

## **Public servants must benefit from medical schemes merging, PSA says – Business Day 7 Nov 2018**

The Public Servants Association (PSA) has welcomed a call by the Government Employees Medical Scheme (Gems) to carefully consider the process of consolidating it with other schemes for public servants.

Gems principal officer Guni Goolab sounded a note of caution about the government's plans to merge Gems with other medical schemes for public servants, saying consolidation would require careful planning and consultation with unions. The proposal is contained in the government's policy on National Health Insurance (NHI), and is also contained in a discussion document released in September by the Council for Medical Schemes.

"The PSA supports the call by Gems as this cannot be a one-sided decision. All stakeholders must be involved to ensure that the consolidation benefits all public servants," PSA GM Ivan Fredericks said on Wednesday.

"Medical-aid schemes have different benefits for their members and public servants already face challenges with Gems to ensure basic payments of service providers and obtaining prior authorisation for hospital admission. All medical-aid schemes should have their house in order prior to considering a merger. Consolidation should benefit members and not subject them to a worse state of affairs," he said in an emailed statement.

The PSA said it supported the government's push for NHI, and recognised the importance of Gems in this initiative, but remained concerned about Gems's operational capacity.

Gems has struggled to build reserves, and saw a surge in consumer complaints in 2017 that prompted an inspection by the Council for Medical Schemes.

Goolab said on Tuesday that Gems would meet the statutory requirement to hold reserves of 25% of its annualised contribution income for the first time next year, a full 15 years after the scheme was launched.