

2019

ANNUAL REPORT



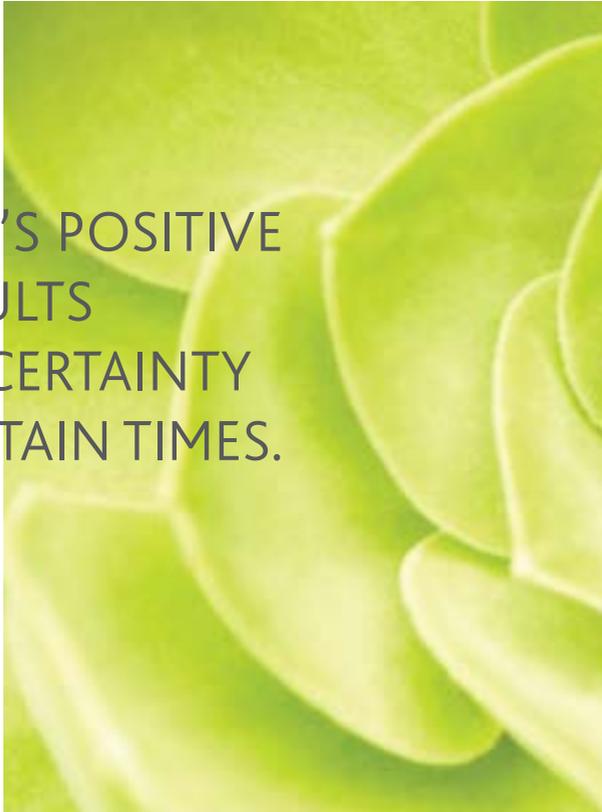
medihelp

medical scheme



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MEDIHELP'S POSITIVE
2019 RESULTS
PROVIDE CERTAINTY
IN UNCERTAIN TIMES.



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* References to notes and pages contained in the extracts of the Financial Statements relate to notes and pages of the audited Financial Statements for the year ended 31 December 2019. A full set of the 2019 audited Financial Statements is available for inspection at the Scheme's offices.

Medihelp's performance in 2019

Profile	Finances	Prime network range	Service	Engagement	
<p>114 years' EXPERIENCE</p> <p>CGR rating AA- </p> <p>One of top five LARGEST < schemes ></p> <p>Achieved net growth in 2019 0,61%</p> <p>Average age of members 37 (5th year running)</p> <p>1,18 dependants per member (up from 1,17 in 2018)</p> <p>204 305 beneficiaries (202 097 in 2018)</p> <p>93 517 members (92 951 in 2018) </p>	<p>Healthy solvency level 27,68%</p> <p>Increased average accumulated funds per member R14 375 (R13 866 in 2018)</p> <p>Decrease in non-healthcare costs as a percentage of risk contributions 8,7% (9,2% in 2018) </p> <p>93 cents of every rand spent on benefits</p> <p>Total accumulated funds R1 344 324 014 (Regulation 29) </p>	<p>13,73% growth in 2019 </p> <p>Average age of beneficiaries 30 </p> <p>Dependant ratio 1,48 </p> <p>Pensioner ratio >65 5,21%</p>	<p>3 121 306 claims processed</p> <p>62 792 Pre-authorisation requests granted</p> <p>3 073 walk-in customers cared for </p> <p>606 879 Contact centre enquiries handled </p> <p>82,35% calls answered within 20 seconds </p> <p>258 549 Emails and letters answered </p> <p>1,78 work days turnaround time </p>	<p>29 984 Member app users</p> <p>938 216 website visits </p> <p>218 514 log ins </p> <p>21% Member Zone </p> <p>93 318 registered secured site users </p> <p>99,96% uptime </p>	<p>55 193 social media followers </p> <p>13 494 active HealthPrint members </p> <p>606 450 emails sent @ </p> <p>SMS messages 424 395 </p> <p>20 352 letters posted </p>

Message by the Chairman of the Board of Trustees

A measure of certainty in uncertain times.

South Africa is experiencing what we may later look back upon as life-changing times. The outbreak of COVID-19 has resulted in a nationwide lockdown, and the country is holding its breath while results of measures taken to flatten the rate of infection are awaited, and fears of potential infection and loss of income dominate. Embattled by continued economic decline, an increase in the burden of disease, the impact of funding prescribed minimum benefits and the absence of price regulation, as well as uncertainty regarding impending regulation eroding consumer trust, medical schemes are under considerable pressure as is evident from the number of schemes unable to achieve the required solvency level. The Council for Medical Schemes (CMS) concludes in its 2018/19 Annual Report that “factors such as increasing claims, technology costs, members getting sicker and older, and stagnant growth in members, have had a collective negative impact on available reserves.” Reserves serve to protect members’ interests and to guarantee the continued operation of schemes, and provide a buffer against unforeseen, large-scale health events.

Medihelp is in the fortunate position of offering stability in reporting on its 2019 financial results, despite an increase in the number of high-cost cases (the top 20 Medihelp claimers accounted for R81,5m of the benefit expenditure in 2019) and

changes in the demographic profile of certain products leading to lower than budgeted results.

The Scheme ended the 2019 financial year on a positive note with an accumulated funds ratio of 27,68% which is lower than the 28,65% in 2018 and 29,56% in 2017, but well above the required level of 25%.

Although Medihelp’s net financial results showed an improvement from the 2018 results, with a net surplus of R55 439 117 compared to R8 732 312 in the previous year, the improvement was lower than budgeted. Accumulated funds in line with regulation 29 of the Regulations under the Medical Schemes Act amounted to

“These results will serve to carry us through what will indisputably prove to be one of our most challenging years yet, and have again earned Medihelp an AA- rating for its claims-paying ability from the independent ratings agency Global Credit Rating.”

R1 344 324 014 (R1 288 892 832 in 2018). Contributing factors to these results were a volatile economy, a decline in interest rates as well as less funds available for investment due to higher claims expenditure.

The current climate presents many challenges – over and above the continuing economic decline, the medical schemes industry remains stagnant as confirmed by the CMS’ Annual Report, which states that the industry experienced negative growth in 2002, 2003, 2004, 2015 and 2017 following many years of sustained growth, with only a marginal growth in principal members achieved across the industry. Medihelp once again experienced net organic growth of 0,61% (0,64% in 2018) and ended the year providing cover to 93 517 principal members (92 951 in 2018). While the average number of beneficiaries across all schemes remained unchanged between 2017 and 2018 at 1:1,21, it declined by a margin of 1:0,01 between 2017 and 2018 for open schemes with findings indicating that overall, there has been a decrease in the size of families covered between 2008 and 2018. Medihelp’s dependant ratio increased from 1,17 to 1,18 in 2019, with the Scheme covering 204 305 lives at the end of the financial year.

Moreover, the average age of the Scheme remained stable at 37 years for the fifth year running, which is positive and indicates that targeted marketing efforts, product stability and concerted efforts by our distribution channel attracted members with a healthy profile to maintain the risk balance between the very ill and the more fortunate.

The industry is awaiting the results of the PMB review which aims to develop a service-based preventative and primary healthcare package that will form the foundation of a future package to address the expensive and mostly hospital-based nature of the current PMB package and

meet the healthcare needs of the country as a whole. The role of medical schemes in their current form will be redefined, as Government wishes to develop a low-cost benefit option by consolidating risk pools as part of implementing National Health Insurance (NHI) to provide universal healthcare access for all South Africans. Medihelp is ready to adapt and offer members that which the NHI will not cover, and we remain committed to support our members and continue to ethically and diligently perform our fiduciary duties.

Members can rest assured that Medihelp will continue to act in the best interests of members while adhering to the governance and ethical principles we consider the basis of this self-administered Scheme.

The Board supports the recommendation by the Competition Commission's Health Market Inquiry panel that principal officers and trustees of schemes should actively ensure that beneficiaries' interests are protected and members are put first, as we have always considered that to be the



Chris Klopper

Chairman of the Board of Trustees
22 April 2020

foundation of all our activities. The Board wishes Heyn van Rooyen everything of the best with his future endeavours following his retirement, and expresses its gratitude for his dedication in serving the Scheme with such distinction and commitment. We welcome Ettie da Silva in the position of principal officer and look forward to embracing the changes and opportunities the future holds, guided by her competent leadership. Thank you to the members of the Board, the management team and the committed employees for your valuable contribution.

We also thank the advisers for their support, the healthcare providers who take responsibility for the healthcare needs of members and our business partners collaborating to provide services to our members.

Most importantly, thank you to our members for their continued loyalty. We wish you good health and trust that by the time this report reaches you, this difficult time will have passed.

Overview by the Principal Officer

Times such as these bring into sharp focus what drives us on a personal and professional level.

While reporting on 2019, South Africa and the world finds itself amidst a global crisis brought about by the COVID-19 pandemic that is forcing us to reconsider our priorities and alter our way of life to protect the lives of those most vulnerable. It is a selfless act required from all of us, forcing us to focus outward, some of us even having to sacrifice our income, but also elevating the importance of protecting the health and well-being of our family, friends and communities.

As the death toll due to the pandemic rises, so does widespread job losses. Some businesses are showing their resilience by adapting, whilst others are struggling to cope with restrictions put in place to control the spread of the virus. And in stark contrast to these pressures, the Earth takes a breath of fresh air with pollution and greenhouse gas emissions falling across the globe.

Only an existential threat like COVID-19 could have led to such a profound change in every aspect of our lives so fast. Most definitely it will change how we see and plan for the future. And yet, it is not the first time Medihelp has found itself in such an unprecedented situation. The Spanish influenza which decimated more than 300 000 South Africans from 1918 to 1920 comes to mind, and we are reminded that Medihelp has covered the healthcare needs of thousands of members for more than a hundred years. With the support of its members, Medihelp has also survived the

challenges of both world wars and the Great Depression with its extreme socio-economic and psychological hardship. I am convinced that our mutual reliance will sustain us through this time as well, even though the South African landscape which will emerge after this pandemic might be changed. Much will have been lost and new opportunities will arise, but one thing is certain: South Africans have an uncanny capacity to adapt, and while we embrace digital technology, we remain connected, support each other and find innovative ways to continue conducting our business.

Times such as these bring into sharp focus what drives us on a personal and professional level.

“ It is a time for organisations such as Medihelp to live up to the core of our existence – to provide and support our members' well-being by providing ethical and sound healthcare cover for quality, appropriate services rendered by healthcare professionals at reasonable tariffs we've negotiated on behalf of members. ”

Members have been relying on this support for what will be 115 years this year, and my vision for the future is to continue to protect the nobility of a self-administered medical scheme as an organisation, not driven by profits but rather by delivering good to the lives we serve amidst the many challenges they face. Medihelp belongs to its members and is in essence a co-operative staying true to its initial objective of acting in the best interests of its members and other stakeholders, retaining its innate morality and always placing people before profit.

I will be applying my energy and expertise to secure a strong future, taking time to incubate innovative solutions to obstacles challenging the acceleration of Medihelp's growth and success. My focus is specifically on addressing macro environmental issues through strategic corporate and business solutions, including optimising the efficiency of our current business structures and processes in ensuring appropriate healthcare delivery. I believe that we can successfully counter burning issues in the industry through an inclusive, individualised approach that fosters solidarity and ownership of healthcare expenses. In terms of retention and growth in membership, we will be analysing and adapting our current distribution, growth and product strategies. Time and resources will be invested in the development of an integrated solution that will create a value chain and unique experience that will speak to, attract and retain a true Medihelp market. I am committed to following a member-focused approach to management of key issues and creating a climate where innovation can flourish.

We are facing challenges not only in terms of the regulatory environment and socio-

economic factors influencing behaviour, but are now also part of a generation experiencing the impact of climate change which directly affects the weather and seasonality, factors which also affect the rate at which viral infections such as the flu spread. The World Economic Forum this year focused primarily on two issues, namely the climate crisis and the effect of rising global temperatures and pollution which also influences the severity of infectious disease outbreaks, and secondly on the importance of protecting the interests of stakeholders as opposed to shareholders, an approach that resonates strongly with that of the Scheme. I believe that much can be done by each of us to secure our future by combating climate change through everyday behaviour, much in the same manner as we need to make changes to live healthier to combat the crippling burden of disease such as obesity and heart disease which are largely preventable. More than ever, the current crisis has also highlighted the importance of caring for and supporting our stakeholders – our members, our employees, our medical professionals, our community. This is after all what gives meaning to our existence, and is the purpose of the organisation to which we belong.

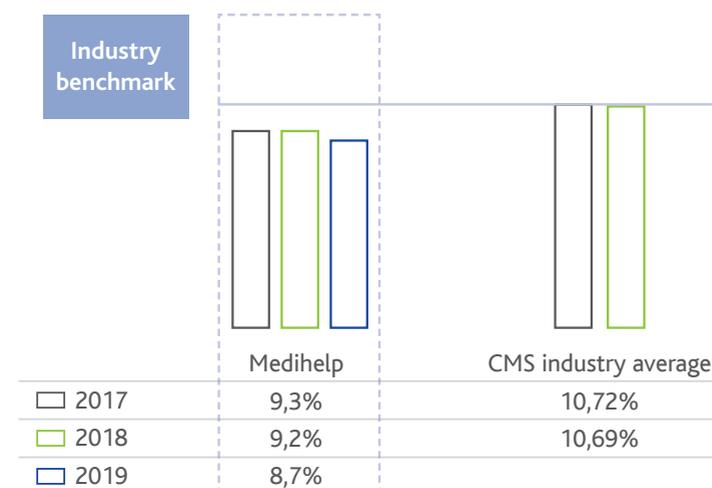
As we plan for the future, it is my pleasure to highlight some aspects of the Scheme's performance during the past financial year.

Financial results

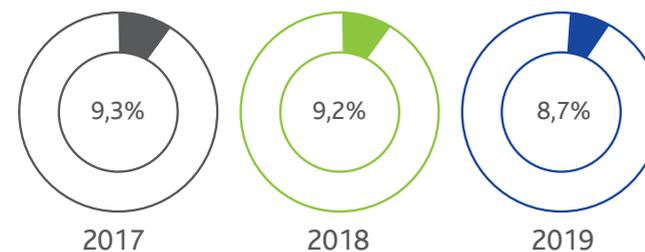
Despite the negative effect of a deteriorating economy and uncertainty brought about by disruptive legislative changes, Medihelp succeeded in concluding 2019 financially sound although not achieving budgeted results. Medihelp recorded non-healthcare expenditure

of 8,7% of risk contributions. In 2018, Medihelp's non-healthcare expenses ranked amongst the lowest in the industry and given the further drop in administration costs, it will likely be repeated for 2019. It leaves Medihelp with room to invest in innovation to accelerate the implementation of new strategies without running the risk of non-healthcare expenses exceeding the market average.

Non-healthcare expenses – market comparison



Non-healthcare results



Net growth in membership and a stable profile

Another key determinant of 2019's outcomes was the Scheme's membership

stability. In a stagnant industry where only 18% of South Africans are members of medical schemes and where unemployment and economic pressures prevail, sustaining

net organic growth is becoming increasingly challenging. The following graph illustrates the lack of growth specifically with regard to open medical schemes, which

is attributed to unemployment rates and the fact that people are unable to afford medical scheme premiums:

CMS Annual Report 2018/9

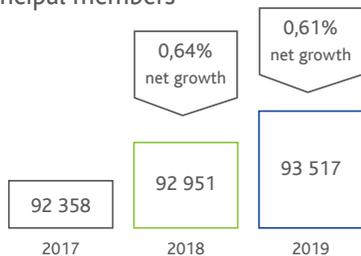


Despite these challenges and through focused marketing and sales efforts, Medihelp welcomed 14 876 new members last year. The profile of new members enrolled has been consistently favourable, with an average age of 28 years and limited chronic exposure, boosting the overall member risk profile. The Scheme achieved net organic growth for the third consecutive year. Family size of new members has also increased to 2,18 in 2019, which means

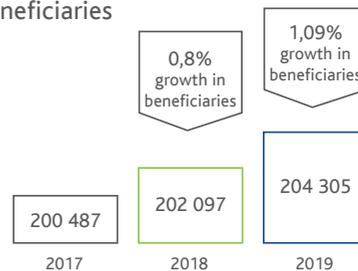
that more families are joining Medihelp, positively contributing to the Scheme's risk profile. Medihelp's products are ideally suited for families, offering extensive pregnancy and baby benefits, with the Prime range offering the benefit of paying fees for the first two children under 18 only and the rest receiving free cover, while child dependant fees apply to children until they turn 26 years.

Membership net results as at 31 December 2019

Principal members



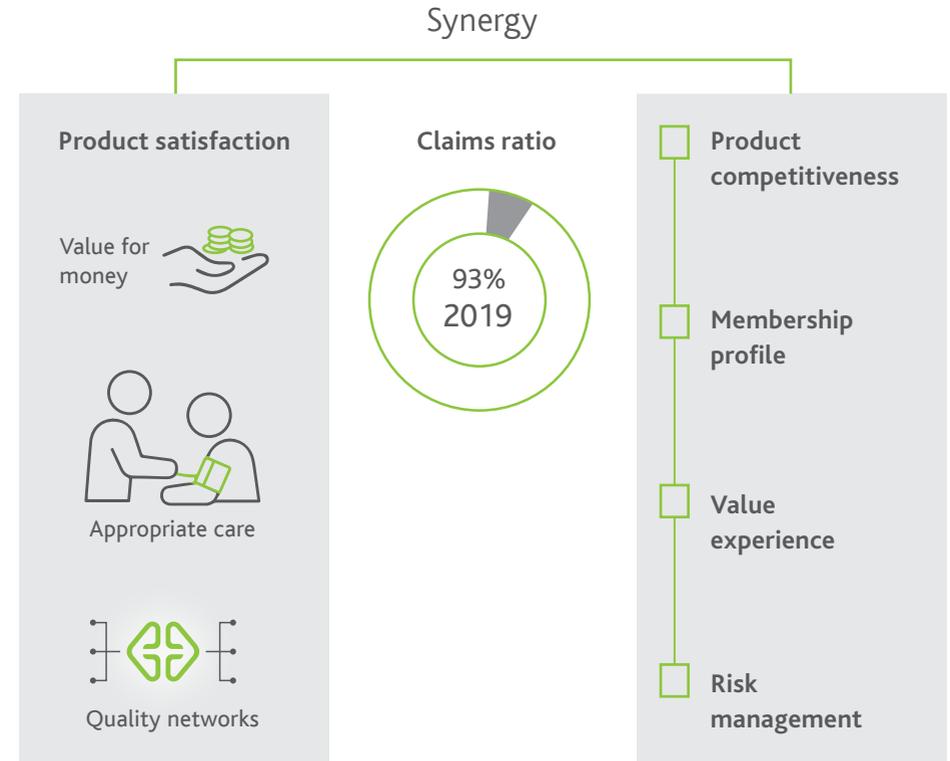
Beneficiaries



Competitive product offering

The continued success of a medical scheme's product range is reliant on the competitiveness of its offering in terms of benefits and price as well as the risk and claims profile of its membership, but mostly on its ability to effectively plan for, manage

and mitigate the risks and costs impacting its sustainability. The 2019 product results present Medihelp with the challenge to restore synergy between these factors and to secure sustainable products for the Scheme and its members.



It is evident that financial pressure and the availability of prescribed minimum benefits on all products are increasingly influencing consumers' product choices, affirmed by the fact that Medihelp's competitively priced efficiency-discounted options and savings solutions attracted the majority of new business, a trend echoed in the CMS 2018/2019 Annual Report. For 2019, Medihelp again enhanced the value of its

products, bearing in mind the risk profile of each product to maintain stability.

Optometry benefits for Prime 3, Elite and Necessé were increased, while non-PMB oncology benefits for the Prime range, Unify and Elite were increased by up to 150%. Three hospitals were added to the Prime hospital network, and a separate radiography benefit was introduced across

the board. Medihelp also began phasing in a contracted network of surgeons with whom tariffs for PMB and non-PMB services were negotiated to mitigate the impact of co-payments on members.

The names of Medihelp's products were simplified and made more descriptive to guide members with regard to their product selection.

Prime 1 Network, Medihelp's lowest-priced option, outperformed other products by attracting 5 442 new members in the past year. Unify, with its 25% savings account, continued to be a popular choice with 2 415 new beneficiaries, while Prime 2 Network, the 15% savings solution, also improved its performance, followed by Prime 3 Network. Non-network options in the Prime range and the higher-priced comprehensively insured options struggled to attract more members due to a lack of competitiveness and as a result of the down-buying trend.

Although Medihelp maintained a stable profile, the Scheme experienced an upward trend in benefit utilisation brought about by

an increase in lifestyle and other diseases as well as supply-driven demand, with more advanced procedures and technology becoming available, as illustrated by the higher rand value of high-cost claims received. Although budgeted figures were not achieved, Medihelp concluded 2019 with a net surplus of R55,4 million.

Benefit expenditure

Compared to the industry's 2018 results, Medihelp's day-to-day benefit expenditure was lower in 2019, whilst our hospitalisation and specialist benefits exceeded that of the industry. Medihelp did not escape the effect of increased utilisation and anti-selection experienced in the industry, and the overall claims ratio amounted to 93% which is significantly higher than that of the industry. The total amount of net claims incurred amounted to R4 339 857 174. Of these claims, prescribed minimum benefits accounted for 56,77% of overall benefit expenditure, and it is clear that rigorous management is required with regard to PMB funding.

 **Prime 1**
Hospital plan

 **Prime 2**
Savings

 **Prime 3**
Comprehensive

 **Prime 1N**
Hospital plan

 **Prime 2N**
Savings

 **Prime 3N**
Comprehensive

 **Necesse**
Network

 **Elite**
Comprehensive

 **Unify**
Savings

 **Plus**
Comprehensive



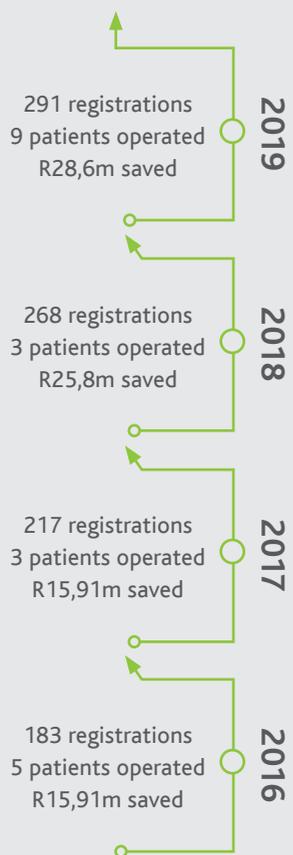
Healthcare initiatives

Managed care services provide members with the assurance that they receive the proper quality of care, leading to quality health outcomes, which in turn ensures that the provision of healthcare services is cost-effective. The aim is the management and efficient treatment of patients with PMB conditions through specific intervention programmes to facilitate a decline in associated downstream hospital and specialist costs.

Medihelp's Healthcare team not only manages hospital and medicine costs and establishes networks, but consistently assesses claims trends to establish where members require support and to ensure that appropriate care is provided. Initiatives such as the alternative back treatment programme and chronic care programme have proven to be effective not only in terms of improved outcomes, but also ensuring cost-effective application of benefits.

The Document Based Care (DBC) programme continues to add value to patients who undergo individualised treatment programmes by an interdisciplinary team as an alternative to having spinal surgery, and this year 291 patients participated in the programme with excellent outcomes, of which only 9 required surgery.

DBC back treatment programme



The chronic care programme was initiated to support members who suffer from a combination of chronic conditions – elevated cholesterol and blood pressure, as well as heart disease – and offers support by registered nursing personnel who coordinate members’ care to maintain optimal health and improve their lifestyle and well-being.

Networks of healthcare providers have been made available to provide members with quality care whilst curbing costs. In 2019 the contracting process with surgeons continued and networks were refined in terms of geographical location to improve access and cost-efficiency.

Engagement with stakeholders

Medihelp considers its engagement with stakeholders to be of paramount importance in line with King IV principles. With data technology and tech-savvy customer expectations in mind, Medihelp presents information and responds to customers in a way that suits each individual’s profile, lifestyle and needs – creating and growing engagement across all platforms.

Messaging and content across multiple channels are aligned, and customer feedback is used to enhance these experiences. We measure our success in user growth, but more so in terms of how the relevance of content secures return visits. Functionalities on every platform are carefully selected and developed to provide exactly what is required.

Medihelp’s website delivers an uncluttered space for prospective members to explore our product and service offerings through clear, concise and easily accessible tools,

and is a main source of information. Self-service portals for members, healthcare providers and corporate groups have the same user-friendly interface with a predictable navigation structure to enable users to find information in just a few clicks.

Usage of the Member Zone – the redesigned self-service portal for members – has increased by 13,3% since its introduction last year. It has also had a significant impact on written and call centre enquiries, with more members submitting requests for hospital authorisation, accessing their claims statements and tax certificates and viewing their available benefits online. There has also been an increase of 31% in the use of the Medihelp smartphone app by members in the past year.

A focus on the support of our corporate clients has seen a dedicated team of corporate consultants who are Medihelp product and process specialists, support advisers and their corporate clients on all aspects of membership. Employer groups also have direct access to subscription administration officers at Medihelp, and we’ve recently rolled out a pilot project where on-site support officers are stationed at selected corporate clients to personalise our service delivery even further. Employee wellness is an essential part of productivity management and Medihelp has increasingly been active in supporting employers in their efforts to optimise the health of their employees through assistance at wellness days and through wellness events.

In-house system developments

As a business enabler, Medihelp’s IT capabilities are the backbone of our service delivery, and maintained uptimes of close to 100% throughout 2019. Building on

the successful implementation of the in-house pharmacy benefit management (PBM) system, Medihelp’s Healthcare and IT teams collaborated once again in 2019 to develop a fully integrated, in-house authorisation system, which was launched on 1 September. This customised solution provides an array of tailor-made functionalities, including benefit confirmation detailing procedural codes. All the system features have been carefully selected to elevate service delivery with regard to pre-authorisation and care management. Requests for pre-authorisation can be made via the Member Zone, the member app and the call centre. Significant savings of R17,8m have been realised since the inception of the PBM system, while the centralised authorisation system effects a saving of R500 000 per month.

Future outlook

The economic outlook is bleak at this time, and exacerbated by the current impact of the pandemic from which we will hopefully emerge within the next few months. Medihelp has strengthened its administration and built on its strengths and efficiencies, and has proven its performance under duress. The impact of increased claims during the pandemic is yet to be faced and will no doubt cause considerable strain, yet we are confident that the Scheme’s resilience and tenacity will once again be proven.

The first quarter of 2020 has been highly productive, as we have been collectively engaged in establishing the way forward in terms of increasing corporate governance. Strategy, risk management and performance management will be further aligned and integrated to ensure that the common

vision of consistent and solid support for members and stakeholders is achieved, and that the capacity of the Scheme is further enhanced.

Our members will continue to be faced with affordability issues and we will still be prone to adverse selection, which means that the strain of funding prescribed minimum benefits will remain while we await the regulator's redefining of these benefits. In view of the envisaged roll-out of National Health Insurance, the Scheme is ready to adapt and use its considerable administrative capabilities to continue to offer value and benefits in the changing healthcare landscape, honouring its commitment to members.

Product stability to balance care and cost while offering value to members is a priority, and we will remain intent on delivering excellent service throughout 2020 while implementing innovative strategies to maintain and improve on our current status.



Ettie da Silva

Principal Officer
22 April 2020

I trust that our members, our employees, advisers and healthcare professionals will emerge from the current crisis with the resolve to continue making a difference and embracing change – through adversity comes not only strength but also opportunity, and we have seen a diverse population unite in solidarity against an unseen threat.

We thank our members for their loyalty and support, our advisers for continuing to provide best advice to their clients, the healthcare professionals and our dedicated networks for rendering exceptional quality care even at risk to themselves.

Thank you to the employees of Medihelp who perform above and beyond and on whom we rely to continue innovating and streamlining services in support of our stakeholders. We look forward to what the future holds, and to provide continued certainty to our members.



Preferred pharmacy network



2 055

Hospital networks



Necesse hospital network

132

Prime hospital network

119

Necesse GP network



1 791

practices

Nominated specialist networks



Non-network options

2 992

Prime Network options

1 237

Necesse network option

1 237



Contracted network of surgeons and paediatric surgeons

223



Corporate governance report

1. Introduction

Medihelp's corporate governance forms the basis of the organisation, as we are committed to ethical and sound practice in the interests of our members. The Scheme is a registered medical scheme which provides healthcare cover in terms of its Rules to all beneficiaries by utilising the contributions entrusted to it by its members. Medihelp has more than 114 years' experience in the medical schemes industry, and prides itself on its people-centric culture, strictly adhering to governance principles throughout its existence. The Board of Trustees, management and employees are committed to performing their duties with integrity, accountability, transparency and fairness.

Medihelp is governed on behalf of its members by an independent Board of Trustees who are principal members elected by members to protect their interests and act on their behalf. The Board possesses an array of expertise and the trustees are leaders in various industries, who apply their considerable experience to the benefit of the Scheme and its beneficiaries. In challenging times such as these the Board's strong leadership and vision are required to rapidly adapt to the evolving healthcare milieu.

The Board is also tasked with overseeing the consistent practice of sound governance by Medihelp in

line with the Rules of the Scheme, the Medical Schemes Act 131 of 1998, as amended, the Board of Trustees' Charter, the Conflict of Interest Policy and all other relevant policies, as well as the guidelines provided in the King Reports on Governance for South Africa (King III and IV).

The fit and proper requirements for members of the Board and vetting guidelines as proposed by the Council for Medical Schemes are regularly updated and are strictly adhered to by all existing members of the Board of Trustees, while the Scheme's Nomination Committee sees to it that all nominees for election to the Board meet the criteria to effectively fulfil their fiduciary duties and consistently act in the best interests of all stakeholders.

2. The composition of the Board of Trustees and the election of trustees in 2019

Every year, the tenures of two trustees expire on the day of the Annual General Meeting. A nomination process is therefore followed in accordance with the Rules of Medihelp and the Medical Schemes Act. In February 2019, Medihelp invited members to nominate principal members for election to the Board of Trustees. The prescribed election and voting processes were diligently followed and duly audited. The results were announced to members at the

Annual General Meeting which took place on 20 June 2019 and were communicated to all members of the Scheme.

3. Duties of the Board of Trustees

The Board of Trustees consists of members who are suitably qualified for their roles and who have extensive experience and specialist skills across a range of sectors, including the commercial, legal, finance and business arenas. They perform a host of functions as described in the report of the Board of Trustees. The Board has fulfilled its fiduciary responsibilities during the period under review and has taken all reasonable steps to ensure that the interests of beneficiaries are protected at all times while avoiding conflicts of interest, acting with due care, diligence, skill and good faith, and with impartiality in respect of all beneficiaries.

4. Board performance assessment

The Board of Trustees meets at least four times a year (six times in 2019) to oversee Medihelp's performance, address specific business issues and, where required, obtain independent professional advice and training. The Board acts in terms of a Charter which includes an annual performance evaluation.

5. Remuneration policies (employees and trustees)

In terms of the charter of Medihelp's Human Resources Committee, the committee is responsible for making recommendations to the Board of Trustees on the overall reward strategy of the Scheme and to oversee compliance with sound governance principles on how remuneration is managed, especially at executive management levels. The cornerstones of Medihelp's reward philosophy are fair, responsible and transparent reward and remuneration with a strong focus on performance.

Medihelp's total reward offering, including all financial and non-financial benefits, aims to attract, motivate, reward and retain appropriate employees. The principles set out in the Remuneration Policy, which provides for fixed and short-term variable remuneration, apply to general staff and executive management in exactly the same manner.

Medihelp makes use of an accredited job evaluation system to measure the relative worth of jobs. This is used to ensure remuneration is managed equitably and that job content and job grading are used to benchmark positions appropriately in the PwC national all-incumbent market on an annual basis. All major medical schemes and medical scheme administrators participate in the PwC Remchannel database.

Medihelp strives to align employees' positioning on the salary scale with their level of performance, subject to affordability. Medihelp remunerates its staff from the minimum of the salary scale up to the maximum of the scale. Thus, outstanding performers (who maintain their performance over time) will be remunerated towards the higher end of the salary scale and a lower performers towards the lower end of the salary scale. Continued unacceptable individual performance is addressed through Medihelp's disciplinary processes.

Short-term variable remuneration aims to align the collective performance of all staff to achieve and exceed the Scheme's financial and net membership growth targets. Variable remuneration can only be paid if the organisation performs better than budgeted overall on the set targets, and is funded to a maximum of 50% of the available amount. The 2019 financial target could not be achieved due to higher claims trends and a significant increase in the cost of hospital admissions, while the membership target was not achieved mainly due to the economic downturn resulting in members being unable to afford medical cover. Variable remuneration is thus not payable for the 2019 financial year.

Medihelp utilises the services of a reward consultancy, Khokhela Consulting, to benchmark the

remuneration for the Board of Trustees on an annual basis. The honorarium of the Board of Trustees is based on the policy approved at Medihelp's Annual General Meeting. As Medihelp is not a profit-driven open medical scheme, the annual value of the chairman's remuneration is based on a percentage of the average annual remuneration of a chairman of a comparable peer group of JSE-listed companies. The fee for other role players is calculated as a percentage of the chairman's annual fee. The fee of the vice-chairman is the average between the fee for the chairman and a Board member. As confirmed at the Annual General Meeting, no increase was granted to role players in 2019 except to members of other committees, who received a 10% increase. The reason for the variation in increase relates to an update in the peer group used for benchmarking, as well as a change in the relative percentages.

In 2020, the Human Resources Committee will, over and above the annual revision of salaries and honorarium, focus on reviewing the Scheme's continued compliance with King IV, performance alignment for managers and lower ranks and alignment with the Remuneration Policy, streamlining the Remuneration Policy, a revised commission scheme and updating the Human Capital Management Strategy, including the results of an engagement survey.

6. Committees

The committees in 2019 were as follows:

- Audit and Risk Committee
- Investment Committee
- Rule Committee
- Nominations Committee
- Human Resources Committee
- Oversight Committee
- Product Committee

The committees do not assume the functions of management nor do they have any decision-making authority. The activities of the committees are presented in the report of the Board of Trustees.

7. Internal audit and forensic investigations

Medihelp's Internal Audit and Forensic Investigations department reports functionally to the Audit and Risk Committee and renders an effective risk-based internal audit function. With the exception of the Forensic Investigations component, this department operates in accordance with a three-year audit plan which includes a detailed plan for the first year, and uses an appropriate risk-based methodology.

The Internal Audit department's annual audit plan is approved by the Audit and Risk Committee. Internal audit findings, together with management comments and corrective actions instituted, are periodically reported to the Audit and Risk Committee. The internal audit function additionally provides

an annual written assessment of the effectiveness of the Scheme's system of internal control and risk management to the Audit and Risk Committee.

The Forensic Investigations component is dedicated to the investigation of allegations of fraud, waste and abuse and is guided by the Medihelp Fraud and Corruption Policy. Investigations are conducted into matters reported through existing fraud reporting channels, as well as proactive investigations in high-risk areas. Every rand which is saved or recovered by detecting or preventing fraud, waste and abuse benefits Medihelp's members by helping to keep medical inflation as low as possible. Members can report fraud as follows:

- Phone the Fraudline on 012 334 2428
- Send a fax to 012 336 9538
- Send an email to fraud@medihelp.co.za or bedrog@medihelp.co.za.

The Medihelp fraud reporting channels successfully serve as an independent conduit between Medihelp, its employees and its members. All information is treated as confidential and the anonymity of callers is protected. A total of 318 cases resulting from fraud reporting channels and proactive investigations were completed during 2019.

The Audit and Risk Committee also reviewed the Internal Audit & Forensic Investigations charter and the adequacy of the Internal Audit budget and resource plan.

The effectiveness of the Internal Audit function was reviewed by means of self-assessment as well as an evaluation by the Audit and Risk Committee and was found to be effective for the size and operations of the Scheme.

8. Information requests

Six requests for information were lodged with Medihelp in terms of the Promotion of Access to Information Act 2 of 2000 during 2019. Each request was duly attended to and finalised.

9. Complaints

Medihelp received a total of 197 complaints from the Council for Medical Schemes from 1 January to 31 December 2019 which were effectively addressed. The Council for Medical Schemes referred 149 cases for review, rulings and appeal hearing outcomes during the period under review.

10. Health and safety

A Health and Safety Committee oversees the risks that the Scheme faces in the areas of safety, health and the environment. Health and safety are dealt with in accordance with the requirements of the Occupational Health and Safety Act 85 of 1993, as amended. The Health and Safety Committee consists of employee representatives as well as representatives from management. An external legal compliance audit

on the building (facilities) and safety management system is conducted every two years to ensure compliance. Minor injuries on duty as well as workplace incidents occurred, but were reported and dealt with in accordance with health and safety regulations and policies. The committee constantly monitors and proactively implements measures to secure the safety and health of employees and visitors.

11. New products/benefit options

In terms of section 33 of the Medical Schemes Act, 1998, medical schemes that provide its members with more than one benefit option must apply to the Council for Medical Schemes for the approval of its benefit options. This process is preceded by extensive research conducted amongst stakeholders, market research, gap assessments, viability studies, utilisation and trend analysis, intensive discussion to ensure alignment with the product strategy, and specialist actuarial input in order to confirm the financial viability of the potential benefit option/ amendment to an existing benefit option. Proposed amendments are reviewed and assessed by the Product Committee, which advises the Board of Trustees. Medihelp submitted various applications for benefit option approvals and rule changes to enhance benefits for 2019 to the Council for Medical Schemes, which were duly approved and registered.

12. Compliance governance

Medihelp's Legal and Compliance department is responsible for monitoring and assessing legislative updates and for creating awareness of the relevant existing, amended and new legislation and regulations. The department reports directly to the Board of Trustees, providing assurance that legislation applicable to Medihelp, as a financial services provider and a registered medical scheme, is monitored and compliance controls are in place to manage compliance risks. Compliance with statutory, legislative and regulatory requirements as stipulated in the Medical Schemes Act, 1998 enjoys a high level of importance in the Scheme.

13. Financial advisory and intermediary services

Medihelp is an authorised financial services provider (FSP number 15738) and complies with the FAIS Act 37 of 2002 Code of Conduct and Fit and Proper Requirements. The annual compliance report compiled by Medihelp's independent compliance officer was submitted to the Financial Sector Conduct Authority, as well as the required audited financial statements.

14. Conclusion

As a self-administered scheme, Medihelp is focused on the provision of cover to members to obtain access to appropriate and cost-efficient healthcare services, acting on behalf of members to negotiate reasonable tariffs and apply effective risk management in order to ensure not only continued sustainability, but also rapid adaptation to new regulations, whilst proactively addressing members' service requirements. Strict governance principles and shared corporate values, and an unwavering moral compass, serve to guide all employees of the Scheme and the Board of Trustees – we are committed to diligently and efficiently provide our members, the regulator and all our stakeholders with the best quality service, support and a wealth of healthcare cover insights and experience to contribute to a future where people are placed before profit.

Report of the Board of Trustees

1. Description of the medical scheme

1.1 Terms of registration

Medihelp is a not-for-profit open medical scheme registered with reference number 1149 in terms of the Medical Schemes Act 131 of 1998 as amended.

1.2 Insurance contract options within Medihelp

The Scheme offered seven insurance contract options to employees of participating employers and members of the public during the period under review:

- Plus
- Elite
- Prime 3 (including an efficiency-discounted option)
- Prime 2 (including an efficiency-discounted option)
- Prime 1 (including an efficiency-discounted option)
- Necessé
- Unify

The Scheme provides cover for types of services that are categorised under core benefits and day-to-day services, of which the levels of cover differ per insurance contract option. Types of services that qualify for core benefits include hospitalisation, prosthesis components, private nursing, emergency evacuation, blood transfusion, renal dialysis, technologist services, oxygen and oncology. Types

of services that qualify for day-to-day benefits include consultations at general practitioners and specialists, radiology, pathology, dental services, physiotherapy, optical services, medical, surgical and orthopaedic appliances, non-chronic and chronic medicine and supplementary health services out of hospital.

1.3 Personal medical savings accounts

Personal medical savings accounts are managed in terms of the Rules of Medihelp.

Members of the Prime 2 and Unify insurance contract options pay an agreed sum of approximately 15% and 25% respectively of their gross contributions into a savings plan to help pay the members' portion of healthcare costs, up to a prescribed threshold.

Members earn interest on the balance in their savings account at the end of each month, based on the interest earned on the savings funds that are invested in short-term investment vehicles. No administration fee is charged by the Scheme for the management of members' personal medical savings accounts.

The liability to members in respect of the savings accounts is reflected as a financial liability in the Financial Statements, refundable in terms of regulation 10 of the Regulations under the Medical Schemes Act, 1998. Savings plan contributions are refundable when a member enrolls on another insurance contract option at another medical scheme without a personal medical savings account, or does not enrol at another medical scheme. The accumulated unutilised personal

medical savings account balance will be transferred to the member in terms of the Rules of Medihelp.

2. Management

2.1 Board of Trustees in office during the year under review (in alphabetical order)

Trustee	Term of office
Adv JM Ferreira	22 June 2017 - 18 June 2020
Mr JC Kloppe (Chairman)	21 June 2019 - June 2022
Adv PJ Louw	21 June 2018 - June 2021
Mr TN van der Westhuizen	21 June 2018 - June 2021
Mr PM van Deventer	22 June 2017 - 18 June 2020
Mr MJ Visser (Vice-chairman)	21 June 2019 - June 2022

A quorum was present for all Board of Trustees' meetings held during 2019.

2.2 Principal Officer

Mr H van Rooyen (retired on 31 December 2019)
Ms EM da Silva (appointed from 1 January 2020)

Prudential Investment Managers (South Africa) (Pty) Ltd

5th Floor PO Box 23167
Protea Place CLAREMONT
40 Dreyer Street 7735
Claremont
7708
Financial services provider number: 45199

2.3 Registered office address and postal address

410 Steve Biko Road PO Box 26004
Arcadia ARCADIA
Pretoria 0007
0083

2.5 Auditors

PricewaterhouseCoopers Inc
4 Lisbon Lane Private Bag X36
Waterfall City SUNNINGHILL
Jukskei View 2157
2090

2.4 Investment managers during the year

Medihelp invested funds with two investment managers during the 2019 financial year, namely Allan Gray Life Ltd and Prudential Investment Managers (South Africa) (Pty) Ltd.

2.6 Attorneys

Dyason Attorneys
134 Muckleneuk Private Bag X15
Street West BROOKLYN
Nieuw Muckleneuk SQUARE
Pretoria 0075
0181

Allan Gray Life Limited

1 Silo Square PO Box 51318
V&A Waterfront V&A Waterfront
Cape Town CAPE TOWN
8001 8002
Financial services provider number: 6663

MacRobert Inc
MacRobert Building Private Bag X18
Cnr Justice Mahomed BROOKLYN
& Jan Shoba Streets SQUARE
BROOKLYN 0075
Pretoria
0181

3.4 Reporting in terms of International Financial Reporting Standards (IFRS)

The Board of Trustees applied all the applicable requirements of IFRS and the Medical Schemes Act, 1998 to the Financial Statements.

Webber Wentzel
90 Rivonia Road PO Box 61771
Sandton Marshalltown
Johannesburg JOHANNESBURG
2196 2107

3. Review of the accounting period's activities

3.1 Results of operations

The results of the year's activities are clearly set out in the Financial Statements and the Board of Trustees believes no further clarification is needed.

3.2 Funds and reserves

Movements in the members' funds and reserves are set out in the Statement of Changes in Funds and Reserves on page 20 of the Financial Statements. No unusual movements occurred during 2019 which require further explanation.

3.3 Outstanding risk claims provision

The basis of the calculation and the movement of the outstanding risk claims provision is set out in note 11 to the Financial Statements and is consistent with prior years.

3.5 Operational statistics per insurance contract

For the year ended 31 December 2019

	Plus	Elite	Prime 3	Prime 2	Prime 1	Necesse	Unify	Total
Average number of members during the accounting period	2 592	10 915	29 074	13 353	24 196	6 849	7 105	94 084
Number of members at the end of the accounting period	2 511	10 657	28 551	13 185	24 545	6 731	7 337	93 517
Average number of beneficiaries during the accounting period	3 361	16 541	68 299	31 616	58 790	10 094	16 738	205 439
Number of beneficiaries at the end of the accounting period	3 248	16 072	66 929	31 228	59 718	9 792	17 318	204 305
Dependants per member at the end of the accounting period	0,29	0,51	1,34	1,37	1,43	0,45	1,36	1,18
Risk contributions per average beneficiary per month (R)	7 707	4 230	2 127	1 369	1 177	1 629	1 222	1 901
Relevant healthcare expenditure as a percentage of risk contributions	85,8%	97,9%	93,2%	86,4%	91,5%	104,1%	94,1%	93,0%
Relevant healthcare expenditure per average beneficiary per month (R)	6 611	4 142	1 983	1 183	1 077	1 697	1 149	1 768
Non-healthcare expenses as a percentage of risk contributions*	7,1%	7,5%	8,5%	9,4%	9,6%	9,4%	10,6%	8,7%
Non-healthcare expenses per average beneficiary per month (R)*	550	317	180	128	113	153	130	165
Average age of beneficiaries	64	60	37	34	33	39	31	37
Pensioner ratio (beneficiaries > 65)	56,1%	50,0%	12,9%	10,8%	7,9%	17,5%	5,3%	14,3%
Average accumulated funds per member at the end of the accounting period (R)**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	14 375
Return on investments as a percentage of investments	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7,0%

For the year ended 31 December 2018

	Medihelp Plus	Dimension Elite	Dimension Prime 3	Dimension Prime 2	Dimension Prime 1	Necesse	Unify	Total
Average number of members during the accounting period	2 920	11 790	29 427	13 711	22 054	7 389	5 592	92 883
Number of members at the end of the accounting period	2 840	11 515	28 962	13 612	22 698	7 343	5 981	92 951
Average number of beneficiaries during the accounting period	3 832	18 252	69 604	32 198	53 466	11 405	13 187	201 944
Number of beneficiaries at the end of the accounting period	3 709	17 705	68 416	32 094	55 034	11 151	13 988	202 097
Dependants per member at the end of the accounting period	0,31	0,54	1,36	1,36	1,42	0,52	1,34	1,17
Risk contributions per average beneficiary per month (R)	7 006	3 810	1 948	1 269	1 091	1 505	1 107	1 797
Relevant healthcare expenditure as a percentage of risk contributions	88,7%	95,6%	93,7%	86,9%	91,0%	108,2%	95,7%	93,3%
Relevant healthcare expenditure per average beneficiary per month (R)	6 215	3 641	1 826	1 103	993	1 627	1 059	1 676
Non-healthcare expenses as a percentage of risk contributions*	7,7%	7,9%	9,0%	10,1%	9,9%	10,0%	12,1%	9,2%
Non-healthcare expenses per average beneficiary per month (R)*	541	303	176	128	109	150	134	165
Average age of beneficiaries	63	58	36	33	33	39	31	37
Pensioner ratio (beneficiaries > 65)	54,1%	46,5%	12,3%	10,4%	7,9%	17,0%	4,8%	14,3%
Average accumulated funds per member at the end of the accounting period (R)**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	13 866
Return on investments as a percentage of investments	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,8%

* Non-healthcare expenses include administration expenditure, broker service fees, net impairment losses on healthcare receivables and asset management fees.

** Accumulated funds are not apportioned per insurance contract.

3.6 Solvency ratio

	2019 R	2018 R
Total members' funds per Statement of Financial Position	1 626 070 381	1 554 536 725
Less: Reserve for unrealised investment gains	(276 987 887)	(267 133 048)
Revaluation reserve for financial assets	(260 002 883)	(250 148 044)
Reclassify investments from available-for-sale to fair value through profit or loss (FVPL) on adoption of IFRS 9	(16 985 004)	(16 985 004)
Less: Fair value adjustment at date of transition to IFRS for property, plant and equipment included in the accumulated funds	(16 290 109)	(16 290 109)
Add: Net fair value loss on financial assets at fair value through profit or loss	11 531 629	17 779 264
As at 31 December 2018 (on adoption of IFRS 9)	17 779 264	17 779 264
Movement in current year	(6 247 635)	-
Accumulated funds per regulation 29 of the Regulations under the Medical Schemes Act, 1998	<u>1 344 324 014</u>	<u>1 288 892 832</u>
Gross contributions	<u>4 857 371 884</u>	<u>4 498 430 791</u>
Solvency ratio calculated as the ratio of accumulated funds/gross annual contributions x 100	27,68%	28,65%
Minimum ratio required by regulation 29 of the Regulations under the Medical Schemes Act, 1998	25,00%	25,00%

4. Management of insurance risks

The primary insurance activity carried out by the Scheme assumes the cost of healthcare provision to members and their dependants that are directly subject to the health of the Scheme's members. As such, the Scheme is exposed to the uncertainty surrounding the timing and severity of claims under the contract.

The Scheme manages its insurance risk through benefit limits and sub-limits, approval procedures for transactions involving pricing guidelines, pre-authorisation and case management, service provider profiling, centralised management of risk transfer arrangements, as well as the monitoring

of emerging issues. A team of forensic auditors investigates trends, service providers and members for possible fraudulent transactions on a continuous basis.

The Scheme uses several methods to assess and monitor insurance risk exposure both for individual and overall types of risks insured. These methods include internal risk measurement models, scenario analyses, managed healthcare protocols, reference pricing principles and managed care programmes. The results of model and scenario analyses are used for insurance contract design and pricing purposes. The theory of probability is applied to the pricing and provisioning for a portfolio of insurance contract options.

The principal risk is that the frequency and severity of claims will be greater than expected.

Insurance events are random by nature, and the actual number and size of events during any one year may vary from those estimated by using established statistical techniques. There are no changes to assumptions that are used to measure insurance assets and liabilities that have a material effect on the Financial Statements and there are no terms and conditions of insurance contracts that have a material effect on the amount, timing and uncertainty of the Scheme's cash flows.

The Board of Trustees also utilises a Strategic Risk Register to gauge and manage the strategic risks associated with the Scheme and its sustainability.

4.1 Risk transfer arrangements

The Scheme was party to risk transfer agreements with the following service providers during the year under review: Netcare 911, Dental Risk Company (DRC) and Preferred Provider Negotiators (PPN). Details regarding the nature, terms and conditions and results of these agreements are disclosed in note 18 to the Financial Statements.

4.2 Actuarial services

Medical schemes, like Medihelp, do not by definition have long-term liabilities to members, which is why the Board of Trustees is of the opinion that an actuarial valuation of the Scheme is not required. The role of actuaries at medical schemes is mainly to enhance

risk management measures and to assist with insurance contract design and pricing. The Scheme contracted NMG Consultants & Actuaries (Pty) Ltd to perform the necessary actuarial functions.

NMG Consultants & Actuaries (Pty) Ltd were consulted regarding the determination of contribution and benefit levels. They assisted in determining the assumptions used in the calculation of the outstanding risk claims provision, which are fully explained in the notes to the Financial Statements.

The Scheme uses actuarial valuations in determining its post-employment benefit liability in terms of the requirements of IAS 19, Post-Retirement Employee Benefits. NMG Consultants & Actuaries (Pty) Ltd performed the valuation on the post-employment medical benefits. Simeka Consultants & Actuaries (Pty) Ltd performed the valuation on the pension benefits in 2018 while no valuation was necessary for 2019. Refer to note 10 to the Financial Statements for further information.

NMG Consultants and Actuaries (Pty) Ltd
NMG House PO Box 3075
411 Main Avenue RANDBURG
Ferndale 2194
Randburg
2125
Financial services provider number:
12968

Simeka Consultants & Actuaries (Pty) Ltd
3rd Floor Private Bag X137
Podium at Menlyn HALFWAY HOUSE
43 Ingersol Road 1685
Cnr Lois Avenue and
Atterbury Road
Menlyn
0181
Financial services provider number:
13900

5. Fidelity cover

The Scheme has adequate fidelity cover in place, as required by the Medical Schemes Act, 1998.

6. Investments in and loans to participating employers of members of the medical scheme and to other related parties

The Scheme holds investments in participating employers of medical scheme members (refer to paragraph 18.5 of the Board of Trustees' report for non-compliance disclosure).

The Scheme holds an investment in Curamed Holdings (Pty) Ltd, which forms part of a provider network that serves a number of members of the Scheme. Details are disclosed in the Related Party note 28 to the Financial Statements.

7. Related party transactions

Related party transactions are disclosed in note 28 to the Financial Statements.

Trustee remuneration is disclosed in note 34 to the Financial Statements.

8. Audit and Risk committee

An Audit and Risk committee was established in accordance with the provisions of the Medical Schemes Act, 1998 and is mandated by the Board of Trustees by means of the Audit and Risk Committee Charter which regulates its membership, authority and duties.

The overall objective of the committee is to assist the Board in discharging its duties in ensuring the integrity of reporting and reviewing the effectiveness of the financial reporting process, the system of internal controls, the management of risks, the assurance process, and the Scheme's process for monitoring compliance with laws, regulations, the Board's Code of Conduct and the Rules.

The committee consists of five members, two of whom are members of the Board of Trustees while three members, including the chairman, are independent members. The committee met on three occasions during the course of the year. The meetings were also attended by the Principal Officer, external auditors as well as relevant senior management and internal auditors of the Scheme who had a standing invitation to attend these meetings:

5 February 2019
11 April 2019
21 August 2019

The meetings were attended by all members of the committee.

The committee reported that:

- Its terms of reference were updated and approved by the Board of Trustees.
- It has carried out its duties in terms of the Medical Schemes Act, 1998 and the Board of Trustees' written and approved Audit and Risk Committee Charter.
- It has evaluated the external auditors, including their independence, the skills level of the engagement team, the ethical standards of the firm, the approval of the firm and engagement partner by the Council for Medical Schemes and their overall performance. It has also noted the findings of inspection reports by the Independent Regulatory Board for Auditors where applicable. Based on the evaluation the committee proposed the re-appointment of the external auditors to the Board of Trustees for approval at the Annual General Meeting.
- The assurance provided by management, the external auditors and the internal auditors have satisfied the committee that internal controls are adequate and effective.
- It has monitored the relationship between the external assurance providers and the Scheme.
- It has approved the internal audit plan, and has reviewed and

commented on the internal audit reports and the effectiveness of the internal audit function.

- It has oversight of the Scheme's financial reporting risks, internal financial controls, fraud risks as these relate to financial reporting, and IT risks as these relate to financial reporting.
- It has reviewed the documented assessment, prepared by management, of the going-concern status of the Scheme.
- It has reviewed the Scheme's audited Financial Statements and accounting policies, obtained assurances from the external auditors and recommended the adoption of the Financial Statements by the Board of Trustees for presentation to the members.
- It has reviewed the Scheme's annual report and recommended its approval by the Board of Trustees.
- It has performed a self-evaluation.
- It has performed a review of the qualifications and experience of the finance personnel and was satisfied that the finance personnel consist of suitably qualified and industry experienced staff.
- It has reviewed the effectiveness of the system for monitoring compliance with applicable laws and regulations and the Scheme's code of conduct.

The committee has confirmed that a combined assurance model is applied to address all the significant risks facing the Scheme. This model is updated continuously following improvements to the risk management process and identification of emerging risks.

The committee has reviewed the Board of Trustees' risk evaluation and risk management process and made recommendations thereon, including the identification of emerging and unexpected risks. It has reviewed the strategic risk register and the responses to address key risks and is satisfied that all major risks facing the Scheme have been identified and treated within the approved risk tolerance levels. The risk management process is evolving and management has adopted the principles of the Committee of Sponsoring Organisations (COSO) to further enhance enterprise risk management throughout the Scheme.

The committee has also reviewed the Principal Officer's governance report, corporate governance policies adopted by the Board of Trustees and the results of the ethics survey and made recommendations thereon where appropriate.

At year-end the committee comprised Mr GJ Kapp (chairman), Mr JE Carstens, Mr GJ Lourens, Mr TN van der Westhuizen and Mr PM van Deventer.

The members of the Audit and Risk Committee hold the following qualifications:

- Mr GJ Kapp – Hons. B.Com. Accounting, CA (SA)
- Mr JE Carstens – B.Com. (Ed), B.Compt., CIA, CRMA, CISA
- Mr GJ Lourens – Hons. B.Com. Accounting, CA (SA)
- Mr TN van der Westhuizen – Hons. B.Compt., MBA
- Mr PM van Deventer – B.Com., MBA

9. Investment Committee

An Investment Committee was established and is mandated by the Board of Trustees by means of written terms of reference to its membership, authority and duties. This committee consists of four members who are members of the Board of Trustees. The committee met on four occasions during the course of the year:

6 February 2019
10 April 2019
7 August 2019
5 November 2019

The meetings were attended by all members of the committee, except the meeting held on 7 August 2019 from which Mr JC Klopper was absent with apology.

The purpose of the Investment Committee is to assist the Board of Trustees in fulfilling its responsibilities by ensuring that the relevant laws and regulations relating to the investment of excess funds are adhered to and to review the Investment Policy Statement (strategy document), the Investment Policy and Investment Committee Charter for approval by the Board of Trustees. The committee also provides an enabling environment for the proper administration of Medihelp's investments.

The Scheme's investment objective is to maximise the return on its investments on a long-term basis at minimal risk. The investment strategy takes into

consideration constraints imposed by legislation as well as those imposed by the Board of Trustees.

The mandate given by the Board of Trustees to the Investment Committee is to invest surplus funds in accordance with risk-minimising measures at institutions offering the highest possible returns. The Scheme also invests in fixed deposits (short-term investments averaging 90 days) and money market instruments for purposes of cash flow planning related to predetermined claims payment dates.

The Investment Committee discharged its responsibilities during 2019 as follows:

- The Medihelp Investment Policy Statement (strategy document), the Investment Policy and Investment Committee Charter were reviewed and changes were recommended for approval by the Board of Trustees. The changes were approved by the Board of Trustees in November 2019;
- The performance of all investments (short- and long-term) was evaluated and monitored at the hand of presentations by asset managers and reviews of reports submitted and presented to the committee at its meetings;
- The adequacy of the Scheme's cash resources on the short term, compared to budgeted claims, was monitored continuously and included in the reports reviewed by the committee; and
- Compliance to the requirements as set out in Annexure B of the Regulations under the Medical

Schemes Act, 1998 of the short- and long-term investments of the Scheme was also monitored throughout 2019.

Details of the Scheme's financial assets are disclosed in note 6 to the Financial Statements.

At year-end the committee comprised Mr PM van Deventer (chairman), Mr JC Klopper, Mr TN van der Westhuizen and Mr MJ Visser.

10. Rule Committee

A Rule Committee was established and is mandated by the Board of Trustees by means of written terms of reference to its membership, authority and duties. This committee consists of three members who are members of the Board of Trustees with specific technical knowledge relating to the Rules of the Scheme. The committee met on two occasions during the course of the year:

9 April 2019
8 August 2019

The meetings were attended by all members of the committee.

The committee's function is to make recommendations on rule amendments to the Board of Trustees, in order to support the Board in its responsibility to ensure that:

- the Rules of Medihelp comply with all legal and regulatory directives; and

- the Rules create an enabling environment for the proper administration of the affairs of Medihelp.

At year-end the committee comprised Adv JM Ferreira (chairman), Mr TN van der Westhuizen and Adv PJ Louw.

11. Nominations Committee

The Nominations Committee was established and mandated by the Board of Trustees with written conditions regarding its membership, authority and duties. This committee consists of two members who are members of the Board of Trustees. The committee met on two occasions during the course of the year:

5 February 2019
16 April 2019

These meetings were attended by all members of the committee.

The Nominations Committee discharged its responsibilities for the year under review as follows:

- Ensured the continuation of a formal process for the nomination of trustees in terms of the registered Rules of the Scheme; and
- Recommended the nomination of accepted candidates to the Board of Trustees for approval.

At year-end the committee comprised Adv JM Ferreira (chairman) and Adv PJ Louw.

12. Human Resources Committee

The Human Resources Committee was established and mandated by the Board of Trustees with written conditions regarding its membership, authority and duties. The committee consists of four members, two of whom are members of the Board of Trustees. The committee met on two occasions during the course of the year:

8 April 2019
15 August 2019

These meetings were attended by all members of the committee.

The Human Resources Committee discharged its responsibilities for the 2019 financial year by reviewing and recommending the following for approval to the Board of Trustees:

- Performance alignment;
- Annual Remuneration Report to the Board of Trustees and the members;
- Attracting and retaining case manager skills;
- Filling of senior positions;
- Amendment of Medihelp's service contract;
- Ring-fenced benefits;
- Performance evaluation and salary increase process for Paterson A-band employees; and
- Increases in the honorarium of members of the Board of Trustees and other independent members of committees as well as the remuneration of Medihelp employees.

At year-end the committee comprised Mr MJ Visser (chairman), Adv JM Ferreira, Mr LC Grubb and Mr P Kruger.

13. Oversight Committee

The Oversight Committee was established and mandated by the Board of Trustees with written conditions regarding its membership, authority and duties. The committee consists of four members who are members of the Board of Trustees. The committee met on three occasions during the course of the year:

17 April 2019
15 August 2019
6 November 2019

These meetings were attended by all members of the committee.

The Oversight Committee discharged its responsibilities for the year by overseeing the following:

- Critical strategic risk matters and practical measures to address problem areas;
- Certain focus areas as determined by the Board of Trustees from time to time;
- Compliance with the Medical Schemes Act that affects the governance of the Scheme; and
- Amalgamations or mergers with other medical schemes.

At year-end the committee comprised Adv PJ Louw (chairman), Mr JC Klopper, Mr PM van Deventer and Mr MJ Visser.

14. Product Committee

The Product Committee was established and mandated by the Board of Trustees with written conditions regarding its membership, authority and duties. All the members of the Board of Trustees serve on the committee. The committee met once during the year, on 29 August 2019.

The meeting was attended by all members of the committee.

The Product Committee discharged its responsibilities for the year under review as follows:

- Discussed and debated the proposed Medihelp benefit range for 2020;
- Ensured that the proposed insurance contract changes comply with relevant laws and regulations, support Medihelp's marketing strategy, are competitive in the medical schemes industry and are financially viable; and
- Recommended the approval of the proposed insurance contract changes for 2020 to the Board of Trustees.

At year-end the committee comprised Mr JC Klopper (chairman), Adv JM Ferreira, Adv PJ Louw, Mr TN van der Westhuizen, Mr PM van Deventer and Mr MJ Visser.

15. Claim against National Treasury

The National Treasury paid subsidies on behalf of state pensioners to Medihelp as their contribution or part thereof. During the past few years, National Treasury unilaterally deducted from the monthly subsidy payments of other members, amounts for past subsidies paid of pensioners who did not, in terms of the rules of National Treasury, qualify for subsidy any more. However, these pensioners enjoyed membership of Medihelp. The Scheme issued summons against National Treasury for the repayment of R10 million that was illegally deducted, but the High Court ruled in favour, on a point in limine, of the defendant (Treasury) and dismissed the case. Medihelp appealed the ruling at the Supreme Court of Appeal. On 26 February 2020, the appeal was heard and judgement reserved.

16. Board of Trustees and committee meeting attendance and remuneration

The following schedule sets out the attendance at meetings of the Board of Trustees and attendance by members of committees of the Board of Trustees, for which they were remunerated. Trustee remuneration is disclosed in note 34 to the Financial Statements.

Trustee/ committee member	Scheduled Board meetings	Audit and Risk Committee meetings	Investment Committee meetings	Rule Committee meetings	Nominations Committee meetings	Human Resources Committee meetings	Oversight Committee meetings	Product Committee meetings
Number of meetings for the year	6	3	4	2	2	2	3	1
Trustees								
JM Ferreira	6	-	-	2	2	2	-	1
JC Klopper	5	-	3	-	-	-	3	1
PJ Louw	6	-	-	2	2	-	3	1
PM van Deventer	6	3	4	-	-	-	3	1
TN vd Westhuizen	6	3	4	2	-	-	-	1
MJ Visser	6	-	4	-	-	2	3	1
Independent members								
JE Carstens	-	3	-	-	-	-	-	-
LC Grubb	-	-	-	-	-	2	-	-
GJ Kapp	-	3	-	-	-	-	-	-
P Kruger	-	-	-	-	-	2	-	-
GJ Lourens	-	3	-	-	-	-	-	-

17. Subsequent events

The President announced a nationwide lockdown with effect from midnight on Thursday, 26 March 2020 as a result of the COVID-19 pandemic. South Africa is in the early stages of the pandemic with many uncertainties for the Scheme. The Scheme's actuaries prepared an analysis of potential cost in respect of members being infected with COVID-19 under various prevalence scenarios based on an infection rate as experienced in China, as well as using the guidance per Circular 25 of 2020, which indicated that all cases of

COVID-19 are regarded as a Prescribed Minimum Benefits (PMB) condition, and should be funded in full in line with the current National Institute for Communicable Diseases (NICD) guidelines. None of the illustrated prevalence scenarios resulted in the Scheme's reserves to decrease below 25%. Furthermore, the Scheme has sufficient cash resources to cover the increased benefit costs under these scenarios.

COVID-19 has also had a significant impact on global and South African investment markets resulting in a

decline in the fair value of the Scheme's investments between reporting date and the date the financial statements were authorised for issue of approximately 16%, however these are unrealised losses which will not have an adverse effect on the Scheme's solvency. The Scheme continues to have a long term view on the affected investments and are not planning to realise the losses.

Refer to the sensitivity analysis performed in note 26 of the financial statements.

The Scheme has implemented various initiatives subsequent to year-end to accommodate members who experience financial difficulty due to COVID-19 and continues to monitor the impact thereof on contribution income.

The deregistration of MEDICHRON (Pty) Ltd was finalised in March 2020.

18. Non-compliance with the Medical Schemes Act

18.1 Limitation of investments in unlisted shares

In terms of regulation 30(1) and Annexure B of the Medical Schemes Act, 1998 the maximum percentage of aggregate fair value of liabilities for investments in unlisted shares is 2,5%. Due to the increase in the fair value of Curamed Holdings (Pty) Ltd the Scheme exceeds this limitation, but the cost of the investment still falls within the 2,5% requirement. The Board of Trustees

classified the Curamed share investment as a long-term strategic asset that will not be sold in the short term. The Scheme was granted exemption in terms of regulation 30(8) until 31 December 2019. Management reapplied for exemption in November 2019 and is awaiting feedback from the Council for Medical Schemes.

18.2 Financial soundness of insurance contracts

In terms of section 33(2) of the Medical Schemes Act, 1998 each insurance contract must be self-supporting in terms of membership and financial performance and must be financially sound. The Elite, Prime 3, Prime 1, Necesses and Unify insurance contracts realised a negative net healthcare result for the year ended 31 December 2019 due to higher claiming patterns. The Board of Trustees approved a budgeted deficit per beneficiary for the Prime 3 and Necesses insurance contract options.

All insurance contract options that are not self-supporting are monitored on a continuous basis and where possible corrections are made in the benefit design and pricing process.

18.3 Claims not paid within 30 days

In terms of section 59(2) of the Medical Schemes Act, 1998 claims submitted to a scheme should be paid out within 30 days after the day on which the claim was received. During the period 1 January 2019 to 31 August 2019 certain claims were not paid within 30 days of being reported. In July, September and October 2019, all

claims were paid within 30 days while maximum five claims were not paid within 30 days during the remaining months. A workflow process will be implemented in 2020 to minimise the human error factor.

18.4 Contribution income not received after three days of becoming due

In terms of section 26(7) of the Medical Schemes Act, 1998 all subscriptions or contributions must be paid directly to a medical scheme not later than three days after payment thereof becoming due. In this regard, rule 18(10) of the Rules of Medihelp stipulates that the Board of Trustees must take all reasonable steps to ensure that contributions are paid timeously to the Scheme in accordance with the Act and the Rules. In order to give effect to this stipulation, rule 11(6) determines the manner in which arrear subscriptions are dealt with. However, with regard to the application of section 26(7) of the Medical Schemes Act, 1998 it is important to note that Medihelp has no control over the timely payment of subscription to the Scheme. This issue was raised with the Council for Medical Schemes and the Scheme has received written confirmation that the legal obligation lies with the member/ employer to pay subscription within the prescribed period.

18.5 Investments in administrators and employer groups

In terms of section 35(8)(c) of the Medical Schemes Act, 1998 a medical scheme shall not invest any of its assets in the business of or grant loans to

any administrator. The Scheme held investments in Discovery Holdings Limited, MMI Group Limited, Sanlam Limited and Momentum Metropolitan Holdings Limited via its investments in a Linked Insurance Policy (Allan Gray Domestic Balanced Fund) and a Collective Investment Scheme (The Prudential High Yield Bond Fund). The Scheme applied to the Council for Medical Schemes for exemption in October 2018 which was granted for a period of three years, effective from 1 December 2019 until 30 November 2022.

Section 35(8)(a) of the Medical Schemes Act, 1998 states that a medical scheme shall not invest any of its assets in the business of or grant loans to an employer who participates in the medical scheme. The Scheme held investments in various employer groups via its investments in a Linked Insurance Policy and a Collective Investment Scheme. In the Board of Trustees' view, these investments do not pose a risk to the Scheme. The Scheme applied to the Council for Medical Schemes for exemption in October 2018 which was granted for a period of three years, effective from 1 December 2019 until 30 November 2022.

18.6 Security in relation to obligations

In terms of section 35(6)(d) of the Medical Schemes Act, 1998 a medical scheme shall not by means of a suretyship or any other form of personal security, whether under a primary or accessory obligation, give

security in relation to obligations between other persons without the prior approval of the Council for Medical Schemes or subject to such directives as the Council may issue. Medihelp's bulk mail postal agreement with the South African Post Office requires it to have a guarantee to the amount of R1 million in favour of the South African Post Office. Absa issued the guarantee on behalf of Medihelp to the South African Post Office in November 2016. Medihelp applied to the Council for Medical Schemes for exemption and this was granted on 21 June 2017 until it is cancelled by either party.

18.7 Payment of commission on receipt of contribution

Regulation 28(5) of the Medical Schemes Act, 1998 states that payment by a medical scheme to a broker in terms of sub-regulation (2) shall be made on a monthly basis and upon receipt by the scheme of the relevant monthly contribution in respect of that member. The month-end commission payment run is postponed until the 10th of the following month to ensure that at least 90% of debit order rejections have been processed. As a result, the Scheme is exposed to a risk of paying out commission to a broker

which may be linked to a rejected debit order on contribution fees received after the 10th. In exceptional circumstances where debit order rejections are received after the 10th, the Scheme reverses the commission against the broker's balance to be paid out in the following commission run.

18.8 Compensation of brokers

Regulation 28(2) of the Medical Schemes Act, 1998 states that subject to sub-regulation (3), the maximum amount payable to a broker by a medical scheme in respect of the introduction of a member to a medical scheme by that broker and the provision of ongoing service or advice to that member, shall not exceed – (a) R94,77 plus value added tax (VAT) per month, or such other monthly amount as the Minister shall determine annually in the Government Gazette, taking into consideration the rate of normal inflation; or (b) 3% plus value added tax (VAT) of the contributions payable in respect of that member, whichever is the lesser. Of all broker commission payments made in 2019, four exceptions were identified where a broker received payment in excess of the maximum as stipulated in the Medical Schemes Act, 1998. The errors have since been corrected.



JC Klopper
Chairman



MJ Visser
Vice-chairman

22 April 2020



Statement of responsibility by the Board of Trustees

The trustees are ultimately responsible for the preparation, integrity and fair presentation of the Financial Statements of the Scheme. The Financial Statements presented on pages 18 - 60 have been prepared in accordance with International Financial Reporting Standards (IFRS) and the Medical Schemes Act, 1998 as amended and include amounts based on judgements and estimates made by management.

The trustees consider that in preparing the Financial Statements the most appropriate accounting policies were implemented, consistently applied and supported by reasonable judgements and estimates, and that all IFRS requirements considered to be applicable have been followed.

The trustees are ultimately responsible for ensuring that accounting records are kept. These records should disclose with

reasonable accuracy the financial position of the Scheme. The Scheme operated in an established controlled environment, which is properly documented and regularly reviewed.

The going-concern basis has been adopted in preparing the Financial Statements. Based on forecasts and available cash resources, the trustees have no reason to believe that the Scheme will not be a going concern in the foreseeable future.

The Scheme's external auditors, PricewaterhouseCoopers Incorporated, audited the Financial Statements. The audit report is presented on pages 13 - 17 of the Financial Statements.

The Financial Statements were approved by the Board of Trustees on 22 April 2020 and are signed on their behalf by:

JC Kloppe
Chairman

MJ Visser
Vice-chairman

EM da Silva
Principal Officer

Statement of corporate governance by the Board of Trustees

The Board of Trustees is committed to the principles and practice of fairness, openness, integrity and accountability in all dealings with its stakeholders. The Medihelp Board of Trustees Charter, which includes the requirement that each trustee sign an Undertaking in terms of the Medihelp Code of Conduct, has been adhered to. The trustees are also committed to the principles of the Code of Corporate Practices and Conduct as set out in the King Report on Governance (King IV).

Board of Trustees

The trustees meet regularly and monitor the performance of the Scheme. They address a range of key issues and ensure that discussions on items of policy, strategy and performance are critical, informed and constructive.

The Board of Trustees consists of six members who are elected by members at the Annual General Meeting. Trustees are elected and appointed for a three-year period and may be re-elected, provided that no trustee may serve more than two consecutive terms and more than three terms altogether.

All trustees have access to the advice and services of the Principal Officer and may seek independent professional advice at the expense of the Scheme to support them in their duties, where appropriate. In terms of the Board of Trustees Charter, trustees should ensure that an annual

performance evaluation is completed to identify training needs of trustees. The Board of Trustees Charter also determines that the performance of all committees is assessed on an annual basis to ensure the credibility of the committees. The Board of Trustees ensures that the performance of service providers is monitored in line with applicable service level agreements.

Internal control and risk management

The Board of Trustees establishes and manages internal controls (manual and automated) and systems, which are designed to provide reasonable but not absolute assurance as to the integrity and reliability of the Financial Statements and to safeguard its assets, through its combined assurance model. The Scheme's internal controls are based on established policies and procedures and are exercised by trained personnel with the appropriate segregation of duties.

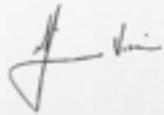
Medihelp's Information Technology (IT) Governance Charter, Framework and policies support effective and efficient management of IT resources to facilitate the achievement of the strategic objectives of the Scheme. The charter, framework and policies are aligned with the King IV principles of good governance, international best practices and standards. The IT Governance Report gives feedback on IT performance, security, investments, service levels and governance issues to the Board.

The Board of Trustees is ultimately responsible for risk management of the Scheme and has a formal risk evaluation process in place. The Audit and Risk Committee monitors the effectiveness of risk management and makes recommendations to the Board of Trustees.

No event or matter has come to the attention of the Board of Trustees that would indicate a material breakdown in the functioning of the key internal controls and systems which were in operation during the year under review.



JC Klopper
Chairman



MJ Visser
Vice-chairman



EM da Silva
Principal Officer

22 April 2020



Statement of financial position at 31 December 2019

	Note	2019 R	2018 R
ASSETS			
NON-CURRENT ASSETS		724 837 210	683 334 120
Investments in subsidiaries	3	1	1
Intangible assets	5	19 967 049	14 030 974
Property, plant and equipment	4	42 133 140	44 830 212
Financial assets at fair value through other comprehensive income	6	277 455 034	266 811 991
Financial assets at fair value through profit or loss (FVPL)	6	385 281 986	357 660 942
CURRENT ASSETS		1 271 991 638	1 249 077 649
Financial assets at fair value through profit or loss	6	234 203 132	136 044 343
Trade and other receivables	7	142 458 773	141 729 082
Advance accounts in debit	8	1 017 788	1 017 788
Cash and cash equivalents	9	894 311 945	970 286 436
Total assets		1 996 828 848	1 932 411 769
FUNDS AND LIABILITIES			
MEMBERS' FUNDS		1 626 070 381	1 554 536 725
Accumulated funds		1 366 067 498	1 304 388 681
Revaluation reserve for financial assets		260 002 883	250 148 044
NON-CURRENT LIABILITIES			
Retirement benefit obligations	10	14 329 000	15 573 000
CURRENT LIABILITIES		356 429 467	362 302 044
Advance accounts in credit	8	7 854 734	7 854 734
Outstanding risk claims provision	11	171 363 156	161 608 387
Personal medical savings account liability	12	62 232 255	51 871 567
Leave pay obligation	13	12 397 211	11 985 369
Trade and other payables	14	102 582 111	128 981 987
Total funds and liabilities		1 996 828 848	1 932 411 769

Statement of comprehensive income for the year ended 31 December 2019

	Note	2019 R	2018 R
Risk contribution income	15	4 686 594 742	4 355 302 062
		4 686 594 742	4 355 302 062
Relevant healthcare expenditure		(4 359 120 850)	(4 061 496 551)
Net claims incurred	16	(4 339 857 174)	(4 034 943 385)
Risk claims incurred		(4 346 681 080)	(4 039 547 832)
Third-party claims recoveries		6 823 906	4 604 447
Accredited managed healthcare services (no risk transfer)	17	(61 549 949)	(63 696 119)
Net income on risk transfer arrangements		42 286 273	37 142 953
Risk transfer arrangement premiums paid	18	(188 577 629)	(184 357 003)
Recoveries from risk transfer arrangements	18	230 863 902	217 568 837
Net profit share arising from risk transfer arrangements	18	-	3 931 119
Gross healthcare result		327 473 892	293 805 511
Broker service fees	19	(73 015 909)	(66 614 482)
Administration expenditure	20	(322 348 945)	(320 591 412)
Net impairment losses on financial assets	21	(8 545 865)	(5 809 926)
Net healthcare result		(76 436 827)	(99 210 309)
Other income		138 312 405	113 729 937
Investment income	24	128 661 584	121 776 733
Scheme		128 661 584	120 231 624
Personal medical savings account trust monies invested		-	1 545 109
Net other gains / (losses)	23	6 739 732	(17 458 876)
Sundry income	25	2 911 089	9 412 080
Other expenditure		(6 436 461)	(5 787 316)
Asset management fees and expenses	6	(2 015 588)	(2 019 915)
Interest paid	22	(4 420 873)	(3 767 401)
Net surplus for the year		55 439 117	8 732 312
Other comprehensive income / (loss)		16 094 539	(34 345 138)
<i>Items that may be reclassified to profit or loss</i>			
Changes in the fair value of equity investments at fair value through other comprehensive income (FVOCI)		15 075 539	(34 109 138)
Realised gain on disposal of equity investments at FVOCI		5 220 700	-
Transfer to accumulated funds on disposal of equity investments at FVOCI		(5 220 700)	-
Remeasurement of retirement benefit obligation	10.1	1 019 000	(236 000)
Total comprehensive income / (loss) for the year		71 533 656	(25 612 826)

Statement of changes in funds and reserves for the year ended 31 December 2019

	Note	Accumulated funds R	Revaluation reserve for financial assets R	Total members' funds R
Balance as at 1 January 2018.....		1 278 907 365	301 242 186	1 580 149 551
Reclassify investments from available-for-sale to FVPL on adoption of IFRS 9.....		16 985 004	(16 985 004)	-
Comprehensive income				
Net surplus for the year.....		8 732 312	-	8 732 312
Other comprehensive income.....		(236 000)	(34 109 138)	(34 345 138)
Total comprehensive income / (loss) for the year.....		8 496 312	(34 109 138)	(25 612 826)
Balance as at 31 December 2018.....		1 304 388 681	250 148 044	1 554 536 725
Balance as at 1 January 2019.....		1 304 388 681	250 148 044	1 554 536 725
Comprehensive income				
Net surplus for the year.....		55 439 117	-	55 439 117
Other comprehensive income.....		1 019 000	15 075 539	16 094 539
Transfer to accumulated funds on disposal of equity investment at FVOCI.....		5 220 700	(5 220 700)	-
Total comprehensive income for the year.....		61 678 817	9 854 839	71 533 656
Balance as at 31 December 2019.....		1 366 067 498	260 002 883	1 626 070 381

Trustees' remuneration

2019	Fees for Board of Trustees meeting attendance R	Fees for committee meeting attendance R	Telephone allowance R	Total remuneration R	Travel and accommodation expenses R	Total considerations R
JM Ferreira	131 088	135 347	1 200	267 635	1 005	268 640
JC Klopper	273 095	99 790	1 200	374 085	-	374 085
PJ Louw	131 088	149 366	1 200	281 654	1 557	283 211
TN van der Westhuizen	131 088	173 837	1 200	306 125	2 669	308 794
PM van Deventer	131 088	209 394	1 200	341 682	3 253	344 935
MJ Visser	245 789	156 121	1 200	403 110	1 610	404 720
	<u>1 043 236</u>	<u>923 855</u>	<u>7 200</u>	<u>1 974 291</u>	<u>10 094</u>	<u>1 984 385</u>

2018	Fees for Board of Trustees meeting attendance R	Fees for committee meeting attendance R	Telephone allowance R	Total remuneration R	Travel and accommodation expenses R	Total considerations R
JM Ferreira	127 086	144 287	1 200	272 573	8 344	280 917
JC Klopper	317 715	134 217	1 200	453 132	1 223	454 355
PJ Louw	127 086	130 131	1 200	258 417	1 125	259 542
EM Malan*	61 542	61 029	600	123 171	23 694	146 865
TN van der Westhuizen*	65 544	117 250	600	183 394	1 201	184 595
PM van Deventer	127 086	199 820	1 200	328 106	2 448	330 554
MJ Visser	222 402	192 873	1 200	416 475	1 411	417 886
	<u>1 048 461</u>	<u>979 607</u>	<u>7 200</u>	<u>2 035 268</u>	<u>39 446</u>	<u>2 074 714</u>

* The term of office of Ms EM Malan expired and Mr TN van der Westhuizen was elected to the Board of Trustees on 21 June 2018.

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