

8th largest open medical scheme created

The merger of Hosmed Medical Scheme (Hosmed) and Sizwe Medical Fund (Sizwe) has been given the go-ahead by the Council for Medical Schemes, making it the country's eighth-largest open medical scheme.



Source: @langstrup [123rf](#)

It will have the fourth-highest solvency ratio of the top 10 largest medical schemes and brings together Sizwe's 46,900 membership with Hosmed's 21,000 membership.

"This merger is mutually beneficial to both schemes, where the combined balance sheet and increased membership size can unlock efficiencies and economies of scale to the benefit of all members," said Dr Simon Mangcwatywa, Sizwe Hosmed's principal executive officer.

In recent years, a few developments have placed a burden on smaller medical funds, creating increasing pressure for consolidations, such as a review of the Prescribed Minimum Benefits package, the drive towards implementing a National Health Insurance (NHI), and an expected increase in claims in the wake of the Covid-19 pandemic.

"Sizwe Hosmed members will benefit through a reduction in non-healthcare expenses attributed to reduced operational scheme expenses," says Mangcwatywa.

For more, visit: <https://www.bizcommunity.com>