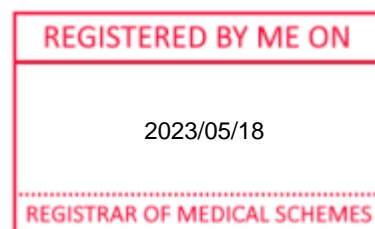


**FEDHEALTH
MAIN RULES**

- 4.20** “**constituent body**”, any person or association of persons whether incorporated or not who applies for participation and is accepted in terms of these Rules;
- 4.21** “**continuation member**”, a member who retains his/her membership of the Scheme in terms of Rule 6.2 or a dependant who becomes a member of the Scheme in terms of Rule 6.3;
- 4.22** “**contribution**”;; amount payable, by a member on a monthly basis as membership fee for the member and their registered dependants, to the medical scheme, in return for medical coverage and in accordance with a payment structure in Annexure A of these rules, for the purpose of qualifying for benefits offered by the medical scheme in terms of its rules.
- 4.23** “**co-payment**”, that percentage of an admitted claim by a member or a specific amount in relation to such claim that the member concerned shall be required to pay;
- 4.24** “**cost**”, in relation to a benefit, the net amount or final amount payable in respect of a relevant health service;
- 4.25** “**Council**”, the Council for Medical Schemes established by Section 3 of the Medical Schemes Act;
- 4.26** “**creditable coverage**”, any period during which a late joiner was;
- a) a member or a dependant of a medical scheme;
 - b) a member or a dependant of an entity doing the business of a medical scheme which, at the time of his/her membership of such entity, was exempt from provisions of the Act;
 - c) a uniformed employee of the South African National Defence Force; or
 - d) a member or a dependant of the Permanent Force Continuation fund,
 - e) excluding any period of coverage as a dependant under the age of 21 years.
- 4.27** “**date of service**”, shall mean:
- a) in the event of a consultation, visit or treatment, the date on which such consultation, visit or treatment took place;
 - b) in the event of an operation, procedure or confinement, the date on which such operation, procedure or confinement occurred;
 - c) in the event of hospitalisation, the date of discharge from a hospital or nursing home, or the date of cessation of membership, whichever date occurs first;
 - d) in the event of any other service, the date on which such service was rendered or required obtained;
- 4.28** “**dependant**”,
- (a) a member’s spouse or partner who is not a member or a registered dependant of a member of a medical scheme;
 - (b) a member’s dependent child who is not a member or a registered dependant of a member of a medical scheme;
 - (c) the immediate family of a member in respect of whom the member is liable for family care and support;
 - (d) such other persons who are recognised by the Board as dependants for purposes of these Rules;



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- 8.2.1 a condition-specific waiting period of up to 12 months, except in respect of PMBs
- 8.2.2 any unexpired waiting period imposed by the applicant's former medical scheme
- 8.3 A medical scheme may not impose a general or a condition-specific waiting period on a beneficiary who changes from one benefit option to another within the same medical scheme, except in accordance with this section.
- 8.4 No waiting periods may be imposed on a child-dependant born during the period of membership.. A medical scheme may not impose a general or condition-specific waiting period on a person in respect of whom application is made for membership or for admission as a dependant, and who previously was a beneficiary of a medical scheme, if:
- 8.4.1 the membership or admission applied for is required as a result of a change of employment.
- 8.5 A medical scheme may not require such an application to provide it with a medical report or other information on any condition of any prospective beneficiary in respect of whom application is made unless the condition is one in respect of which medical advice, diagnosis, care or treatment had been recommended or received in the twelve month period ending on the date on which the application is made.
- 8.6 A medical scheme may not impose a general or condition-specific waiting period on a person in respect of whom application is made for membership or admission as a dependant, and who was previously a beneficiary of a medical scheme, terminating less than 90 days immediately prior to the date of application, where the transfer of membership is required as a result of an employer changing or terminating the medical scheme of its employees, in which case such transfer shall occur at the beginning of the financial year, or reasonable notice must have been furnished to the medical scheme to which an application for such transfer to occur at the beginning of the financial year.

9. MEMBERSHIP CARD AND CERTIFICATE OF MEMBERSHIP

- 9.1 Every member shall be furnished with a membership card, containing such particulars as may be prescribed. This card shall be exhibited to the supplier of a service on request. It remains the property of the Scheme and shall be returned to the Scheme on termination of membership.
- 9.2 The utilisation of a membership card by any person other than the member or his registered dependants, with the knowledge or consent of the member or his dependants, is not permitted and is construed as an abuse of the privileges of membership of the Scheme entitling the Scheme in its sole and absolute discretion, to terminate the membership of that member or to take such other action as it may deem fit.
- 9.3 On termination of membership or on de-registration of a dependant, the Scheme shall, within 30 days of such termination, or at any time on request, furnish such person with a certificate of membership and cover, containing such particulars as may be prescribed.

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17. GOVERNANCE

17.1 The affairs of the Scheme shall be managed according to these Rules by a Board consisting of not more than 13 persons who are fit and proper to be trustees, and of whom -

17.1.1 9 (nine) shall be elected by members from amongst member

17.1.2 The Board may appoint 4 (four) Trustees. Such a Trustee, will cease to hold office as per Rule 17.9, excluding Rule 17.9.6, or, if the Board by majority vote, agrees to withdraw the appointment for operational reasons. A person so appointed, shall hold office for a term of three years and have full voting rights and fiduciary responsibilities.

17.2 At each annual general meeting one third of the Trustees referred to in 17.1.1, shall retire but shall be eligible for re-election. The Trustees to retire shall be those who have been longest in office, but as regards Trustees who were elected on the same day, those to retire, unless agreed amongst themselves, shall be determined by lot. Where the number of Trustees is not divisible by three, the number shall be to the nearest whole number but not less than three.

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17.3 A member of the Board may resign at any time by giving 21 days written notice to the Board of his intention not to remain a member of the Board.

17.4 Nominations to fill vacancies in respect of member representatives and employer representatives shall be signed by the proposers and the candidates and shall be sent to the principal officer not less than five days before the date of the annual general meeting;

17.5 The election of member representatives on the Board shall be carried out by members present or represented by proxy at the annual general meeting of the Scheme and shall be by a majority vote.

The election of employer representatives on the Board shall take place at the annual general meeting of the Scheme in accordance with directives issued by the Board from time to time.

The ballot shall be declared in favour of those nominees who receive the highest number of votes sufficient to fill the vacancies.

17.6 The Board shall have the right to fill any casual vacancy which may occur. A person so appointed shall retire at the first ensuing annual general meeting and that meeting shall fill the vacancy for the unexpired period of office of the vacating member.

17.7 The following persons are not eligible to serve as members of the Board:

17.7.1 a person under the age of 21 years;

17.7.2 An employee, director, officer, consultant, or contractor of the administrator of the Scheme or of the holding company, subsidiary, joint venture or associate of the administrator;

REGISTERED BY ME ON

2023/05/18

REGISTRAR OF MEDICAL SCHEMES

- 17.10 The Board shall, at its first meeting after the annual general meeting, elect from its number a chairperson and a vice chairperson of the Board.

Should the chairperson or vice chairperson resign or cease to be a member of the Board or be removed from office on a vote of no confidence by the Board, the Board shall fill the vacancy thus created for the remaining period for which the previous incumbent was elected.

- 17.11 The Board shall meet at least once in every three months. Three clear days' notice of a Board meeting, unless otherwise agreed by the Board, shall be given to each member of the Board and such notice shall, as far as possible, contain a statement of the business to be transacted at such meeting. The non-receipt of any notice by any member shall not affect the proceedings at any meeting of the Board.

- 17.12 The chairperson may convene a special meeting of the Board should the necessity arise.

Any three Trustees may request the chairperson to convene a special meeting of the Board; provided the matters to be discussed at the meeting are clearly stated in the request.

Upon receipt of the request the chairperson shall within seven days after such receipt convene a special meeting of the Board to deal with the matters stated therein. The provisions of Rule 17.11 regarding notice shall apply.

- 17.13 In the absence of the chairperson and the vice-chairpersons at a meeting of the Board, the Board members present shall elect one of their number to preside at that meeting.

- 17.14 A majority of the Trustees of the Board (excluding alternates) shall constitute a quorum for a meeting of the Board.

- 17.15 Matters serving before the Board shall be decided by a majority vote and in the event of an equality of votes the chairperson of the meeting shall have a casting vote in addition to his deliberative vote.

- 17.16 Notwithstanding any vacancy on the Board, the continuing members thereof may act on its behalf; provided that if and so long as their number is reduced below that fixed for a quorum by the Rules such members may act only for the purpose of increasing the number of Trustees to that number or for summoning a general meeting of members but for no other purpose.

- 17.17 A resolution in writing signed by Board members or, if a Board member be not available, by his alternate, being not less than are sufficient to constitute a quorum, shall be as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted; provided that one of the signatories shall be the chairperson, or in his absence the vice-chairperson.

Any such resolution may consist of several documents in like form, each signed by one or more of the signatories contemplated in this Rule.

- 17.18 The Board may co-opt up to four persons who need not be members of the Scheme. The co-option shall cease if so determined by the Board at any time.

