

MEDIA RELEASE PSA comment: Proposed changes in *Medical Aid Schemes Bill*

DATE 13 September 2018

EMBARGO None

ENQUIRIES communication@psa.co.za

The Public Servants Association (PSA) is aware of proposed changes to the *Medical Aid Schemes Bill* as well as warnings issued by various stakeholders that the changes may result in medical-aid fees increasing by 15%.

“Such an increase will have a severe impact on the most vulnerable members of society. During various engagements with the Minister of Health, the PSA as a party at the Public Service Coordinating Bargaining Council (PSCBC) and as a Fedusa affiliate, has never been made aware of this consequence of implementing the National Health Insurance and amendments to the *Medical Aid Schemes Bill*. The stopping of co-payments by members of medical schemes was, instead, ‘sold’ to us as a benefit of the amendment,” said PSA General Manager, Ivan Fredericks.

Engagement of the impact of the amendments will have to be discussed in the Working Committee of the Government Employees Medical Scheme (GEMS). The Committee consists of the state as the employer, GEMS, and unions involved in the PSCBC. Currently, the scheme provides that employees on salary level 1 to 5 in the Public Service are fully subsidized by the state as the employer if they belong to the Sapphire Option of GEMS. This option is also currently being re-designed to the benefit of those employees.

“The PSA, as member of the Working Committee, will ensure that the current benefits of the most-vulnerable employees are protected and that the Union fully participates in discussions and possible changes to the benefit structures on behalf of all its members in the Public Service,” said Mr Fredericks.

END

