

**PRESS RELEASE** 

Reference: Selection of DSPs & excessive co-payments

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## Press Release 5 of 2021: The selection of Designated Service Providers and excessive co-payments

The Council for Medical Schemes (CMS) has received a high volume of queries following the recent publication of the Government Gazette Notice 214 of 2021, read with Circular 31 of 2021, regarding the future of Designated Service Providers (DSPs) and co-payments.

The CMS hereby wishes to clarify that DSPs and co-payments are legislative measures aimed at ensuring cost saving and pooling of resources for the benefit of medical scheme members. "DSPs and co-payments remain part of the Medical Schemes Act (131 of 1998) and will continue to be applicable until such time that the Act is amended," says Dr Sipho Kabane, Chief and Executive of the CMS.

"The issuing of the gazette is in support of the section 61 process where the CMS seeks to ensure that DSPs are selected in a fair and transparent manner, and that co-payments that are still applicable are not excessive," continued Dr Kabane. The CMS is aware of cases where members of medical schemes have had difficulty in accessing their scheme selected DSPs, and when they utilise alternative service providers, they are slapped with excessive co-payments.

As such, the CMS, in consultation with all relevant role players, has started the process of developing guidelines to ensure that members of medical schemes are not charged excessive co-payments and that DSPs that are selected by their medical schemes are in their best interests. This process is expected to be completed by September 2021.

The CMS will ensure that that the process to implement the measures identified in the gazette are made in the best interests of medical scheme members, and the financial stability of medical schemes is maintained.

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Media enquiries

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