**MEDIA STATEMENT**

**COMMITTEES ON HEALTH AND PUBLIC SERVICE COMMISSION ARE WAITING FOR  FINAL REPORT ON SECTION 59 INVESTIGATION**

**Parliament, Tuesday, 23 February 2021** – The Joint Meeting of the Portfolio Committee on Public Service and Administration, and the Portfolio Committee on Health received a briefing today from the Government Employee Medical Scheme (GEMS) and the Council for Medical Schemes (CMS) on the Section 59 Investigation Interim Report on the inquiry into allegations of unfair racial discrimination and procedural unfairness by medical schemes.

The preliminary findings of the Section 59 investigation which found that medical schemes (Government Employees Medical Scheme, Discovery and Medscheme) racially profiled black health practitioners so that they do not enjoy the same benefits with other races when claiming for the rendered healthcare services.

The National Healthcare Professionals Association (NHCPA) and Solutionist Thinkers, had in May 2020, alleged that their claims were withheld based on their race and ethnicity. The investigating panel led by Advocate Tembeka Ngcukaitobi, found that there was “unfair racial discrimination” against black practitioners and they were classified as having committed fraud, waste and abuse of the medical schemes.

The committees heard from the Medical Schemes Council that this report is an interim report which is still under the custody of the investigating panel which has called for inputs from all the interested and affected parties to be submitted by the 5th of March 2021. The investigating panel will then consider all the inputs and will release the final report.

The committees also heard from Dr Stan Moloabi of GEMS, that inequality is a worldwide problem and that GEMS will not be defensive and undertake to analyse the Section 59 Interim Report, and will submit their report on the findings once the investigation is finalised.

The committees further questioned GEMS on the alleged corruption involving R300 million which GEMS has responded by saying that the impact of fraud nearly caused the scheme to collapse in 2016. GEMS reported that seven employees have been suspended, five have resigned and contracts with seven service providers have been terminated. The committees applauded GEMS for the manner in which the scheme has dealt with fraud and corruption.

Dr Dhlomo informed the committees that the Section 59 Investigation Panel together with CMS as well as the other two medical schemes (Discovery and Medscheme) that were mentioned in the interim report, will be invited by the committees to come to present the final report  to the committees.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON PUBLIC SERVICE AND ADMINISTRATION, MR TYOTYO JAMES, AND THE CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON HEALTH, DR SIBONGISENI DHLOMO.**