



**POLMED**

OUR INVESTMENT OUR HEALTH OUR FUTURE

# **RULES**

## **RULES FOR THE SOUTH AFRICAN POLICE SERVICE MEDICAL SCHEME (POLMED)**

**REGISTERED UNDER THE MEDICAL SCHEMES ACT, 1998**

**(ACT NO. 131 OF 1998)**

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## RULES

### 1. NAME

The name of the Scheme shall be the South African Police Service Medical Scheme, hereinafter referred to as the "Scheme". **The abbreviated name is "Polmed".**

### 2. LEGAL PERSONA

The Scheme, in its own name, is a body corporate, capable of suing and of being sued and of doing or causing to be done all such things as may be necessary for or incidental to the exercise of its powers or the performance of its functions in terms of the Medical Schemes Act and Regulations and these Rules and acquiring, holding and alienating assets, movable and immovable.

### 3. REGISTERED OFFICE

The registered office of the Scheme shall be situated at:

Crestway Office Park  
Block A  
20 Hotel Road  
Persekor Park  
Lynnwood, PRETORIA



Provided that the Board of Trustees shall have the right to transfer such office to any other location in the Republic of South Africa, should circumstances so dictate. The Board of Trustees shall inform the Registrar, all members and employees if there are any changes regarding the registered office of the Scheme.

#### 4. DEFINITIONS

In these Rules, a word or expression defined in the Medical Schemes Act (Act No 131 of 1998), bears the meaning thus assigned to it and, unless inconsistent with the context –

- (a) a word or expression in the masculine gender includes the feminine;
- (b) a word in the singular number includes the plural, and vice versa; and
- (c) the following expressions have the following meanings:

##### 4.1 “Act”

The Medical Schemes Act (Act No 131 of 1998), and the regulations framed there under.

##### 4.2 “Admission date”

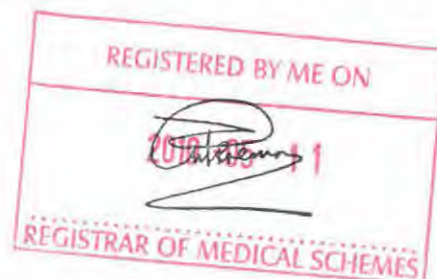
The date on which a person is admitted as a member, or on which a person is admitted as a dependant of a member, in terms of these Rules.

##### 4.3 “Annual limit”

The maximum benefit to which a member and his registered dependants are entitled to, in respect of each particular category of benefits as set out in Annexure A1 and A3 in terms of these Rules, and shall be calculated annually to coincide with the financial year of the Scheme.

##### 4.4 “Approval”

“Approval” shall mean prior written approval of the Board or its authorized representatives.



**4.5 “Auditor”**

An auditor registered in terms of the Public Accountants' and Auditors' Act, 1991 (Act No. 80 of 1991).

**4.6 “Basic monthly salary”**

The gross salary, wage or pension calculated on the salary notch excluding any allowance, special allowance, or any bonus, overtime payment, travelling allowance or cost of living allowance or any other emolument of any kind whatsoever.

**4.7 “Beneficiary”**

A member or a person admitted as a dependant of a member.

**4.8 “Board”**

The Board of Trustees constituted to manage the Scheme in terms of the Act and these Rules.

**4.9 “BHF”**

The Board of Healthcare Funders of Southern Africa or its successor.

**4.10 “Child”**

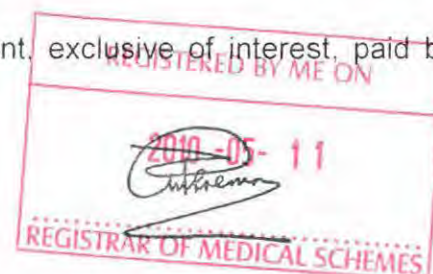
A member's natural child, or stepchild or legally adopted child or a child who has been placed in the custody of the member or his spouse.

**4.11 “Continuation member”**

A member who retains his membership of the Scheme in terms of rule 6.2 or a dependant who becomes a member of the Scheme in terms of rule 6.3.

**4.12 “Contribution”**

In relation to a member, the amount, exclusive of interest, paid by or in



respect of the member and his registered dependants if any, as membership fees.

#### 4.13 “Complaint”

Complaint against any person required to be registered or accredited in terms of this Act, or any person whose professional activities are regulated by the Act, and alleging that such person has acted, or failed to act, in contravention of the Act, or acted improperly in relation to any matter which falls within the jurisdiction of the Council.

#### 4.14 “Condition-specific waiting period”

A period during which a beneficiary is not entitled to claim benefits in respect of a condition for which medical advice, diagnosis, care or treatment was recommended or received within the twelve-month period ending on the date on which an application for membership was made.

#### 4.15 “Cost”

In relation to a benefit, the net amount payable in respect of a relevant health service or material obtained.

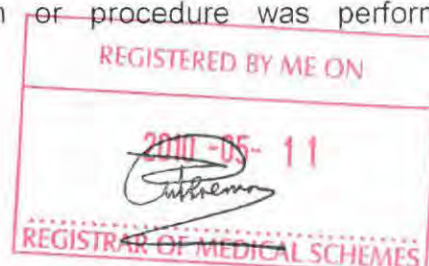
#### 4.16 “Co-payment”

That percentage or part of an admitted claim or a specific amount in relation to such claim, that the member concerned shall be required to pay.

#### 4.17 “Date of Service”

4.17.1 In the event of a consultation or treatment, the date on which each consultation or treatment took place, whether for the same illness or not.

4.17.2 In the event of an operation, procedure or confinement, the date on which such operation or procedure was performed or confinement occurred.



- 4.17.3** In the event of hospitalization, the date of each discharge from a hospital or nursing home, or date of termination of membership, whichever date occurs first; or
- 4.17.4** In the event of any other service or requirement, the date on which such service was rendered or the required item was obtained.

#### **4.18 Dependant**

- 4.18.1** For the purposes of these Rules a parent or child shall be deemed to be "financially dependent" on a member if such parent or child is not receiving a regular income of more than the maximum social pension per month prescribed by regulations promulgated in terms of the Social Assistance Act, 1992 (Act No 59 of 1992).
- 4.18.2** A member's spouse or partner, who is not a member or a registered dependant of a member of a medical scheme.
- 4.18.3** A member's child or a child placed in the custody of the member, including a stepchild or legally adopted child, who is under the age of 21 years and who is not a member or a registered dependant of a member of a medical scheme.
- 4.18.4** A member's child or a child placed in the custody of the member, including a stepchild or legally adopted child who is between the ages of 21 and 30 years, financially dependant on the member, and who is not a member or a registered dependant of a member of a medical scheme.
- 4.18.5** Subject to the approval of the Board of Trustees, a member's child or a child placed in the custody of the member, including a stepchild or legally adopted child over the age of 21 years who is: unmarried, financially dependant on the principal member, not self supporting owing to mental or physical defects or disability and not a member or a registered dependant of a member of a medical scheme.
- 4.18.6** A member's parents and ~~parents in law~~ who are financially

dependent on the member, in respect of whom the member is liable for family care and support.

#### 4.19 "Employee"

A member of the South African Police Service as defined in the South African Police Service Act, 1995 (Act No 68 of 1995).

#### 4.20 "Employer"

The South African Police Service.

#### 4.21 "Hospital Benefit Management Programme"

The contracting with hospitals, pre-authorization, case management, clinical auditing of accounts and clearing of accounts.

#### 4.22 "Income"

For the purposes of calculating contributions in respect of –

4.22.1 a member who is an employee – basic monthly salary;

4.22.2 a continuation member – monthly pension.

4.22.3 medically boarded – monthly pension.

4.22.4 a continuation member who received a severance package or– basic monthly salary received in the last month of service with the employer.

~~4.22.5 a continuation member who resigned from the service of the employer – current monthly income.~~

Inconsistent with rules  
6.1 and 6.2 and  
the scheme's membership  
eligibility  
clause

#### 4.23 "Member"

Any person who is admitted as a member of the Scheme in terms of these Rules.

#### 4.24 "Member family"

The member and his or her registered dependants.



**4.25 “Minimum benefits”**

The benefits in respect of relevant health services as prescribed by the Minister in terms of section 67(1)(g) of the Act.

**4.26 “Partner”**

A person with whom the member has a serious relationship of co-habitation as husband or wife whether heterosexual or not and where such partner is mutually financially dependent and there is a shared and common household.

**4.27 “Polmed rate”**

2006 NHRPL adjusted on an annual basis with CPIX.

**4.28 “Pre-existing sickness condition”**

Means a condition for which medical advice, diagnosis, care or treatment was recommended or received within the twelve-month period ending on the date on which an application for membership was made.

**4.29 “Prescribed tariff”**

A tariff agreed upon with service provider(s) ~~or which is determined by the Board of Trustees.~~

*Too vague!  
This has a potential  
to be applied inconsistently  
and therefore not approved.*

**4.30 “Provider”****4.30.1 “Contracted Provider”**

A provider of relevant health services as defined in the Act, contracted by or on behalf of the Scheme on terms and conditions as approved by the Board of Trustees.

**4.30.2 “Non-contracted Provider”**

A provider of relevant health services as defined in the Act, not contracted by or on behalf of the Scheme.



**4.30.3 “Designated Service Provider”**

A healthcare provider or group of providers designated by the Board of Trustees as preferred provider/s of diagnostic, treatment and care services to members or their dependants in respect of one or more prescribed minimum benefit conditions.

**4.31 “Registrar”**

The Registrar or Deputy Registrar(s) of Medical Schemes appointed in terms of section 18 of the Act.

**4.32 “Social pension”**

The appropriate maximum basic social pension prescribed by regulations promulgated in terms of the Social Assistance Act, 1992 (Act No.59 of 1992).

**4.33 “Spouse”**

The spouse of a member to whom the member is married in terms of the Marriage Act, 1961 (Act No. 25 of 1961) or any other marriage legally recognized as such in the Republic.

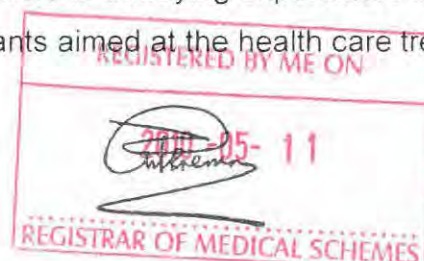
**4.34 “Stepchild”**

A biological child of a member's spouse.

**5. OBJECTIVES**

The objectives of the Scheme are to manage and maintain a fund for the beneficiaries of the Scheme into which contributions, donations or other income of the Scheme is deposited and thereby to make provision for -

- 5.1** the granting of assistance to members in defraying expenditure incurred by them and their registered dependants aimed at the health care treatment of



an actual or alleged illness or disability which threaten essential bodily functions as provided for and in accordance with the Rules of the Scheme, and

- 5.2 the rendering of a service, as contemplated in these Rules, to beneficiaries either by the Scheme itself or by any supplier or group of suppliers of a service in association with or in terms of an agreement with the Scheme.

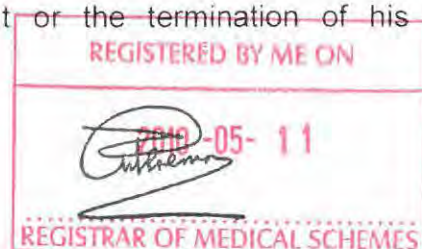
## 6. MEMBERSHIP

### 6.1 Eligibility

- 6.1.1. Current members who are duly registered members of the Scheme.
- 6.1.2. Every member of the South African Police Service (the employer), appointed in terms of the South African Police Service Act, is eligible to become a member of the Scheme from the date of his or her appointment as a member of the South African Police Service.

### 6.2 Continuation members

- 6.2.1 A member may retain his membership of the Scheme with his registered dependants, if any, in the event of his retirement from the service of the employer or his or her employment being terminated by his employer -
- 6.2.1.1 on account of age;
- 6.2.1.2 on account of ill-health;
- 6.2.1.3 in terms of section 35 of the South African Police Service Act, 1995; or
- 6.2.1.4 on account of a voluntary severance package.
- 6.2.2 A member referred to in Rule 6.2.1 shall inform the Scheme of his or her intention to continue his or her membership of the Scheme after his or her retirement or the termination of his or her



employment at the employer either before his or her retirement or the termination of his or her services or within 90 (ninety) days thereafter. Such members must inform the Board in writing of his or her expected monthly income until the end of the year of the Scheme, to enable the Scheme to determine the monthly contribution payable by such member.

**6.2.3** A continuation member shall only qualify to receive the benefit of the employer's contribution to the membership fees of the Scheme, if such a member retained his membership of the Scheme because of his retirement from the service of the employer or his employment having been terminated by the employer -

**6.2.3.1** on account of age;

**6.2.3.2** on account of ill-health;

**6.2.3.3** in terms of section 35 of the South African Police Service Act, 1995; or

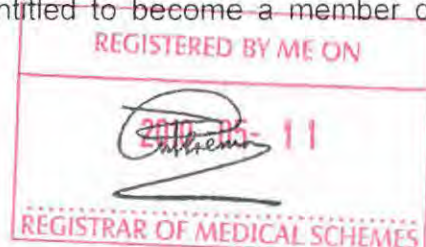
**6.2.3.4** on account of a voluntary severance package.

**6.2.4** Where a continuation member <sup>voluntarily</sup> terminates his or her membership from the Scheme, he or she shall, subject to Rule 6.1.2, not be readmitted as a member.

**6.2.5** Where a continuation member terminates his membership from the Scheme, he shall not be readmitted as a member unless he is newly employed as an employee by the employer. Provided that such a newly employed employee will qualify for benefits from the date of application in which case he will be regarded as a new member in terms of Rule 6.1.

### **6.3 Dependants of deceased members**

**6.3.1** If a member of the Scheme dies, the spouse of the member, if he or she is registered as a dependant of the member at the time of his or her death, shall forthwith be entitled to become a member of the



Scheme and no waiting period, not in effect at the time of the death of the deceased, will apply to such new member. Any other person registered as a dependant of the member at the time of his or her death, shall be entitled to be registered as dependants of such newly admitted member and no waiting period, not in effect at the time of the death of the deceased, will apply to such dependant.

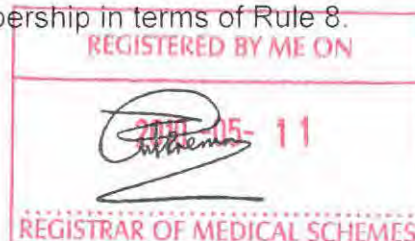
Inconsistent with  
rules 4.18 ; 4.26 ;  
4.10 ; 4.33 and  
4.34

- 6.3.2** A person registered as a member of the Scheme in accordance with and as a consequence of Rule 6.3.1, shall not be entitled to register persons, other than those specifically provided for in Rule 6.3.1, as his or her dependants: Provided that such member shall be entitled to register a new dependant if such new dependant was conceived by or from the deceased member before his or her death.
- 6.3.3** The Scheme shall inform the dependant of his right to membership and subject to Rule 6.2.2 of the contributions payable in respect thereof. Unless such person informs the Scheme of his intention not to become a member, he shall be admitted as a member of the Scheme and he shall be liable for the payment of the contributions as provided in these Rules.
- 6.3.4** Such a member's membership terminates if he becomes a member or a dependant of a member of another medical scheme or if he is disqualified from participation in the Scheme as dependant in terms of the definition of dependant.
- 6.3.5** Where a child dependant/s have been orphaned, the youngest child may be registered as the member and any remaining dependant/s becomes dependant/s of the child so registered as a member.

## 7. REGISTRATION AND DE-REGISTRATION OF DEPENDANTS

### 7.1 Registration of Dependants

- 7.1.1** A member may apply for the registration of his dependants at the time that he applies for membership in terms of Rule 8.



- 7.1.2** If a member applies to register a new born baby or a child as defined in terms of Rule 4.10 within 90 days from date of birth, adoption or placing of such child in custody, shall thereupon be registered by the Scheme as a dependant. Increased contributions shall then be due as from the first day of the month following the month of birth or adoption and benefits will accrue as from the date of birth or adoption. If the application for registration is not received by the Scheme within the prescribed period, the child will be registered from the date of the application.
- 7.1.3** If a member, who marries subsequent to joining the Scheme, applies within 30 days of the date of such marriage to register his spouse as a dependant, his spouse shall thereupon be registered by the Scheme as a dependant. Increased contributions shall then be due as from the first day of the month following the month of marriage and benefits will accrue as from the date of marriage. If the application for registration is not received by the Scheme within the prescribed period, the spouse will be registered from the date of the application.
- 7.1.4** In the event of any person becoming eligible for registration as a dependant other than in the circumstances set out in Rules 7.1.1 to 7.1.3, the member may apply to the Scheme for the registration of such person as a dependant and proof of the compliance with the definition of dependant and Rules 7.1.5 to 7.1.7 shall be submitted to the Scheme, whereupon the provisions of Rule 8 shall apply *mutatis mutandis*.

- 7.1.4.1** If a member is liable for family care and support for his registered child dependant under the age of 21 years who is financially dependant on the member, such child may be registered as a dependant. Provided the member shall furnish proof of such liability and financial dependence to the satisfaction of the Board of Trustees;



registered as a dependant. Provided the member shall furnish proof of such liability and financial dependence to the satisfaction of the Board of Trustees;

**7.1.4.2** If a member is liable for the family care and support of his registered child dependant, who is above 21 but under the age of 30 years:

*This rule has been reviewed and found to be discriminatory on child dependants studying, but not on full time basis*

**7.1.4.2.1** Who is a registered student at a tertiary institution, proof of which is provided by means of a certificate of <sup>registration</sup> ~~full time attendance~~ during the current academic year, such child may be registered as a dependant;

*Repeated, above 17 7.1.4.2.1*

**7.1.4.2.2** [Who is a registered student at the tertiary institutions proof of which is provided by means of certificate of enrolment during the current academic period such child may be registered as dependant] subject to:

*Irrelevant*

**7.1.4.2.2.1** The institution being accredited and recognized in terms of the department of education guidelines as tertiary institution;

**7.1.4.2.2.2** The dependant should be studying a minimum of three modules but fewer modules can be accepted in the final year;

**7.1.4.2.2.3** Member must provide an affidavit confirming that the dependant is studying part time and financially dependant on the member;

**7.1.4.2.2.4** The member should also grant permission to the Scheme to verify employment of such



dependant with reputable employment verification agencies.

If there is no liability for family care and support of the child as stipulated above, the child will not qualify to be a dependant; adult contributions will apply.

**7.1.4.3** A child of a member who is 21 years or older, who is physically disabled and financially dependant on the member, qualifies as a dependant of the member upon proof of the physically disabled condition and financial status of the child: Provided such proof is provided not later than 30 September for approval for the following financial year. Provided further that if the physical disability is of a permanent nature, a certificate to that effect must be submitted to the Board of Trustees. If there is no liability for family care and support of the child as stipulated above, the child will not qualify to be a dependant.

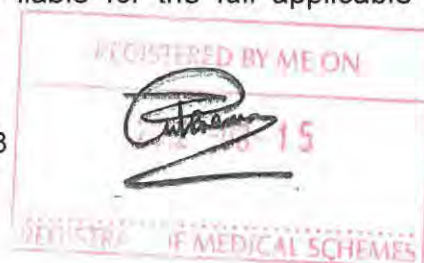
**7.1.5** A child of a member who is above 21 but under the age of 30 years, who is financially dependant on the member and in respect of whom the member is liable for family care and support, may be registered as a dependant of the member: Provided that –

**7.1.5.1** the member furnishes proof of such liability and dependence to the satisfaction of the Board of Trustees;

**7.1.5.2** adult contributions will apply regarding such dependant as defined in Annexure A2 and A4;



- 7.1.5.3** the member shall, where such person is registered, after the expiry of each twelve month period, furnish proof of the continued liability and dependency;
- 7.1.5.4** the status of such a child as a dependant shall cease if no such proof is submitted to the Scheme from the date of expiry of 12 months or at any time where such liability and dependency cease to exist.
- 7.1.5.5** Misrepresentation of any information by the member should be punishable by recovery of loss, civil or criminal charges and termination of membership. *in terms of rule 12.5.*
- 7.1.6** The life partner of a member may be registered as a dependant, provided that the member shall furnish proof of such relationship to the satisfaction of the Board of Trustees. Provided further that the member shall, where such partner was registered, after the expiry of each twelve month period, furnish proof of the continuing existence of such relationship. Provided further that such a partner's status as a dependant shall cease if no such proof is submitted to the Scheme from the date of expiry of the 12 months, or at any stage where such relationship shall cease to exist.
- 7.1.7** The spouse of a member to whom the member is married in terms of the Marriage Act, 1961 (Act No. 25 of 1961) or any other marriage legally recognized as such in the Republic may be registered as a dependant: Provided that -
- 7.1.7.1** if, according to customary law, a member is permitted to have more than one wife, the Board of Trustees may register additional wives as dependants and that the member will be liable for the full applicable contribution



(including the employer's contribution) as set out in these Rules; and

- 7.1.7.2** the member shall within thirty (30) days from date of marriage, furnish proof of registration of such marriage in accordance with Customary Marriages Act, 1998 (Act 120 of 1998).

## **7.2 De-registration of Dependants**

**7.2.1** A member shall inform the Scheme within 30 days of the occurrence of any event, which results in anyone of his dependants no longer satisfying the conditions in terms of which he may be a dependant.

**7.2.2** When a dependant ceases to be eligible to be a dependant, he shall be deemed no longer to be registered as such for the purpose of these Rules or entitled to receive any benefits, regardless of whether notice has been given in terms of these rules or otherwise.

## **8. TERMS AND CONDITIONS APPLICABLE TO MEMBERSHIP**

**8.1** A minor may become a member with the consent of his parent or guardian.

**8.2** No person may be a member of more than one medical scheme or a dependant –

**8.2.1** of more than one member of a particular medical scheme, or

**8.2.2** of members of different medical schemes, or

**8.2.3** claim or accept benefits in respect of himself or any dependant from any medical scheme other than the medical scheme of which he is a member (or dependant).



**8.3** Prospective members shall, prior to admission, complete and submit the application forms required by the scheme of any prior membership or admission as dependant of any other medical scheme. The Scheme may require an applicant to provide the Scheme with a medical report in respect of any proposed beneficiary in respect of a medical condition for which medical advice, diagnosis, care or treatment recommended or obtained within a period of 12 months immediately prior to the date on which application to the Scheme was made. The Board of Trustees may in any particular case, require a medical examination and report at the expense of the Scheme, but the cost of such medical examination shall not exceed the scale of the Polmed rate. Proof of any prior membership of any other medical scheme must also be submitted.

#### **8.4 Waiting periods**

**8.4.1** The Scheme may impose upon a person, in respect from whom an application is made for membership or admission as a dependant, and who was not a beneficiary of a medical scheme for a period of at least 90 days preceding the date of the application, -

**8.4.1.1** a general waiting period of up to three months; or

**8.4.1.2** a condition specific waiting period of up to 12 months.

**8.4.2** The Scheme may impose upon a person in respect from whom an application is made for membership or admission as a dependant, and who was previously a beneficiary of a medical scheme for a period of up to 24 months, terminating less than 90 days immediately prior to the date of application -

**8.4.2.1** a condition specific waiting period of up to 12 months, except in respect of treatment or diagnostic procedures covered within the prescribed minimum benefits; or

**8.4.2.2** in respect of any person contemplated in this sub rule, where the previous medical scheme had imposed a

general or condition specific waiting period, and such waiting period had not expired at the time of termination, a general or condition specific waiting period for the unexpired duration of such a waiting period imposed by the former medical scheme.

**8.4.3** The Scheme may not impose a general waiting period upon a person in respect from whom an application is made for membership or admission as a dependant, and who was previously a beneficiary of a medical scheme for a period of more than 24 months, terminating less than 90 days immediately prior to the date of application.

**8.5** No waiting periods may be imposed on:

**8.5.1** A person in respect for whom application is made for membership or admission as a dependant, and who was previously a member of a medical scheme, terminating less than 90 days immediately prior to date of application, where the transfer of membership is required as a result of -

**8.5.1.1** change of employment;

**8.5.1.2** an employer changing or terminating the membership of all employees, in which case the transfer shall occur in the beginning of a financial year, or reasonable notice must have been furnished to the scheme to which an application is made for such transfer to occur at the beginning of a financial year. Where the former medical scheme had imposed a general or condition specific waiting period in respect of persons referred to in this rule, and such waiting period had not expired at the time of termination of membership, the Scheme may impose such waiting period

- for the unexpired duration of the waiting period imposed by the former medical scheme;
- 8.5.1.3** a beneficiary who changes from one benefit option to another within the Scheme unless that beneficiary is subject to a waiting period on the current option in which case the remaining period may be applied; or
- 8.5.1.4** a child dependant born during the period of membership.
- 8.6** The registered dependants of a member must participate in the same benefit option as the member.
- 8.7** Every member will, on admission to membership, receive a detailed summary of these rules which shall include contributions, benefits, limitations, the member's rights and obligations. Members and their dependants, and any person who claims any benefit under these Rules or whose claim is derived from a person so claiming are bound by these Rules as amended from time to time.
- 8.8** A member may not cede, transfer, pledge or hypothecate or make over to any third party any claim, or part of a claim or any right to a benefit which he may have against the Scheme and any such cession or assignment will be of no force and effect. The Scheme may withhold, suspend or discontinue the payment of a benefit to which a member is entitled under these rules, or any right in respect of such benefit or payment of such benefit to such member, if a member attempts to assign or transfer, or otherwise cede or to pledge or hypothecate such benefit.
- 8.9** The Scheme shall in no circumstances be obliged to readmit a member to membership or to register as a dependant any person who's membership has been terminated in terms of the Rules, *subject to rules 6.2.5. and 12.4*



## ~~9. TRANSFER OF EMPLOYER GROUPS FROM ANOTHER MEDICAL SCHEME~~

If members of a Scheme, by virtue of their employment by a particular employer, terminate their membership of such Scheme with the object of obtaining membership of the Scheme, the Board of Trustees will admit such members without a waiting period or the imposition of restrictions on account of the state of health of such members or the health of any of their dependants.

## 10. MEMBERSHIP CARD AND CERTIFICATE OF MEMBERSHIP

**10.1** Every member shall be furnished with a membership card, containing such particulars as may be prescribed. This card must be exhibited to the supplier of a service on request. It remains the property of the Scheme and must be returned to the Scheme on termination of membership.

**10.2** The utilization of a membership card by any person other than the member or his registered dependants is not permitted and is construed as an abuse of the privileges of membership of the Scheme.

**10.3** Failure to notify the Scheme of a change of status within 30 days of the change of status, that has an influence on the member's benefit, shall be an abuse of benefits of the Scheme.

**10.4** On termination of membership or on de-registration of a dependant, the Scheme must, furnish such person with a certificate of membership and cover, containing such particulars as may be prescribed.



*See 4:20.  
This is not relevant to POLMED as a restricted scheme!*

## 11. CHANGE OF ADDRESS OF MEMBER

A member must notify the Scheme within 30 days of any change of address. The Scheme shall not be held liable if a member's rights are prejudiced or forfeited as a result of the member neglecting to comply with the requirements of this rule. The member's last known address held by the Scheme will apply for the purpose of serving notices regarding the Scheme, including notices of meetings and changes to the Rules.

## 12. TERMINATION OF MEMBERSHIP

**12.1** A member may terminate his membership of the Scheme by giving 30 days written notice to the Scheme. All rights to benefits of the member and his dependants shall on such termination cease, except for claims in respect of services rendered up to and including the date of termination. This notice period may be waived by the Board of Trustees in substantiated cases.

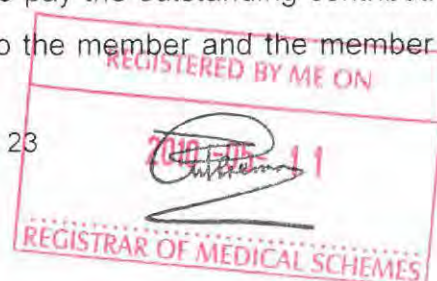
**12.2** Subject to Rules 6.2 and 6.3 and any provision to the contrary contained in these Rules, a member shall on the date that he ceases to be an employee, cease to be a member of the Scheme, and all rights to benefits shall there upon cease, except for claims in respect of services rendered prior thereto.

### 12.3 Death

Membership of a member terminates on his death.

### 12.4 Failure to pay amounts due to the Scheme

If a member is in arrears with his contributions or any other monies owing to the Scheme and a notice to pay the outstanding contribution or monies owing has been dispatched to the member and the member failed to pay



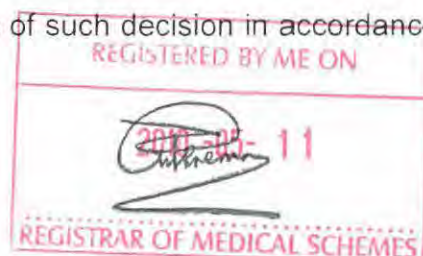
the outstanding contribution or monies owing within thirty (30) days after the notice has been dispatched, the Board of Trustees may, in its sole discretion, suspend the membership of the member for a period of twelve (12) months. The membership of the member concerned shall be reinstated on the first day of the month following the month in which his contributions or any other monies owing to the Scheme have been paid. If the member fails to pay the outstanding amount within the twelve months during which he is suspended, the membership of such a member shall be deemed to have terminated at the end of the period of twelve months. Arrears are payable while the membership of the member is suspended. No benefits shall be payable in respect of the member from the date of his suspension until the date of his reinstatement.

**12.5 Abuse of privileges, False claims, Misrepresentation and Non-disclosure of Factual information**

The Board may exclude from benefits or terminate the membership of a member or dependant whom the Board finds to have abused the benefits and privileges of the Scheme by presenting false claims or making a material misrepresentation or non-disclosure of factual information in accordance with Rule 16.10. In such event the member will be responsible to refund to the Scheme any sum which, had it not been for his abuse of the benefits or privileges of the Scheme, would not have been disbursed on his behalf.

**12.6** Before the Scheme can terminate a member's membership a due process will be followed allowing the member an opportunity to make representations and each case shall be considered on its own merits.

**12.7** If any decision to suspend or terminate the membership of a member is made by the Scheme, such member shall be entitled to within 21 days of such decision dispute the correctness of such decision in accordance with



Rule 28 which shall be adjudicated in terms of Rule 28.2 to 28.5.

**12.8** A member whose membership has been terminated as a result of misconduct, shall not be revived with the Scheme.

**12.9** The member's spouse's status as dependant is terminated on the date of the divorce or on the date of cancellation of registration as a dependant, whichever date occurs first, *subject to the divorce settlement.*

*This provision should not be used to deny a member his/her wish to allow the spouse to remain as a dependant even after divorce. If the member can afford contributions*

### 13. CONTRIBUTIONS

**13.1** The contributions payable to the Scheme by or on behalf of a member shall consist of the total contribution as stipulated in Annexure A2 and A4.

**13.2** Any changes in contributions payable by/or on behalf of a member, due to income changes of a member will be effected at the discretion of the Board of Trustees.

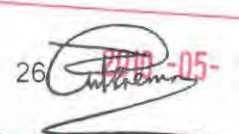
**13.3** Contributions shall be due monthly in advance and be payable by not later than the third day of each month. Where contributions or any other debt owing to the scheme, have not been paid within three (3) days of the due date, the Scheme shall inform the member concerned and the employer in writing of such failure. In the event that the arrears are not paid within a period of grace of fourteen (14) days after notification, membership shall be suspended forthwith. In the event that the arrear contributions are not paid within thirty (30) days of suspension, membership of the relevant member shall terminate. Such membership shall only be reinstated after the payment of the contributions in arrears. No benefits shall be payable from the date of suspension until the date of reinstatement.



- 13.4** In the event that payments are brought up to date within twelve (12) months from the due date, benefits shall be reinstated without any break in continuity subject to the right of the Scheme to levy a reasonable fee to cover any expenses associated with the default and to recover interest at the prime overdraft rate of the Scheme's bankers. If such payments are not brought up to date, no benefits shall be due to the member from the date of default and any such benefit paid may be recovered by the Scheme.
- 13.5** No refund from the Scheme's reserves or of any portion of a contribution shall be paid to any member where such member's membership or the status as dependants of any of his dependants terminated.

#### **14. LIABILITIES OF MEMBER**

- 14.1** The member shall, subject to Rule 13, be liable for the amount of his unpaid membership fees together with any sum disbursed by the Scheme on his behalf or on behalf of his dependants which has not been repaid by him to the Scheme.
- 14.2** Any amount owing by a member to the Scheme in respect of himself or his dependants may be recouped out of his remuneration from the employer by arrangement with such member. In the event of a member ceasing to be a member, any amount still owing by such member shall be a debt due to the Scheme and recoverable by it.
- 14.3** A member is responsible to ensure that claims for services rendered are claimed timeously from the Scheme and to keep a record of the claims.
- 14.4** A member is responsible to ensure that the occurrence of a motor vehicle accident, in which he or his dependent(s) were involved, is reported to the

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Scheme within 30 days of the occurrence. Should the member not reasonably be able to report the occurrence, such an occurrence should be reported as soon as the member or dependants are reasonably able to do so, provided that reasons for the inability to report the occurrence timeously can be provided.

- 14.5** A member is responsible to ensure that a third party claim for damages is submitted to the Road Accident Fund as soon after the accident as reasonably possible and subject to the legal merits justifying the submission of such a claim."
- 14.6** The member may make use of the services of an attorney to proceed with a third party claim on behalf of the member and the Scheme.
- 14.7** The member is responsible to ensure that he signs an undertaking to the Scheme to refund all past medical expenses advanced by the Scheme, in the event that his claim for damages to the Road Accident Fund is successful.

## 15. CLAIMS PROCEDURE

**15.1** Every claim in respect of which an account is rendered for the rendering of a health care service as contemplated in these Rules, shall be accompanied by a detailed account or statement which shall comply with the provisions of the Act and the Regulations and shall at least contain the following particulars:

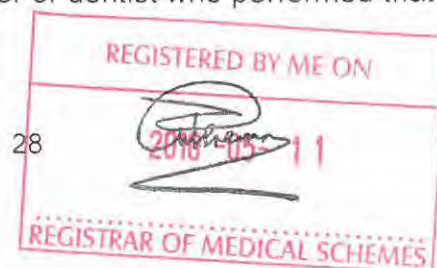
**15.1.1** the surname and initials of the member;

**15.1.2** the surname and first name and other initials, if any, of the patient as indicated by the proof of membership;

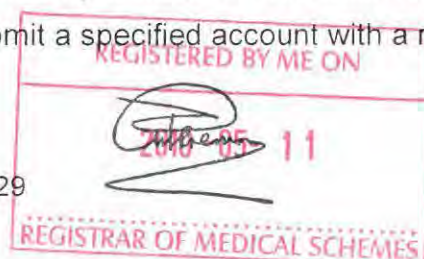
**15.1.3** the name of the Scheme;



- 15.1.4** the membership number of the member;
- 15.1.5** the practice code number, group practice number and individual provider registration number issued by the registering authorities if applicable, of the supplier of the service, and in the case of a group practice, the name of the practitioner who provided the service;
- 15.1.6** the relevant diagnostic and such other item code numbers that relate to such relevant health service;
- 15.1.7** the date on which each relevant health service was rendered;
- 15.1.8** the nature and cost of each relevant health service rendered, including the item code number that relates to such service (if applicable), and where the supplier of service supplied medicine to the member concerned or to a dependant of that member, the name, quantity, dosage, nappi code and net amount payable in respect of the medicine;
- 15.1.9** where the account is a photocopy of the original, certification by the supplier of service by way of a rubber stamp or signature on such photocopy;
- 15.1.10** where a pharmacist supplies medicine according to a prescription to a member or a dependant of a member, a certified copy of such original prescription, if so required by the Board of Trustees;
- 15.1.11** the name and the practice code number as issued by the registering authorities of the referring medical practitioner or dentist;
- 15.1.12** in the case where such account or statement refers to the use of an operating theatre where an operation was performed on the member or the dependant of that member—
- 15.1.12.1** the name or names and the relevant practice number as issued by the registering authorities of the medical practitioner or dentist who performed that operation;



- 15.1.12.2** the name or names and the practice code number as issued by the registering authorities of every medical practitioner or dentist who assisted in the performance of such operation, and
- 15.1.12.3** all procedures carried out together with the relevant item code number contemplated in Rule 15.1.6.
- 15.2** Where an account refers to orthodontic treatment or advanced/ specialized dentistry, a treatment plan containing the following additional information must be supplied:
- 15.2.1** A treatment plan indicating the following -
- 15.2.1.1** the expected total amount that will be charged by the orthodontist for the treatment;
  - 15.2.1.2** the expected duration of the treatment;
  - 15.2.1.3** the initial amount payable; and
  - 15.2.1.4** the monthly amount payable.
- 15.2.2** The code number for the treatment, in accordance with the scale of benefits must be supplied on the account.
- 15.2.3** The original laboratory invoices must accompany all dental accounts.
- 15.3** In order to qualify for benefits, any claim, unless otherwise arranged, shall be submitted to the Scheme not later than the last day of the fourth month following the month of the date of service.
- 15.4** Where an account has been paid by a member, he shall submit a claim, and in support of his claim, submit a specified account with a receipt.



- 15.5** Notwithstanding provisions of these Rules, where the Scheme is of the opinion that a claim/ account is incorrect or unacceptable for payment, the Scheme shall notify the member or the health care provider, whichever applies, accordingly within 30 days after receipt thereof. The Scheme shall state the reasons why such claim / account is incorrect or unacceptable and afford such member or provider the opportunity to return such corrected claim to the Scheme within 60 days from the date of the notice.
- 15.6** Where benefits are subject to prior approval, the documents or reference numbers of such approval, must accompany the claim.

## 16. BENEFITS

- 16.1** Members are entitled to benefits during a financial year, as per Annexure A1 and A3, and such benefits extend through the member to his registered dependants. A member must, on admission, elect to participate in any one of the available options, detailed in Annexure A.
- 16.1.1** The elected option shall be in place until the first day of the financial year following the application in terms of Rule 16.2 to transfer to another benefit option.
- 16.2** A member is entitled to change from one to another benefit option subject to the following conditions:
- 16.2.1** The change may be made only with effect from 1 January of any financial year. The Board may, in its absolute discretion, permit a member to change from one to another benefit option on any other date.
- 16.2.2** Application to change from one benefit option to another must be in writing and lodged with the principal officer by not later than 30 November prior to the year upon which it is intended that the change will take place. Provided that the member has had at

