

# MEDI BRIEF

JUNE 2018

## AGM report

The Scheme held its 49th Annual General Meeting (AGM) on 23 May 2018 in Johannesburg.

The Chairman, Colleen Elliott, reported that, even though faced with a weak economy and poor return on investment, the Scheme performed reasonably well during 2017, showing a small profit and ending the year with reserves of 487%. Stephen Johnston, General Manager for In-house Schemes at Discovery Health, presented the 2017 financial results. The reports of the Board of Trustees and Auditors and the Financial Statements were taken as read and adopted at the meeting.

The Chairman reported on membership changes and the Trustee fees.

The members of the Disputes Committee were elected for the ensuing year: Prof. Cas Badenhorst, Carol Dixon and Bob Hunt. The Chairman thanked Geneene Barnard for her availability in the previous term.



## Change of auditors

The Chairman reported that KPMG performed their function professionally and efficiently during 2017. The Board of Trustees had considered the re-appointment of KPMG for the Scheme's 2018/9 audit at length. The Trustees were concerned by the severity of the allegations levelled at KPMG and were not comfortable with the implications flowing therefrom.

The date of conclusion of the independent investigations into the KPMG report was unknown. The Board of Trustees did not believe it was in the Scheme's best interests to delay a decision until the outcome was made public, and therefore determined to terminate the services of KPMG on completion of the 2017 audit.

The Chairman further advised that the Scheme had invited bidders to tender for the 2018 audit and, after due process, the Audit Committee had recommended that PWC should be appointed as the Scheme's external audit partner for the 2018 audit, with the option of an annual renewal for a further 4 years. Following thorough consideration, the Board of Trustees concurred with this and recommended to the AGM that PWC be appointed for the 2018/9 audit period to which the meeting agreed unanimously.

The changes to the Board of Trustees were presented to the meeting. To view the current Trustees serving on the Board, please visit [www.angloms.co.za](http://www.angloms.co.za) > People behind the Scheme.

The Chairman closed the meeting noting that the Scheme had reached its 50th anniversary. She stated that the Scheme had faced many challenges and changes over the 50 years, but that she could say with honour and confidence that AMS

had grown from strength to strength and was currently a very healthy and attractive Scheme with its members at the heart of its business.

She thanked all the consultants, advisors, service providers and her Board of Trustees for their dedication and service during the past year and thanked the members present for their attendance at the AGM.

## Reliable and efficient service from AMS when “life happens”

“Dear team AMS,

I spoke to you last week with a question about my wife's authorisation. Within a few minutes of our call, a member of your staff reverted to me on the authorisation of her procedure and the matter was sorted out immediately for which I thank you. Needless to say, the initial confusion could have been avoided if I had been better prepared!!

I thought I would take this opportunity to express my appreciation for the efficiency and consideration with which I have been treated over the last few months. At the end of January, I fell and split my scalp resulting in a night in hospital before being cleared by a specialist. The cause of this episode was uncertain, I had returned from freezing temperatures overseas the day before and unwisely decided to play golf on a hot afternoon at altitude.

I later spoke to my specialist in case the cause of the episode was heart related. He scheduled several investigations causing me to spend a night in another hospital. As far back as 2005 I had been told that the time would come when I would need

a prosthesis and, although my fainting could not be definitively linked to a heart diagnosis, the time had arrived. I was then admitted again into a hospital for a day and the procedure took place. After a couple of months convalescing my incisions have healed and I can start golfing again.

Simultaneously my wife had a joint replacement and was in hospital for several days.

Given the complications of both my condition and my wife's operation, there were a large number of service providers involved and the requirement for several authorisations. Between us we had four stays in two different hospitals, a surgeon plus an assistant, three specialists of different disciplines, two prostheses, at least two anaesthetists, and innumerable tests. At no time was there any hassle with the Medical Scheme. The vetting and issuing of authorisations was consistently efficient and whilst I cannot say that I enjoyed the hospital experience, the Scheme staff did their utmost to keep my stress levels down.

I wish to express my thanks to all concerned,  
Dave Barber”

## Millions lost to fraud which should have been used to pay valid claims

Industry experts say that fraud in the medical scheme industry costs members anything between R10 billion and R20 billion per year, making fraud, waste and abuse one of the main drivers of healthcare inflation.

Medical schemes are non-profit organisations and these amounts should be used to pay honest members' medical bills. Fraudulent behaviour of providers, and in some instances members, is basically stealing money out of your pocket. Discovery Health, our administrator, recovered R405 million in 2016 and R568 million in 2017 for the schemes it administers. Discovery Health works with a team of over 100 analysts and investigators, as well as forensic software systems with sophisticated algorithms in place to identify unusual claims patterns and to uncover fraud. All of these measures are necessary but costly – paid for in part by members' scheme contributions.

### What are your responsibilities as a member?

- Ensure that your provider only bills for services rendered and that he/she only prescribes necessary and valid medication
- Check your statements to ensure that all claims and services you or your dependants received are correct

- Report any corruption, kickbacks and bribery you come across
- Only submit valid claims for registered dependants on your membership
- Keep your membership details in a safe place, whether they are printed or online
- If there are any irregular or unknown transactions on your membership, call 0860 222 633 to find out what they are for

### Blow the whistle!

Protect your Scheme and its benefits! If you come across potential fraud, waste or abuse please call our independent ethics line on 0860 004 500 and report any form of unethical practices in an anonymous and secure manner. You can even report fraud on other schemes. If members and providers abuse another scheme today, they could use the same tactics on AMS tomorrow.

### The consequences for fraudsters

Fraud will cost the individual his or her membership and employment. Fraud is a criminal offence. In severe cases, providers that have committed fraud have already been sentenced to jail time.

Visit [www.angloms.co.za](http://www.angloms.co.za) to learn more about your Scheme and benefits.

Find all previous MediBrief editions in the Info Centre > MediBrief Archive.

### Member Queries:

**Value Care Plan:** 0861 665 665, [anglo@primecure.co.za](mailto:anglo@primecure.co.za)

**Standard and Managed Care Plan:** 0860 222 633, [member@angloms.co.za](mailto:member@angloms.co.za)

**Claims:** [claims@angloms.co.za](mailto:claims@angloms.co.za)