

2. Protea Medical Aid Society members are protected

Former members of Protea Medical Aid Society, which was under liquidation, were protected by the “open enrolment” principle in the Medical Schemes Act.

The Council for Medical Schemes (CMS) advised that in terms of the principle of open enrolment enshrined in the Medical Schemes Act 131 of 1998, all open medical schemes were legally obliged to admit former members of Protea Medical Scheme (in liquidation) without engaging in any form of discrimination.

Limitations to the open enrolment principle, applicable to open medical schemes were:

- Section 29(1): Waiting periods could only be imposed where an application for membership was made in respect of a member who had not been a member of a medical scheme for the 90 days immediately preceding the date of application; and
- Section 29A(2): This section conferred a discretion upon a scheme to impose a condition-specific waiting period of “up to 12 months” in respect of an application made by a member or dependant who was previously a beneficiary of a scheme for a continuous period of up to 24 months, terminating less than 30 days immediately prior to the date of application, “except in respect of treatment or diagnosis procedures covered within the prescribed minimum benefits (PMBs)”.

CMS requested all medical scheme members and in particular former members of Protea Medical Scheme (in liquidation) to report any breaches of the Act to complaints@medicalschemes.com.

IMPACT ON BENEFICIARIES: Protea beneficiaries should take note of their rights in respect of open enrolment and could as a result join any open medical scheme of their choice. Any breaches of this principle by any scheme could be reported to the CMS.

IMPACT ON FINANCIAL ADVISERS: Financial advisers could assist former Protea beneficiaries in obtaining membership at an open scheme of their choice. Refusals by schemes to accept these beneficiaries could be reported to the CMS.

IMPACT ON SCHEMES: Open schemes were reminded of the fact that they could not refuse membership to persons who were able to pay their contributions in terms of the principle of open enrolment.