

POLICY: MEMBERSHIP OF MEDICAL SCHEMES AND REGISTRATION OF DEPENDANTS ON ACCREDITED MEDICAL SCHEMES

1. INTRODUCTION

This policy describes the measures applicable on membership, registration of dependants, procedures and continued members of accredited medical schemes.

2. LEGAL MANDATE

The policy framework obtains its legal and general mandate from the following prescriptions, which include, but is not limited to the:

- Medical Scheme Rules
- Main Collective Agreement

3. PURPOSE

The purpose of this policy is to determine conditions applicable on membership of accredited medical schemes for permanent staff members as well as continuing members.

4. DEFINITIONS

Accredited Medical Scheme: Schemes approved annually by SALGA as a Medical Scheme to which officials may belong.

Calendar month: It is a period which stretches from the 1st of a month to the end of that specific month

Subsidy: The Council contribution to the premium paid to the Medical Scheme in the case of permanent staff members and continuing members as per Collective Agreement.

Continuing member: An official who retires on pension and according to the rules of the pension scheme, or the services (of whom are discontinued due to incapacity due to medical reasons.)

Life Partner: A person who lives with the principle member in a permanent relationship which is regulated by a domestic contract which clearly express each of their intent to maintain each other while the relationship last.

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Appointment date:	The date on which the official has been taken into service by the Municipality.
Spouse:	Being a natural person who is bound to the principal member in terms of a marriage or customary union recognise by the laws of the Republic of South Africa.
Dependant:	The spouse or life partner (one spouse or life partner), biological children, foster children and adopted children of the principal member.

5. MEMBERSHIP

5.1 The stipulations of paragraph 4.1 of the Main Collective Agreement that refers to medical aid reads as follows:

“4.1.1.1. *The Council* shall annually accredit medical schemes which qualify for employer contributions in terms of 4.1.2 below, and in terms of the criteria for accreditation, as determined by the *Executive Committee*.

4.1.1.2 The *employer* shall, on behalf of the employee, make contributions to *accredited medical schemes*.

4.1.2.3 Employees shall not be permitted to separate family membership and register dependants on different schemes.

4.1.2.4 Scheme members will be afforded a choice on an annual basis before 1 January to move to a *Council accredited medical scheme*.

4.1.2.5 In the event of an *accredited medical scheme* being in breach of the primary membership threshold criteria, that scheme shall lose its accreditation status, and the affected members shall be entitled to exercise a new election.

4.1.2.6 An employee must belong to one of the *accredited medical schemes* in 4.1.1.1 above or any dully amended list of accredited schemes, as shall be furnished by the General Secretary of the *Council* from time to time, to qualify for the medical aid subsidy in 4.1.2 below.

4.1.2.7 An employee who elects not to belong to an accredited medical scheme will not be entitled to the medical aid subsidy.”

The above-mentioned must be strictly adhere to.

5.2 The Municipality will subsidize the medical scheme contribution of an employee who is registered as the principal member on an accredited medical scheme as agreed upon by the Bargaining Council.

- 5.3 Scheme members may take an election regarding movement from one accredited medical scheme to another accredited medical scheme on an annual basis before 1 January.
- 5.4 A waiting period may be applicable at a medical scheme where an employee joins on a date other than his/her date of appointment, subject to the rules of the medical scheme in question.
- 5.5 An employee must in writing give one calendar months' notice to the medical scheme if termination of membership is required, unless otherwise prescribed by the medical scheme rules.
- 5.6 If the principal continued member passes away, the spouse and/or dependants of the said member will be eligible for contribution from the Municipality as agreed upon by the Bargaining Council.
- 5.7 The commitment of Council in respect of a member with regard to his premium for membership of the Scheme, terminates with immediate effect from the date of termination of service.

6. REGISTRATION OF DEPENDANTS

The Municipality will subsidize the following dependants to a maximum amount as determined by the Bargaining Council:

- 6.1 Children and fulltime students / adult dependant, subject to the rules of the scheme in question, and submission of confirmation of fulltime studies.
- 6.2 A principal member of a medical scheme may register any close family member as dependant on the medical scheme, subject to confirmation of financial dependency and the rules of the medical scheme in question, with the understanding that no subsidy is payable by the Municipality in respect of dependants falling outside paragraph 6.1.
- 6.3 An employee, who wishes to register life partners as dependants, must provide the municipality's human resources department with a copy of their cohabitation or domestic contract as a measure to confirm their protection and rights against each other, with specific reference to medical aid benefits. The agreement should further record that the parties to the agreement undertake to maintain each other while the relationship last.

The applicant must proof that an agreement or contract exist, which confirm the existence of a universal relationship.

7. CLAIM PROCEDURES AND PAYMENT OF CONTRIBUTIONS

- 7.1 The Employee is responsible for the submission of claims in the prescribed period and Human Resources Department (Personnel Administration Section) will only undertake the support function. The Human Resource Department (Personnel Administration Section) remain responsible to perform administrative service in this regard requested by members.
- 7.2 The Municipality will ensure that premiums are paid over to the medical scheme on date as agreed with the medical schemes.
- 7.3 The employee is responsible for timeous submission of applications for membership, registration and de-registration of dependants and termination of membership to the Human Resource Department (Personnel Administration Section).

8. CONTINUED MEMBERS

- 8.1 The medical scheme contributions of an employee who retires (according to the rules of Pension Fund) or the services of whom are terminated due to poor health will be subsidized by the Municipality on condition that the employee completed 10 years of service with the Municipality, and that he/she belonged to an accredited medical scheme of the municipality for the greatest portion (51/49%) of his/her period of service. An employee who completed less than ten years of service with the Municipality will not qualify for subsidy of medical scheme contributions after termination of service.

Section 56 and 57 employees in terms of the Municipal Systems Act are excluded from this clause. This condition must be contained separately in the personal service contract of such individual.

- 8.2 Should a continuing member pass away, only the spouse and dependants registered on the medical scheme at a date of death of the principal member will be subsidized by the Municipality.
- 8.3 Should the spouse in 5.6 above terminate membership of a medical scheme and there is an interruption in membership, the advantage lapses and no subsidy will be paid by the Municipality should the spouse after a period again join a medical scheme.

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