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Universal Code of Good Conduct & Section 59 Regulatory Framework

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Why Reform Was Necessary

Why reform Section 59?

- Inconsistent procedures.
- Limited transparency.
- Prolonged audits.
- Unpredictable regulatory outcomes.

From Findings to Framework

From investigation findings to a regulatory framework

- Gaps → disputes.
- Uncertainty → litigation.
- Variability → loss of confidence.

Legal Anchoring

Legally anchored regulation

- Medical Schemes Act (sections 7 & 59).
- PAJA – procedural fairness applicable to the CMS in implementing these regulatory reforms.
- POPIA – information governance.

Binding subordinate regulatory framework

Core Principles

Five guiding principles

1. Transparency.
2. Proportionality.
3. Consistency.
4. Procedural Fairness.
5. Predictability.

What Changes in Practice

What the framework changes:

Industry:

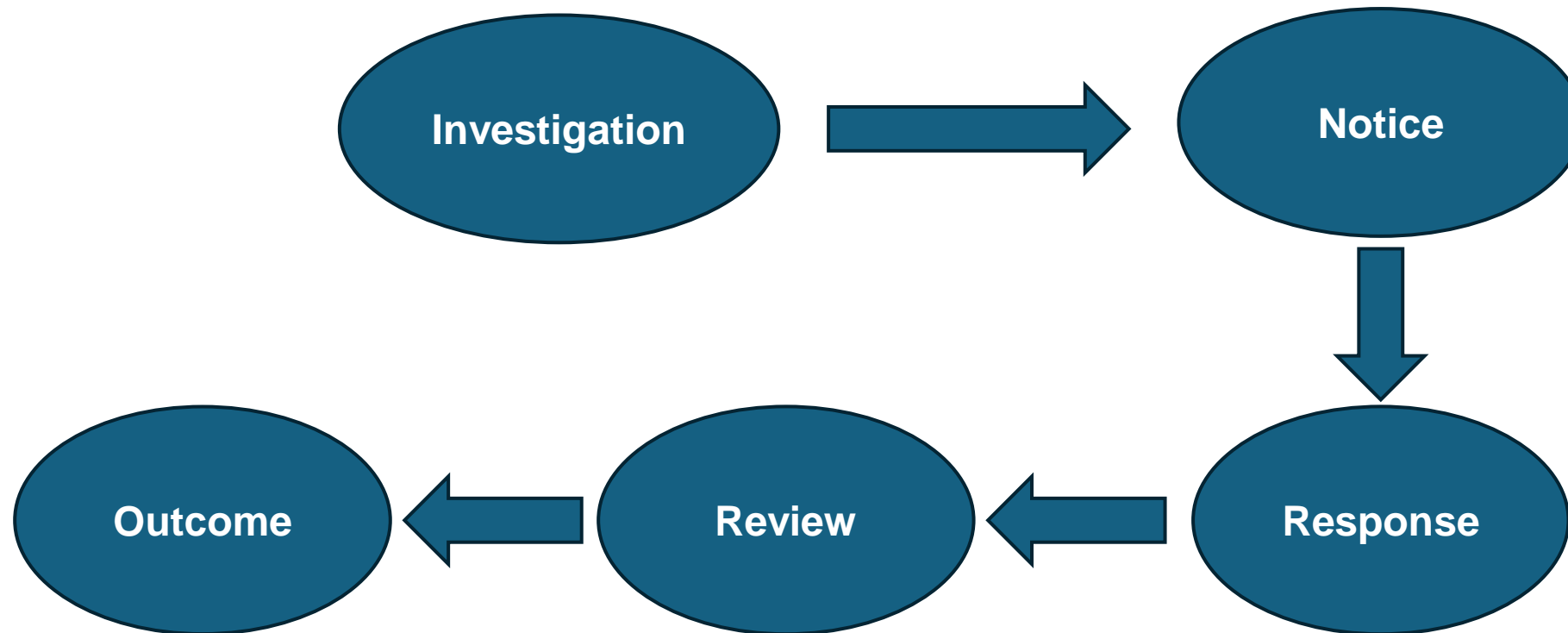
- Certainty.
- Fewer disputes.
- Stable payment processes.

CMS:

- Regulatory efficiency.
- Defensible decisions.
- Improved oversight.

Standardised Section 59 Process

Standard Section 59 process



Transitional Arrangements

Phased and consultative reform

- Immediate directives.
- Transitional safeguards.
- Consultation & refinement.
- Binding Code adoption.

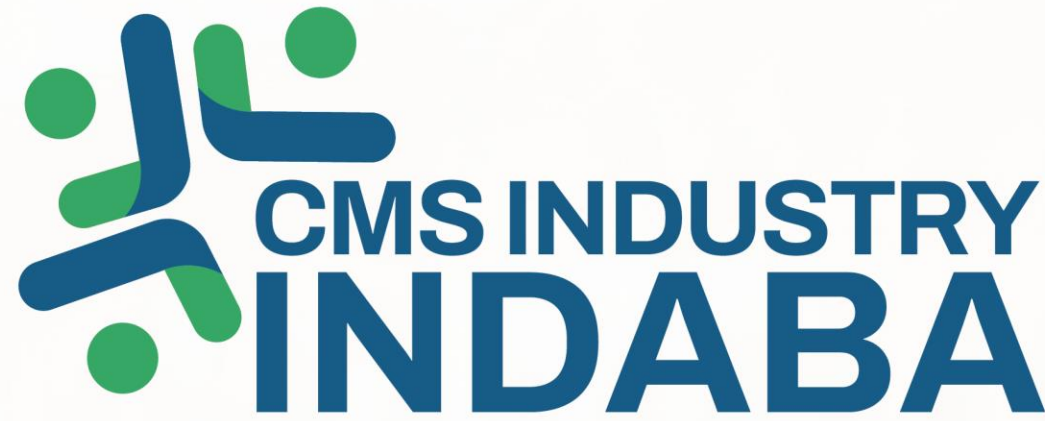
Monitoring & Enforcement

Proportionate and lawful oversight

- Risk-based supervision.
- PAJA-aligned enforcement.
- Continuous refinement.

Closing

“Certainty, fairness, and predictability are now the cornerstone of Section 59 regulation.”



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Thank you!

