that the Fund is justified to reject funding of unauthorised items/ NAPPI codes.*

## **CONCLUSION**

26) Thus, Mr X's assertion that he could not obtain pre authorisation because he was on the operating table, misses the point and does not survive the scrutiny of the Scheme rules and the Act.

27) The Scheme made bold that should the Nappi codes have been included in the initial quotation, they would have been declined upfront.

28) Subject to the Act, the Scheme rules govern the eligibility, scope, and limitations of benefits.

29) The conspectus of evidence before the Appeals Committee, inescapably endorses that there is absent a plausible or compelling reason, to interfere with the Registrar's ruling.

## **RULING**

30) **In the result, the following order issues:**

31)

**31.1 The Registrar's ruling is upheld.**

**31.2 Mr X's appeal is dismissed.**

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**T Maphike, Member:  
Appeals Committee**

**Dr X Ngobese, Dr T mabeba & Dr H Mokhari, concurring**

## **APPEARANCES:**

**Mr X:** Unrepresented

**Bonitas Medical Fund:** Mr, Legal Advisor