

Mr S B Mgwenya

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11 April 2018

RE: PAYMENTS TO YOUR PRACTICE

Dear Sir,

We hereby refer to our previous letter dated the 23rd March 2018 and advise the following amendments.

We, on behalf of Bonitas Medical Aid Fund acknowledge receipt of the member claims submitted by your practice, with practice number 0550477 and 0724378.

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. Over servicing of members as advised by the South African Speech – Language – Hearing Association (SASLHA):
 - o The Association advised that billing twice a day should not be allowed and that treatment per day, per member should not exceed one hour per day.
2. Based on the above statement, we have allowed a maximum of one (1) hour per day, per member for all of the schemes that we administrate.
3. Duplication of claims for services provided to member on the same treatment date.

In addition the following concerns have been noted and should be taken into consideration for all future claims processed:

1. Locum tenens were employed for a period exceeding six months. Please ensure the HPCSA rules concerning locums are adhered to going forward.
2. Written referrals are required for In-Hospital patients for all Medscheme Administrated Schemes (Including Samwumed).
3. In order to follow good corporate governance only one practice number should be used for all future claims. This will ensure no further duplicate billing errors occurring.

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

The erroneous payments have resulted in a financial prejudice to the scheme which has subsequently resulted in the quantification of **R 171,678.28 (One Hundred and Seventy One Thousand Six Hundred and Seventy Eight Rand and Twenty Eight Cents)**, due to be recovered.

The quantum will be recovered by means of direct deduction from future/current claims submitted from your practice, 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.

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 scheme.

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

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