

Section 59 Investigation

Established in terms of Section 7(a)(b)(c)(d), 8(a) and (k) and 9(2) of the Medical Schemes Act, 131 of 1998.

Reference: Section 59 Investigation Report

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Interdict against the release of the Section 59 Investigation Interim Report

The Section 59 Investigation Panel has had to, once again, postpone the release of its interim report into allegations of racial discrimination by medical schemes and administrators, following an interdict application by Government Employee Medical Scheme (GEMS) and the Board of Healthcare Funders (BHF). Judgment on the application is reserved until Tuesday, 19 January 2021, at 09h30.

The Panel had issued a <u>press release</u> on Saturday, 16 January 2021, inviting the media and the public to a virtual press conference on Sunday, 17 January at 12h00, to release the interim report. On Saturday night, GEMS and the BHF launched an urgent application in the Pretoria High Court to interdict the release of the interim report.

The Panel opposed the application, and representatives of the Panel, GEMS, BHF, and the National Health Care Professionals Association (NHCPA) appeared before Honourable Madam Justice Collis on Sunday afternoon. The press conference was postponed as the matter was before court.

The Panel will give an update on Tuesday, 19 January 2021, after the handing down of judgment by Judge Collis.

About the Section 59 Investigation

In May 2019, members of the National Health Care Professionals Association (NHCPA) and Solutionist Thinkers, made public allegations that they were being discriminated against by medical schemes and administrators and their claims were being withheld based on their race and ethnicity.

Medical schemes and administrators were making use of <u>section 59</u> of the Medical Schemes Act (131 of 1998), to withhold payments to these medical practitioners once they had rendered healthcare services.

Panel: Adv Tembeka Ngcukaitobi SC | Adv Kerry Williams | Adv Adila Hassim

Secretariat: Lawtons Africa Inc



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The CMS then constituted a multi-disciplinary Steering Committee – consisting of the complainants, industry associations and co-regulators – that supported the <u>establishment</u> of an independent investigation to conduct an inquiry into the above allegations.

The CMS launched the <u>Section 59 Investigation</u> into allegations of racial discrimination by medical schemes and administrators in terms of its regulatory mandate, under section 7(a)(b)(c)(d), 8(a) and (k) and 9(2) of the Medical Schemes Act, (131 of 1998) in July 2019.

An <u>independent panel</u> consisting of Advocates Tembeka Ngcukaitobi SC, Adilla Hassim and Kerry Williams led the Section 59 Investigation, <u>tasked</u> to investigate the complaints, identify trends and make recommendations that may require legal or policy interventions, amendments to legislation and regulations.

The panel issued a call for written submissions and thereafter held public hearings from July 2019 – January 2020, with the intention of releasing an interim and final report on the findings.

The Panel is independent of the CMS, and all queries related to the release of the interim report should be directed to the Secretariat/briefing attorneys of the Panel, Lawtons Africa as follows:

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