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FOR PSA MEMBERS: **PUBLIC SERVICE COORDINATING BARGAINING COUNCIL (PSCBC)**

20-09-2023

Feedback: Government Employees Medical Scheme (GEMS) task team meeting - 19 September 2023

Proposed medical-aid fees increase

The GEMS representatives reported that the proposed medical-aid fee increase of 9.5% for the 2024-financial year would be submitted to the board of directors for approval. It was indicated that the financial status of medical aid was unstable. The representatives indicated that GEMS started to tap into reserve accounts to keep operations afloat. They further indicated that the employer's contribution and subsidy were becoming less, and medical claims increased in the previous financial year. The Council for Medical Schemes proposed to GEMS management that at least a 5% increase be considered. GEMS however did not agree with this suggestion.

The PSA was appalled by the proposed increase as the cost of living is high. Public servants continue to suffer owing to constant increases and high inflation rates. The PSA described the proposal as unreasonable and unfortunate for public servants who are members of GEMS. The establishment of GEMS was based on the principles of affordability and accessibility. Organised Labour advocated for a 0% increase and maintained that GEMS must consult with the PSCBC before any medical-fee increase could be implemented. Parties proposed an urgent Council meeting, which will include the GEMS management, to discuss the proposed fee increase.

Members are requested to provide inputs and comments regarding the proposed medical-aid fee increase of 9.5% to peter.mngomezulu@psa.co.za on or before **22 September 2023** for the PSA to be declared at the proposed urgent Council meeting.

Employees who want to join the PSA can visit the PSA's website (www.psa.co.za), send an email to ask@psa.co.za, or contact PSA Provincial Offices.

Reuben Maleka
GENERAL MANAGER