



An Invitation to
the Bestmed
Conference and
Annual General
Meeting 2015

bestMed

Invitation

You are cordially invited to attend Bestmed's 51st Conference and Annual General Meeting

Date: Friday 26 June 2015

Time: 12:00

Venue: CSIR International Convention Centre
Meiring Naudé Road, Brummeria,
Pretoria

RSVP: Ilana Smith on or before

12 June 2015

e-mail bestmed-agm@bestmed.co.za



IN GOOD HANDS

As we enter our 51st year of existence, we're proud to say our close on 200 000 members and dependents are in good hands. Our finances are sound, our management team is stable and our relationships with our stakeholders, suppliers and partners has never been stronger.

As you page through this report, you'll meet some of our hands-on people and get to know a little bit about them. It is our way of acknowledging the vital role each and every one of our family members play - and the contribution they all make - in ensuring and maintaining the success and longevity of our brand.

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Zunaid Ismail

*Web Developer and Designer
Information Technology*

Member of the Bestmed family for 3 years. An artist at heart, my ability to sketch has allowed me greater insight and creativity in my position. I joined Bestmed just after school as a part-time student. They saw my potential and allowed me to grow within the company, assisting with whatever I needed. My family has also done a lot for me and I’m determined to make a success of my life so that I can give back some of what everyone has given.

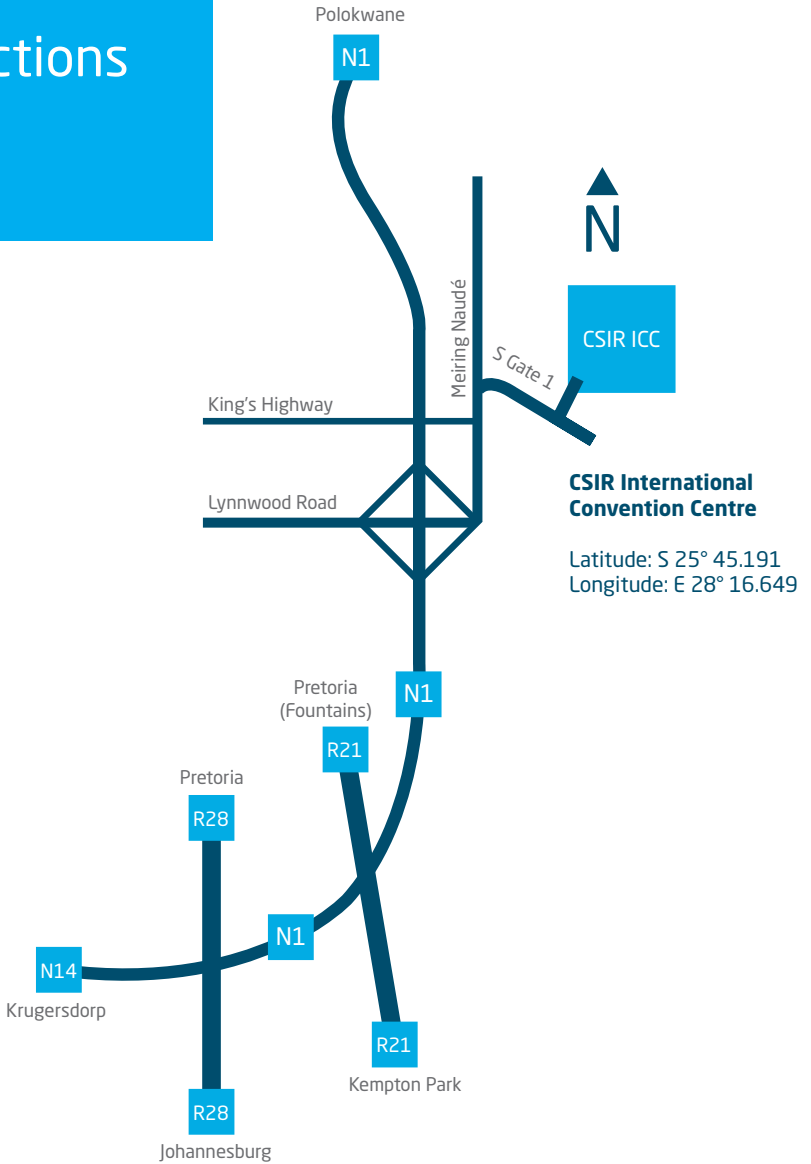


Programme

51st Conference & Annual General Meeting

08:00 - 08:30	Registration
08:30 - 08:45	Welcome and Conference Opening
08:45 - 09:30	Conference Speaker 1
09:30 - 10:15	Conference Speaker 2
10:15 - 10:40	Refreshment Break
10:40 - 11:40	Overview of 2014 and 2015
11:40 - 12:00	Comfort Break
12:00 - 13:00	Annual General Meeting
13:00	Lunch

Directions





Juan-Henning Venter

*Clinical Investigating Officer
Legal and Corporate Governance*

Member of the Bestmed family for 1 year. I'm a trained basic life support paramedic who once worked for a Saudi Arabian prince in Egypt, but there the exotica ends. I'm really a farm boy at heart. I play the guitar to relax, am engaged to be married, and am studying towards a degree in Theology. I am truly fortunate that Bestmed allows me the freedom to develop within my position, contributing to not only the Scheme, but also its employees and its members.

Agenda

51st Conference & Annual General Meeting

Notice is hereby given that the 51st Annual General Meeting of members of Bestmed Medical Scheme will be held at 12:00 on Friday, 26 June 2015 at the CSIR International Convention Centre, Meiring Naudé Road, Brummeria, Pretoria.



1. Opening by Chairperson
2. Finalisation of Agenda
3. Report of the Chairperson
4. Minutes of the previous Annual General Meeting held on 30 May 2014
5. Matters arising from previous Annual General Meeting
6. Financial Statements and Auditor's Report
7. Appointment of Auditors for 2015/2016
8. Motions received in terms of Rule 26.1.5
9. Proposed amendments to the Rules of Bestmed
10. Other matters dealt with at an Annual General Meeting
11. Closure

Documents are printed in the language in which they were presented and submitted to the Registrar of Medical Schemes.

Minutes

Minutes of the 50th Annual General Meeting of representatives of employers, employees and members held at 12:22 on Friday, 30 May 2014 at the CSIR International Conference Centre, Pretoria, Gauteng.

1. Opening by Chairperson

1.1 Present

- 1.1.1 191 active voting members, other attendees total 276
- 1.1.2 11 members of the Board of Trustees
- 1.1.3 2 special guests
- 1.1.4 3 representatives from Bestmed's auditors, PricewaterhouseCoopers
- 1.1.5 80 non-members

Apologies

Apologies had been received from Mr DJ Fredericks and Prof S Vil-Nkomo.

1.2 Opening by Chairperson

Adv GW Alberts, Chairperson of the Board of Trustees, declared the meeting properly constituted, members and employers having been given adequate notice of the meeting

in terms of Rule 26.1.2 and more than 25 members being present to constitute a quorum.

He welcomed, in addition to the Scheme's members, representatives of the corporate employers affiliated to Bestmed; members of the broker community; the representatives of PricewaterhouseCoopers, the Scheme's auditors; the Chairperson of the Scheme's Audit Committee, Mr Kobus Scheepers; members of the Board of Trustees; and management and staff of Bestmed. A warm welcome was also extended to Mr Jan Boot, the longest serving chairperson of the Board of Trustees, and to his predecessor, Adv Lappies Labuschagne, the longest serving member of the Board, who would, regrettably, retire upon conclusion of the present meeting after 23 years of service.

He informed the meeting that, in view of the time constraints, non-members would be excused from the meeting prior to the discussion of the matters to be dealt with after item 8 and would be most welcome to proceed to the luncheon venue while this business was being finalised.

2. Finalisation of agenda

No further items were added to the agenda.

3. Report of the Chairperson

The following matters were highlighted:

1. Litigation flowing from the findings and directives of the Registrar of Medical Schemes was ongoing and would be dealt with under item 10.5.
2. The process of overhauling governance on the Board of Trustees was ongoing, and had thus far resulted in revised and new policies being put into place, and a new, more streamlined Board of Trustees structure. This matter would also be dealt with again under item 10.
3. The Scheme's total non-healthcare costs had been dramatically reduced to 10.37% of gross contributions.

This was a welcome signal that the Scheme was in the process of turning a corner that would culminate in the achievement of a more positive net healthcare result in the future. The budget for 2014 aimed at further improvements, and results were thus far on track.

The meeting was reminded that the 2013 Annual General Meeting had decided that the Chairperson's report did not require the approval of those present at an AGM since it reflected the personal views of the Chairperson.

The Chairperson would reach the end of his term of office at the end of the meeting, and he conveyed his sincere appreciation to the Vice-Chairperson, Dr Slabbert, and to his fellow trustees, for their dedication, loyalty and support during his term. He also expressed sincere thanks to Bestmed's staff and senior management for their support.

4. Minutes of previous Annual General Meeting held on 31 May 2013

The minutes of the 49th Annual General Meeting were unanimously accepted as a fair and accurate record of the proceedings and signed by the Chairperson.

5. Matters arising from the previous Annual General Meeting

There were no outstanding matters.

6. Financial statements and auditor's report

Members' attention was drawn to the full set of financial statements provided in the Annual Report and the accompanying comprehensive notes.

Auditor's report

The auditors advised that, in their opinion, the annual financial statements presented fairly, in all material respects, the financial position of Bestmed Medical Scheme as at 31 December 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Medical Schemes Act, No 131 of 1998, as amended. They had no further comments to make to members

on the financial statements, other than that some options were not self-supporting in terms of membership and financial performance, which was not in accordance with the Medical Schemes Act, No 131 of 1998, as amended, section 33(2).

Synopsis: 2013 at a glance

In absolute terms, the Scheme had recorded 20% more income and paid 21.42% more benefits in 2013 than it had in 2012, with a total non-healthcare cost increase of only 1.83%. Expressed on a per member basis, average membership had increased by 12.39%, and gross contributions had increased on average by 6.77%. Benefits paid per member had increased by 8.01%, whilst non-healthcare cost per member decreased by 9.21%.

Highlights from the statement of comprehensive income

Although a net deficit of R28 million had been recorded for the year as a result of the higher expenditure on benefits, other sources had provided sufficient income to produce a net surplus for the year of R54 million. The real net surplus for the year after adding other income (ie profits that had not yet been realised) was R63 million.

“Other expenses” referred to the cost of running the medical facilities taken over from Minemed Medical Scheme following its amalgamation with Bestmed.

This cost was offset by the fact that benefits could be provided more cost-effectively by those facilities to all members of the Scheme who chose to use them.

In contrast with companies that paid its shareholders dividends, Bestmed, as a mutual, not-for-profit organisation, returned most of its income to members in the form of benefits. Costs were, of course, involved, but it was pointed out that since returning to self-administration in 2012 significant cost reductions had been made. Brokers’ service fees had increased, but this was as a result of the 12% increase in the Scheme’s membership. Overall, a 9.21% decrease in cost per member had been achieved in 2013.

Highlights from the statement of financial position

Although available-for-sale investments had decreased from R1 billion in 2012 to R877 million in 2013, this was due to the treatment of members’ savings accounts

as trust money. Total assets had, however, increased from R1 397 580 272 to R1 718 784 763. The bulk of the Scheme's liabilities consisted of members' savings account funds, on which they received interest and which were used to pay for their day-to-day benefits.

Solvency

The solvency ratio at 31 December 2013 was 29.23%, compared with the statutory requirement of 25%. This was a clear message that the Scheme was financially strong and well able to pay its dues on behalf of its members.

Investments

The Scheme's net worth now stood at R1.1 billion. Its investment strategy had been put in place 96 months ago and had yielded on average 4.2% above inflation (between 9% and 10% over that period).

The Executive Manager: Finance expressed his appreciation for the dedication and hard work of his staff in preparing the documentation relating to the Annual General Meeting. He thanked the auditors for their professional work, and the Chairperson of the Audit Committee for his expert guidance.

Questions

An eligible member enquired as to what had caused the loss reported in the income statement of some R230 000. He was informed that some fixed assets (old furniture and vehicles) had been sold at a value that was less than their book value.

Approval and adoption of the financial statements

No further questions were raised and the financial statements were unanimously adopted and approved.

Proposed: Adv JJ Labuschagne

Seconded: Mrs S Harmse

7. Appointment of auditors for financial year ending 31 December 2014

The meeting was advised that the Board of Trustees had requested the Audit and Risk Committee to consider the appointment of auditors for the Scheme for the financial year ending 31 December 2014, and the Committee had again recommended that PricewaterhouseCoopers be appointed. The Board of Trustees had unanimously accepted this recommendation.

A motion was tabled that PricewaterhouseCoopers be appointed as the Scheme's auditors for the financial year ending 31 December 2014. No objections were raised and the motion was unanimously accepted.

8. Motions received in terms of Rule 26.1.5

No motions in terms of Rule 26.1.5 had been received from any members.

9. Proposed amendments to the Rules of Bestmed

Non-members were requested to excuse themselves at this point and to join the Scheme for lunch.

No further questions were raised on the business transacted thus far, and the discussion turned to the amendments to the Rules that had been adopted during the year. These were all published on the Bestmed website for those who wished to examine them in greater detail.

It was advised that only one of the amendments had been refused by the Registrar of Medical Schemes. This was related to Rule 18.8.2 concerning the remuneration of Bestmed's Trustees, and

would be dealt with under item 10.2.

10. Other matters dealt with at an Annual General Meeting

Rule 27.1, which set out the procedure to be followed in voting at an annual general meeting, was read aloud, as follows:

"Each member present at the annual general meeting of the Scheme may vote and shall have one vote on all matters: Provided that the member referred to in the proviso to Rule 26.1.1(d) shall have a vote as representative of the employers as well as a vote as representative of the employees; and that voting shall be by show of hands: Provided further that voting shall be by ballot paper if not less than 10 of the representatives present insist that voting shall be by ballot paper. The Chairperson shall nominate three or more representatives to collect, check and count the votes."

It was proposed that PricewaterhouseCoopers be tasked with the distribution, collection, safeguarding and formal counting of the ballots, rather than requiring this arduous task to be undertaken by three members, as stipulated in the Rule. The proposal was accepted.

An objection was, however, raised by Mrs Annelize Hartzenberg (member number 0337536) regarding a vote by ballot paper, which required members to state their names and member numbers. It was explained that this was a necessary precaution to ensure that only the votes of valid members were counted. Mr PdeV Swart proposed that a vote by ballot be taken if at least ten other members were in favour of his proposal.

A vote was accordingly taken by show of hands, and a vote by ballot paper was approved, there being no one in favour of a vote by show of hands.

In response to a question about whether this signified that a formal procedure stipulated by the regulatory bodies would be set aside, the Chairperson advised that there was no prescribed procedure other than that described in the Rules of the Scheme itself.

The Chairperson proposed that the Chief Executive Officer elucidate each individual point recorded in the agenda under this item, and that each point then be voted on separately immediately following its elucidation. The proposal was accepted.

All of the matters listed in the agenda and set out in the notice regarding voting at the 2014 Annual General Meeting were voted on by a poll and were duly passed. Details of the votes cast are as follows:

Resolution 10.1:

To approve the principles informing Bestmed’s policies on the remuneration of staff and trustees

Votes in favour	% of votes cast
125	91.24%
Votes against	
3	2.19%
Spoilt ballot papers	
9	6.57%
Blank ballot papers	
3	
Total votes cast (excluding blank papers)	
134	

Resolution 10.2:

To endorse the amendment of Rule 18.8.2

Votes in favour	% of votes cast
119	88.80%
Votes against	
1	0.75%
Spoilt ballot papers	
14	10.45%
Blank ballot papers	
-	
Total votes cast (excluding blank papers)	
134	

Resolution 10.3:

To approve the principles informing Bestmed's Marketing Expenditure Policy

Votes in favour	% of votes cast
121	93.08%
Votes against	
3	2.31%
Spoilt ballot papers	
6	4.61%
Ballot papers not returned	
4	
Total votes cast (excluding blank papers)	
130	

Resolution 10.5:

To approve Bestmed's response to the Registrar's findings and directives following a routine inspection by the Council for Medical Schemes

Votes in favour	% of votes cast
115	89.84%
Votes against	
2	1.56%
Spoilt ballot papers	
11	8.60%
Blank ballot papers	
8	
Total votes cast (excluding blank papers)	
128	

The discussion of each individual item is summarised below.

10.1 Approval of the principles informing Bestmed's policies on the remuneration of staff and trustees.

The Chief Executive Officer sketched the context in which the Scheme had, in the interest of good corporate governance, revised its policies on the remuneration of staff and trustees. The aim had been to bring these policies into line with the King III Code

(to the extent that its principles made practical sense in a medical scheme environment), published in the second half of 2012. The members present at this meeting were being asked to vote on the principles on which these policies were based to comply with the King III requirement that stakeholders should be consulted on issues such as these, and with the sentiments of the Council for Medical Schemes, which had also indicated that members should approve the principles and philosophy informing these policies.

The Board of Trustees had appointed a Remuneration Committee to examine best practice in the market and to develop a remuneration policy for employees. The principles adopted were as follows:

1. Bestmed should stay competitive in the labour market in order to attract and retain reliable people with the desired skills and expertise. To this end the Scheme participated in a national salary survey and applied a lead-lag strategy whereby market values were aged so that Bestmed would lead the market for approximately six months and then lag behind the market for six months.

2. Total remuneration consisted of two parts: fixed (guaranteed) pay, and a performance bonus.
3. Fixed remuneration was based on market-related salary ranges using the third quartile (Q3) after ageing as the maximum of a salary range and the first quartile (Q1) after ageing as the minimum of a salary range. A median of Q2 was used for all but exceptional performers or employees with very scarce skills.
4. Performance bonuses were closely related to goals set annually by the Board of Trustees in consultation with the Chief Executive Officer. Each key performance area was defined, and measurable targets were set for each goal. Affordability was an overriding consideration of the Board of Trustees when considering the approval or not of performance bonuses.

No questions were raised and those present were asked to vote in favour or against the principles on which the Scheme rewarded its employees, using the ballot paper provided.

Mrs Tersia Venter (member number 328944) asked whether she could be given an opportunity to make a suggestion to the Board of Trustees. The Chairperson agreed to this, and her suggestion was heard on conclusion of the business discussed under item 10.2. For the sake of continuity of the minutes, this is recorded at the end of the discussion of item 10.5.

10.2 Endorsement of amendment of Rule 18.8.2

Rule 18.8.2 as formulated in the Rules was read aloud, as follows:

18.8 Reimbursement of expenses and remuneration of Board

18.8.1 Members of the Board may be reimbursed for reasonable expenses incurred by them in the performance of their duties as trustees.

18.8.2 Members of the Board are not entitled to any remuneration: Provided that by a special resolution of at least three-quarters of the members of the Board, an honorarium may be paid to members of the executive committee, and to all members of the Board in respect of attendance of meetings of the Board and to members of

committees for attendance of such committee meetings.

This formulation was ambiguous and contradictory. It was pointed out that the trustees of a medical scheme carried a significant personal liability and, in terms of the Medical Schemes Act and the FAIS Act, could be held personally liable for decisions they made in their capacity as trustees. Details provided on the remuneration of Bestmed's Trustees are summarised below:

1. The services of the members of the Strategic Committee were available on request and they were, accordingly, paid a small monthly amount of between 15% and 16% of the fee for attending a Board meeting.
2. A fixed fee was payable for every Board meeting or strategic session, and this was increased annually by the same percentage as staff remuneration. A remuneration consultancy was commissioned every three or four years, at considerable cost, to assess this fee against the market.
3. Time spent travelling to meetings was compensated.

4. The fee for meetings of under two hours was adjusted downwards.

It was proposed that Rule 18.8.2 be amended to read as follows, and members were requested to vote in favour of the amendment and its submission to the Council for Medical Schemes for approval, and to endorse payments already made to Trustees based on these principles:

18.8 Reimbursement of expenses and remuneration of Board

18.8.1 Members of the Board shall in respect of the execution of their official duties be entitled to remuneration as provided for in the Trustee remuneration policy or, where no such provision is made, to a reasonable remuneration.

18.8.2 Notwithstanding 18.8.1, Members of the Board are entitled to the following reasonable remuneration:

- (a) *disbursements, including but not limited to:*
- (i) *travelling and other expenses for attendance of meetings or conferences;*
 - (ii) *accommodation and meals;*
and

- (iii) *telephone expenses for business purposes;*
- (b) *fees for attendance of meetings of the board or committees of the board;*
- (c) *fees due for holding particular office on the board or committees of the board;*
- (d) *fees in respect of special instructions by the majority of the Board;*
- (e) *other reasonable remuneration paid to a trustee, considering all factors which have a bearing on the duties and responsibilities, including time and effort and degree of complexity of such duties and responsibilities.*

10.3 Approval of the principles informing Bestmed's marketing and distribution policy. A marketing and distribution policy had been developed in response to the directives of the Council for Medical Schemes, and as part of the Board's comprehensive revision of the Scheme's governance. Prior to the implementation of this policy, proposed marketing events were presented to the Board for approval or, if appropriate, dealt with in terms of a delegation of authority framework.

The necessity for expenditure on marketing was demonstrated by two calculations that had been made by the Scheme's actuaries. The first calculation showed that if a medical scheme's average age increased by one year, its claims went up by some 4%. The second calculation indicated that, if Bestmed had not recruited any new members since 2008, the cost borne in terms of claims would have been R900 million higher. Establishing a sustainable risk pool in the highly competitive and strictly regulated medical scheme environment was thus essential, and priority was given to activities that would promote this objective.

Details of how the Scheme's marketing budget was calculated, monitored and controlled were provided. The broad areas of marketing were listed, and the principles on which activities and events were planned were expounded on.

No questions were raised, and members were asked to indicate on their ballot papers their approval or otherwise of the principles on which the Scheme's marketing and distribution policy was based.

10.4 Retrospective approval of the 2011 Board of Trustees Report

The Chief Executive Officer informed the meeting that members would not be asked to vote on this matter. The request that members approve the 2011 Board of Trustees Report had been prompted by a directive from the Council for Medical Schemes concerning marketing activities in which some Board members had participated. The Scheme had consulted its external auditors, who had advised that since the amounts involved were, by international financial standards, immaterial, it would be of no purpose to amend and reissue the financial statements for 2011 at this stage.

The Scheme's lawyers had also been consulted and had advised that the details of the activities at issue should be disclosed to members. These were as follows:

1. Two members of the Board of Trustees, namely Adv Alberts and Mr Swart, had participated in a marketing event to launch the Scheme's new brand, and had paid the costs themselves as agreed at the outset, upon receiving confirmation of the amount involved

from the service provider.

2. Representatives of five of the Scheme's largest participating employer members had been invited to a music concert. More than 50% of the Scheme's total income at that time had derived from these organisations. Mr Minnaar, a member of the Board, had attended the concert as a representative of one of these employer groups and had repaid the costs incurred in full.

The meeting took note of these disclosures.

10.5 Routine inspection by the CMS and approval of Bestmed's response to the Registrar's findings and directives.

It was advised that a number of legal steps had been taken to safeguard the Scheme should it transpire that the Registrar of Medical Schemes and Bestmed were unable to reach accord on the small number of matters that remained in dispute. An appeal had been made to the Council for Medical Schemes, since, in terms of the Medical Schemes Act, this was the first avenue that had to be followed in such circumstances. A review application had also

been lodged with the High Court in accordance with provisions in the Financial Institutions Inspection Act.

These steps had arisen from the routine investigation of the Scheme that had been carried out by the Registrar's office in 2011, and it was hoped that it would be possible to reach a situation where the Registrar was satisfied with the Scheme's communications and corrective actions in response to the directives.

However, in the event that the Registrar persisted, it could well become necessary to proceed further with the legal steps that had already been taken, and a mandate in this regard was sought from those present. Endorsement of the process followed by the Board of Trustees to date in respect of the Registrar's dealings and directives was also requested.

The meeting was assured that no unnecessary action would be taken and no unnecessary expenditure would be incurred in this regard.

Clarification on the nature of the issue involved and the need to take this approach

was requested by Mr Chris Luyt (member number 083553). Although the matter was now sub judice, it was explained that a number of the Registrar's directives dealt with marketing and distribution costs.

These and most of the other matters had either already been corrected before the Registrar's final report was received in 2013 or had been dealt with subsequently. The Registrar had been regularly updated on all the actions taken by Bestmed. However, the Board of Trustees disagreed entirely with the Registrar on the remaining directives where it had not been possible to take the action required by the Registrar.

Mr Luyt stated that his understanding was, therefore, that the matter was fundamental to the competitiveness of the Scheme and its continued growth, and to remaining a competitive force in the marketplace, thereby improving members' benefits in the process. This was confirmed and no further questions were raised on this point.

Mrs Annelize Hartzenberg (member number 0337536) asked when the Board of Trustees would advise members that the dispute with the Registrar would proceed to the courts, in

the event that this became necessary, and that costs would, as a result, escalate. The Chief Executive Officer confirmed that members would be consulted again if it became clear that the Scheme's only recourse lay in litigation.

Mrs Hartzenberg asked for confirmation that the members would ultimately be provided with a full account setting out details of all the costs that had been incurred as a result of such litigation. The Chief Executive Officer gave this assurance and upon a reiteration of the request, he once again gave his assurance that this would be done at the AGM in 2015.

Suggestion submitted by Mrs Tersia Venter, (member number 328944),

The Scheme's Trustees were requested to review the benefits for optics. This was an important benefit for, in particular, elderly members of the Scheme. Consideration could be given to replacing the pregnancy benefits (which were available to this group as part of their benefit options but of little value to them) with an increased benefit for new lenses.

The Chief Executive Officer undertook to draw attention to the optic benefits during the annual review of benefits that was due to commence the following week. He pointed out, however, that all medical schemes were legally obliged to provide exactly the same benefits to all members and beneficiaries within a given option. Feedback on whether or not this suggestion could be implemented would be given to Mrs Venter in due course.

11. Closure

Before closing the meeting, members’ attention was drawn to the disclosures provided in the AGM booklet relating to non-compliance with the Medical Schemes Act, as amended.

The Chairperson conveyed his personal thanks and those of the entire Board of Trustees to Adv Labuschagne, who was retiring at the end of his term of office after serving on the Bestmed Board for 23 years. His fairness, even-handedness and balanced temperament had been evident throughout his tenure and his manifold contributions to the Scheme had been invaluable.

Mr Francois Marais was, in his absence, thanked for the contributions he had made

during his term of office. He, too, was retiring from the Bestmed Board of Trustees.

The meeting was advised that the Board of Trustees that would assume duties upon conclusion of the Annual General Meeting would be constituted as follows:

Elected member representatives	Trustees appointed by the elected members
Adv Gw Alberts	Mr B Albrecht
Mrs S Harmse	Mr DJ Fredericks
Dr J Moncrieff	Mr Al Minnaar
Mr WJ Myburgh	Dr BR Slabbert
Mr EL Steenkamp	Prof MJ van der Merwe
Mr PdV Swart	Prof S Vil-Nkomo

The Chairperson thanked those present for their keen interest in Bestmed and wished them well for the coming year. He wished those present a happy, successful year. The proceedings concluded at 14:32.

Signed in Pretoria on this _____ day of _____ 2015.



RF Camphor
 Chairperson
 Bestmed Board of Trustees

Nickel Phetla

*Driver
Finance*

Member of the Bestmed family for 3 years. I used to be the driver of a Putco Ticket Mobile vehicle. The team building and support we receive means we can improve what we do every day. Weekends mean time for washing my Nissan bakkie, my "baby", and gardening with my youngest son, teaching him to appreciate nature. It's also the time that I get to enjoy my wife's wonderful cooking. She deserves 10/10 for her roast lunch on Sundays.





Chairperson's Report



Fred Camphor
*Chairperson of the
Board of Trustees*

The South African landscape

As in previous years, the country once again showed the signs of a struggling economy in 2014. These included increased unemployment and mounting state debt, which has now grown to over a trillion rand as a result of loans raised in the past to finance the ongoing budget deficits. The repayment of these loans and the interest on them has a severe negative impact on available income, and this is the one area where South Africa has been unable to effect any correction. The government desperately needs to increase its income in order to balance the books.

The medical scheme industry, similarly, made little progress on the big issues we struggled with in the past and that still haunt us today. The impact of prescribed minimum benefits (PMBs) was again a major factor in high contribution increases because medical schemes are obliged to pay whatever the healthcare provider charges for the treatment of PMB conditions. This drives medical inflation above the CPI level.

The Competition Commission's Inquiry into Private Healthcare started its work during 2014 and invited interested parties to make submissions. Public hearings on these submissions will be conducted at the end of the first quarter of 2015, at which the different stakeholders will be able to

argue their points of view as to why healthcare costs are increasing at a rate above CPI.

This is an important opportunity for stakeholders in the private health sector to try and address the critical issues and to steer the industry on a new course.

Bestmed's submissions aim to minimise the negative effect of PMBs on medical schemes and to create a more even playing field between administrators and self-administered schemes. Our submission also addresses the role of tariff negotiations with private hospital groups, which we perceive as being a flawed process that may well be playing a role in the high cost increases the industry faces each year. The Inquiry has advised that it will not be able to release its report and findings until 2015/2016 and it does not expect that it will be possible to implement any of its recommendations before 2018/2019.

Council for Medical Schemes

Those of you who attended Bestmed's 2012 and 2014 AGMs may recall that on both these occasions we informed our members that the Council for Medical Schemes (CMS) had conducted a routine inspection of the Scheme in November 2011. We received the CMS's first "Observations report" on the inspection in April

2012 and replied in full to the matters dealt with before the AGM on 25 May 2012. We then heard nothing further from the CMS until 18 July 2013, when they issued a number of directives which the Scheme was instructed to carry out. The annexures containing the detailed requirements were, however, only delivered in late August 2013.

Once we had examined these annexures, we concluded that we did not agree with the substance of the findings and we registered an appeal before the Council for Medical Schemes against the Registrar's decision. At the same time, we launched a review application in the Gauteng North High Court.

However, in the interests of sound governance, and to comply as best we could with the regulator's requirements and maintain a good working relationship with that body, we decided to co-operate by adhering to the directives as far as possible.

We submitted regular progress reports to the CMS and as far as we and our legal team were concerned, we complied with the directives as far as we practically could.

We were therefore astonished when the Scheme

received a communication from the CMS on 13 November 2014 that nine of the twelve members of our Board of Trustees had been removed with immediate effect.

This left the remaining members of the Board with the urgent task of filling the vacancies as soon as possible to ensure that the Scheme had a valid Board of Trustees. This Board was constituted in accordance with the provisions in our Rules, but in early February 2015 it decided that it would be in the best interests of our members to call a special election and to reconstitute the Board. At the time of writing this report, the aim is to finalise the elections and reconstitute the Board so that it can take full control of the governance of the Scheme before the Annual General Meeting.

Corporate governance

The former Board of Trustees continued with the process, on which it had embarked in 2010, of revising all its policies and practices and bringing its governance structures into line with the relevant provisions of the King III Report.

The last of these recommendations would have been discussed at the 14 November 2014 Board meeting, which was cancelled as a result of the notices received the previous day from the CMS.

These last recommendations dealt with the source of the information on which the Board should rely to obtain assurance of their governance duty. This will be tabled again for consideration by the newly reconstituted Board of Trustees. The interim Board has also requested management to carry out a Corporate Governance Audit to make doubly sure that all our policies, Board structures, charters and terms of reference are still applicable.

Dedicated to serve our members

I would like to thank the Trustees who served on Bestmed's Board for the interim period, and in particular for their willingness to attend meetings at short notice. We remain committed to our members, and I wish to assure them all that our aim continues to be to provide them with the best solutions to funding their healthcare needs.



RF Camphor
Chairperson



Cindy Mitchell
*Financial Control
Finance*

Member of the Bestmed family for 27 years. I love to learn; even the books I read must teach me something. Every day at Bestmed is a new challenge. I'm a workaholic but I always stop by the gym and go dancing with my friends to keep a balance. Racing on my motorbike gives my two sons grey hair, so I tend to curl up with my pet parrot at night and read.



Highlights of the 2014 Annual Financial Statements

The financial information in the Highlights document has been extracted from and is in agreement with the audited Annual Financial Statements. The full set of Annual Financial Statements will be available on the Bestmed website no later than 26 June 2015.

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2014

	2014 R	2013 R
ASSETS		
Non-current assets	1 047 206 185	899 903 053
Property and equipment	17 950 367	21 971 186
Investment property	1 500 000	1 500 000
Intangible assets	8 879 323	-
Available-for-sale investments	1 018 854 938	876 063 989
Loans and receivables	21 557	367 878
Current assets	844 360 134	818 881 710
Available-for-sale investments	561 297 835	587 963 303
Scheme	233 999 802	278 648 275
Personal medical savings account trust monies invested	327 298 033	309 315 028
Loans and receivables	97 815	242 907
Trade and other receivables	61 543 942	61 976 764
Assets held for sale	3 700 000	4 000 000
Cash and cash equivalents	217 720 542	164 698 736
Scheme	56 503 386	92 905 238
Personal medical savings account trust monies invested	161 217 156	71 793 498
TOTAL ASSETS	1 891 566 319	1 718 784 763
FUNDS AND LIABILITIES		
Members' Funds	1 135 894 357	1 069 065 309
Accumulated funds	1 044 359 110	958 899 949
Revaluation reserves	1 997 295	2 297 295
Available-for-sale fair value reserve	89 537 952	107 868 065
Non-current liabilities	13 758 374	15 289 876
Retirement benefit obligations	13 733 176	14 132 359
Finance lease liability	25 198	1 157 517
Current liabilities	741 913 588	634 429 578
Personal medical savings account trust liability	505 350 174	389 792 054
Outstanding claims provision	93 152 215	96 651 335
Trade and other payables	143 411 199	147 986 189
TOTAL FUNDS AND LIABILITIES	1 891 566 319	1 718 784 763

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	2014 R	2013 R
Risk contribution income	3 252 291 798	2 786 908 768
Relevant healthcare expenditure	(2 908 206 940)	(2 474 663 281)
Net claims incurred	(2 913 833 546)	(2 471 537 326)
Risk claims incurred	(2 919 864 063)	(2 477 604 333)
Third party claims recoveries	6 030 517	6 067 007
Net income/(expense) on risk transfer arrangements	5 626 606	(3 125 955)
Risk transfer arrangement premiums paid	(117 381 549)	(117 901 231)
Recoveries from risk transfer arrangements	123 008 155	114 775 276
Gross healthcare result	344 084 858	312 245 487
Managed care management services	(52 365 003)	(52 102 564)
Broker service fees and other distribution fees	(62 249 860)	(43 002 510)
Administration expenses	(252 226 599)	(241 249 934)
Net impairment losses on healthcare receivables	(4 108 383)	(3 898 178)
Net healthcare result	(26 864 987)	(28 007 699)
Other income	146 676 971	104 415 747
Investment income	138 347 957	99 295 444
Scheme	115 169 496	84 860 239
Personal medical savings account trust monies invested	23 178 461	14 435 205
Other operating income	8 329 014	5 120 303
Other expenditure	(34 352 823)	(22 271 548)
Interest paid on personal medical savings trust accounts	(23 178 461)	(14 435 205)
Interest paid	(180 061)	(340 304)
Asset management fees	(6 999 451)	(5 501 022)
Own facility expenditure	(3 946 590)	(1 765 819)
Other losses	(48 260)	(229 198)
NET SURPLUS FOR THE YEAR	85 459 161	54 136 500
Other comprehensive income	(18 630 113)	9 055 582
Fair value adjustment on available-for-sale investments	37 144 917	42 626 743
Reclassification adjustment on realised gains	(55 475 030)	(33 571 161)
Impairment recognised against revaluation reserve	(300 000)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	66 829 048	63 192 082

**STATEMENT OF CHANGES IN MEMBER'S FUNDS AND RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Accumulated funds	Revaluation reserve	Available-for- sale fair value reserve	Total members' funds
	R	R	R	R
Balance as at 31 December 2012	781 336 281	2 297 295	98 812 483	882 446 059
Net surplus for the year	54 136 500	-	-	54 136 500
Additional amounts recognised from business combinations during the year	123 427 168	-	-	123 427 168
Other comprehensive income	-	-	9 055 582	9 055 582
Fair value adjustment on available-for-sale investments	-	-	42 626 743	42 626 743
Realised gains on available-for-sale investments	-	-	(33 571 161)	(33 571 161)
Balance as at 31 December 2013	958 899 949	2 297 295	107 868 065	1 069 065 309
Net surplus for the year	85 459 161	-	-	85 459 161
Impairment recognised against revaluation reserve	-	(300 000)	-	(300 000)
Other comprehensive income	-	-	(18 330 113)	(18 330 113)
Fair value adjustment on available-for-sale investments	-	-	37 144 917	37 144 917
Realised gains on available-for-sale investments	-	-	(55 475 030)	(55 475 030)
Balance as at 31 December 2014	1 044 359 110	1 997 295	89 537 952	1 135 894 357

SOLVENCY RATIO

	2014	2013
	R	R
Total members' funds per statement of financial position	1 135 894 357	1 069 065 309
Unrealised loss on revaluation of investment property in the statement of comprehensive income	600 000	600 000
Revaluation reserves	(1 997 295)	(2 297 295)
Available-for-sale fair value reserve	(89 537 952)	(107 868 065)
Accumulated funds per Regulation 29	1 044 959 110	959 499 949
Gross contributions	3 874 697 957	3 282 345 771
Solvency margin (accumulated funds/gross contributions x 100)	26,97%	29,23%

OPERATIONAL STATISTICS PER BENEFIT OPTION

2014	Beat1	Beat2	Beat3
Members at 31 December	4 854	19 038	7 134
Average number of members for the accounting period	4 560	17 732	7 128
Dependants at 31 December	4 912	20 051	7 539
Average number of dependants for the accounting period	4 576	18 639	7 408
Average beneficiaries for the accounting period	9 136	36 372	14 535
Ratio of average dependants at 31 December	1,00	1,05	1,04
Average age of beneficiaries for the accounting period	35,03	29,50	35,89
Ratio of beneficiaries older than 65 years	6,97%	2,85%	10,62%
Risk contribution per average member per month	1 582	1 512	2 313
Risk contribution per average beneficiary per month	790	737	1 134
Healthcare expenditure per average member per month	1 037	1 281	1 835
Healthcare expenditure per average beneficiary per month	518	625	900
Relevant healthcare expenditure as a percentage of risk contributions	65,6%	84,8%	79,3%
Non-healthcare expenditure per average member per month	340	344	350
Non-healthcare expenditure per average beneficiary per month	170	168	172
Non-healthcare expenditure as a percentage of risk contributions	21,47%	22,73%	15,14%
Net healthcare result	11 219 202	(24 116 907)	10 910 502
Net surplus (deficit) for the year	13 728 170	(12 901 091)	17 814 414

2013	Beat1	Beat2	Beat3
Members at 31 December	4 242	16 036	7 052
Average number of members for the accounting period	3 837	14 716	6 926
Dependants at 31 December	4 057	16 698	7 339
Average number of dependants for the accounting period	3 711	15 126	7 129
Average beneficiaries for the accounting period	7 548	29 842	14 055
Ratio of average dependants at 31 December	0,97	1,03	1,03
Average age of beneficiaries for the accounting period	34,54	29,13	35,87
Ratio of beneficiaries older than 65 years	6,39%	2,64%	10,78%
Risk contribution per average member per month	1 426	1 377	2 109
Risk contribution per average beneficiary per month	725	679	1 039
Healthcare expenditure per average member per month	1 046	1 086	1 731
Healthcare expenditure per average beneficiary per month	532	536	853
Relevant healthcare expenditure as a percentage of risk contributions	73,4%	78,9%	82,1%
Non-healthcare expenditure per average member per month	316	318	339
Non-healthcare expenditure per average beneficiary per month	161	157	167
Non-healthcare expenditure as a percentage of risk contributions	22,16%	23,11%	16,06%
Net healthcare result	2 946 198	(4 830 553)	3 277 334
Net surplus (deficit) for the year	4 589 296	2 312 353	8 557 558

Beat4	Pace1	Pace2	Pace3	Pace4	Pulse1	Pulse2	Total Scheme
5 272	26 222	11 327	6 739	4 036	5 138	1 182	90 942
5 339	26 490	11 440	6 797	4 108	5 466	1 209	90 269
6 117	37 004	10 553	7 500	2 974	3 893	417	100 960
6 218	37 053	10 749	7 631	3 071	4 217	437	99 999
11 557	63 543	22 189	14 428	7 178	9 682	1 646	190 266
1,16	1,40	0,94	1,12	0,75	0,77	0,36	1,11
41,56	34,02	49,13	47,61	55,55	37,82	72,03	37,75
14,09%	6,78%	28,35%	25,63%	36,02%	13,00%	79,11%	12,54%
3 408	2 930	4 342	4 756	6 585	1 915	4 304	3 002
1 574	1 221	2 239	2 240	3 769	1 081	3 161	1 424
3 514	2 573	4 082	4 224	6 144	1 457	5 197	2 685
1 623	1 073	2 104	1 990	3 516	823	3 817	1 274
103,1%	87,8%	94,0%	88,8%	93,3%	76,1%	120,8%	89,4%
307	366	324	333	322	331	290	342
142	152	167	157	184	187	213	162
9,00%	12,48%	7,46%	6,99%	4,89%	17,26%	6,74%	11,41%
(26 480 223)	(2 917 196)	(8 777 257)	16 257 271	5 869 171	8 341 727	(17 171 277)	(26 864 987)
(18 558 532)	31 679 095	11 544 728	29 963 288	15 567 716	11 982 661	(15 361 288)	85 459 161

Beat4	Pace1	Pace2	Pace3	Pace4	Pulse1	Pulse2	Total Scheme
4 409	25 461	11 681	7 043	4 467	6 452	1 341	88 184
1 481	24 708	11 732	7 080	4 457	5 941	1 370	82 248
5 148	35 507	11 189	8 168	3 481	5 449	530	97 566
1 730	34 465	11 322	8 263	3 499	4 937	555	90 737
3 210	59 174	23 054	15 342	7 956	10 878	1 925	172 984
1,17	1,39	0,97	1,17	0,79	0,83	0,41	1,10
40,61	34,30	48,34	46,26	53,78	35,63	70,62	37,84
12,12%	6,82%	26,90%	23,25%	32,57%	10,25%	76,59%	12,49%
3 114	2 667	3 983	4 381	6 199	1 705	4 289	2 824
1 437	1 114	2 027	2 022	3 473	931	3 052	1 343
2 756	2 390	3 698	3 678	5 528	1 701	5 055	2 507
1 271	998	1 882	1 697	3 097	929	3 598	1 192
88,5%	89,6%	92,8%	84,0%	89,2%	99,7%	117,9%	88,8%
301	370	348	357	371	311	311	345
139	154	177	165	208	170	221	164
9,66%	13,87%	8,73%	8,15%	5,98%	18,22%	7,25%	12,21%
1 026 252	(27 511 031)	(8 823 723)	29 382 728	16 086 231	(21 844 731)	(17 716 404)	(28 007 699)
2 756 726	(2 141 156)	7 683 505	40 748 180	24 383 982	(18 801 998)	(15 951 946)	54 136 500

OPERATIONAL STATISTICS FOR THE SCHEME

	2014	2013
	R	R
Average accumulated funds per average member at 31 December	11 569	11 659
Average accumulated funds per average beneficiary at 31 December	5 489	5 543
Return on investments as a percentage of investments	7,70%	6,10%
Managed care expenses as a percentage of gross contributions	1,35%	1,59%
Administration expenses as a percentage of gross contributions	6,51%	7,35%

INVESTMENTS OF THE SCHEME

Main categories of investments of the Scheme and the average return per category

Scheme	Fair value at 31 December 2014 R	Average return for the 3 years ended 31 December 2014
Segregated portfolio	709 832 920	12,1%
- Equity	232 345 894	
- Money Market funds	205 719 399	
- Bonds	176 176 167	
- SA Listed Properties	68 655 149	
- Commodities - Gold, Platinum and Palladium	7 667 832	
- International Fixed Interest Instruments	19 268 479	
Linked Insurance Fund policies	309 022 017	8,2%
- Equity	60 568 315	
- Money Market funds	184 795 166	
- Bonds	34 919 488	
- SA Listed Properties	12 669 903	
- Commodities - Gold, Platinum and Palladium	16 069 145	
Money Market funds	233 999 802	6,0%
	1 252 854 740	8,8%
	Fair value at 31 December 2014 R	Average return for the 2 years since inception, ended 31 December 2014
Members' personal medical savings account trust monies invested		
Money Market funds	327 298 033	5,3%

PERSONAL MEDICAL SAVINGS ACCOUNT

TRUST MONIES

Members' personal medical savings accounts constitute trust monies and are managed by the Investment Committee of the Board of Trustees on the members' behalf in terms of the Scheme Rules and are invested separately from the Scheme's investments.

The personal medical savings account trust liability contains a demand feature in terms of Regulation 10 of the Medical Schemes Act that any credit balance on a member's personal medical savings account must be taken as a cash benefit when the member terminates his or her membership of the Scheme or benefit option, and then enrolls in another benefit option or

medical scheme without a personal medical savings account or does not enroll in another medical scheme.

Interest earned on all personal medical savings account funds invested as cash and cash equivalents and available-for-sale investments are allocated to members' personal medical saving account balances, and are not recognised as income for the Scheme. The Scheme does not charge interest on debit personal medical savings plan balances and advances on personal medical savings accounts are funded by the Scheme and are included and disclosed in trade and other receivables.

Investment of personal medical savings account trust monies managed by the Scheme on behalf of its members

Cash and Cash Equivalents

Current accounts

161 217 156

Available-for-Sale Investments

Money Market funds

327 298 033

488 515 189

Fair value at 31 December 2014

R

NON-COMPLIANCE WITH MEDICAL SCHEMES ACT 131 of 1998, AS AMENDED

Profitability of benefit options - Non-compliance with Section 33(2)(b) of the Act

The Act stipulates that a benefit option shall be self-supporting in terms of membership and financial performance. During the year under review five benefit options of the Scheme, namely Beat2, Beat4, Pace1, Pace2, and Pulse2 made a net healthcare deficit. After accounting for other income only the Beat2, Beat4 and Pulse2 options showed a net deficit.

Although every effort is made to adhere to the Act some unpredictable factors occur that lead to benefit options not being profitable, such as adverse selection by members in the beginning of the year. The approach is always to endeavour that the Scheme as a whole maintains a sound reserve level and that there will be an ongoing effort to limit the loss per option or even eliminating it completely.

Contribution payments not received within three days of becoming due - Non-compliance with Section 26(7) of the Act

In terms of Section 26(7) of the Medical Schemes Act 131 of 1998, as amended, not all contributions were received within three days after payment thereof becoming due. The Scheme has policies

and procedures in place to suspend membership if payment is not received within three days of the due date.

Financial arrangements - Non-compliance with Section 35(8) of the Act

The Scheme indirectly holds assets in medical scheme administrators and participating employers through its investment portfolio, which is prohibited by Section 35(8) of the Act. This situation occurs industry-wide and subsequently, the Scheme obtained exemption during 2012 from this requirement from the Council for Medical Schemes.

Compensation to brokers - Non-compliance with Section 65(2) of the Act

Section 65(2) of the Act states that a medical scheme may only compensate brokers as prescribed by the Minister in respect of the amount of the compensation which, the category of persons to whom, the conditions upon which, and any other circumstances under which, a medical scheme may compensate any person.

Distribution fees amounting to R3 000 per month were paid to the brokerage Mozmed SA (Pty) Ltd over and above standard broker commission. These payments were an administrative error which occurred due to a change of ownership and

status of the brokerage which was previously a tied agent dedicated to the Scheme. Immediate action to recover these fees from the brokerage was initiated.

Lucille Le Goabe
Admin Assistant
Pharmaceutical Benefit Management

Member of the Bestmed family for 9 years. My claim to fame? I can read anything - and that means doctor's prescriptions too. Bestmed handed me the three most indecipherable scripts they had and I got the job after reading them. Oh, and I was the Face of the 80s when I modelled. But that was before motherhood. I love baking and cooking and walking with my children because I have so much energy. I also enjoy making people laugh so I guess my title 'office mimic' is correct.



GOVERNANCE IN TERMS OF THE MEDICAL SCHEMES ACT 131 OF 1998, AS AMENDED

The Council for Medical Schemes (CMS) performed a routine inspection on the Scheme during 2011 and a final report and directive emanating from the review was received in July 2013.

The Board agreed that in some instances the interests of members could be served more effectively by implementing revised control measures as was suggested by the report as issued by the CMS. The Board did not agree with a number of conclusions reached by the CMS and the subsequent directive issued as a result thereof and as a last resort legal action was sought.

The Medical Schemes Act stipulates that a medical scheme may not approach the High Court to resolve a dispute between itself and the CMS until it has exhausted all the prescribed internal processes for dealing with such a dispute. Accordingly, the Scheme lodged an appeal with the CMS against the findings in the CMS report and directive in 2013. It was subsequently confirmed that the findings and directives would be suspended until the appeal was heard.

On 13 November 2014, before the appeal was heard by the CMS, the CMS served notices on

nine of the twelve Trustees in terms of Section 46 of the Medical Schemes Act 131 of 1998, as amended removing them from office. The remaining three elected Trustees immediately filled the three vacancies of elected members in terms of the Rules of the Scheme and then six Trustees were appointed to fill the balance of the vacancies.

The newly constituted Board of Trustees decided to challenge the Section 46 removal decision by the CMS in the High Court based on the fact that it was done on facts and findings that was subject to an appeal to be heard by the very same body. The CMS lodged a counter application for curatorship stating that the newly constituted Board was invalid. The case was heard in December 2014 and judgment received on 13 February 2015.

The judgment was as follows:

- The newly constituted Board is valid
- There is no reason to appoint a curator
- The removal of nine Trustees is valid and the Scheme does not have the right to appeal against the report and finding any more

Both the Scheme and the CMS lodged an application to appeal against the judgment

during March 2015. The Scheme was of the opinion that the Court erred in its finding that the Scheme abandoned its appeal in terms of Section 49 of the Medical Schemes Act against the findings and directives of the routine inspection, whilst the CMS was of the opinion that the Court erred in its finding that the newly constituted Board is valid. Both of these applications were heard in April 2015 and both were turned down. The Board has subsequently decided to lodge a petition to appeal in the Supreme Court of Appeal. The outcome of the petition was not yet available on the date of this report.

During April 2015 the Scheme received communication from the General Manager: Compliance and Investigations Unit of the Council for Medical Schemes (CMS) indicating that the CMS received information on possible irregularities and contravention of the Medical Schemes Act by the Scheme. The Board views the allegations in a very serious light and has commissioned a forensic investigation into the allegations. The outcome of the investigation was not yet known on the date of this report.

BESTMED IN NUMBERS 2014

R 3 252 291 798

TOTAL RISK CONTRIBUTIONS FOR THE YEAR

R 85 459 161

NET SURPLUS FOR THE YEAR

 **984**
Babies born

542 GIRLS • 442 BOYS • 19 TWINS



**12 SPORTS
EVENTS**

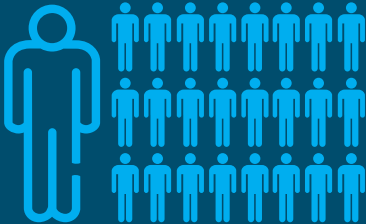
32 080 PARTICIPANTS



DEPENDANTS

100 960

1.11 Dependants per member



372 Employees
(Including temps)

8 EXECUTIVES • 22 MANAGERS

R

**R1 044 359 110
RESERVES**

26.97%

SOLVENCY RATIO



1061

AVE NEW MEMBERS MONTHLY

4.4%

MEMBERSHIP
GROWTH RATE PER YEAR

4 403
AVERAGE
HOSPITAL

ADMISSIONS AUTHORISED
PER MONTH (AMBULANCE)



PRINCIPAL MEMBERS

90 942

191 902 TOTAL LIVES COVERED



757 113
Calls received

14 560 Average amount of calls received
by Call Centre per week

82% Call Centre
service rate



37.75 YEARS OLD
AVERAGE AGE
OF BENEFICIARIES

12.54% OLDER THAN 65 YEARS

89.4%

HEALTHCARE EXPENDITURE OF RISK
CONTRIBUTIONS

11.41%

NON-HEALTHCARE EXPENDITURE OF
RISK CONTRIBUTIONS

26 Preferred Service
Provider Network

1 373

Contracted brokers
389 Individual contracted brokers

R R 2 908 206 940
CLAIMS PAID

Paper submissions 1.76 days • Electronic submissions 1.05 days

4 019 566
E-mails received

2 870 469
E-mails sent

562 912

WEBSITE VISITS
AVG MONTHLY 46 909

9.6%

NON-HEALTHCARE COST

Disclaimer:

Whilst Bestmed has taken all reasonable care in compiling the Highlights of Bestmed's Financial Statements, we cannot accept liability for any errors or omissions contained herein. Please note that should a dispute arise, the audited Financial Statements in Bestmed's Annual Report 2013 which will be available on our website shall prevail. Please visit www.bestmed.co.za for the complete liability and responsibility disclaimer for the Bestmed Medical Scheme Annual Report as well as our terms and conditions.

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