

RESOLUTION: 4 OF 2017

**AGREEMENT ON THE REVIEW OF THE GOVERNMENT EMPLOYEES MEDICAL
SCHEME (GEMS)**

1. OBJECTIVE

To ensure ongoing medical cover to public servants that enhances the overall bettering of the healthcare in the public service, within an affordable range and within an effective and representative governance model.

2. SCOPE

- 2.1 This agreement binds the parties to the Council.
- 2.2 This agreement applies to the employer and the employees who-
- (a) are employed by the State, and
 - (b) fall within the registered scope of the PSCBC.

3. NOTING

- 3.1 The medical scheme for public servants known as the Government Employees Medical Scheme (GEMS) was established by resolution of the Public Service Coordinating Bargaining Council (PSCBC), Resolution 1 of 2006;
- 3.2 The Government Employees Medical Scheme (GEMS) must provide ongoing, accessible medical cover to members of the scheme;
- 3.3 The scope of the scheme is restricted as to recruit membership exclusively within the public service;
- 3.4 The PSCBC constitutes of parties as defined in section 35 of the Labour Relations Act 66 of 1995, as amended, representing those employees who are also legible to be exclusive members of the scheme, on determining conditions of service;

Public Service Bargaining Centre, 260 Basden Ave, Lyttelton, Centurion, Pretoria, 0176

P.O. Box 3123, Lyttelton South, 0176

Tel: (012) 644-8100 • Fax: 086 619 7884

E-mail: info@pscbc.org.za • Website: <http://www.pscbc.org.za>

All correspondence must be addressed to the General Secretary of Council



- 3.5 The PSCBC notes the provisions of the Medical Schemes Act, 131 of 1998 as amended, in as far as it refers to the election of members of the board of a medical scheme, in as far as it requires representativeness of the members of the scheme;
- 3.6 The PSCBC notes the provisions of the rules of the GEMS that gives effect to the provisions of the Medical Schemes Act, 131 of 1998 as amended, regulating the nomination election, and the process for electing board members;
- 3.7 The PSCBC notes the report from GEMS on the unsatisfactory member turn out during election of board members and thus resulting in the insufficient representation of the majority of members of GEMS on the board; and
- 3.8 The PSCBC noted the announcement of the Chairperson of GEMS at the Annual General Meeting of the scheme held on the 31st July 2017, as to the board decision to amend the rules for representation of members to the board.

4. AGREEMENT

- 4.1. Parties agree that this resolution will conclude the intended performance review of GEMS as envisaged in PSCBC Resolution 3 of 2015;
- 4.2. Parties agree to establish a working committee, that will consider the performance of the scheme on an ongoing basis;
- 4.3. The working committee would be required to meaningfully consult on the following;
 - 4.3.1. Strategic direction of the scheme;
 - 4.3.2. The efficiency of the administration of the scheme;
 - 4.3.3. Consider and receive reports on the financial sustainability of the scheme;
 - 4.3.4. Considering the scheme benefit offering relative to other schemes in the market;
 - 4.3.5. Consider the bettering of the member benefit structure;
 - 4.3.6. Receiving and consider reports on membership satisfaction; and
 - 4.3.7. To consider and assist with ongoing membership education and recruitment.
- 4.4. The working committee would comprise of 4 members from the employer, 4 members from the admitted trade unions in Council and 4 representatives from GEMS as designated by the board;
- 4.5. The Principal Officer of GEMS and the General Secretary of the PSCBC will ex-officio be members of the working committee;

MCC
21
zk

- 4.6. The working committee must meet at least 4 times per year;
- 4.7. The working committee must report back to the Council of the PSCBC on a quarterly basis; and
- 4.8. The PSCBC and GEMS will agree to provide permanent secretarial support to the working committee.

5. GOVERNANCE OF THE SCHEME

5.1. Parties agree to ensure proper representation of the membership of GEMS on the board the composition of the board would be made up of 12 members;

5.2. Those members to be appointed as follows;

- 5.2.1. 6 members appointed by the Minister for Public Service and Administration;
- 5.2.2. 4 members appointed by the admitted trade unions to the PSCBC;
- 5.2.3. Trade Unions in appointing representatives to sit on the board, must follow a process of election from amongst their members, duly considering the individual constitutional requirements of those trade unions;
- 5.2.4. Members elected by the trade unions to sit on the board of GEMS, must be members of the scheme;
- 5.2.5. 2 independent members must be elected to the board, in terms of the procedure as outlined in the rules of the scheme, representing those members of the scheme, who may not necessarily be members of any of the trade union party admitted to the Council; and
- 5.2.6. The GEMS and PSCBC will exhaust all consultation and legal remedies in amending the rules of the scheme as per the provisions of the Medical Schemes Act, 131 of 1998 as amended.

6. DISPUTE RESOLUTION

If there is a dispute about the interpretation or application of this agreement any party may refer the matter to the Council for resolution in terms of the dispute resolution procedure of the Council.


Handwritten signatures and initials:
MC, [Signature], 31, [Signature] ZK, [Signature]

7. IMPLEMENTATION OF AGREEMENT


- 7.1. This agreement shall come into effect on the date it enjoys majority support and shall remain in force unless terminated or amended by agreement in writing;
- 7.2. GEMS and the PSCBC will collaborate in submissions to be made to the Registrar for medical schemes on amendment of the applicable rules within 30 days from the date this agreement enjoys a majority; and
- 7.3. The Council will monitor the implementation of this agreement.

THUS DONE AND SIGNED AT CENTURION ON THIS 5TH DAY OF DECEMBER 2017.


ON BEHALF OF THE EMPLOYER

| | Name | Signature | Date |
|-------------------|--------------|---|------------|
| STATE AS EMPLOYER | M.S. PHOENIX |  | 2017/11/24 |

ON BEHALF OF TRADE UNION PARTIES

| Trade Union | Name | Signature | Date |
|----------------------|------------------|--|------------|
| DENOSA | MORISE LETSATSIS |  | 04/12/2017 |
| HOSPERSA/NUPSAW/NATU | | | |
| NAPTOSA | | | |

| | | | |
|--------|-------------------|--|------------|
| NEHAWU | ZOLA SAPHETHA |  | 30/11/17 |
| POPCRU | UNATHI LA THELESI |  | |
| PSA | | | |
| SADTU | MUGWENA MALULEKE |  | 30/11/2017 |
| SAPU | TUMELO MOGOISENG |  | 05/12/2017 |


 51 - ZK
