

**Minutes of the 17<sup>th</sup> Annual General Meeting held at 12h00 24 June 2021 at ANEW Hunters Rest Hotel, R24 Rustenburg Rd, in Rustenburg with access via ZOOM**

**Curatorship Team Present**

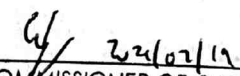
Mr. I Fleming	Chairman/Curator
Mr. I Fuller	Curatorship Team

**Members Present**

Members attended at the venue:	57 Members
Zoom Webinar Attendees:	5 members verified
Zoom webinar from Daybreak:	19 members verified
Proxies received:	20 Proxies received
Observers and service providers:	External Auditor: Strachan & Crouse Council for Medical Scheme (CMS) -Senior Compliance Officer: Compliance & Investigations

The Elexions Agency (Pty) Ltd

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THE ORIGINAL  
GESERTIFISEER 'N WARE AFSKRIF  
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\_\_\_\_\_  
COMMISSIONER OF OATHS  
ERNA JANSEN CA(SA)  
SAICA REF. NO: 08100341  
COMMISSIONER OF OATHS (RSA)  
7 LUTMAN STR., RICHMOND HILL  
PORT ELIZABETH, 6001

## 1. WELCOME AND CONFIRMATION OF A QUORUM

Mr Fuller welcomed everyone present at the 17th Annual General Meeting of Thebemed.

A quorum was confirmed at 12:10 and the meeting was constituted and continued.

## 2. INTRODUCTION OF KEY STAKEHOLDERS

Mr Fuller thanked all the members who have taken their time to attend the meeting at the venue and those who joined via zoom webinar online. He further introduced the key Stakeholders in attendance as follows:

- Council of Medical Scheme,
- External Auditors,
- Employer and employee representatives,
- Thebemed Administrator
- The EleXions Agency who have been commissioned to conduct the election process of the members' elected trustees.

Mr Fuller further advised that these were exciting times for the Scheme since it is at the point of ending the curatorship and handing over control of the Scheme to the elected board of trustees, who in turn will elect the Principal officer of the Scheme.

## 3. PROCEDURE FOR VOTING AND ASKING QUESTIONS

### *Finalization of the board of trustee process*

Mr Fuller requested Bontle Mpakanyane from The EleXions Agency to explain the voting process which was done in English, Zulu and Sotho. Bontle Mpakanyane advised that they have been commissioned to conduct the ThebeMed Board of Trustees elections which had already started in March and April 2021 from nominations, consolidation of nominations as well as compiling a list of candidates.

She further stated that throughout the process, all members were sent emails (those that have emails) and SMS with a link which took them to the Scheme website to read or download documents with information on the elections process which had 3 phases namely;

- Phase 1 was the nomination phase where members could nominate each other.
  - Return completed nominations via
    - Email to the advertised email address:

- Fax Number
- Nomination Boxes placed at the identified Pay Points where permission was given to leave boxes for members to deposit their duly completed forms
- Hand Delivery to The Elexions Agency offices in Johannesburg.
- The second phase was the pre-SGM/AGM phase where members were allowed to vote online via the web and via USSD by dialling a short code. Voting stations were set up at those Pay Points where permission was granted to The Elexions Agency for members to vote
- The third phase was the SGM/AGM voting where an opportunity given to members that were unable to vote pre-SGM/AGM.

Bontle Mpakanyane further explained that voting of candidates of choice would only be limited to members who were physically present at the AGM as well as those attending the meeting online via Zoom platform. In addition, everyone who registered to be at the AGM and had not voted previously would receive an email or an SMS link and be able to follow the prompts to vote for the two candidates.

The members present at the venue were granted opportunity to go to the voting hall and they needed to bring their ID and membership card to vote. The members attending via Zoom online could use the SMS or email link they received. A WhatsApp chat group number 0720242812 to send queries was shared as well as the USSD number (120\*912\*69#) which could be used for voting purposes.

She concluded by stating that membership cards can be used if the member does not have an ID book/card for identification and one member one vote principle will be adhered to. However, to avoid delaying the meeting proceedings, they will deal with member verification afterwards but write down the member details in a Register and those members to sign against those details.

#### **4. MEETING ADJOURNMENT FOR VOTING**

Mr Fuller adjourned the meeting to allow the voting process which took an hour and a half.

After concluding the voting process, Mr Fuller welcomed everyone back and advised that the voting outcome will be announced towards the end of the meeting, and that there will also be an opportunity for questions and answers. He welcomed the curator Mr Fleming to present the next items on the agenda.

**5. APPROVAL OF THE MINUTES OF THE PREVIOUS ANNUAL GENERAL MEETING HELD ON 31 JULY 2020**

The minutes of the previous Thebemed Annual General Meeting held on 31 July 2020 were included in the AGM pack and available on the Thebemed website and were taken as read.

There were no questions arising from the minutes. Mr Fleming asked for a proposer and seconder for adoption of the minutes which was proposed by Mr Mashabela Parys Pule (member 001037938) and seconded by Mr Lethola Hendrick Mokalanyane (Member 001086996). Mr Fleming confirmed the adoption of the previous AGM minutes.

**6. ADOPTION OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020, TOGETHER WITH THE REPORTS OF THE CURATOR AND AUDITORS.**

Mr Fleming asked for a proposer and seconder for the adoption of Thebemed financial statements for the year ending 31 December 2020. The motion was proposed by Mr Silverton Shabangu (Member 001044750) and seconded by Mr Moseitlhe William (Member 001099803). Mr Fleming confirmed the adoption of the audited financial statements for the year ended 31 December 2020.

**7. FINANCIAL PERFORMANCE FOR THE PERIOD 31 DECEMBER 2020.**

Mr Fleming presented the curator report included in the AGM booklet and highlighted the following:

- The Scheme's solvency ratio had recovered from 6.6% at the time curatorship commenced to 22.9% as at 31 December 2020 (2019: 9.4%).
- Risk contribution income was stable at R356.1 million (2019: R361.6 million) whilst relevant healthcare expenditure decreased by 11.4% to R268.0 million.
- During the same period non-healthcare expenditure decreased by 19.6% to R43.4 million or 12% (2019: 15%) of gross contributions.
- As a result, the Scheme recorded a surplus for the year of R50,8 million (2019: R9.6m). Members' funds as at 31 December 2020 stood at R89.1 million (2019: R38.4 million).
- Furthermore, the Scheme continues to enjoy a healthy member profile with an average age of 29 years and a pensioner ratio of 0.58%.
- Service levels have been maintained and all the Scheme's wellness and disease management programmes are assisting members in leading healthy and productive lives.
- In order to provide continuity, the curatorship team will continue to support the new Board of Trustees and its various sub-committees as well as the new Principal Officer for a period of six months. During this time there will be a comprehensive handover of all duties and responsibilities, training will be arranged for the trustees and knowledge sharing with the Principal Officer will take place.

Mr Fleming emphasised the impact the Corona Virus had on the Scheme. He mentioned that during 2020 the Scheme spent R2.3 million on testing and R7.3 million on hospital admissions as a direct result of the pandemic and continues to do so. Fortunately, as members and their families became more health conscious and took extraordinary precautions to protect themselves, the overall claims experience of the Scheme improved. Thebemed has continued to improve its financial health during 2021 and as at 30 April 2021 its solvency ratio had improved further to 27,4% and members' funds are approaching the R100 million mark.

In closing, Mr Fleming thanked the members for their loyal support during this time of rebuilding the Scheme. He also thanked all the service providers for their continued support and sacrifices in ensuring that the Scheme's recovery was accelerated. Finally, he acknowledged the support and guidance received from the Registrar for Medical Schemes and his team, especially Avril Jacobs and Thamsanqa Diniso.

#### **8. APPOINTMENT OF THE AUDITORS OF THE SCHEME FOR THE ENSUING YEAR.**

Mr Fleming informed the attendees that he is proposing to continue with the services of Strachan and Crouse as the Scheme auditors for the current financial year.

Mr Fleming requested for a proposer and seconder to adopt the appointment of the current financial year auditors. The motion was proposed by Mr Desmond Karabo Mojara (member 001106354) and seconded by Mr Silverton Shabangu (member 001044750). The motion to appoint Strachan and Crouse as the Scheme current year auditors was confirmed by Mr Fleming

#### **9. OPERATIONAL REPORT**

Rose Kharibe presented the Thebemed Operations report for the period from January 2020 to December 2020 and highlighted the following;

*Scheme Membership*- Scheme membership declined to 11 395 at the end of 2020. She emphasised that it was during the period when the Scheme financials were under strain and the focus was on member retention and not on growth. Although most options experienced minimal impact, Energy option experienced the highest membership loss. *Membership distribution* -: 43% of the members are from North West Province followed by Mpumalanga province.

*Claims Ratio*: The claim ratio target was 84% and overall, the Scheme managed to perform better than target and this could be attributed to the interventions implemented by the administrator particularly the tariff negotiations with hospital groups and other managed care interventions. Covid 19 lockdown also resulted in a decrease in the number of hospital admissions.

*The call centre management:* The call centre improved on the drop calls percentage from 12.8% in quarter 1 2020 to 1.96% in quarter 4 2020. Call per member was at 0.3 in quarter 4 as compared to the target of 0.5.

- *Assessing indicators:* The percentage of claims received electronically was at 98% and on average, claims were paid within a week of receipt.

*Membership indicators:* The membership average turnaround time was 3 days compared to the CMS requirement of 30 days and the accuracy of membership processing was an average of 99%.

## 10. GENERAL QUESTIONS

No questions were raised by Thebemed members.

## 11. ANNOUNCEMENT OF THE ELECTION RESULTS

Mr Fuller requested Bontle Mpakanyane to announce the results of the two member-elected trustees.

Bontle Mpakanyane advised that there were 22 members attending online via Zoom and 46 physically in attendance at the venue. Only one member voted online.

She further announced that the two member-nominated trustees with highest votes were Dijo Motupatsi Steven and Pule Mahlabela Parys

After congratulating the new member-elected trustees and introducing Mr Pule Mahlabela to the meeting (Mr Dijo Motupatsi was not in attendance), she concluded by stating that she will submit a final report to the curator in due course.

Mr Gert Meiring the external auditor appointed to observe the voting and counting processes confirmed that everything went smoothly and therefore, he approved the results announced by the EleXions Agency.

## 12. VOTE OF THANKS

Dr Mahlaba from Momentum TYB explained that as the administrators of ThebeMed since inception, they have been through many milestones with the Scheme and the curatorship was one of the low points. He thanked the Scheme curatorship team, Mr Ian Fleming, the curator and Mr Ian Fuller, who performs the role of Chief Operation Officer, for their cooperation, the trust relationship developed and their guidance. He confirmed that indeed, the Scheme has done well in many areas with their guidance.

He further thanked the EleXions Agency for managing the trustee voting process despite the challenges imposed by the Covid 19 pandemic.

Dr Mahlaba thanked the Momentum TYB team in coordinating everything on an administrative level.

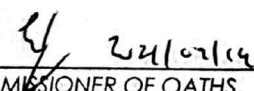
He further thanked Madladla Consulting team who are responsible for distribution management, sales and retention of Scheme membership.

In conclusion, Dr Mahlaba continued to thank the members of the Scheme at the venue and online as well as the labour movement for their support throughout even during the curatorship season. He emphasised that they were the reason behind the formation of the Scheme, which wanted to ensure that the healthcare of workers and their families is optimised.

## 12. CLOSURE

With no further questions received, Mr. Fuller thanked everyone for attending and adjourned the meeting at 14:15pm.

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