

Health Squared medical scheme 'blew millions'

Business Times (28 August 2022) reported that documents attached in the medical scheme's High Court application for voluntary liquidation, as well as further documents leaked from the Council for Medical Schemes (CMS), show that the medical scheme had operated in breach of solvency requirements and was consistently overspending on non-healthcare items.

In 2020, the marketing portion of this expenditure exceeded its budget by R20-m, while non-health expenditure was R15.7-m over budget.

Health Squared, formed by a merger between Resolution Health and Spectramed, in 2019, has applied to the Johannesburg high court for voluntary liquidation. The CMS is in talks with seven of the country's biggest medical schemes to absorb the company's 14 000 members and their 23 000 beneficiaries.