



Press release 5 of 2009

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Enq: CMS Call Centre
t: 0861 123 267
f: +27 (0)12 430 7644
e: information@medicalschemes.com
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Bonitas remains financially sound

Given the media hype around the investigation into Bonitas Medical Fund and its administrator Medscheme Holdings (Pty) Ltd, the Office of the Registrar would like to assure the medical schemes industry – and specifically healthcare brokers and the beneficiaries of Bonitas – that the scheme remains very stable and financially sound.

Bonitas is the third-largest scheme in South Africa, with over 566 000 beneficiaries. Its solvency ratio (reserves as a percentage of contributions received) remains impressive at over 45% – well above the 25% required by the Medical Schemes Act (Act 131 of 1998).

The reasons for the Acting Registrar of Medical Schemes Patrick Matshidze having lodged an urgent application with the Johannesburg High Court last week to investigate the scheme and its administrator are related to alleged governance problems at the scheme and not to its financial soundness.

There is thus no reason to panic. Brokers are advised to act with restraint. Any advice they give, to both existing and potential members of Bonitas, must accord with the principles of best advice, have the best interests of their clients at heart, and be based on a proper assessment of the situation.

A statutory body established in terms of the
Medical Schemes Act, 1998 (Act 131 of 1998)

Chairperson: Prof. W Pick Acting Registrar & CEO: P Matshidze



