

Statement by the Chairman of the Board of Bonitas, Thulasizwe Shangase, regarding enquiry by Registrar of Medical Schemes

The Registrar of Medical Schemes, in exercising his oversight role over all medical schemes, has obtained a court order that an enquiry be held into certain governance issues at Bonitas.

Bonitas respects the right of the Registrar to call for an enquiry into activities of any medical scheme and recognises the checks and balances in place for the protection of medical scheme members and the industry in general.

Bonitas has offered its full cooperation to the enquiry and has appointed legal advisers to facilitate the process. The enquiry was authorised in a court application from which Bonitas was excluded and therefore did not have the opportunity to address concerns or put its side of the case forward. The enquiry gives Bonitas the opportunity to do this and present evidence on all of the relevant issues.

Bonitas looks forward to the enquiry being concluded speedily and transparently, and is confident that due process will be followed.

Bonitas is the second-largest open medical scheme in South Africa, serving some 500 000 members. In the past year alone, 27 000 new members have joined Bonitas.

Bonitas would like to assure members and stakeholders that the fund itself has always been, and remains, in an exemplary financial position. Its members have every reason to be confident in Bonitas – it currently retains R2.1 billion in reserves and enjoys a solvency ratio of 48%, almost double the 25% required by law. Bonitas is in a strong position to cover any current and future claims that may be made by members. The Office of the Registrar of Medical Schemes issued a media statement on 16 July 2009 assuring the industry – and specifically healthcare brokers and beneficiaries of Bonitas – that the scheme remains very stable and financially sound.

Bonitas will ensure that its members enjoy the level of excellent service to which they are accustomed.