



The FWA undertaking & its strategic importance

Dr Musa Gumede,
Chief Executive & Registrar, Council for Medical Schemes



Medical Schemes Industry: Scale & Exposure

R259.3 billion

- R259.3 billion in healthcare benefits paid in 2024
- 8.52% increase from 2023
- Significant pooled funds requiring strong governance
- Claims integrity as a system sustainability issue

Understanding Potential Exposure to FWA(E)

15% ±R39 billion

- ***Industry benchmark:*** up to 15% exposure
- Estimated potential exposure: ±R39 billion
- Not a finding
- A risk indicator
- A governance concern

Fragmented Practice to Structured Governance

2019 FWA SUMMIT:

- Charter
- Codes of Good Practice
- Accountability / dispute structures

PURPOSE:

- Common principles
- Common standards
- Common process

Section 59 & Regulatory Framework

BEFORE:

- Detection
- Recovery
- Accountability

NOW INCLUDES:

- Procedural fairness
- Transparency
- Recourse
- Proportionality

Current Reform Workstreams

TECHNICAL WORKSTREAM

- Charter review
- Definitions
- FWAE expansion
- Algorithm governance

LEGAL WORKSTREAM

- Tribunal structures
- Procedural reform
- Dispute mechanisms

ADVISORY COMMITTEE

- Stakeholder input
- Regulatory refinement

The Next Phase of Reform

- Universal Code of Conduct
- Standard Operating Procedures
- Tribunal architecture
- Clearer claims governance standards
- Greater procedural certainty

Fairness and accountability must operate together.

Thank you!