



HUMAN RESOURCE POLICY MEDICAL AID

Policy No: NLMHREB010	Effective Date: 01 April 2008
Approved:	Review Date: 01 April 2009

Notwithstanding the review date herein, this policy shall remain effective until such time approved otherwise by Council and may be reviewed on an earlier date if necessary, subject to Labour Law Dispensation, Medical and Dental Council Scheme or operational requirements.

1. SCOPE

This Policy is applicable to all employees as per the Collective Agreement on Medical Benefits

2. PREAMBLE

The objective of this policy is to provide financial help to employees to meet the medical expenses incurred by an employee and his dependants. It is a form of insurance policy against illness and hospitalisation.

3. POLICY

3.1 Every Ngwathe employee is expected to become a member of a medical scheme as a condition of employment.

3.2 Ngwathe subsidises medical contribution of employees by 60% and the employee contributes 40%.

3.3 Only the following funds accredited by the SALGBC will be recognised:

- SAMWU MED
- LA HEALTH
- MEDSCHEME
- KEY HEALTH
- GLOBAL HEALTH
- HOSMED

3.4 SALGA is to have 50 percent representation on the boards of funds.

4. STAKEHOLDER ANALYSIS

Role	Responsibility
Municipal Manager / Director Corporate Services (subject to its delegations if any)	
Council/SALGA	To accredit medical schemes funds for use by Local Municipalities and to have 50% representation on the boards of accredited funds
Line Manager	
Human Resources	
Labour Representatives	

5. PROCEDURE

- Medical aid contributions are paid monthly in advance which means that a new employee will need to contribute a double payment at the end of his/her first month of employment.

- The employee as well as his dependants is covered by the scheme and the monthly contribution depends on the number of dependants included in the scheme, the employee's salary and the scheme he/she selects.
- Dependants are:
 - The spouse of the member including common law / same sex spouse.
 - The child /children of the member, which includes a member's unmarried child above the age of 21 who as a result of a mental or physical defect does not receive income.
 - Any dependent children up to age 25, who are full-time students attending a university or recognised college of higher education, provided a certificate from such university or college is produced each year.
 - Parents with regards to African extended families.

All employees enjoy the same benefits irrespective of income. The benefits are detailed in the Medical Aid Rules.

CHANGE OF STATUS OF PRINCIPAL MEMBER

Members who have a change in status (e.g. marriage, re-marriage, divorced, birth of an infant or legal adoption) are required to notify Human Resources of such changes immediately, who will then notify the medical aid scheme. Failure to do so could render such members liable to forfeiture of all benefits in respect of their new status, until they have given the required notification and paid the applicable contribution.

BENEFITS

Benefits are provided in accordance with the rules of the medical aid scheme. It is the responsibility of the principal member to consult with the medical aid scheme before

proceeding with any treatment where there is any doubt that such treatment qualifies for benefit.

CLAIMS PROCEDURE

The submission of claims and the payment of medical aid accounts are the responsibility of the principal member.

Human Resources can be contacted to assist employees who want to acquaint themselves with processes for the submission and payment of claims.

6. AUTHORITY

Formulation Policy	:	Municipal Manager
Authorisation Policy	:	Council
Ownership and Maintenance Manager	:	Director Corporate Services