OLDMUTUAL

OMSMAF
OLD MUTUAL STAFF MEDICAL AID FUND
Healthcare with heart

REPORT OF THE BOARD OF TRUSTEES TO MEMBERS FOR 2024

NOTICE OF THE
57TH
ANNUAL GENERAL MEETING

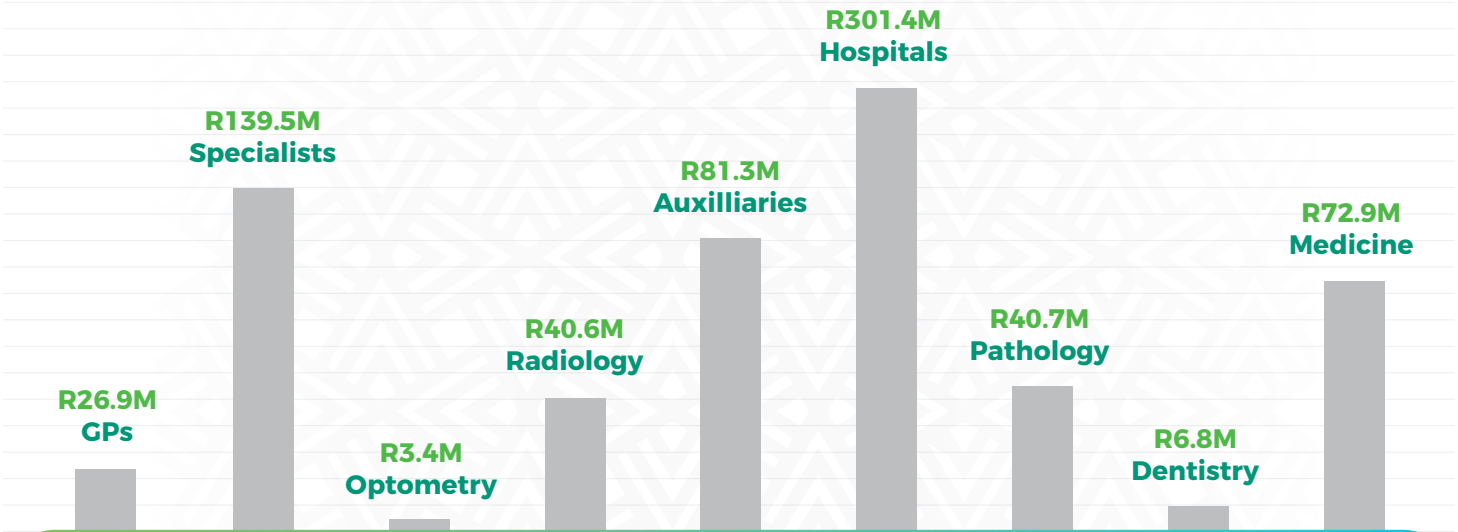
CONTENTS

Healthcare with **Heart**

OUR MEMBERS

NETWORK PLAN	HOSPITAL PLAN	SAVINGS PLAN	TRADITIONAL PLAN	TRADITIONAL PLUS PLAN
5 266	2 853	7 415	2 470	185

BENEFITS PAID



R713 826 233
Total Benefits paid in 2024

93%
OF CONTRIBUTIONS RETURNED AS BENEFITS

R766 647 852
TOTAL CONTRIBUTIONS COLLECTED IN 2024

OUR FINANCIALS

R340 185 665
RESERVES

R38 486 447
INVESTMENT INCOME

R23 525 067
OPERATING SURPLUS

Solvency ratio

39.9%

(14.9% more than the required level of 25%)

BEHIND THE SCENES

Average number of claims processed per day in 2024

4 002

2024

111 624
TOTAL CALLS
(APPROXIMATELY 6% MORE THAN 2023)

53 040
TOTAL EMAIL ENQUIRIES
(APPROXIMATELY 22% MORE THAN 2023)

CHAIRMAN'S REPORT

As the Chairman of the OMSMAF Board, I have written a number of these reports over the years, and in reflection I can see how the Fund has managed to adapt and adjust to the constant changes. This is one of OMSMAF's key success factors. The Trustees, whether Member-elected, or Employer-appointed, have a vested interest in the sustainability of the Fund.

Trustees show heart and passion for our members by applying and sharing their experience and skills selflessly for the betterment of the Fund. It's a tangible example of our Fund's credo, ***'Healthcare with Heart'***.

One of the larger supermarket chains used to have a slogan "trolley for trolley, you won't pay more". Confidently promoting the value that they provided to their customers and almost challenging them to put it to the test. Well if I was to try to draw a parallel with the medical scheme's environment, I would have to say that Rand for Rand you would be hard pressed to find better value. For every Rand our members pay in contributions, the Fund pays out 93 cents for healthcare expenses.

With 93 cents in every rand received paid out in healthcare expenditure, the Fund needs to ensure it runs extremely efficiently to cover administration and other services, as well as solvency reserves, from the remaining 7 cents. The Trustees were mindful of this in budgeting for the various benefits, relying on positive investment returns to help meet some of the many requirements of administering and operating a medical fund.

I would like to touch on some of these external factors that impact the pricing and how the Fund has addressed these various factors.

REGULATORY REQUIREMENTS

The implementation of the IFRS 17 accounting standard at the end of the prior financial year was a complex and expensive exercise. We managed to reduce the implementation costs, by leveraging the purchasing power of our Administrator. Other costs imposed by the Fund's External Auditors prompted the Board to re-evaluate their services to the Fund.

ECONOMIC FACTORS AND SOLVENCY

In my previous report I spoke about the pent-up demand for medical procedures that were delayed due to COVID-19. Fortunately, we have seen these tailing off and our operating position has normalised to dealing with the everyday needs of our members.

Our Member's daily needs are still influencing the healthcare budget negatively by the continually growing burden of disease and medical inflation. Medical inflation is driven by multiple factors, such as rising professional costs, imported medical machinery, a shortage of skills and the practising of defensive medicine due to increasing medico-legal costs.

CONTRIBUTIONS AND BENEFITS

The one factor within your control is your own health. Healthier members equals a lower burden of disease, lower claims and therefore lower contributions.

To help members to get healthier and/or to remain healthy, the Fund aims to reward members with additional benefits for taking the time to "know their numbers" and identify their health risks. Early detection can often improve patient outcomes and reduce the long term costs of treatment.

Please use these benefits to help us turn the tide and reduce contribution increases.

INVESTMENTS

The Fund's investments are performing well, delivering returns in line with our expectations.

MEMBER EXPERIENCE AND ENGAGEMENT

Our Members' experience remains our highest priority, and we thank those of you who participated in the annual member satisfaction survey. We were pleased to see that we had improved on the previous overall satisfaction score and achieved an overall satisfaction level of 73%.

We worked closely with the Employer to introduce a fully integrated electronic application. Members are now able to add and remove dependants, and submit plan changes, via the Workday system. We hope that these enhancements will further improve member satisfaction.

NATIONAL HEALTH INSURANCE (NHI)

The Fund continues to support the Government's intent to introduce National Health Insurance, ensuring everyone has access to quality universal healthcare coverage. The initiative is definitely noble and will require a concerted amount of work to achieve its full fruition and in addition, it would require substantial funding. We will continue to monitor, support and provide input through various platforms as we await the funding models from Government Treasury. Given the current global economic position and the challenges around the approval of the 2025 National Budget, it will be some time before we see significant milestones achieved in this endeavour.

FOND FAREWELL AND WARM WELCOME

As I have already mentioned change is constant, and towards the end of 2024 we had to say goodbye to two of our Trustees, Tracey le Roux and Yolanda Adams. We thank them for their contribution to the Fund and wish them well in their endeavours.

It is with great pleasure that we warmly welcome Tanya Motlafe and Dalene Sechele as Trustees. We are sure that they will bring a fresh perspective and contribute to the success of the Fund.

We have also recently been advised that one of our Member-elected Trustees, Lancelot Osburn, will be leaving Old Mutual's employ at the end of July. Lance was instrumental in assisting the Fund with its current benefit structure many years ago and whilst Lance rejoined the Board for a very short tenure, his contributions have already been felt. We wish Lance all the best with his new chapter and hope to be able to avail ourselves of his services in future. We will follow the regulated procedures for replacing Lance with one of our Alternate Trustees and look forward to welcoming them to the Board.

The Board of Trustees is proposing the appointment of a new External Auditor for the ensuing year, which is in line with our Procurement Policy. In pre-empting the approval of the motion, we thank our outgoing Auditors, PwC, and welcome BDO, one of the big five firms, as the new incumbent. In BDO'S proposal to the Board, they demonstrated an intent to provide the Fund with a focused service as they value the Fund as a blue-chip client.

A NOTE OF THANKS

In closing, I wish to thank all the Trustees and co-opted Committee members, the Principal Officer, Pamela Botha, and her team and our Administrator and their staff, as well as all of our Service Providers for looking after us. Lastly, and most importantly, I would like to thank you, our members, for taking care of your health and wellbeing responsibly and pro-actively. Thank you as well for your continued dedication and contribution to the success of the Fund.

PRINCIPAL OFFICER'S REPORT

It's always a good idea to stop every now and again and take stock of where we are at, what we have achieved and whether we are reaching the goals we have set for ourselves. And no more so than when reviewing the Old Mutual Staff Medical Aid Fund's performance over the past year. In the same way that we are encouraging all of our Members to do their Health Risk Assessments and to know their numbers, I too have conducted a Health Risk Assessment of OMSMAF to establish an overview of the Fund's health and the collective state of health of our Members, and I am really pleased to say that we are achieving our mission of providing *'Healthcare with Heart'*.

I'll be the first to admit that there is (and always will be) room for improvement – after all, the goalposts should keep shifting. But I am confident that if we all work together and focus on keeping ourselves informed of benefits on offer across the various Plans and proactively take care of our health, that we can achieve great results for ourselves as Members and for our Fund.

Let's take a closer look at some of the success measures I mentioned:

MEMBERSHIP GROWTH

Our membership has grown steadily over the last year. The growth can be attributed to both the appointment of new Employees to Old Mutual as well as the acquisition of a new business into the group. Many of the new Members now have access to private medical aid for the first time and the feedback that we have had from these Members has been very encouraging. We have also welcomed a number of babies into our OMSMAF family during the year. We love seeing our OMSMAF family grow and with younger Employees joining the Fund it has reduced the average age of the Fund. A reality is that other schemes who do not grow with young membership, face an ageing membership and increased claims due to lifestyle diseases and other age-related conditions and treatments. Having said that, if we look after ourselves, screen for risks and take the necessary steps, we can improve our own longevity and the overall health of the Fund.

FUND GOVERNANCE

Much like healthy habits, good governance leads to good outcomes. Over the past year we have reviewed a number of policies and ensured that the Terms of Reference for each Sub-Committee are appropriate and up to date. My office continuously reviews the service received from all of our Contracted Providers and provides the Board with comfort that they not only provide the necessary value but also the focused service that we seek for our Members. Where this is not the case, the necessary corrective actions are put in place to address any material matters.

In line with our Procurement Policy, we have also reviewed the External Auditors appointed to the Fund and our Chairman has touched on this in his report. We will also be recommending the appointment of a new External Auditor to the Members at the Annual General Meeting.
The Fund has taken a firm approach on cost containment, and with the help of Universal Healthcare, our Administrator, has successfully negotiated very competitive tariffs with the various healthcare providers further streamlining our budget and positively impacting on contribution increases.

We have reviewed the composition of all of our Sub-Committees and have ensured that each Sub-Committee has appropriately experienced representatives who are able to add maximum value to the governance of the Fund.

BENEFITS

During the benefit design meetings, one of our main objectives was to keep contribution increases as low as possible without negatively impacting the solvency levels of the Fund. This means that we had to review the value of each Rand spent and make doubly sure that we were providing benefits that were appropriate and beneficial to all Members.

Unfortunately, this necessitated the removal of the Exercise Prescription Benefit that was previously piloted on the Traditional Plans.

The clinical outcomes were positive, and Members reported the positive impact it made in their lives. However, the take up on this benefit was much lower than we had anticipated, and it was decided that we would rather look to see how this money could be spent to benefit a much broader base of Members. We applied our minds to see how we could encourage and reward our Members for being proactive in their healthcare screenings. And thus, the introduction of the new Wellness Maximiser Benefit that is available to all of our Members across all of our Plans, even the Hospital Plan. We are excited to see how our Members take up the challenge to have all their adult dependants over 21 complete all their healthcare screenings, and reap the reward of two additional virtual GP consultations including acute medicine, and unlimited online nurse-based chats all paid from risk once their day-to-day benefits are exhausted, via the Universal.one mobile app.

The Board, particularly through the Clinical Risk and Benefit Review Committees will continue to investigate various initiatives and offerings that we feel will benefit our Members and contribute meaningfully to their improved health and wellness, so keep an eye on our newsletters and campaigns for news in this regard.

CONTRIBUTIONS

Optimal Option Selection - Minimising out of pocket expenses

One of the fundamental principles that the Fund adopted last year when considering the new benefits and contributions for 2025/26, was to look at the total cost of healthcare for our Members and not just the monthly contributions paid for OMSMAF membership.

We engaged with Members and the Employer, who equally embraced this philosophy, and we worked together to lower the total household cost of care for our Members. During our annual roadshows, we encouraged Members to consider their healthcare needs for the coming year and to select an option that would provide them with appropriate care and limit the expenses that they would have to cover out of pocket.

With the focus on total cost of healthcare and ensuring that Members choose the right Benefit Plans for their family's healthcare needs, the Fund set about simplifying and reducing the income bands on the various Plans, while still ensuring that there is an appropriately structured and priced plan for all Members, based on their healthcare and lifestyle needs. This being a radical move, particularly if you did not re-evaluate your healthcare needs, as you might have higher than anticipated increases due to the removal of some of the bands.

However, if you carefully evaluated your needs, you are likely to save some money. To help Members make the right choice, we ran a communication campaign ahead of the new benefit year highlighting the important changes and factors to consider. As an example, sometimes choosing the Hospital Plan as it's the 'cheapest' plan, might not be the best for you. It might be financially more affordable to choose the Network Plan, which offers unlimited GP consultations and acute medication as well as a range of other day to day benefits, for marginally more than the contributions on the Hospital Plan.

The upside to slightly higher contribution rates is that you would not need to reach into your pocket to pay for that GP visit or medication at the Pharmacy when you have the flu or tummy bug. While you may have a higher contribution deduction from your salary, overall, you are paying less from your monthly budget by ensuring you have day-to-day cover included in your chosen option. Similarly, for a Member who may have more serious medical problems, e.g. their hip is giving trouble, or they received a cancer diagnosis, then the additional cost of the Traditional Plan is worthwhile as it will cover a greater level of care while still saving you from exorbitant out of pocket expenditure.

COMMUNICATIONS

We have spent a fair amount of time and energy in enhancing member communications and have placed a great emphasis on benefit education, thereby ensuring that our Members are empowered when needing to access healthcare for themselves and their families.

For the first time, we produced and filmed the annual benefit roadshow presentation. This video was flighted at 11 roadshow events and a copy placed on **www.omsmaf.co.za** to ensure Members had access to all the important information needed to select the most appropriate Benefit Option. In addition to this, we offered all of our Members access to one-on-one virtual consultations where they were afforded the opportunity to discuss their particular healthcare needs with an OMSMAF representative and obtain guidance on which Plans would be most suited for their particular needs.

The OMSMAF website underwent a major facelift early in 2025, ensuring seamless access to the most up-to-date information. If you haven't had an opportunity to visit the website yet, please do so. It really does provide lots of useful info and guidance.

We collaborated with the Employer on enhancements to Workday and the launch of the My Benefits portal in time for employees to exercise their annual option selections via Workday, thereby removing the need to complete forms. Members are now able to join, add or remove dependants and terminate membership via the Workday portal too. We continue to produce quarterly newsletters that contain a wide range of articles aimed at educating our Members on their benefits and the various managed care initiatives on offer. Our quarterly campaigns focus on encouraging Members to take ownership of their health and wellness and to implement the necessary and appropriate lifestyle modifications as well as informing Members where and how to get the help they need.

Monthly induction sessions are hosted for new Members, but any Member who would like to learn more about their specific option and benefits on offer is always most welcome to join these sessions. Please contact your Human Capital Business Partner or the OMSMAF team for more information in this regard.

STAYING CONNECTED

Our Members are the heart and soul of the Fund, and we strive to provide all our Members with not only the best clinical and professional services, but service delivered with care and empathy.

We know one of the biggest frustrations is not knowing who to ask or where to send something to get a speedy response. There are even times where you would like to escalate a matter. So, I would like to close off by sharing with you some of the key contacts and who you can escalate matters to. We want to ensure that all our Members have access and are heard, so when you have time, remember to participate in the post call and correspondence surveys so we can track and monitor the service you deserve.

For enquiries you can email **enquiries@omsmaf.co.za**.
If you have paid for a claim and require a speedy refund, please send a fully specified claim and proof of payment to **refundme@omsmaf.co.za**. Remember to include your membership number in the subject line.

Authorisations for MRI and CT scans and hospitalisation, or one of the managed care programmes can be sent to **authorisations@omsmaf.co.za**. Alternatively, you can call **0860 100 076** and follow the prompts.

Should you wish to escalate a matter, we have a detailed escalations process listed on the OMSMAF website **https://omsmaf.co.za/contact**. Our website offers a wealth of information regarding your benefits and managed care programmes, and you can also log into a dedicated member portal to obtain information on your benefits, claims paid, authorisations, membership certificates and so much more. Or if you prefer, download the **Universal.one** mobile app from your app store. The app has all your benefit information, you can view your statements and even submit claims via the app or find a healthcare provider.

For those who qualify for the Wellness Maximiser benefits, you would access the nurse chat and virtual consultations via the app.

Remember, we are here for you! We are your healthcare partner, and our only goal is to ensure that you stay as fit and healthy as possible. As always, we aim to provide you with *Healthcare with Heart!*

OLD MUTUAL STAFF MEDICAL AID FUND ANNUAL FINANCIAL STATEMENTS

OLD MUTUAL STAFF MEDICAL AID FUND

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Notes	2024	2023
		R	R
ASSETS			
Non-current Assets		**276,194,788**	**123,304,452**
Investments held at fair value through profit and loss	2	276,194,788	123,304,452
Current Assets		**182,435,255**	**305,721,957**
Cash and cash equivalents	3	85,784,718	67,681,178
Trade and other receivables	4	364,277	339,552
Investments held at amortised cost	5	60,024,565	61,271,151
Investments held at fair value through profit and loss	2	36,261,695	176,430,076
Total Assets		**458,630,043**	**429,026,409**
LIABILITIES			
Non-current Liabilities		**355,722,655**	**322,808,588**
Insurance contract liabilities - Liability attributable to future members	7	355,722,655	322,808,588
Current Liabilities		**102,907,388**	**106,217,821**
Trade and other payables	6	1,060,723	695,191
Insurance contract liabilities - Liability attributable to current members	7	91,365,665	85,652,630
Insurance contract liabilities - Liability attributable to future members	7	10,481,000	19,870,000
Total Liabilities		**458,630,043**	**429,026,409**

OLD MUTUAL STAFF MEDICAL AID FUND

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

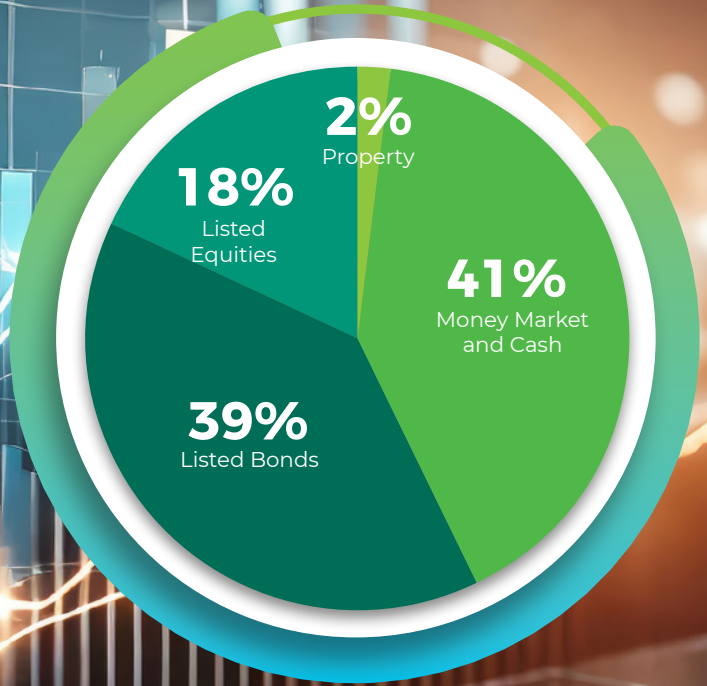
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		R	R
Insurance revenue	10	766,647,852	679,463,036
Insurance service expenses*	11	(769,271,543)	(708,889,438)
Insurance service result		**(2,623,691)**	**(29,426,402)**
Other income			
Investment income	12	44,115,988	36,541,437
Sundry income	13	29,720	47,086
Other expenditure			
Other operating expenses	15	(10,564,108)	(9,383,990)
Finance expenses from insurance contracts issued - PMSA	8	(5,629,541)	(5,092,220)
Asset management fees	14	(1,803,301)	(1,973,869)
Surplus/ (deficit) before amounts attributable to future members		**23,525,067**	**(9,287,958)**
Amounts attributable to future members*		(23,525,067)	9,287,958
Surplus for the year		-	-
Total comprehensive income/ (loss) for the year		-	-

* The 2023 comparative figures have been restated due to a change in accounting policy, as disclosed in Note 23.

INVESTMENT TOTAL

	Investment total	
Money Market and Cash	R 161,599,171	41.2%
Listed Bonds	R 151,514,467	38.6%
Listed Equities	R 69,590,074	17.7%
Property	R 9,451,540	2.4%
Total	**R392,155,252**	**100.0%**



REVIEW OF THE ACCOUNTING PERIOD'S ACTIVITIES

OPERATIONAL STATISTICS

Operational Statistics for 2024	NETWORK PLAN	HOSPITAL PLAN	SAVINGS PLAN	TRADITIONAL PLAN	TRADITIONAL PLUS PLAN	2024
Average number of members during the accounting period	4,538	2,957	7,559	2,512	200	17,766
Number of members at 31 December	5,266	2,853	7,415	2,470	185	18,189
Average number of beneficiaries during the accounting period	6,271	4,553	13,859	4,158	284	29,125
Number of beneficiaries at 31 December	7,113	4,387	13,599	4,086	265	29,450
Dependant ratio at 31 December	0.4	0.5	0.8	0.7	0.4	0.6
Insurance revenue per average beneficiary per month	R 1,926	R 1,594	R 1,862	R 4,008	R 7,349	R 2,194
Insurance service expenses per average beneficiary per month	R 1,731	R 1,353	R 1,674	R 5,250	R 7,256	R 2,201
Relevant healthcare expenditure incurred per average beneficiary per month	R 1,641	R 1,266	R 1,600	R 5,168	R 7,138	R 2,120
Directly attributable insurance service expenses per average beneficiary per month	R 89	R 87	R 75	R 81	R 119	R 81
Insurance service expenses as a percentage of insurance revenue	89.8%	84.9%	89.9%	131.0%	98.7%	100.3%
Relevant healthcare expenditure as a percentage of insurance revenue	85.2%	79.4%	85.9%	129.0%	97.1%	96.6%
Directly attributable insurance service expenses as a percentage of insurance revenue	4.6%	5.5%	4.0%	2.0%	1.6%	3.7%
Average age	31	35	32	56	68	36
Pensioner ratio (per beneficiary) at 31 December	3.0%	7.0%	5.7%	43.6%	70.2%	11.1%
Average non-current insurance contract liability per member at year-end						R 18,652
Breakdown of total amounts paid to the administrators:						
- Administration fees: Universal Healthcare Administrators						R 27,027,990
Return on investments as a percentage of investments						9.6%

MANAGEMENT

BOARD OF TRUSTEES IN OFFICE DURING THE YEAR UNDER REVIEW

NAME	POSITION		
J Howell	Employer-appointed (Chairperson)		
A Oosthuizen	Member-elected (Deputy Chairperson)		Term ended 20.06.2024
L Osburn	Member-elected (Deputy Chairperson)	Elected 20.06.2024	
A Fuchs	Member-elected		
C Nel	Member-elected		Resigned 31.03.2024
G Wilson	Member-elected		
L Footman	Member-elected		Term ended 20.06.2024
A Campbell	Member-elected	Elected 20.06.2024	
T Hulley	Member-elected	Elected 20.06.2024	
S Cook	Alternate	Appointed 01.04.2024	Term ended 20.06.2024
B Salie	Employer -appointed		
T le Roux	Employer-appointed		Resigned 20.10.2024
T Moodley	Employer-appointed		
Y Adams	Employer-appointed		Resigned 31.10.2024
T Motlafe	Employer-appointed	Appointed 01.11.2024	
D Sechele	Employer-appointed	Appointed 01.11.2024	

BOARD OF TRUSTEES IN OFFICE DURING THE YEAR UNDER REVIEW (CONTINUED)

P. Botha (appointed 01.02.2024)
Mutual Park
Jan Smuts Drive
Pinelands
7405

Old Mutual Staff Medical Aid Fund
PO Box 66
Cape Town
8000

R. Subjee (acting 01.11.2023 - 31.01.2024)
Mutual Park
Jan Smuts Drive
Pinelands
7405

Old Mutual Staff Medical Aid Fund
PO Box 66
Cape Town
8000

REGISTERED OFFICE ADDRESS AND POSTAL ADDRESS

Mutual Park
Jan Smuts Drive
Pinelands
7405

Old Mutual Staff Medical Aid Fund
PO Box 66
Cape Town
8000

NON-COMPLIANCE WITH THE MEDICAL SCHEMES ACT ("THE ACT")

In accordance with the Council for Medical Schemes circular 11/2006 the Fund is required to report all non-compliance matters with the Act noted during the course of the audit irrespective of whether the auditor considers the non-compliance as material or immaterial.

NON-COMPLIANCE WITH SECTION 26(7) OF THE ACT - RECEIPT OF CONTRIBUTIONS

Nature and cause of non-compliance
Section 26(7) of the Act requires contributions to be paid to a Medical Fund not later than three days after payment thereof becoming due. Whilst every effort is made to enforce this requirement the onus is on the member or employer group to ensure compliance. During the financial year certain contributions were identified that were not paid to the Fund within three days of becoming due.

Possible impact of the non-compliance
The non-compliance increases the liquidity risk to the Fund and could result in amounts due to the Fund being irrecoverable. As at year end, outstanding contributions amounted to 0.07% (2023: 0.09%) of insurance revenue.

Corrective course of action adopted to ensure compliance
Outstanding amounts are actively pursued if not received within three days of becoming due.

NON-COMPLIANCE WITH SECTION 35(8)(A) OF THE ACT - INVESTMENTS IN PARTICIPATING EMPLOYERS AND MEDICAL SCHEME ADMINISTRATORS

Nature and cause of non-compliance
In terms of section 35(8)(a) of the Act a Medical Fund shall not invest any of its assets in an employer who participates in the Medical Fund or in any administrator.

Possible impact of the non-compliance
At 31 December 2024 investments were held in Old Mutual, to the value of R54,532 (2023: R1,087,566), Sanlam Limited, to the value of R451,461 (2023: R1,677,580), Momentum Metropolitan Life Limited, to the value of R25,032 (2023: R123,611), and Discovery Holdings Limited, to the value of R1,457,613 (2023: R17,811).

Corrective course of action adopted to ensure compliance
During 2022, the Fund applied to renew the three-year exemption. The application was declined as Council for Medical Schemes is of the view that the market is very competitive and that the Board of Trustees were to avoid doing business with the participating employer groups and its related parties. In reply, the Fund submitted an appeal, which was set down for hearing on 29 May 2023. To date there has been no update on this matter. The current three-year exemption will remain valid, until the outcome of the appeal.

In March 2024, as the appeal results were still pending, the Fund opted to disinvest funds from the Old Mutual Multi Managers (OMMM) portfolio and reinvest them in SIM Absolute Return Medical portfolio. As a result of the move, 50% of the assets will be managed by Old Mutual Investment Group Proprietary Limited and the other 50% by Sanlam Investment Management. The Fund is in the process of submitting a new application at the time of signing the Annual Financial Statements.

NON-COMPLIANCE WITH SECTION 33(2) OF THE ACT - BENEFIT OPTIONS

Nature and cause of non-compliance
Section 33(2) of the Act stipulates that each benefit option shall be self-supporting in terms of membership and financial performance and be financially sound. The ageing profile of members on the Traditional and Traditional Plus plans creates financial challenges as the Fund would need to implement significant contribution increases for these plans in order to improve the operating results in the short-term. The imposition of such an increase could result in members buying down to lower contributing plans which would worsen the financial experience on the plan.

Possible impact of the non-compliance
At 31 December 2024, the Traditional Plan did not comply with Section 33(2). The Traditional plan realised a net healthcare deficit of R58,873,263 (2023: R68,684,277). Refer to note 16 for the results per benefit option.

Corrective course of action adopted to ensure compliance
The Trustees are aware of the situation and have decided to address the loss over a longer period by implementing higher contribution increases on the Traditional and Traditional Plus Plans than on other plans.

Following the benefit review process, the Fund decided to discontinue the Traditional Plus Select Plan at the end of the 2023/2024 benefit year. Members who were on the Traditional Plus Select Plan were defaulted to the Traditional Select Plan.

NON-COMPLIANCE WITH SECTION 59(2) OF THE ACT - PAYMENT OF CLAIMS

Nature and cause of non-compliance
Section 59(2) of the Act, requires a Medical Fund, in the case where an account has been rendered, subject to the provisions of this Act and the rules of the Fund concerned, to pay to a member or a supplier of service, any benefit owing to that member or supplier of service within 30 days after the day on which the claim in respect of such benefit was received by the Fund.

Possible impact of the non-compliance
Exceptions to the 30-day claims payment period
In exceptional cases claims may be paid more than 30 days after the date of submission. These delays are generally due to members or healthcare suppliers submitting claims without the necessary details required for timely payment. Such instances are isolated and do not materially affect the Fund.

EDI Incident in 2024
An exception to the above occurred in 2024, when three claims batches were inadvertently omitted from a claims payment run. After processing, the value of these omitted claims amounted to R1,167,484.

This amount is included in the total for claims paid after the 30-day period as at 31 December 2024.

As of 31 December 2024, the total value of claims paid more than 30 days after becoming due amounted to R1,198,876. By comparison, no such cases were reported as of 31 December 2023.

Corrective course of action adopted to ensure compliance
Management has implemented additional controls to prevent the recurrence of the EDI incident. These controls include monitoring the number of batch files received and processed, along with establishing a system where management has full oversight. Additionally, any delays are addressed promptly, and the necessary assistance is provided to the identified members and healthcare suppliers to minimise these isolated cases.

NON-COMPLIANCE WITH SECTION 10(4) AND 10(5) OF THE ACT - PERSONAL MEDICAL SAVINGS ACCOUNTS (PMSA)

Nature and cause of non-compliance
In terms of Regulation 10(4) and 10(5) of the Act, members' PMSA balances must be transferred to another medical scheme or paid out as a cash benefit promptly upon their exit from the Fund. In certain instances, the Fund did not comply with these requirements due to invalid or missing bank and contact information, which prevented the payment of the PMSA balances within the prescribed timeframe.

Possible impact of the non-compliance
Some resigned members have not had their PMSA refunded as required by regulation 10(4) and regulation 10(5). Unclaimed PMSA balances, where a member cannot be located within three years of leaving the Fund and after all reasonable efforts to trace the member have been exhausted, will be considered prescribed. These amounts will be written back to the Fund. In 2024, a total of R1,540,362 for 312 members, and in 2023, R1,039,762 for 343 members, were written back as income to the Fund.

Corrective course of action adopted to ensure compliance
The Fund is taking further steps in an endeavour to ensure that unclaimed balances are refunded to the members concerned. Any balances that remain unclaimed and have not been refunded will be written back to the Fund. However, should a member come forward after the amounts have been written back, they will still be entitled to claim the PMSA balance from the Fund, provided sufficient proof is submitted. These funds may be claimed by the account holder when the account comes to their attention and they are entitled to it, by way of an application supported by a certified copy of the account holder's identity document or passport.

57TH ANNUAL GENERAL MEETING (AGM)

NOTICE TO MEMBERS

Notice is hereby given to all members that the fifty-seventh Annual General Meeting (AGM) of the Old Mutual Staff Medical Aid Fund will be held on **19 June 2025** from **10:00 till 12:00** via MS Teams.

AGENDA

1. To receive and approve the 2024 AGM minutes.
2. To receive and adopt the Financial Statements for the year ended 31 December 2024, together with the Report of the Auditors and the Report to the Members of the Fund.
3. To approve the remuneration of Trustees not employed by Old Mutual for the 2025/26 Benefit Year.
4. To appoint BDO as the Auditors to audit the financials for the 2025 financial year.
5. To transact such other business as may, in terms of the Rules, be transacted at an Annual General Meeting. Members who are unable to attend the meeting are entitled to appoint a proxy to attend and speak on their behalf.

BY ORDER OF THE BOARD OF TRUSTEES

FOR INFORMATION: In terms of the Rule 34.1.5, notice of motions (matters to be discussed or presented) are to be submitted before the Annual General Meeting. The notices should reach the Principal Officer via E-MAIL to **OMSMAF_Office@oldmutual.com** by 10:00 on **9 June 2025**.

OLD MUTUAL STAFF MEDICAL AID FUND
56TH ANNUAL GENERAL MEETING (AGM) MINUTES

HELD VIA MS TEAMS VIDEO CONFERENCE ON 20 JUNE 2024 AT 10:00

AGENDA

ATTENDEES:

Jan Howell (Chairperson: Board of Trustees)
Pam Botha (Principal Officer)
Ronecia Subjee (Assistant Principal Officer)
Agnes Cekiso
Andrew Naicker
Anele Mwanza
Anelisa Mpayipeli
Angus Campbell (newly elected Trustee)
Ashley Masilela
Ayanda Qotyana
Bhekosuthu Sibanda
Boitumelo Louw
Bonginkosi Masango
Candice Cyfers
Candice Hector
Christina Metseeme
Clint Gordon
Dineo Marokane
Elvis Mathenjwa
Eric Masombuka
Filomena Badenhorst
Marwaan Boltman
Masego Motene
Masego Seselo
Matome Photo
Mecia Mohlala
Mfanelo Xulu
Mieraal Lagardien
Mulalo Mukhuba
Mxolisi Jali
Ncebakazi Ntsimbi
Nicole Kemp
Nicole Smith
Njabulo Zwelisha Thwala
Nobahle Motshegoa
Noluthando Saliso
Nomaxabiso Dlikilili
Nomfundo Thantsi
Nompumelelo Nomusa Ngcobo
Nomvula Mabuza
Octavia Maphumulo
Palesa Shabangu

AGENDA Continues

ATTENDEES:

Franklin Titus
Gaisho Sethei Serathi
Garth Wilson (Trustee)
Glen Barnard
Jacobus Eksteen De Waal
Keoagile Mosiane
Kgosi Ngakane
Kholofelo Porlet Makuwa
Lascancia Lee-Ann
Legatanyane Tladi
Lerato MGWENYA
Lesego Taunyane
Lindsay Rushin
Lubabalo Mbolekwa
Lufuno Masindi
Luthando Sishuba
Lydia Footman (Trustee)
Malitlhare Shabe
Mammate Choshane
Mammoge Magongoa
Manale Tladi
Mandlenkosi Mthandekiso
Mapula Masipa
Margaret Anne Hulme
Paul Lawrence
Peter Davison-Lancaster (Alt. Trustee)
Quinton Nell
Refiloe Mohlabe
Rejoice Nkosi
Riana Nel
Sajel Hansram
Sasavona Chauke
Shaun Olivier
Shivaan Harris
Simphiwe Ncube
Sisiphiwo Bangela
Siyamthemba Bobotyana
Suzanna Cook (Alt. Trustee)
Tebogo Pulumo
Thando Halu
Thato Ntopo
Thlologelo Maruma
Thuthula Jozi
Trevor Hulley (newly elected Trustee)
Tshimangadzo Mawela
Vanessa Gordon
Zenobia Kearns
Zuko Ndaba

IN ATTENDANCE:

Chris Ward-Cox (Universal Healthcare)
Christo Vermeulen (Universal Healthcare)
Anele Williams (Universal Healthcare)
Lisanne Jozaffe (Universal Healthcare)
Zain Roskin (Universal Healthcare)
Nicole Williams-Cook (Universal Healthcare)
Sade Ramsamy (Universal Healthcare)
Faye Stemmett (Universal Healthcare)
Frances Herbst (Universal Healthcare)
Thabit Akherwary (Fund Specialist)

APOLOGIES:

Andre Fuchs (Trustee)
Tags Moodley (Trustee)
Yolanda Adams (Trustee)
Teboho Kutoane (Universal Healthcare)

REPRESENTED BY PROXY:	51
INVALID PROXY FORMS RECEIVED:	7

1. NOTICE

The necessary quorum (50 members) being present (including proxies), Mrs Botha declared the Meeting duly constituted in terms of the Rules of the Fund.

Mrs Botha informed the members that they could post general and personal questions via the Q&A box in the MS Teams meeting. Personal questions would not be published. The Client Liaison Officers were on stand-by to address any personal queries or concerns raised by a Member. General questions would be published.

2. WELCOME

Mrs Pam Botha (Principal Officer) welcomed all to the 56th Annual General Meeting of OMSMAF. The agenda for the Annual General Meeting of OMSMAF would include the results of the Motions passed, the Trustee Election results, the Chairperson's Overview of the Fund and a review of the 2023/24 benefit year.

Mrs Botha welcomed Mr Jan Howell (Chairperson of the Board of Trustees) and handed over to him for the first three agenda items.

3. VOTING RESULTS FOR MOTIONS PASSED

Mr Howell noted that four motions had been distributed to Members prior to the meeting and the votes had been received and audited, with all motions having been approved.

The following motions had been distributed and votes were received virtually prior to the meeting. All voters were verified to be Members of the Fund.

3.1. MINUTES OF THE 55th ANNUAL GENERAL MEETING HELD ON 23 JUNE 2023

Mr Howell confirmed that the motion to approve the minutes of the AGM held on 23 June 2023 had been passed via the virtual voting process.

The minutes were approved and will be signed.

RESOLVED: That the minutes of the AGM 2023 are approved.

3.2. ADOPTION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 TOGETHER WITH THE REPORT OF THE AUDITORS AND REPORT TO THE MEMBERS OF THE FUND

Mr Howell confirmed that the motion to adopt the Annual Financial Statements for 2023 had been passed via the virtual voting process.

With reference to the draft Annual Financial Statements that were included in the AGM booklet, Mr Howell confirmed that the Fund was not able to position the final financials prior to distributing the booklet – for reasons beyond the Fund's control. Subsequent to publishing the booklet, the Annual Financial Statements had been finalised with no changes.

RESOLVED: That the Annual Financial Statements for 2023 are approved.

3.3. APPOINTMENT OF AUDITORS TO AUDIT THE FINANCIALS FOR THE 2024 FINANCIAL YEAR

Mr Howell confirmed that the motion to appoint Price Waterhouse Coopers (PwC) as the Auditors of the Fund to audit the financials for the 2024 Financial Year had been passed via the virtual voting process.

RESOLVED: That PwC is appointed as Auditor to audit the financials for the 2024 financial year.

3.4. NON-EMPLOYEE TRUSTEE REMUNERATION FEE SCHEDULE FOR THE 2024/25 BENEFIT YEAR

Mr Howell confirmed that the motion to adopt the Non-Employee Trustee Remuneration Fee Schedule for the 2024/25 Benefit Year had been passed via the virtual voting process.

RESOLVED: That the Non-Employee Trustee Remuneration Fee Schedule for the 2024/25 Benefit Year is approved.

4. TRUSTEE ELECTION RESULTS 2024

Mr Howell stated that the Board of Trustees consists of five Employer-appointed Trustees and five Member-elected Trustees. The Terms of Office of four Member-elected Trustees had expired and an election process had taken place prior to this meeting to elect new Trustees. The election was controlled and audited.

The following Nominees had received the highest number of votes and were duly elected to serve as Member-elected Trustees for the next three-years:

Andre Fuchs, Trevor Hulley, Angus Campbell, Lancelot Osburn

Ms Suzanna Cook received the next highest number of votes and as such would serve as Alternate Trustee for the next three years.

Mr Howell congratulated the Trustees on their appointments and thanked the other Nominees for having made themselves available.

The Board of Trustees comprises Jan Howell (Chairperson), Tracey le Roux, Bielqees Salie, Tags Moodley and Yolanda Adams as Employer-appointed Trustees with Andre Fuchs, Angus Campbell, Lancelot Osburn, Trevor Hulley and Garth Wilson as Member-elected Trustees. Suzanna Cook and Peter Davison-Lancaster would be the alternate Trustees and would fulfill the duties should a Member-elected Trustee be unable to fulfill their duties during the next three-year term.

5. CHAIRPERSON'S REVIEW

Mr Howell gave an overview of the challenges that the Fund had recently experienced, with affordability being the most significant challenge. Whilst medical services (hospitals and doctors) are generally expensive, the use of modern technology had contributed to the increasing medical costs. Other challenges include lifestyle diseases and mental health, these being expensive to treat with more people developing these diseases.

Economically it is not only medical schemes that are suffering but also the consumer with increasing costs for energy, fuel and food.

The Fund had applied to the Council for Medical Schemes (CMS) for the introduction of a Low-Cost Benefit Option (LCBO) however CMS had denied the request. This was not a unique experience for OMSMAF as several other medical schemes had applied for an LCBO approval due to affordability issues - and were denied.

The year under review

As at 31 December 2023 the Fund was in a healthy position. Medical cover had been provided to 17 700 Principal Members and their beneficiaries. The total number of lives covered by the Fund during the past year was 29 164. The average age profile of the Fund had remained constant at 36 years with the pensioner ratio having reduced from 11.4% in 2022 to 11.1% in 2023.

Contributions are collected and any money that is not used to pay claims is added to the reserves. In the event of the Fund operating at a loss, i.e. less contributions collected than the value of claims processed, the claims are paid from the reserves. In 2022 the Fund paid out 102% of the contributions received and in 2023 this decreased to 97%. In monetary terms this means that for every R100 received in contributions, R97 was paid out for a claim.

The reserves are invested to generate the best possible income. Over the past two years, the income received from the invested reserves was R35.2 million (2022) and R36.5 million (2023).

Contributions received during 2023 totalled R679 million, compared with R621 million in 2022. The solvency ratio as at 31 December 2023, was 43.2% having decreased from 49% as at 31 December 2022. The solvency ratio is currently higher than what is needed to sustainably manage the Fund and for this reason, the decision was taken to reduce the solvency ratio over a few years. The Fund is therefore operating at a net deficit to reduce the solvency ratio in a controlled manner, with the long-term goal being a solvency ratio in the 30% to 40% range.

The Fund is also responsible for non-healthcare expenses mostly relating to administration costs, including the services of collecting contributions, assessing and paying claims and answering member queries.

Factors impacting medical scheme contributions and claims over the past five years

During the period 2019 to 2022 the contributions remained fairly consistent, with claims increasing particularly during the 2020 to 2022 period due to Covid. Claims remained high during 2023 due to pent-up demand for in-hospital procedures that did not take place during the Covid-period.

Non-healthcare expenses had remained constant since the appointment of Universal. Mr Howell stated that he is happy with the services rendered by Universal and noted that there had been very little Member noise during the past year.

As at 31 December 2023 the Fund had experienced a R40 million operating deficit – with a R9.2 million deficit after investment income (R30 million).

Mr Howell provided a brief summary of how the solvency ratio had fluctuated over the past five years. During the Covid-lockdown period when hospitals were closed for general procedures the solvency ratio had increased significantly due to a reduction in the number of claims. During 2021 and 2022 (Covid-years) the Fund incurred substantial costs for Covid-related illness and vaccinations. As from 2022, Members started going to hospital for procedures that could not be performed during the lockdown, with the pent-up demand resulting in a notable increase in claims.

Following the 2024/25 contribution increases, some Members had queried the significant increase on the Traditional and Traditional SELECT Plans. Mr Howell stated that the financial results for the Traditional Plans showed a significant deficit. The deficit on the Traditional Plan had increased from R26 million in 2019 to R66 million in 2023. Due to the Traditional Plan being a significant contributor to the overall deficits incurred by the Fund, the contributions for the 2024/25 benefit year were significantly higher than previous years and higher than the increases on other Plans.

OMSMAF in comparison to open schemes

In comparing the OMSMAF contribution increases against three main medical schemes in the open market (Discovery, Bonitas and Bestmed), it was noted that in 2020 and 2021, OMSMAF had applied lower average increases than the open schemes – with a 0% increase in 2021. In 2022 the average contribution increase was 5% this being in line with the open scheme increases.

A 9.3% average contribution increase was applied in 2023 with the average in 2024 being 10.7%. These were higher than the average open scheme contribution increases and were primarily driven by the lower increases in previous years as well as the losses incurred on the Traditional Plans.

The average contribution increase over the last 5 years was 6.1% and this is lower than the average increases applied by many of the open schemes.

In terms of the richness of benefits, OMSMAF Plans compare very favourably to similar schemes in the open market with the Traditional Plus Plan being the outlier. All other Plans, i.e. the Hospital, Savings, Network and Traditional Plans all offer very good value for money. CMS had questioned the sustainability of the Traditional Plus Plan - this being a very small Plan with very few Members. The Fund had notified CMS of the intention to close the Traditional Plus Plan within the next two years.

National Health Insurance Act

Recently the NHI Act was signed into law. Medical Schemes are uncertain how this will evolve and how long it will be before the Act is fully implemented. The Act does state that medical schemes will still have a role to play in that they will be allowed to offer complimentary cover. Due to the current state of the SA economy and uncertainty around how NHI will be funded, NHI is not anticipated to come into full effect for the next 10 to 15 years.

Notes of appreciation

Mr Howell, on behalf of the Fund, expressed his appreciation to Universal Healthcare for the Administration and Managed Care services over the past year.

During the past year, significant work had been done by the Auditors and Audit Committee regarding the implementation of the IFRS 17 accounting standards. Mr Howell thanked the Auditors and Audit Committee members for their effort and for ensuring that the Annual Financial Statements are IFRS 17 compliant.

Mr Howell thanked the outgoing Trustees Adv Chris Nel, Mrs Lydia Footman and Mrs Alice Oosthuizen, for their service and contributions. A particular word of thanks was expressed to Mrs Footman as she had served as a Trustee for the past 28 years. Mr Howell stated that 28 years of service equates to significant knowledge, skill and expertise that Mrs Footman had contributed to the Fund.

Mr Howell acknowledged the work of the previous Principal Officer, Mrs Julia le Roux, who had resigned in late 2023. In the interim period between Mrs le Roux's resignation and the appointment of Mrs Pamela Botha as Principal Officer, Mrs Subjee had fulfilled the Principal Officer duties. Mr Howell thanked Mrs Subjee for her undertaking and for the phenomenal work done during this period. Mrs Botha was welcomed to OMSMAF as Principal Officer as from February 2024.

6. PRINCIPAL OFFICER'S REVIEW

Mrs Botha thanked Mr Howell for the warm welcome and stated that it is an honour and privilege to be part of OMSMAF and to assist Members and to ensure that they receive the best possible healthcare. Mrs Botha presented feedback regarding the operational aspects of the Fund, as follows:

Operational and Claims Experience for the 2023/24 Benefit Year

During the 2023/24 Benefit Year the average number of claims processed per day was 4 524. The call centre received 105 706 calls and 41 271 emails were answered. These communications all relate to claims and/or benefit queries from Members.

A slight improvement was noted in terms of the chronic condition prevalence, with 28.9% Members being registered for chronic conditions during 2023 versus 29.4% in 2022. This indicates that Members are taking their healthcare seriously and are aiming to stay healthier for longer.

In terms of hospital admissions, the Fund paid out R8.6 million for the five highest cost admissions. These admissions were for a respiratory condition (R2.4 million); Covid (R2.2 million); Amputation (R1.5 million); Oncology (R1.3 million) and Cardiac Procedure (R1.2 million). It was noted that not all high cost admissions are due to long stays in hospital. The patient who received the cardiac procedure was in hospital for 1 day however the cost exceeded R1 million.

Mrs Botha stated that all five of these high cost admissions were PMB conditions. In essence, this meant that OMSMAF had taken care of the financial aspects of these admissions enabling the Members and their families to focus on the patient's recovery and healing.

In total the Fund paid out R658 million for claims during the 2023/24 benefit year, with R468 million (68.9% of contributions collected) being for Prescribed Minimum Benefits (PMBs) where the Fund is obligated by law to pay for PMBs in full and at cost. R125 million worth of PMB claims were in excess of R100 000 per Member. 560 Members are in this category of claims needing extensive care.

Currently 305 Members are receiving oncology treatment following their diagnosis. During the 2023/24 benefit year, the Fund paid out R11.2 million for oncology treatment.

OMSMAF offers various managed care programmes. The Mental Health Programme includes comprehensive care for PMB and non-PMB diagnosis. Very few medical schemes offer similar benefits on their Mental Health Programmes. OMSMAF believes that mental health requires serious attention and aims to provide as much assistance as possible to ensure that Members maintain their mental wellness. 1 627 enrolees are registered on the Mental Health Programme and during the 2023/24 benefit year the Fund paid out R3.7 million in benefits.

Other Managed Care Programmes include the HIV/AIDS Management Programme with the Fund having paid out R4.2 million. 622 enrolees are registered on the HIV/AIDS Management Programme.

The Back and Neck Rehabilitation Programme refers enrolees for physiotherapy and/or biokinetics as an alternative to surgery. Surgery often results in immobility and inconvenience for the patient. The aim of the rehabilitation programme is to reduce the need for surgery with the patient receiving the help they need and doing the necessary exercises so that they can be mobile and active. 498 patients participated in the rehabilitation programme during the 2023/24 benefit year and of these, only 10 still required surgery after the rehabilitation programme. The total amount paid out for the rehabilitation programme was R2.1 million.

During the 2023/24 benefit year, 29 beneficiaries underwent back/ neck surgery without having participated in the rehabilitation programme. The total spend for these 29 patients was R6.5 million.

For the Mother and Baby / Maternity Programme, the Fund paid out R23.7 million during the 2023/24 benefit year, welcoming 465 new born babies onto the Fund, including four sets of twins.

The top 4 chronic conditions remain unchanged, i.e. Asthma, Diabetes (Type 2), Hyperlipidaemia and Hypertension with a substantial number of Members registered for each condition. Mrs Botha stated that excluding Asthma, these are lifestyle diseases. Members are encouraged to do whatever is possible to prevent themselves from developing these lifestyle diseases. The most recent marketing campaign entitled 'Total Turnaround' had provided micro-habits, techniques and tips towards improving overall health and well-being, including some personal goals that Members could set for themselves.

The role Members can play to assist the Fund

The role Members can play in terms of managing the Fund and keeping contributions as low as possible is to stay healthy. Mrs Botha encouraged the Members to eat well and stay active and to utilise the wellness (preventative) screening benefits offered by OMSMAF – specifically screening for serious diseases. The screening tests would allow the Member to know if they are potentially developing a serious or long-term illness and would enable the Fund to assist the Member in the best way possible, in terms of staying healthy without compromising their lifestyle. Mrs Botha also encouraged members who are using chronic medication to adhere to their medication regime.

Mrs Botha stated that it is important for the Fund to remain cost-conscious. If Members suspect any fraudulent activity, they are encouraged to contact the Fund so that the necessary steps can be taken to prevent frivolous expenditure.

Members were also encouraged to ask their doctors about their treatment regime and/or hospital admissions, including alternative treatment possibilities – as this helps the Member to make an informed choice. OMSMAF also promotes the use of generic medicines when possible. Generic medication contains the same active ingredient as the branded medicine but at a reduced cost as the branded medication includes costs associated with research and development.

In terms of service delivery, Members were encouraged to utilise the escalation process if they feel that they are not receiving good service, e.g. insufficient detail provided in response to a query. The escalation process is detailed on the OMSMAF website.

The Fund also uses the surveys to gauge the level of service and Member satisfaction. Members were encouraged to participate in the post-call / post-email surveys by providing feedback on their individual interactions with the call centre.

The annual Member Survey would take place during July 2024. The annual survey provides insight in terms of the service levels as well as benefits and potential improvements or enhancements.

Digital technology

In addition to the call centre and email communications, Members can also download and use the Univeral.one Mobile App. Via the App and on the OMSMAF website, Members can upload and track claims, log queries, obtain statements and verify benefit information, including which benefit pool a claim will be paid from.

The Fund also has WhatsApp broadcast groups and Members were encouraged to join the groups so that they can receive tips in terms of health management conditions and other relevant topics.

7. MOTIONS, Q&A

Mrs Botha stated that Members had been invited to submit motions for discussion prior to the meeting. No motions had been received.

At the commencement of the meeting, Mrs Botha had invited members to post questions via the Q&A box. One Member asked why OMSMAF uses the open schemes for comparative purposes rather than using other closed schemes. Mr Howell stated that open schemes are fairly large with diverse membership whereas a closed scheme may be more limited, e.g. with younger members and minimal or no pensioner members, or may be restricted to a specific location. From a practical viewpoint, the closed scheme information is not readily available whereas the open scheme options are public knowledge.

Mr Howell invited the Member to forward details of the specific closed scheme option that they would like to compare to the OMSMAF Plan(s) so that the Fund can review and understand why the closed scheme may appear to be favourable in comparison.

Another Member asked how the OMSMAF contributions and benefits compared to other medical schemes. Mr Howell referred to his earlier presentation, specifically the slide reflecting the richness of benefits/ value for money. Most of the OMSMAF plans compare favourably to other schemes, offering good value for money with the exception being the Traditional Plus Plan.

In terms of the contribution increases, Mr Howell stated that over the last 5 years, the OMSMAF increases formed a different pattern to other schemes. During the Covid-period, OMSMAF had kept increases very low with a zero increase in the year that the Employer did not offer salary increases. This is one of the benefits of a closed scheme as it allows for the contributions to be aligned to salary reviews. In 2023 and 2024 the OMSMAF contribution increases were in line with the open schemes except for the higher Plans where the increases were slightly higher than similar options in the open market. The reason for the higher contributions were to catch-up with the previous years when there had been very low or zero increases and to partially cover the deficit incurred on the Traditional Plan.

The average OMSMAF contribution increase of 6.1% over the past 5 years was lower than the average increases applied in the open market.

Private questions were addressed offline with members by the Client Liaison Officers.

8. OTHER BUSINESS

There were no other matters raised.

9. CLOSING COMMENTS

Mr Howell thanked Mrs Botha for having facilitated the meeting despite technological challenges and thanked Members for their attendance.

Mr Howell assured the Members that OMSMAF is being well managed and is in a healthy position.

The Annual General Meeting closed at 11:07.

Chairperson **Date**

TRUSTEE REMUNERATION FOR NON-EMPLOYEE TRUSTEES MEETING FEES

					6% INCREASE		5% INCREASE		4% INCREASE	
COMMITTEE	NO OF MEETINGS PER YEAR	NO OF REMUNERATED TRUSTEES PER MEETING	07/2022-06/2023 PER MEETING FEE	ANNUAL FEE 07/2022-06/2023	07/2023-06/2024 PER MEETING FEE	ANNUAL FEE 07/2023-06/2024	07/2024-06/2025 PER MEETING FEE	ANNUAL FEE 07/2024-06/2025	07/2025-06/2026 PER MEETING FEE	ANNUAL FEE 07/2025-06/2026
Audit Committee Chairperson	3	1	R 27,750	R 83,250	R 29,415	R 88,245	R30,886	R92,658	R 32,121	R 96,364
Audit Committee Member		4	R 14,400	R 43,200	R 15,264	R 45,792	R16,027	R48,081	R 16,668	R 50,004
Board	4	4	R 21,450	R 85,800	R 22,737	R 90,948	R23,874	R95,496	R 24,829	R 99,316
Benefit Review Chairperson	7	1	R 10,350	R 82,800	R 10,971	R 87,768	R11,520	R92,160	R 11,981	R 95,846
Benefit Review Member		1	R 9,200	R 73,600	R 9,752	R 78,016	R10,240	R81,920	R 10,650	R 85,197
Clinical Risk/Ex gratia Chairperson	4	1	R 12,650	R 50,600	R 13,409	R 53,636	R14,079	R56,316	R 14,642	R 58,569
Clinical Risk/Ex gratia Member		0	R 11,500	R 46,000	R 12,190	R 48,760	R12,800	R51,200	R 13,312	R 53,248
Chairperson	4	0	R 4,600	R 18,400	R 4,876	R 19,504	R5,120	R20,840	R 5,325	R 21,674
Marketing and Communications Member		1	R 3,450	R 13,800	R 3,657	R 14,628	R3,840	R15,360	R 3,994	R 15,974
Investment Chairperson	4	0	R 4,600	R 18,400	R 4,876	R 19,504	R5,120	R20,480	R 5,325	R 21,299
Investment Member		0	R 3,450	R 13,800	R 3,657	R 14,628	R3,840	R15,360	R 3,994	R 15,974
Remuneration and Nomination Chairperson	2	0	R 2,300	R 4,600	R 2,438	R 4,876	R2,560	R5,120	R 2,662	R 5,325
Remuneration and Nomination Member		1	R 2,300	R 4,600	R 2,438	R 4,876	R2,560	R5,120	R 2,662	R 5,325
Risk and Governance Chairperson	4	0	R 8,050	R 32,200	R 8,533	R 34,132	R8,960	R35,840	R 9,318	R 37,274
Risk and Governance Member		2	R 6,900	R 27,600	R 7,314	R 29,256	R7,680	R30,720	R 7,987	R 31,949
Working Committee Chairperson	6	1	R 8,050	R 48,300	R 8,533	R 51,198	R8,960	R35,840	R 9,318	R 37,274
Working Committee Member		3	R 6,900	R 41,400	R 7,314	R 43,884	R7,680	R30,720	R 7,987	R 31,949

AD HOC HOURLY RATES

COMMITTEE	2022/23 PER HOUR FEE	2023/24 PER HOUR FEE	2024/25 PER HOUR FEE	2025/26 PER HOUR FEE
Adhoc Fee	R 1,300	R 1,378	R 1,447	R 1,505

Notes

Notes


OLDMUTUAL