

Minutes

ANNUAL GENERAL MEETING OF HERITAGE HEALTH MEDICAL AID FUND HELD ON THURSDAY 14 JULY 2023 AT 10H00 AT THE AREBBUSCH TRAVEL LODGE, WINDHOEK

1. Opening and Welcome

1.1. Welcome by the Principal Officer.

1.2. Constitution of the meeting: Quorum was established with the following in attendance:

1.2.1 Proxies received

77 valid Proxy forms received.

1.1.2 Members present

17 Members attended in person.

1.1.3 Members joining through Zoom Meeting

13 members joined via Zoom Meeting link.

1.3. Introduction of the members of the current Board of Trustees

1.3.1. Dr Ndahafa Nghifindaka, Chairperson of the Board attended in person

1.3.2. Linda Uulenga joined via Zoom Meeting

1.3.3. Paulus Egodhi joined via Zoom Meeting

1.3.4. Munyaradzi Zimbwa joined via Zoom Meeting

1.3.5. Jonathan Fourie joined via Zoom Meeting

1.4. Introduction of the representatives from Clinico Health Administrators, the Administrators of the Fund as well as the Auditors, PWC was done.

1.5. Introduction of the representatives from NAMFISA and NAMAF was done.

2. Confirmation that the Notice of the AGM was provided to all principal members according to the Rules of the Fund

2.1. The PO confirms that AGM notices were sent out to all the members via mass email system 21 days before the scheduled AGM date.

2.2. SMS reminders of the AGM were also sent out to our members via system driven text messages.

2.3. A notice was posted on the Fund's social media pages.

2.4. Telephone calls were made to all members reminding them of the AGM date.

3. Confirmation of the Agenda

- 3.1. The Principal Officer presented the agenda to the meeting.
- 3.2. The Principal Officer informed the members that the audited financial statements would not be presented at this meeting as these were not ready. These would be made available to the members as soon as they are received from the auditors, PWC.
- 3.3. The Agenda was adopted without any further changes.

4. Approval of the AGM Minutes held on 15 July 2021

- 4.1. Principal Officer reminded the members that there was no AGM in 2022 as there was no quorum. The Minutes for the 2021 AGM were read and approved by members that attended the 2021 AGM.

5. Chairperson's Report

The Chairperson welcomed all Heritage Health Members to this year's annual general meeting and highlighted the following:

- We note with gratitude and great relief that the 2023 AGM has been properly constituted and we witness the positive atmosphere in which the meeting has been prepared for. Thank you to all the members who have come to attend in person and all those who have sent in their proxy forms.
- We failed to hold the 2022 AGM due to a lack of quorum and hence we are reporting over an extended period. Since the last AGM held in 2021, it has been a time of significant transition in the Fund's existence. The Fund changed its Principal Officer, Board of Trustees and Administrator.
- Within this period, we have seen the settling in of the Administrator, Clinico Health and the successful working together of the Board of trustees. We had two resignations from the Board, being Mr Joris Harteveld and Mrs Denise Billy. Within the same period, we welcomed on board two new Trustees: Mr Munyaradzi Zimbwa and Mr Jonathan Fourie. We appreciate all the good work and inputs brought to the Fund by Mr Hartefeld and Mrs Billy and wish Mr Zimbwa and Mr Fourie well as they join the Fund's Board of Trustees. These two bring a lot of relevant industry experience to our Fund.
- We also went through a recruitment process which culminated in the appointment of a Principal Officer, Ms Valeria Muchero who joined the Fund with effect from 1st September 2021.
- Dr Elton Black is the Managing Director of Clinico and has been instrumental in the smooth transition of all the administrator functions from Integrated Wellness Solutions (IWS), the Fund's previous Administrator who resigned in February 2021. The hand over between IWS and Clinico was a challenging process but was successfully completed and we are pleased that the fund's administration processes are now working well.
- The Board and Management of the Fund have worked according to the management plan and have ensured that the operations are smooth. Improvement in the fund administration is evident.

- A note of great concern has been the Namfisa and Heritage Health ongoing legal cases. A more detailed report will be given by the Principal Officer regarding progress to date of these cases.
- We acknowledge that the Fund has gone through extremely difficult times to date, and we want to thank you for the patience and understanding during these trying times for the Fund. Rest assured, all our members that the Board and Management are doing their best to manage the Fund for the benefit and in the best interests of the members.
- The Principal Officer would then take the meeting through the Fund's updates on critical operational matters.

6. Principal Officer's Report and updates on the Court cases

6.1 General

- The PO thanked the Chairperson for the warm welcome and the introductions.
- She extended a word of appreciation to the members of the Fund who entrusted her with the responsibility of oversight of the Fund.
- She confirmed that she had assumed duty with Heritage Health Medical Aid Fund on the 1st September 2021 and have been fully inducted into her role.
 - It was noted that the good working relationship between PO's office and the Administrators, Clinico is valuable and has seen the great strides made in resolving most of the problems which arise in the day-to-day business of running a medical aid Fund.
- Further updates on the Fund's critical operational matters were given as detailed below.

6.2 Monthly PO report to NAMFISA: Summary

The PO presented the monthly PO Report submitted to Namfisa as at 15th May 2023 and summarised as follows:

- The Fund is required by law to submit certain reports to the regulator, one of which is the PO Report.
- The Fund has been compliant with this submission for the period under review.
- The Report contains, among other things, information on members joining and resignations month on month; statistics per benefit option and membership age profiles; premiums paid and claims processed and paid.
- The Fund has lost some members along the way but the good news is that with the decisive conclusion of the court cases, there is an expectation of a positive growth trajectory in the numbers of new members joining the Fund.
- Membership for the Fund stands at 416 individual lives covered.
 - The Fund has embarked on an aggressive marketing campaign which has resulted in an increased volume of enquiries for our products.
- The Fund is up to date with all the statutory and financial submissions required.

- The 2022 Annual audit has not been completed due to delays occasioned by the interpretation of the court rulings. As soon as the Auditors PWC have completed the exercise, the AFS will be submitted to the Regulator and the members accordingly.
- For purposes of today's presentations, the Fund would present the current Management Accounts.

6.3 Legal Cases updates

- The Fund had two court cases running for the past four years.
- The PO was pleased to advise that one of the cases has been concluded with a resounding Supreme court victory for the Fund.
 - The High Court case wherein the Regulator, Namfisa was seeking the liquidation of the Fund was also successfully defended. The court judgment handed down on 14th April 2023 was in favor of the Fund and this should bring great relief to all the members.
 - However, it was advised that the Regulator has lodged an appeal against this judgement and the appeal hearing is pending. As such, not much details of this matter could be shared at this stage since the case is still subjudice.
 - Members are assured that the legal team for the Fund is adequately handling the matters.
 - Progress will be shared with the members in due course.

6.4 Industry updates

- The Fund is represented at NAMAF forums by the PO.
- NAMAF issues which are pertinent to the Fund are shared with the Board of trustees and members where relevant.
- The current topical issue is the work and consultations being held around the National Health Coverage.
- Members will be consulted where the implications of these developments have a bearing on the business of the Fund

7. Financial Statements

In the absence of Audited Financial Statements, the Management Accounts as at 30 June 2023 were presented.

8. Audit Report (PWC)

- No Audit report was presented due to the delay caused by the interpretation of the court case judgement.

9. Election and Voting for Trustees

9.1

- 64 Total Nominations were received and tallied as follows:
- **Herbert Schubert** = 25 nominations
- **Jonathan Fourie** = 22 nominations
- **Hellete Sparing** = 16 nominations
- **Amanda Miller** = 1

10. General /A.O.B

No items were raised under general business

11. Questions and answers

11.1 Claims

- Members asked about the inclusion of all claims in the claim liability reporting. The Managing Director of Clinico, Dr Elton Black responded that most of the claims applications are submitted via the system hence very minimal human intervention. He asked the member to submit their claims again if they are informed that their claims are not received.
- Members probed the issue of extended periods of claims refunds. Dr Elton Black clarified that due to low reserves, the fund is unable to pay claims immediately as and when they are received but rather pay in portions monthly as the funds become available. This allows for good cash flow management with priority given to hospitals and crucial service providers to ensure that the members get help when needed.

12. Closing

The meeting ended at 12h12 and was officially closed by the Chairperson.

SIGNED as a true reflection of the meeting proceedings held on the 14th JULY 2023



Dr NN Nghifindaka
Chairperson



Ms Valeria Muchero
Principal Officer

DATED: 8th August 2024