

Zokufa appointed to head Council for Medical Schemes

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BOARD of Healthcare Funders (BHF) chairman Humphrey Zokufa has been appointed as new registrar of the Council for Medical Schemes (CMS) and expects to take up his new role on November 1, he confirmed yesterday.

He will take over from Daniel Lehutjo, who has been acting in the position since former registrar Monwabisi Gantsho left more than a year ago.

The latest development may raise some eyebrows as Zokufa is effectively moving from player to referee. The BHF, which Zokufa has led for the past decade, is a lobby group representing the interests of medical schemes and administrators, while the CMS is a statutory body charged with regulating that industry.

To add to the complexity, Zokufa led a high-profile court case challenging the CMS over its interpretation of regulation 8 to the Medical Schemes Act, which governs payment for prescribed minimum benefits (PMBs).

The CMS has consistently maintained that medical schemes must pay for PMBs in full, regardless of what healthcare providers charge, while the BHF has lobbied to get such payments capped at rates determined by schemes.

Yesterday Zokufa said that he had been misunderstood on the PMB issue: "I want to correct a perception that BHF was not supporting the payment of PMBs in full. That is not true.

"What we object to is a circular that said we must pay in full whatever the provider charges. That means reckless spending. We are saying the supply side must also be subjected to an obligation of charging no more than a certain amount," he said.

The BHF sought a declaratory order on the interpretation of regulation 8, but the matter was struck down in 2011 by the High Court in Pretoria on technical grounds.

Zokufa said one of his priorities as registrar would be to tackle the issue of PMB payments.

"One of the things I will pursue is [to see] how quickly we can come up with a regulatory framework to oblige providers to charge no more than a particular fee," he said.

Zokufa, who is a member of the working group established by Health Minister Aaron Motsoaledi to thrash out details of the future role of medical schemes under National Health Insurance (NHI), said SA's medical scheme industry was unsustainable.

"The current model is not viable. As the regulator, I'm concerned that members are subjected to co-pays, contribution [increases] higher than CPI (the consumer price index), benefits running out ... and medical schemes are hitting deficits.

"There has to be a change to benefit the consumer."

The solution, he said, was for SA to introduce universal healthcare through NHI.

Contrary to the NHI White Paper's position that additional funds would need to be raised, Zokufa said NHI could be financed with existing resources. These included the current public health budget, the contribution income received by medical schemes and money in the Road Accident Fund.

In a separate development, CMS spokeswoman Elsabe Conradie said the CMS expected to meet medical scheme Commed during the course of this week to try and resolve their dispute over Commed's financial statements.

The dispute has to be resolved in order for the CMS to table its annual report in Parliament.

by Tamar Kahn, Business Day