

# Complaints Trends

Complaints Adjudication  
8 June 2022



# Discussion Points

Legislative mandate

Strategic Outcomes

Adjudication Process

Understanding the source of complaints

Identified complaint trends

Locating the beneficiary

Concluding remarks

# Legislative Mandate

**Mandate derived from the Medical Schemes Act 131 of 1998**

## **Section 1 - Definition of a complaint**

*“complaint” means a complaint against any person required to be registered or accredited in terms of this Act, or any person whose professional activities are regulated by this Act, and alleging that such person has—*

*(a) acted, or failed to act, in contravention of this Act; or*

*(b) acted improperly in relation to any matter which falls within the jurisdiction of the Council”*

**Regulated entities cannot dictate which complaint must be pursued or dismissed**

## **Section 2 of the MSA –**

**In case of any conflict with any other law (save the Constitution), provisions of the Act shall prevail**

# Legislative Mandate



**Section 7: Functions of Council —The functions of the Council shall be to:-**



**Protect → 7(a) protect the interests of the beneficiaries at all times.**



**Investigate → 7(d) Investigate complaints and settle disputes in relation to the affairs of medical schemes as provided for in this Act.**

# Strategic Outcomes

## Strategic Outcome

**To ensure that all regulated entities comply with national policy, the Medical Schemes Act and Regulations**

## Complaints Adjudication Unit

- **Effective and efficient investigation and resolution of complaints**
- **Ensuring fair treatment of beneficiaries**



# Adjudication Process

## Investigation of complaints that are consistent with definition of a complaint

### Section 47(1)

*“The Registrar shall, where a written complaint in relation to any matter provided for in this Act has been lodged with the Council, furnish the party complained against with full particulars of the complaint and request such party to furnish the Registrar with his or her written comments thereon within 30 days or such further period as the Registrar may allow”*

### Section 47(2 )

*“The Registrar shall, as soon as possible after receipt of any comments furnished to him or her as contemplated in subsection (1), either resolve the matter or submit the complaint together with such comments, if any, to the Council, and the Council shall thereupon take all such steps as it may deem necessary to resolve the complaint.”*

# Adjudication Process

## Administrative investigation:

- ✓ Mainly desktop investigation
- ✓ Referral to the parties for response - ***audi alteram partem***
- ✓ Gathering and evaluation of submitted evidence
- ✓ Consultations / meetings where necessary



## What are the key Considerations:

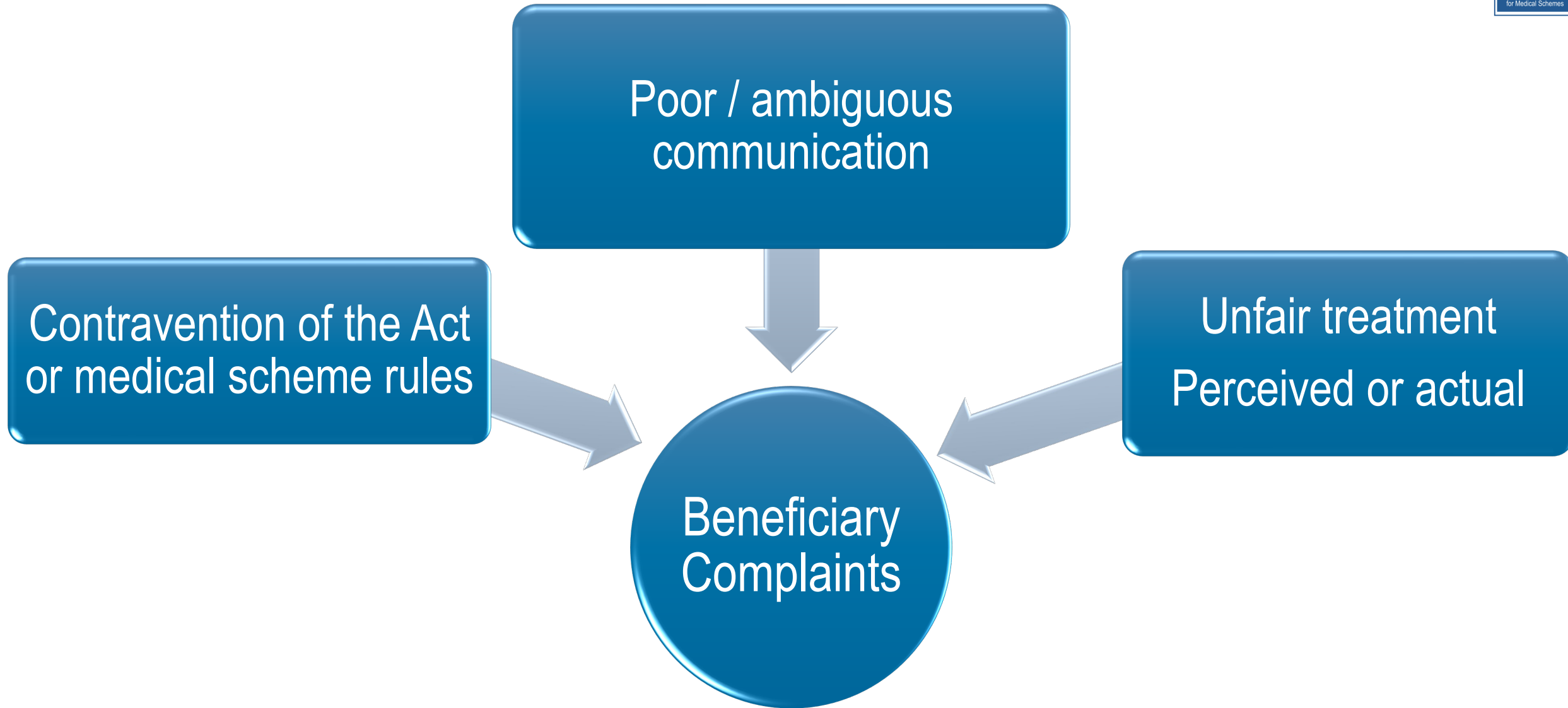
- ✓ Provisions of the Medical Schemes Act
- ✓ Registered scheme rules
- ✓ Reliance on submitted evidence
- ✓ Observance of administrative law principles
- ✓ Case law (Court judgements, Appeals Board and Appeals Committee rulings)



## Rulings dependent on merits, evidence and where relevant opinions from CMS internal units:

- ✓ Clinical Review Committee (CRC); Benefits Management Unit (BMU); Accreditation Unit

# Understanding the source of complaints





# Identified complaint trends

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## Contravention of the Act or medical scheme rules

Partial payment of PMB related claims

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Contravention of Regulation of 10(6)

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General benefit limits and exclusions

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Retrospective imposition of condition specific waiting periods

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Cancellation of membership due to alleged non-disclosure of material information

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# Identified complaint trends (cont.)

## Complex benefit design

- The business of a medical scheme remains an enigma for majority of beneficiaries
- Benefit offerings and exclusions not clearly communicated
- Benefit structure and extent of benefit entitlement not understood - little effort to simplify the complexities

## Poor communication

- Lack of transparent communication (Overcommunicating the little frills and hiding the pitfalls)
- General communication focused on few new additions, with less attention drawn to critical benefit changes and limits
- Pathways to appeal funding decisions are not transparent
- Hidden benefit access criteria / clinical entry criteria

# Identified complaint trends (cont.)

**Unfair treatment  
(Perceived or actual)**

**General belief that medical  
schemes are inherently unfair in  
dealing with beneficiaries**

**Perception that medical  
schemes go out of their way to  
deny benefits**

## Examples

**Onerous  
termination notice  
periods despite  
proof of financial  
hardship**

**Failure to  
implement rules  
resulting in  
avoidable  
member debts**

***“Benefits”* that are  
not really benefits**

# Locating the beneficiary

## **How do medical schemes see beneficiaries and does that need to change?**

- Are the interests of beneficiaries central to benefit design and funding decisions?
- Member disengagement and inadequate participation in affairs of the medical scheme remains a concern.
- Is the industry complicit in perpetuating member disengagement and/or indirectly benefitting from member apathy?

# Concluding remarks

- Beneficiaries must be seen and treated as valued stakeholders without whom the industry cannot exist
- Medical schemes are custodians of members' funds – a fact members don't seem to comprehend
- It is critical that members are not left behind
- Medical schemes must aim to regain trust of members by being transparent and responsive
- Industry must advocate principles of Treating Customers Fairly and put efforts to bridge the information gap

# Concluding remarks

- It is futile to only respond to complaints without taking corrective action to curb recurrence of similar complaints
- Internal resolution of member queries and complaints must be strengthened
- Implement root cause analysis and use it to improve service delivery
- Use popular communication platforms to share information which members would generally be unaware of
- Devote same effort to member education as with marketing and new membership recruitment



# Thank you!