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Dear Member

Unscrupulous claiming for medicines expenses by certain MBMed members

As we all know, the sponsoring companies have advised that they will cease participation in MBMed on 31 December 2021. This forces MBMed to consider dissolution, according to the Fund's Rules, by way of liquidation.

The Board has not yet balloted the Fund's members to obtain approval (or otherwise) on the intended liquidation as it is awaiting final confirmation of the effective date from the participating employers.

MBMed is considering being forced to close by way of liquidation, not because the scheme is in financial distress, but because the participating employers intend to move members into two alternative medical aid schemes.

In fact, MBMed is in a strong financial position, with a competitive benefit offering, and a long and proud history of serving its participating employer group, its employees, its pensioners, and their families.

A very worrying emerging trend, best described as panic buying, by a growing number of members, principally from within the Buffalo City Metro, has been noted over the past few weeks. With the assistance of a number of pharmacies, including those offering 'MBMed Combos', 'MBMed Hampers', and 'MBMed Special Deals' some members have started panic bulk buying of medicines with a consequent surge in claims. This is being done presumably with the goal of gaining maximum benefit before the possible closure of the scheme.

The matter is under investigation by the Fund's appointed Forensic Investigators. The Fund is also considering putting the implicated pharmacies on a 'do not pay' status, while the investigations are underway, which will oblige members, who choose to participate in this unscrupulous, and possibly fraudulent, practice to pay cash and attempt to claim a refund.

Members are cautioned against participating in these probably dishonest dispensing practices and are advised that forensic investigations will in all likelihood extend to participating members as well.

MBMed has also recently advised all doctors, pharmacies, and other professionals to be responsible in their medicine prescribing and dispensing practices in line with their ethical and legal obligations.

Once again, MBMed can assure members that the Fund is in a strong financial position and, for the balance of 2021, it is business as usual. MBMed is committing to ensuring the funding of quality, essential health care and to providing smooth, timeous, and efficient administration and managed health care services.

Yours in Good Health

MBMed Board of Trustees

Principal Officer: Dr C Panter

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