

BANK MED
AGM
—
2021

RESPONSES TO QUESTIONS NOT PUBLISHED BY THE END OF THE AGM

1. “You respond by ignoring seconded proposals from the floor, and not even publishing motions, let alone allowing members to vote on them!”

Part of the presentation by the Principal Officer at the AGM spoke specifically to Notices of Motions, with reference to the relevant provisions in the Scheme Rules. Although the Principal Officer chose not to dwell on the nuances of a “motion”, he made a point about the submissions made, as “notices of motions”, being of such a nature that they could not be voted on at the AGM. This notwithstanding, a very comprehensive document that was sent to members ahead of the AGM, on 18 June 2021, which included the submissions and responses thereto, was summarized in the Principal Officer’s presentation at the AGM. So, the Principal Officer also addressed the submissions from members at the AGM.

With regard to the proposal made, in response to a recommendation for the re-appointment of PricewaterhouseCoopers (PwC) as the auditor for the ensuing year, responses (including the Chairman’s response) were provided. It is accepted that the responses given may not always be to the absolute satisfaction of all attendees, but they reserved their right to vote on the recommendation. The recommendation made was duly voted on, and an overwhelming majority approved the recommendation for PwC’s re-appointment. The Scheme considers all issues raised seriously, and careful consideration is always given by the Audit Committee, and then by the Board of Trustees before a recommendation on the appointment of the auditor is made.

2. “Please give me the paragraphs that are in the act about trustee payments. If there is a policy, why can't the policy be changed, to avoid non-performing trustees being treated the same.”

Section 57 of the Medical Schemes Act outlines (amongst other provisions) the duties and responsibilities of the board of trustees. Section 26, paragraph 2, of the Medical Schemes Act specifies that “No person shall have any claim on the assets or rights or be responsible for any liabilities or obligations of a medical scheme, except in so far as the claim has arisen or the responsibility has been incurred in connection with transactions relating to the business of the medical scheme.”



Rule 18.16.1 of the Scheme Rules states that “Members of the Board shall be entitled to such remuneration, honorarium and other fee in respect of services rendered in their capacity as members of the Board as may be determined by the Board from time to time.”

Rule 19.26 of the Scheme Rules states that “The Board of Trustees’ total remuneration must be established through an independent process and annual increases must be approved by the members at the AGM.”

With reference to the above, the Board’s remuneration was established independently. The determination by the Board, as required by Rule 18.16.1 is as reflected in the policy that was shared with the members (included in the AGM booklet). The Board, at a meeting held on 23 June 2021, considered the proposal for special compensation for trustees “who go the extra mile”, and did not support this (and this was relayed at the AGM).

As reflected above, rule 19.26 also requires annual increases to be approved by the members at the AGM. The annual increase was proposed at the AGM, and the members approved what was proposed.

It is appreciated that there may very well be trustees who “go the extra mile” (and all Bankmed trustees are very committed), but the Board’s collective stance on this suggests that there is no expectation for any special compensation over and above what is in the policy (together with the increases approved by the members at the AGM).

3. “The Request for additional cover for Prescribed Minimum Benefit (PMB) Chronic Disease List (CDL) conditions 2021 specifically forces a member to give Discovery Health (Pty) Ltd to use our communication details for all future communication.”

There is a form on the Bankmed website that specifically forces a member to allow Discovery Health (Pty) Ltd to use the members contact details for all future communication. This is Bankmed's wording on the document, not mine. (in relation to question above)”; and

“We have not permitted the Discovery name to be used in other Communication”. Nonsense.”

Discovery Health (Pty) Ltd, as Bankmed’s administrator, plays a supportive role in the Scheme’s communication, and acts on behalf of Bankmed in communication sent to members. The clause is included as a POPIA requirement to obtain express consent from a member to communicate special personal information through both organisations as they are two separate legal entities that will handle information. Discovery (Pty) Ltd systems and people handle the communication which is why both entities are referred to. Refer to the Privacy Statement for further confirmation.