



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

25-09-2025

## Feedback: PSCBC GEMS Task Team Meeting - 23 September 2025

The following agenda items were discussed:

### Measures to limit contribution increases for 2026

The PSA previously reported that GEMS implemented initiatives to mitigate a membership premium increase for 2026. Such initiatives include Risk-Based Capital (RBC), non-healthcare costs containment, claims management forum, and benefit-design strategies. The Scheme governance structure is responsible for sustainability of the Scheme in the long term and currently claims exceeded the budget by about 4%, which impacts the projection. The Scheme submitted the following proposal to the Council for Medical Schemes for consideration with three elements to consider: Exemption for 25%, which can be done through the *Act*; support below 25% reserve requirements to support members' contribution; and change to regulation from a minimum required solvency of 25% to RBC model that will be acceptable across the industry. The target is to keep the membership increase to a single digit from 13.4% in 2025. The proposed percentage is about 9.80%, which still puts the Scheme below the required reserve ratio of 25%. The Scheme will subsequently submit a business case to demonstrate the plan to return to 25% in due course. Members are reminded that *Tanzanite 1* will be restructured where the pricing for higher income earners will be like *Beryl* as the former was created for lower income earners to ensure affordability. Fraud, wastage, and abuse remain key challenges. The work to create value for members through partnerships is still underway. GEMS also cautioned members who participate in the employer wellness programmes where unscrupulous service providers offer services that members think that they are free only for the providers to bill them at the end of the day. The initiatives were noted, and parties will have further engagements.

### Trustee elections

GEMS reported that the election closed on 6 September 2025 at 12:00. Counting was concluded on 19 September 2025. The process of auditing will thus ensue, followed by the compilation of a report by the electoral officer, which will be presented to the Scheme Board for approval. Upon approval, the successful candidates (top three) will be informed of such although their appointment will be subjected to the vetting process. Successful candidates will be informed on or before second week of October 2025.

## **Member Communication Plan**

The Scheme will embark on a three-phased communication plan for pre-positioning, activation, and post option selection. The pre-positioning campaign will commence from 1 October to 29 October 2025, which will create awareness and provide information about contribution increase and benefit change.

Communication will support informed decision making. The activation phase will commence around November where members will be engaged in ongoing communication to ensure informed benefit selection. There will be a number of channels including monthly newsletters, emails, broadcast media, GEMS days and face-to-face with members to take them through the journey of benefit options and value propositions. Departments and unions will also be engaged as well as usage of the GPAA and GEPP communication channels to ensure wider reach amongst members. The last phase, *i.e.*, post option selection, also known as 'close out', will be at the beginning of December, which will focus on continuous member education and good news narrative. Members are thus urged to be on the lookout for GEMS communicate and check their benefits and their conditions to ensure an appropriate choice.

## **PSCBC Resolution 4/2017**

Members are aware that a workshop was arranged in February 2025 between GEMS and the PSCBC where amongst issues raised was inadequate implementation of the above-mentioned Resolution. GEMS undertook to consider the provisions of the Resolution and the impact it would have on its operations in so far as compliance with the prevailing legislative framework is concerned. In this meeting, GEMS reported that after the February workshop, the Board considered the matter and even sought legal advice owing to the complexity of the matter. Subsequently, the legal advice provided was considered and agreed upon by the Board in terms of interpretation and impact. The Scheme committed to providing a response to the PSCBC in due course. Such will be awaited by the PSCBC and will be shared with all parties. Subsequently, GEMS will present the same in a Council meeting.

## **Annual General Meeting**

GEMS provided feedback from the AGM for 2025 wherein complaints were received regarding inadequate communication with members and the problem with virtual instead of physical meeting. GEMS was provided an opportunity to respond to the Council for Medical Schemes that was satisfied that communication was adequate although advised that GEMS can consider hybrid meetings in future. The matter will subsequently be tabled before the GEMS Board for a decision. The report was duly noted.

## **Health promotion (Comrades Marathon)**

GEMS reported that it is in partnership with Comrades Marathon where it is supporting about 600 previously disadvantaged athletes with food, accommodation, and transport. It informed the committee that the rationale for such partnership is health promotion to encourage people to move from a sedentary lifestyle, brand building and exposure as well as corporate social environment. GEMS also has an exhibition where it also provides physiotherapy and a health checkup for Comrades runners irrespective of their membership status. Family members are also assisted. The committee was informed that the vetting process to ensure that legible runners benefit from the GEMS initiative is done through Comrades Marathon that will then share the list of approved runners with GEMS. The qualifying criteria is that one must either be unemployed or earn less than R6 000.

## **GEMS position: Board of Healthcare Funders (BHF) and National Health Insurance (NHI)**

GEMS reiterated its position on the BHF and NHI in that although it is a member of the BHF, it is not a party before the courts pertaining to the NHI matter. Subsequently, GEMS wrote to National Treasury, the

Department of Health and Department of Public Service and Administration as the critical role stakeholder to communicate the same. GEMS is in constant engagement with the NHI Branch in the National Department of Health. It also outlined the importance of belonging to the BHF, including access to research and development, which ensure competitiveness and operational efficiency. The committee noted the report.

***D320/2016- NATU and two others versus MPSA, PSCBC, Nehawu, Popcru, PSA and Sadtu***

The PSCBC General Secretary informed the committee of the matter that is before the court, which was referred as far back as 2016, challenging the differentiated subsidy for employees belonging to GEMS as opposed to other medical-aid schemes. The argument is that the practice is discriminatory and that the matter is set down for April 2026. The report was noted, and parties would consider their options.

Employees who want to join the PSA can visit the PSA website or contact PSA Provincial Offices.

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GENERAL MANAGER