

PO Box 1101, Florida Glen, 1708
37 Conrad Street, Florida North,
Roodepoort, 1709
t +27 11 671 2000
www.medscheme.com

Mr S B Mgwanya

Unit 43, Plaza 10 Building
52 Brown Street
Nelspruit
South Africa
1201

Per email: mgwenyas@webmail.co.za ; sabelomgwanya@gmail.com

23 March 2018

Dear Sir,

PAYMENTS TO YOUR PRACTICE

We, on behalf of Nedgroup Medical Aid Scheme, Polmed, SABC Medical Scheme, Sasolmed and Samwumed acknowledge receipt of the member claims submitted by your practice, with practice numbers 0550477 and 0724378, for processing and payment.

A retrospective claims audit was undertaken on your claims submitted for the period March 2016 to February 2018.

Medscheme's Healthcare Forensic department has identified and quantified the following billing irregularities summarised below:

1. Claims received accumulated to a claiming period of more than 8 hours per day, the highest hours claimed by your practice across the Medical Aid Industry is 23,67 hours in a 24 hour work day.

2. Based on these findings, we have allowed a maximum of four (4) hours per day, for all of the schemes that we administrate.
3. Claims for 1 patients billed in duplicate on both practice numbers advised for the same treatment dates.

It is the Medical Aid Administrators perspective that in order to follow good corporate governance only one practice number should be accepted for payment. The use of the practice number does not dictate the patients that are treated. The Healthcare Professional dictates which patients will be treated. Please advise us in writing which of the two practice numbers currently registered will be used for all future claims.

The erroneous billing was not identified at the time of processing and the claims were processed and paid by the said schemes, in good faith.

The erroneous payments have resulted in a financial prejudice to the schemes which has subsequently resulted in the quantification of **R 62,799.82 (Sixty Two Thousand Seven Hundred and Ninety Nine Rand and Eighty Two Cents)**, due to be recovered.

Scheme	Amount
Nedgroup Medical Aid Scheme	252.87
Polmed	52,783.63
SABC Medical Scheme	2,359.17
Sasolmed	1,674.13
Samwumed	5,730.02
Total	62,799.82

The quantum will be recovered by means of direct deduction from future/current claims submitted from your practice (0724378), alternatively, may be settled upfront. In the event that Medscheme is unable to recover the quantum from you, *it reserves its right to blacklist you and/or your practice until such time as the outstanding amount has been repaid in full.*

The affected schemes are entitled to invoke the particular recovery method, in terms of **Section 59 (3) of the Medical Schemes Act, 131 of 1998**. In terms of the provision; schemes may recover any amount paid to a healthcare provider, in good faith, to which that healthcare provider was not entitled to, by means of a deduction.

As a result of the anomalous claims and identified irregularities, payments to your practice will be suspended with immediate effect. Kindly note that no payments will be made to either the member and/or your practice during the suspension period, and that you are obligated to inform our members accordingly.

Kindly revert to our offices within 10 (ten) days hereof to explain the irregular billing practices alternatively as to why you believe the above quantification may be invalid.

Please note that during the period of recovery, your practice shall not be entitled to recover any co-payments from any members of the abovementioned schemes.

Should you wish to dispute anything contained herein, we urge you to urgently contact Dorothy Shaw in writing, on dorothys@medscheme.co.za

Yours sincerely,

Dorothy Shaw

Analyst | Healthcare Forensics

Tel: 011 671 4530

E-mail: dorothys@medscheme.co.za

37 Conrad Road, Florida North, Roodepoort, 1709, Gauteng