

Liquidation of gen-health medical scheme

The Council for Medical Schemes (CMS) had announced that Gen-Health Medical Scheme had been liquidated with effect from 12 October 2010.

The CMS announced that Gen-Health Medical Scheme had been liquidated from 12 October 2010. Former members of Gen-Health had the opportunity to transfer to Medshield Medical Scheme without facing any waiting periods. Medshield had agreed to take on former Gen-Health members with effect from 13 October 2010. Members were encouraged to contact the liquidator should they have any queries concerning outstanding claims at (012) 329 5775 or kobus@tutortrust.co.za.

Financial Advisers were advised to act with restraint and ensure that their advice to clients took into consideration the best interests of the client and was based on a proper assessment of the situation.

Impact on Beneficiaries: Beneficiaries who belonged to Gen-Health could be negatively impacted depending on the level of benefits of the schemes they would transfer to, the fact that these benefits would now be pro-rated and whether their outstanding claims would be paid by the liquidators.

Impact on Financial Advisers: Financial Advisers should attend to the needs of Gen-Health members and heed the cautionary issued by the CMS in this regard.

Impact on Schemes: Schemes to which Gen-Health members were transferring could benefit by the new growth.