

**MINUTES OF THE SISONKE HEALTH MEDICAL SCHEME  
ANNUAL GENERAL MEETING  
HELD ON 25 JUNE 2025 VIA ZOOM WEBINAR AND AT THE WATERVAL  
RECREATION CLUB, RUSTENBURG AT 14:00**

**10 members were recorded as present online and 7 members were recorded as present at the physical AGM venue. 2 members provided their proxy to the Principal Officer**

<b>Panelists</b>	Ms. H Raubenheimer, Dr V Memela, Mr. S Albert, Ms K August, Mr K Spelman, Mr M Fourie
<b>Board of trustees:</b> Ms. H Raubenheimer, Ms. A Smith, Dr M Segaole, Mr. P Raletjena, Dr D Sibeko, Mr. T Mananiso	<b>Schemes Officers</b> Dr V Memela, Mr. S Albert, Ms. M Manamela, Mr. F Humphris, MS N De Jong
<b>Independent Assurance company Name:</b> Middel & Partners  <b>Names of representatives:</b> Mr. A Duvenage	<b>Fund Manager:</b> Mr. M Nkaitshana
<b>ICT Host company Name:</b> RRZ	<b>Independent A&amp;I Chairperson:</b> Mr. M Hanise  <b>CMS Representative:</b> Mr. K Mokoatedi

**1. WELCOME AND APPROVAL OF AGENDA**

Mr. F Humphris welcomed all members, the Board of Trustees, Independent Chairperson of the Audit and Investment Committee, Principal Officer, Scheme executive members, CMS representative, representatives from Middle and Partners, representatives from RRZ and representatives from the Scheme's administrator to the Annual General Meeting (AGM). He indicated that the meeting is being recorded and that the meeting is being called in terms of rule 26.1.1 of the Scheme rules which required that the AGM be held no later than 30 June annually. Rule 26.1.3 of the Scheme rules require that at least 15 members attending in person or by proxy be present in the meeting to constitute a quorum. Mr. F Humphris to confirm if the meeting meets the quorum and that the Annual General Meeting is properly constituted to proceed.

Mr. F Humphris presented the virtual meeting rules as indicated below:

- This virtual meeting is recorded.
- Panellists/ Presenters are required to switch on their cameras each time they speak.
- Questions will be allowed after the presentations are concluded.
- You will have access to type your question in a chat box which will be available to you in the meeting. Please note that you will not be able to submit your question or comment during the meeting verbally as only speakers will have access to a microphone.
- Questions collected during the meeting may be answered post the meeting depending on their complexity.

<u>DEADLINE</u>	<u>STATUS</u>

- If you have submitted a motion to be discussed in the AGM, a microphone will be assigned to you so that you are able to articulate your motion. (You will be required to provide your membership number before you speak)
- The Scheme will ensure that all questions and their responses are recorded and published on the Scheme’s website to ensure fairness and transparency on how the questions are organized.
- A polling facility will be used for voting and approvals.

Mr. F Humphris introduced the Chair, MS Raubenheimer. She indicated the following items on the agenda required approval:

- Approval of the Agenda
- Approval of the previous year’s minutes
- Approval of the 2024 Annual Financial Statements for Sisonke Health Medical Scheme as well as Lonmin Medical Scheme
- Approval of PWC as a Scheme independent auditor for 2025
- Confirmation of Rule amendment regarding Trustee tenure post amalgamation.

Ms. H Raubenheimer presented the agenda for adoption. None of the members opposed the Agenda and the Principal Officer (member number 223) seconded the approval of the Agenda. The members that participated online in the polling voted in favour of the Agenda.

2. **APPROVE MINUTES OF PREVIOUS AGM**

Ms. H Raubenheimer presented the minutes of the Annual General Meeting held on 27 June 2024 for approval. The Principal Officer seconded the proposed minutes and no objections or proposed corrections to the minutes were proposed. The meeting approved as a true reflection of the meeting.

3. **CHAIRMAN’S REPORT**

Ms. H Raubenheimer presented the Chairperson’s report and highlighted the following.

She extended her sincere gratitude to all members, trustees, committee members, management, and staff for their ongoing support and commitment to the success of our scheme. Three of our trustees resigned during the year: Dr Masinga, Dr Masethe, and Mr Mananiso. She thanked them for their contributions and wished them luck for the future. She also noted that the SHMS Board welcomed Ms Mokhukhwane from Goldfields to the Board in October 2024 as a replacement for Mr Mananiso.

**Financial Overview**

Our financial position remains stable and strong. The scheme achieved a surplus after investment income of R8.8 million, reflecting prudent financial management. We posted a small loss after operating expenses (R636k); however, we continue to optimise our expenditures, improve claims processing efficiency, and maintain sustainable reserve levels. These measures ensure the scheme’s long-term viability and ability to meet future healthcare demands.

<u>DEADLINE</u>	<u>STATUS</u>
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**Membership Growth and Engagement**

Unfortunately, we have to report a decrease in membership for the year (-1 140) due to changes in the employer's operations, reaching 10,026 members as of the end of the year. We are strengthening our efforts to enhance membership growth, including marketing initiatives and improved communication channels. Please be on the lookout for surveys and attend events in your region. We hope this will contribute to greater member satisfaction and loyalty.

**Benefits and Service Delivery**

During the year, we expanded our benefits to better meet the needs of our members, including optometry, immunisation, and prenatal benefits. We have increased our network of service providers and negotiated discounted rates. Our service delivery has been further enhanced through upgrades at our PHCS and technology upgrades

**Challenges and Opportunities**

The healthcare sector continues to evolve rapidly, presenting both challenges and opportunities. Rising healthcare costs, an ageing population, and increasing member expectations require us to remain adaptable and innovative. We are committed to exploring new partnerships, digital solutions, and wellness and disease management programs to improve health outcomes and control costs.

**Governance and Compliance**

Our governance structures and internal controls are robust, ensuring compliance with relevant legislation and ethical standards. The Board remains committed to transparency, accountability, and best practices in stewardship of the scheme.

**Looking Forward**

Our focus in 2025 will be on strengthening our financial sustainability, expanding our benefit offerings, leveraging technology, and fostering a culture of continuous improvement.

We want to welcome the LMS members and Board of Trustees - Lonmin Medical Scheme and Sisonke Health Medical Scheme amalgamated on the 1st of April 2025. We are excited to deepen our engagement with all members and stakeholders of the amalgamated scheme to ensure we remain responsive to their needs and expectations.

In closing, she expressed her heartfelt appreciation to the trustees, management, committee members, staff, and scheme members for their dedication and trust. Together, we will continue building a resilient scheme that provides quality and equitable healthcare for current and future generations.

4.

**PRINCIPAL OFFICER'S REPORT**

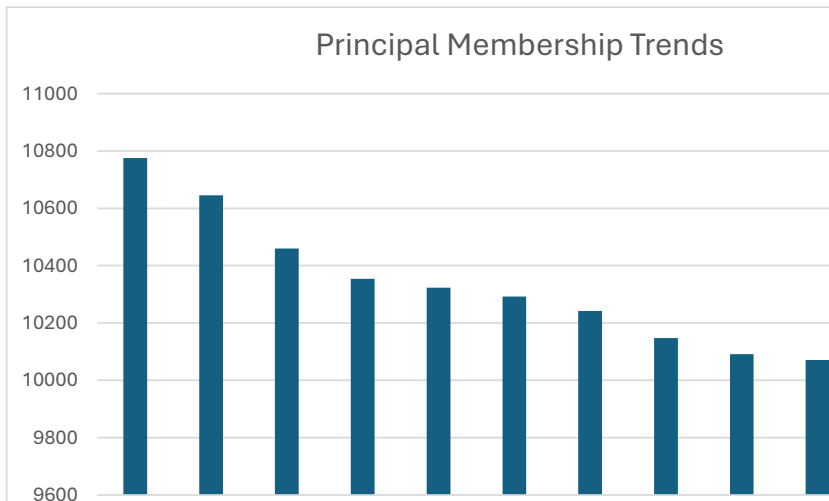
Dr V Memela presented the Principal Officer's report for 2024 and highlighted the following:

**Scheme Membership**

**DEADLINE**

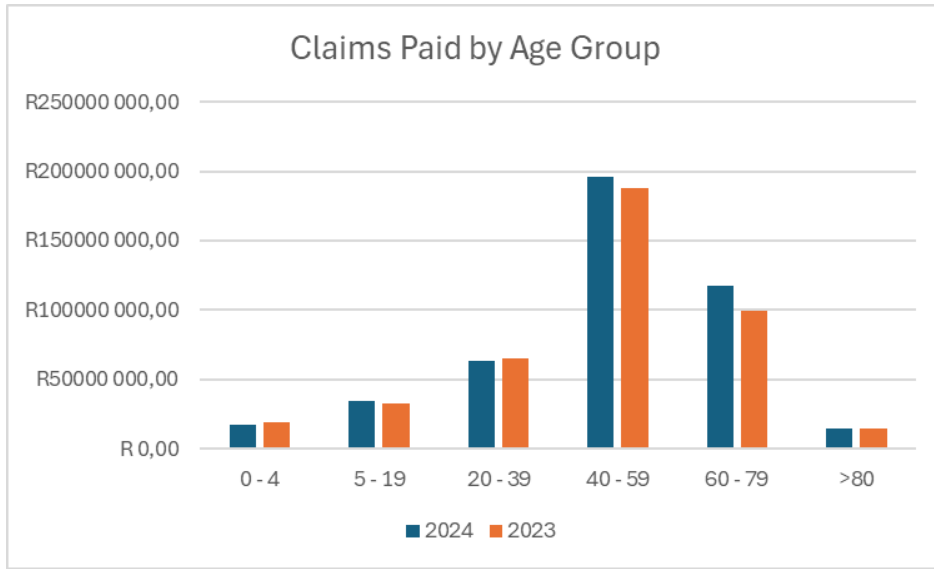
**STATUS**

- Sisonke Health Medical Scheme would like to thank all members who remained members in the 2024 calendar year. We are also pleased to welcome all new members to the Sisonke Health Medical Scheme Family. The Scheme’s promise to you is to continue always serving you and your dependents and ensuring that you receive Quality, Affordable and Accessible and Appropriate Health Care through our professional network of health care practitioners and our Private Medical Centres.
- The Scheme had an average of **18 872 beneficiaries and 10 291 principal members as of 31 December 2024**. The total Principal Members of the Scheme remained stable just above **10 000 throughout the year**. The concentration of the Scheme membership remained higher on the Heritage option followed by the Pride and Diversity option. **Principal members made up 54.8% % of the Scheme beneficiaries followed by Child dependants at 29.7% and adult dependants at 15.5%** The family size of was at **1.8 at the end of 2024**.



The graph below indicates that the highest claims are paid out for age groups 40 – 59 followed by 60 – 79 and 20 – 39.

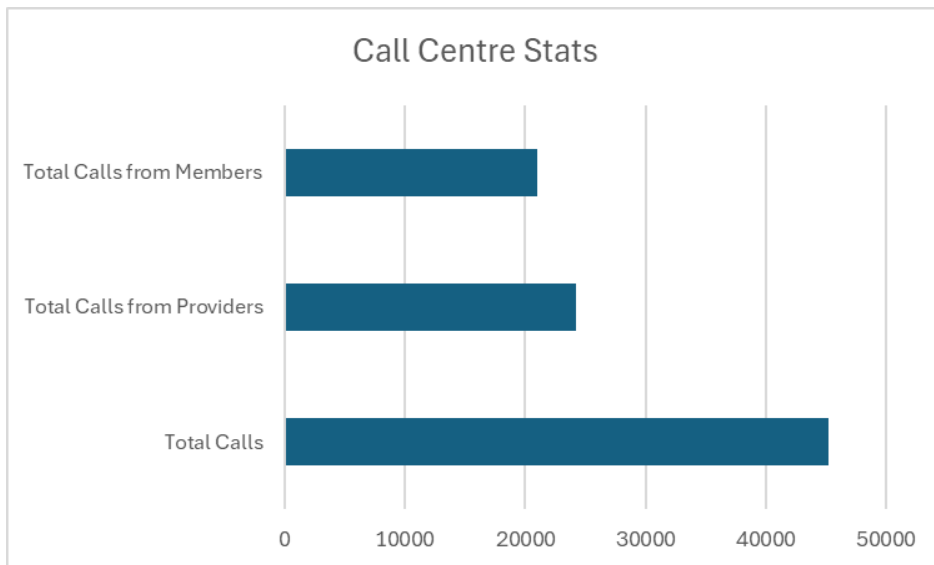
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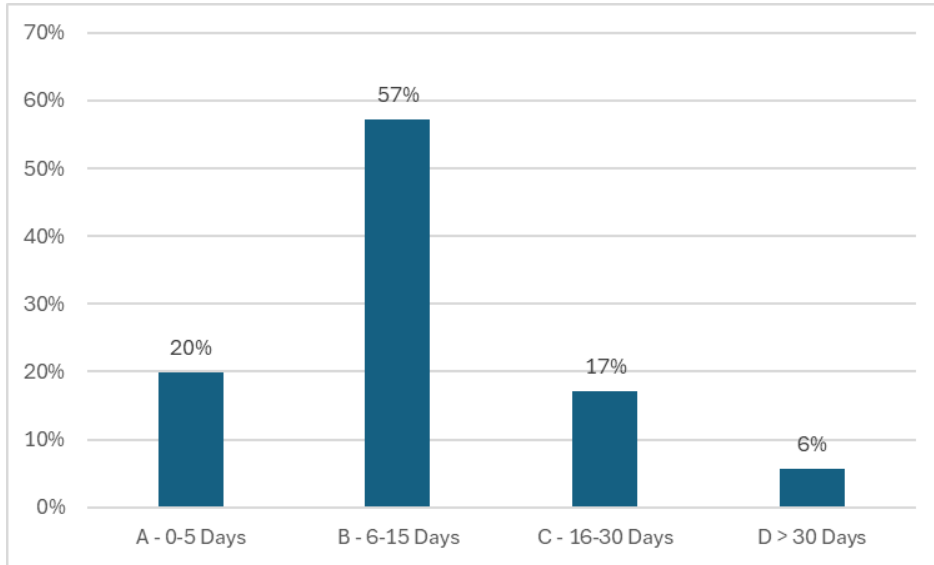
**Review Of Operations**

The Scheme operates a Call Centre to ensure that its members and service providers can get assistance and have questions relating to the Scheme and benefits answered timeously.



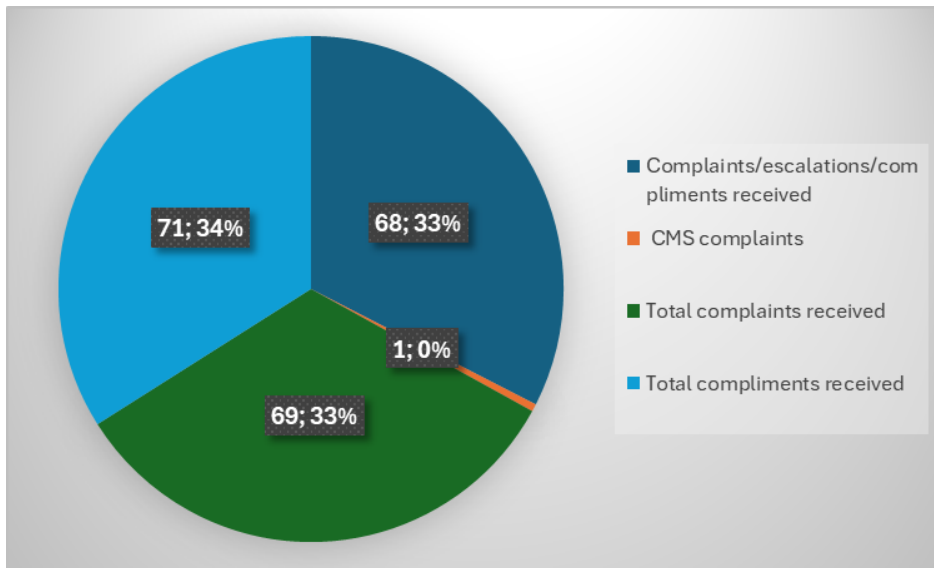
A total of **45 222** calls were received in 2024. **53%** of the calls were received from service providers with **47%** of the calls received from members. Of all the calls received, **90%** were answered within 15 seconds.

**Claims Received to payment**



The Scheme monitors the claims processing and payment systems provided by Momentum TYB. **On average, 94%** of the claims received were paid within thirty days of receipt as per the Council of Medical Schemes requirements and only 6% were paid after thirty days.

**Complaints and Compliments**



The Scheme received and resolved **70 complaints in 2024**, 1 of which was escalated to the CMS. All the complaints were resolved with feedback provided to the complainants and the CMS for the escalated case. **A total of 72 compliments** were received for the year

**DEADLINE**      **STATUS**

### Managed Care

#### Pharmacy Indicators - Acute Medication on Benefit



	Q1 2024	Q2 2024	Q3 2024	Q4 2024	YTD 2024	YTD 2023	% Change 2024 vs 2023
Ave monthly cost	2,129,235	2,313,242	1,862,462	1,312,359	1,904,325	1,887,385	0.9%
Ave items per script	2.08	2.08	2.26	2.12	2.13	2.18	-2.2%
Ave cost per ben	109.28	121.78	99.97	71.27	100.86	90.05	12.0%
Ave cost per utilising ben	279.87	279.24	260.11	226.14	263.98	251.15	5.1%
Percentage utilising bens	39.0%	43.6%	38.4%	31.5%	38.2%	35.9%	2.4%
Ave cost per script	244.81	248.70	238.29	214.08	238.45	235.42	1.3%

### Hospital Indicators

Indicators	Q1 2024	Q2 2024	Q3 2024	Q4 2024	YTD 2024	YTD 2023	% Change 2024 YTD vs 2023 YTD
No of Admissions	1444	1465	1389	1299	5597	5869	-4.6%
Average Cost per Admission	56,360	54,379	55,463	50,438	54,244	47,301	14.7%
Total Length of Stay	5460	5683.5	5092	4779	21,015	21,850	-3.8%
Admission rate per 1000	24.6	25.7	24.8	23.6	24.7	23.3	5.9%
Ave length of stay	4.0	4.1	3.8	3.8	3.9	3.9	0.7%
Ave length of stay (excl high-cost cases)	3.2	3.2	3.1	3.2	3.2	3.2	0.6%
Ave LOS per 1000 Beneficiaries	93	100	91	87	93	87	6.8%

### Disease Management Programme Clinical Outcomes

Condition	December 2024					December 2023				
	Prevalence per 1000 Beneficiaries	Registered Bens	% of Scheme Membership	Admission Rate	Medicine Compliance % (Target)	Prevalence per 1000 Beneficiaries	Registered Bens	% of Scheme Membership	Admission Rate	Medicine Compliance % (Target)
Hypertension	191.8	3508	19.2%	0.2%	89%	192.1	3914	19.2%	0.1%	84%
Diabetes Mellitus	50.4	922	5.0%	0.5%	78%	49.2	1002	4.9%	0.2%	77%
Mental Health	34.5	631	3.5%	0.3%	71%	31.6	643	3.2%	0.3%	74%
Asthma	23.8	435	2.4%	0.0%	52%	24.3	496	2.4%	0.0%	44%
HIV	120.4	2201	12.0%	0.0%	87%	127.7	2602	12.8%	0.0%	87%
Heart / Cardio	14.8	270	1.5%	0.7%	83%	13.8	282	1.4%	0.7%	80%

### Medical Centres Key Indicators by Area

Centre	Total Paid	Consults	Unique Patients	Ave Recall Rate	Ave Age	Ave Cost	Ave Cost per UP	Acute Cost per Script	Ave Chronic Cost per Script	Ave Radiology Cost per claim	Ave Pathology Cost per claim
Carletonville	2,468,879	5027	2869	1.8	42	491	861	190	371	916	1,181
Rustenburg	9,372,287	18093	10202	1.8	41	518	919	143	338	754	1,396
Westonaria	3,948,660	7646	3852	2.0	41	516	1,025	185	329	858	1,358
<b>Medical Centre</b>	<b>15,789,825</b>	<b>30766</b>	<b>16923</b>	<b>1.8</b>	<b>41</b>	<b>513</b>	<b>933</b>	<b>158</b>	<b>343</b>	<b>818</b>	<b>1,346</b>

### Focus Areas for 2024



**Financial sustainability**



**Growth**



**Service Excellence**



**Governance**

### GROWTH

**Stakeholder Marketing and PR**

**DEADLINE**

**STATUS**

- In March 2024, the Scheme supported the TB Commemoration at Sibanye Stillwater and Gold Fields where members received health risk assessments. The Scheme also hosted its TB Commemoration events at all Medical Centres. Educational material and fruit packages were handed to members to promote healthy living.
- The scheme supported a Wellness Event with the focus on Attention Deficit Disorder Awareness in South Deep, Goldfields in April 2024.
- The Scheme supported the Mandela Eye Care Project lead by Mokone Molefe Optometrists on 23-25 July 2024. 124 learners were selected to receive eye screening. The Scheme provided administrative support, branding, water and gifts for the scholars who received eye screening. Eye Square Optical, S.A Optics, Mpudulle Eye Institution/Hospital, and Sibanye Stillwater amongst others supported the CSI initiative.
- In June 2024, the Scheme together with its team of Physiotherapists supported Sibanye Sports and Gold Fields at the Comrades Marathon in Durban and Pietermaritzburg. Gifts were handed out to all athletes and Executives. 74 athletes participated in the Marathon with 63 successfully crossing the finish line. Sibanye Sports sent a letter of gratitude to the Scheme.
- In August, the Scheme collaborated with Sibanye Stillwater and Gold Fields to commemorate Women's Day. The focus of these events was on women's health, incorporating physical activities such as aerobics and dance. In addition, participants received educational sessions covering important health topics such as mammograms, pap smears, and information on the Scheme's benefits specifically designed for women. These events were engaging and aimed at promoting awareness and understanding of women's health issues.
- Sisonke Health Medical Scheme (SHMS) was honoured to participate in Sibanye Stillwater SRPM's Male and Female Health Awareness and World AIDS Day (WAD) events held in October, November, and December 2024. These initiatives provided employees with valuable education on various health conditions affecting them, with insightful contributions from speakers on different days and shifts.
- Sisonke Health Medical Scheme has increased brand awareness through interactive social media platforms on Facebook, Instagram, Sisonke Health App & WhatsApp.
- Members have an option of engaging the scheme electronically through telephone calls, WhatsApp, email and on the Sisonke App. These platforms are created to ensure ease of access to the Scheme by members. Member surveys are conducted frequently on members visiting the Scheme's medical centres to assess member satisfaction.
- Sisonke Health Medical Scheme has been accessible to its members through Client Liaison Officers who visit operations at the employer group's premises, in order to promote awareness of the Scheme's brand and also educate the members on their benefits and address any queries the members might have.
- A survey was conducted to assess member satisfaction regarding overall customer service, aiming to take appropriate measures to enhance member service and better address their needs

**DEADLINE**

**STATUS**

- Sisonke is a registered medical scheme that provides healthcare cover in terms of its Rules to all its beneficiaries by using the contributions entrusted to it by its members. An independent Board of Trustees governs the activities of the Scheme on behalf of members, who elect half of the number of trustees to serve on the Board and protect members' interests. The Board of Trustees fulfils its responsibilities in line with section 57 of the Medical Schemes Act 131 of 1998. Section 57 requires all medical schemes to have a board of trustees consisting of persons who are fit and proper to manage the business contemplated by the medical scheme, in accordance with the applicable laws and the rules of such medical scheme. The Board is also tasked with overseeing consistent sound governance by Sisonke in line with the Rules of Sisonke, the Medical Schemes Act 131 of 1998, as amended, the Board of Trustees Charter, the Conflict-of-Interest Policy and all other relevant policies, as well as the principles provided in the King IV Report on Corporate Governance for South Africa.
- Compliance with statutory, legislative, and regulatory requirements is a crucial area of focus for Sisonke to provide assurance to the Board of Trustees on effective governing and management of compliance. Changes in legislation, the impact thereof on Sisonke as a registered medical scheme, and the actions to be taken by management are reported and monitored. No material fines or penalties were incurred for failing to comply with applicable legislation or regulations during the reporting period.
- The Scheme was able to keep its reserves above the 25% margin as required by the Council for Medical Schemes during 2024. The reserve percentage was at 48.3 % as at 31 December 2024 compared to 50.2% as of 31 December 2023. The higher pensioner and chronic member ratio together with the high-cost case experience for 2024 negatively impacted the scheme's solvency.
- For the twelve months ending 31 December 2024, the Scheme ended with a net insurance deficit of R 24.5 million versus a net insurance deficit of R7.9 million for 2023. The Scheme received R 536.8 million in insurance revenue and a sum of R 561.3 million in insurance service expenses was incurred.
- The Scheme introduced new enhanced benefits in 2024 which were being positively received by many of our members.

**INDEPENDENT AUDITOR'S REPORT**

5.

Ms K August from PwC presented the following audit opinion on the 2023 Annual Financial Statements as prepared by the Scheme's Auditors. She highlighted the following:

- These financial statements present fairly, in all material respects, the financial position of Sisonke Health Medical Scheme as at 31 December 2024, and its financial performance and cash flows for the year then ended, in accordance with IFRS Accounting Standards and the requirements of the Medical Schemes Act of South Africa.

**DEADLINE**

**STATUS**

- The Scheme achieved an unqualified audit.
- Key audit matters disclosed related to the valuation of incurred claims not yet reported.
- One material non compliance matter to report which was that the Heritage, Pride and Diversity options incurred losses for the previous year.

**6. ANNUAL FINANCIAL STATEMENTS 2024**

Mr. S Albert presented the 2024 Annual Financial Statements for **Sisonke Health Medical Scheme** and highlighted the following.

- The annual financial statements are prepared in compliance with the International Financial Reporting Standards (IFRS) and the requirements of the Council of Medical Schemes.
- Medical Scheme financial statements had been prepared in compliance with IFRS 4: Insurance Contracts since it became effective in 2005.
- IFRS 17: Insurance Contracts (IFRS 17) became effective on 01 January 2023 and replaces IFRS 4.
- He indicated that the scheme was viewed as a mutual entity.
- The Annual Financial Statements were independently audited and verified.
- The Scheme's total assets decreased to R340 million due to high payment responsibilities of the Scheme
- The Scheme's insurance revenue was R536.8 million with insurance service expenses at 589.6 million.
- The net healthcare result was a deficit at R 24.5 million
- The amount attributed to future members was at a deficit at R 636 000.
- Cash and cash equivalents at the end of the year were at a deficit at R 86.3 million.

Ms. H Raubenheimer indicated that the 2024 Annual Financial Statements have been presented and requested the members to vote for or against the approval of the AFS. None of the members present voted against the approval and the Principal Officer seconded the proposal to approve the 2024 Annual Financial Statements and the Annual Financial Statements.

Mr. K Spelman from BDO presented the 2024 Annual Financial Statements for **Lonmin Medical Scheme** and highlighted the following:

- These financial statements present fairly, in all material respects, the financial position of Lonmin Medical Scheme as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Medical Schemes Act of South Africa.
- Key audit matter was the liability for incurred claims which formed part of the Insurance contract liability.
- He continued to mention the reduction in cash and cash equivalents.

Mr M Fourie from BDO mentioned that based on the financial statement information, the fund was in a healthy position in terms of reserves.

<u>DEADLINE</u>	<u>STATUS</u>

Ms H Raubenheimer proposed the approval of the Lonmin Medical Scheme Annual Financial Statements and Ms Mthethwa (member number 314660301 seconded proposal. No attendee opposed the approval and the members online voted in favor of approval.

**7. APPOINTMENT OF AUDITORS**

Ms. H Raubenheimer reported that the Board of Trustees is recommending approval of PWC as the Scheme’s auditor for 2025 and requested members to vote for or against the appointment of PWC. The members voted in favor, with no opposition, and PWC was approved as the Scheme auditor. Ms Mthethwa (member number 314660301 seconded proposal. No attendee opposed the approval and the members online voted in favor of approval

**8. APPROVED RULE CHANGES**

Ms. H Raubenheimer reported that the Rule Changes confirmed by the Council for Medical Schemes related to the composition of the Board in the interim period of the amalgamation. She noted that Rule 18.1A was approved wherein the Board of Trustees would be the combined Board of both Sisonke and the erstwhile Lonmin Medical Scheme until elections would occur in January 2026 wherein the composition would be rationalized to conform to the requirements previously held in the Rules.

**9. Q & A CLOSURE**

Ms. H Raubenheimer read the following written question received from a member (Mr. Engelbrecht) prior to the meeting.

**Question**

“I write this e-mail on behalf of myself, WH Botes member number P3296328 and HJ Engelbrecht member number P2793320. Mr. Engelbrecht is abroad and will not be in time for the AGM and he requested me to query this on his behalf.

As per the attached financial statements of Sisonke Health for the year ended December 2024, the two cheaper options of Sisonke Health run at losses. The Pride option lost R5.3 million and the Diversity option lost R3.4 million. The act states that an option must sustain itself. What makes it worse was the latest increase in membership fees for the Heritage plan was much higher than inflation to cater for a surplus on the Heritage plan to subsidize the cheaper options. **The question is what are the Board of Trustees going do to get the cheaper options viable?”**

**Answer**

<u>DEADLINE</u>	<u>STATUS</u>

Ms Raubenheimer responded by stating:

- The scheme has put various measures in place:
- Risk stratification, case management, active disease management, homecare and end of life benefits, home nursing contracting for high-risk members strict management of high cost cases, negotiated tariffs with hospital group.

<u>DEADLINE</u>	<u>STATUS</u>

The meeting closed at 14:51

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CHAIRPERSON

\_\_\_\_\_  
DATE