

**SOUTH AFRICAN LOCAL GOVERNMENT BARGAINING COUNCIL: SUMMARY OF APPLICATIONS FOR MEDICAL SCHEME ACCREDITATION
2025 ACCREDITATION YEAR**

ITEM	BONITAS	LA HEALTH	KEYHEATH	SAMWUMED	SIZWE-HOSMED
2.1	Bonitas Medical Fund is registered in terms of Section 24(1) of the Medical Schemes, Act 131 of 1993. (Registration Number 1512) Attached please find Certified copy of Registration for Bonitas Medical Fund in terms of Section 24(1) of the Medical Schemes Act, 131 of 1998. Document No.4.	The Scheme was registered on 10 January 1968 as LAMAF Medical Scheme, in terms of the Medical Schemes Act. LAMAF changed its name to LA Health Medical Scheme effective 1 January 2005 (refer attached certificates of registration). Document No. 2	KeyHealth is registered with the Council for Medical Schemes in terms of Section 24(1) of the Medical Schemes Act (MSA) 1998. A copy of the Registration Certificate issues by the CMS is attached. Annexure A	SAMWUMED Registration Form Document 1.	Scheme is duly registered in terms of the Medical Schemes Act 131 of 1998. Registration No. 1486 . Section 1
2.2	Bonitas Medical Fund is compliant with the Act and Regulations and is governed by the Council of Medical Schemes.	I hereby declare that LA Health Medical Scheme meets all requirements as prescribed by the Act and Regulations issued.	KeyHealth meets legislative requirements prescribed in the Medical Schemes Act and its Regulations at all times. Furthermore, KeyHealth's financials are audited by both external auditors (BDO) as well as internal auditors on an ongoing basis.	SAMWUMED Scheme Rules 2023, as approved by the Registrar of the CMS. Document 2.	The Scheme meets all legal requirements as prescribed in the Act. Section 3
2.3	Bonitas solvency level as at 31 Deceber 2023 is 41,5% . Refer to page 57 of the draft AFS for 2023. Due to the delay in the submission of the scheme's Annual Statutory Return by the CMS (Circular 21 of 2024, attached), the AFS and CMS Statutory Return are not available with this submission deadline. However, Bonitas has included the AFS for 2023 with the audit report included as draft, auditors will only sign once the annual return submission has taken place. The AFS for 2023 and CMS Statutory Return will be submitted to SALGBC by end June 2024. Document 5	As per the Audited Financial Statements LA Health Medical Scheme as at 31 December 2023 had a solvency of 52,9% . . The Audited Financial Statements will be submitted as soon as it is finalised and signed by all parties.	KeyHealth meets the solvency levels prescribed in regulation 29 of the regulations made in terms of the Act. Solvency ratio at the end of 2023 = 43,1%.	SAMWUMED Audited Annual Financial Statements and Reports for the year ending 31 December 2023 , audit completed by PriceWaterhouseCoopers Inc. Solvency ratio: 73,71%. Document 3. Refer to Annexure 1 for detail relating to the AFS and CMS return.	AFS to be provided once they are signed off and submitted to CMS (refer to section 3 of the accreditation form. Enclosed is the copy of the Business Plan submitted to CMS
2.4	Bonitas Medical Fund have a total of 45 321 principal members within the local government sector, as at 31 March 2024. Attached detailed breakdown of members per municipality and the external auditors report. Document 7.	LA Health Medical Scheme had 106, 893 principal members within the Local Government Sector. Attached please find Audit Certificate from KPMG and membership statistics per employer as at 31 March 2024. Document No. 3	In accordance with the municipal listing previously received with the application, attached confirmation by the Scheme's external auditors, BDO pertaining to the Local Government enrolment. SALGBC membership - 31 March 2024 (BDO audit) - 20 958. Annexure B.	SAMWUMED Membership as at 31 March 2024: 33 543 Document 4.	Our membership as at 31 March 2024 is recorded as 15 001 . Refer to verified membership report by Deloitte & Touche, Section 4.
2.5	Bonitas Medical Fund Board of Trustees is duly elected by members as per the requirements of the Act. Please find attached a list with all the Executives and the Board of Trustees, which indicate workplace and qualification in file divider 8. Document 8	All Board members are duly elected in terms of the Act and Rule 17 of the Scheme's Rules. As per the Scheme Rules 50% of the Trustees term of office will terminate on 30 June 2024. (See attached extract from the Rules and list of current Trustees). Document No. 4 & 5	Guy Boardman - Retired Koos Breedt - Retired Neels Coetzer - Land Enhance Managers (Pty)Ltd Marinda Luff - Van Rhyns Attorneys Jason Moonsamy - eThekweni Municipality Derek Naidoo - Real Time Solar (Pty) Ltd Magdalene Siwela - City of Tshwane Metropolitan Municipality Andre Young - eThekweni Municipality	SAMWUMED Board of Trustees, elected in compliance with the Medical Schemes Act. Document 5.	The Scheme has duly elected BOT, consisting of 13 members. Elected - 13. Co-Opted - 0

2.6	Bonitas Medical Fund does not, directly or indirectly, unfairly discriminate against any person on any ground including race, gender, marital status, ethnic or social origin, sexual orientation, disability, age or state of health.	I hereby declares that LA Health, in accordance with the Medical Scheme Act, does not unfairly discriminate against any person. Membership is open to any employee employed within the Local Government Sector, irrespective of race, gender, marital status, ethnic or social origin, sexual orientation, disability, age or state of health.	KeyHealth, does not in any way discriminate against any person directly or indirectly on any of the grounds listed. The Scheme is compliant with the Constitution 108 of 1996 and the Medical Schemes Act 131 of 1998,	SAMWUMED is committed to the principles of social justice, fairness and equality for all.	The Scheme does not discriminate against any member based on the above. A universal underwriting policy has been approved. Our underwriting concession apply to all pay points within the local government space. Applicable underwriting concessions inserted in the file for reference. Section 5
2.7	Please refer to the draft AFS of 2023, page 133, point 18 (for the detail on administrative expenditure to file divider 5). The 2023 YTD gross administration cost per member per month is R337.51. Please refer to Gross Administration cost per member per month in file divider 6. Document 5 & 6	Total Gross Annual Admin: R641, 311, 869 (Administration, Broker and other costs); Gross Annual Admin cost per member = R6297,01 ; Gross monthly Admin cost per member = R524,75 (Based on the number of members as at 31 December 2023.)	2023 = R568.80	Average non healthcare cost per beneficiary - R29 1,37% of gross contributions. (The above constitutes every single Scheme expense outside dependant claims. Document 6.	Administration Fees - R163 718 256 (per member R565, per beneficiary R238) Managed care fees - R190 418 740 Marketing fees - R42 550 000 Non-Health care costs as a % of gross contribution is 11% . Section 3
2.8	Due to the delay in the submission of the Scheme's Annual Statutory Return by the CMS (Circular 21 of 2024 attached), the AFS and CMS Statutory Return are not available with this submission deadline. However, Bonitas has included the AFS for 2023 with the audit report included as draft (file divider 5), auditors will only sign once the annual return submission has taken place. The AFS for 2023 and CMS Statutory Return will be submitted by end June 2024. Document 5 & 11	Audited Financial Statements as at 31 December 2023 & Statutory Return for Period End 2023 Will be sent under separate cover.	Audited Annual Financial Statements as at 31 December 2023 Annual Statutory return for 2023: The Council for Medical Schemes to date could not publish 2023 statutory return to be completed by the industry. See attached circular from the Council for Medical Schemes, that is self explanatory. Annexure C & D.	SAMWUMED Audited Annual Financial Statements and Reports for the year ending 31 December 2023, audit completed by PriceWaterhouseCoopers Inc. CMS Statutory returns 2023. Please refer to the Scheme Annexure 1 for detail relating to the AFS and CMS Return. The return will be submitted as soon as it becomes available. Document 7.	The Financial Statements have been delayed due to CMS system challenges Section 3
2.9	Bonitas Medical Fund will waive any waiting period for any illness or condition for SALGA members who choose to join Bonitas Medical Fund and who are currently members of an existing accredited scheme.	LA Health Medical Scheme applies the criteria as set down by the SALGBC.	KeyHealth Medical Scheme waives waiting period on applications received from local government employees who choose to move to KeyHealth from an existing accredited medical scheme during the window period allowed by SALGBC.	SAMWUMED agrees to waive all waiting periods as required by the SALGBC.	Universal concessions are applied. Section 6

2.10	<p>Bonitas Medical Fund communicates to its members through the following modes of communication:</p> <ul style="list-style-type: none"> . Monthly member statements are posted or emailed updating members on their benefits status; . Claim notification via post or email; . System generated communication ; . How-to one pager on benefits and processes; .MemberGuide; .Bonitas Fact Sheet; . Bonitas member magazine send to members quarterly; . Annual Report; . Brochures are sent to all members at year-end; . Our call centre can service members in 11 official language; . Interactive Website (www.bonitas.co.za) where members can register to get their membership information including claims, benefits, membership certificates, tax certificate; . Member newsletters including claims, benefits, membership certificates, tax certificate. . Member newsletters including health tips and infographics on conditions. Document 13 	<p>LA Health is proud to confirm that it communicates regularly with members through the following printed and electronic media:</p> <ul style="list-style-type: none"> - Member Communication (written/ email) - Interactive Website - Cellular Technology. <p>Document 8 & 9</p>	<p>Member centric Marketing and Communication initiatives attached.</p> <p>Annexure E</p>	<p>SAMWUMED Member Guide (Print) SAMWUMED Benefits Brochure (Print) SAMWUMED Social Media channels and Mobile App (Digital)</p> <p>Document 8.</p>	<p>Member communication samples inserted Use of web browsing functionality, social media presence and outdoor comms Member app developed, member process guide, standard marketing document. Functional member and broker portals, Section 7</p>
2.11	<p>Attached please find the Service Levels as per Administration Agreement between Bonitas Medical Fund and Medscheme Holdings (Pty) Ltd and the Accredited administration services agreement (Boncap option) between Bonitas Medical fund and Private Health Administrators (Pty) Ltd in file divider 9. Also attached please find the Service Delivery report in file divider 12. Document 9 & 12</p>	<p>See attached monthly Operational Dashboard for February 2024. Scheme Management uses this report on a monthly basis to manage the Service Level Agreement with Administrator. The Board of Trustees is presented with the report on a 2-monthly basis.</p> <p>Claims: Received to process = 0,14 days Received to pay = 4,66 days Calls: 76,39% of calls answered within 30 seconds (22,800 calls in February 2024).</p> <p>Please see attached documents in relation to general scheme complaints and CMS Complaints. Document No.10</p>	<p>Keyhealth adheres to the turnaround times stipulated in the Medical Schemes Act which relate to the processing of claims and payment of accounts. Similarly, the Schemes complies with the service levels taht are published by the SALGBC from time to time. The attached annexure F shows the complaints received and resolved in 2023. Some complaints were resolved by KeyHealth while some were referred to CMS by the complainants. Annexure F</p>	<p>The Scheme has 2(two)Claims Payment Runs per month and is further verified in Point 8.5 in the Scheme Annual Financial Statements.</p> <p>Document 9.</p>	<p>The Scheme has service level agreements with all contracted service providers. The Scheme has established service provider forums. Section 2</p>
2.12	<p>Attached please find Actuarial Report regarding Product Structure and Pricing for 2023 products in file divider 10.</p>	<p>The Scheme's financial performance is monitored on a monthly basis by independent actuaries. (See attached report). Document 11 & 12</p>	<p>The Demographic & Financial Experience Report for January to March 2024, compiled by the Scheme's actuaries, NMG, provides an overview of the trends in membership and key membership statistics as well as an analysis of the year to date and projected financial, in particular claims, experience.</p> <p>Annexure G.</p>	<p>Actuarial report December 2023.</p> <p>Document 10.</p>	<p>Attached is the credit rating document.</p>

2.13	Bonitas Medical Fund will abide by the conduct as formulated by the SALGBC. Please find attached signed copy in file divider 2. Document 2	LA Health Medical Scheme abides by the Code of Conduct as formulated by the SALGBC.	KeyHealth undertakes to abide by the Code of Conduct as formulated by the SALGBC, at all times during the marketing and selling of the Scheme's products. The said Code of Conduct will be communicated to all KeyHealth parties involved in the marketing exercise. Please find the signed copy of the Code of Conduct attached. Annexure H.	SAMWUMED accepts and confirms that it will adhere to the SALGBC Code of Conduct at all times. Our 2025 Application for Accreditation serves as our Acceptance hereto.	The Scheme has signed and accepted the SALGBC Code of Conduct. The Scheme will abide by the prescripts of the code of conduct. Section 8
2.14	Bonitas Medical Fund will provide for contributions, in respect of local government employees, to be paid monthly in arrears.	LA Health confirms that contributions are paid monthly in arrears. (Refer extract from Rules - Rule 12.2). Document No. 13	KeyHealth provides, in accordance with the registered Scheme rules, for payment of contributions both in arrears and in advance. All Local Authorities pay contributions to KeyHealth in arrears.	SAMWUMED Collects all contributions for both its healthcare plans in arrears.	The Scheme provides contributions for local government employees. The Scheme is cognisant of the salary threshold and capping for family contributions. Section 9
2.15	Bonitas Medical Fund will allow SALGA employees to exercise a right to transfer to an accredited scheme. Bonitas Medical Fund shall allow for a maximum notice period of one month for the termination of such membership.	LA Health Medical Scheme applies the criteria as set down by the SALGBC.	The registered rules of KeyHealth provide for a 1 (one) month notice period for termination of membership. Therefore, local government employees are also afforded the same notice period should they wish to terminate membership.	SAMWUMED herewith agrees to this requirement.	The Scheme is cognisant of this transfer of membership and applies the rule. Section 6
2.16	Bonitas Medical Fund awaits further instructions after accreditation application has been successful.	Not applicable	The scheme awaits accreditation and notification for payment as per the above.	This requirement has been waived by the SALGBC for the 2025 year.	Not applicable for the current application