



MINUTES OF THE 86TH
ANNUAL GENERAL MEETING
HELD ON 24 JUNE 2009

**MINUTES OF THE 86TH ANNUAL GENERAL MEETING OF TELEMED MEDICAL SCHEME
HELD AT TELEMED HEAD OFFICE, 4 THIRD STREET, MARLANDS, GERMISTON
ON WEDNESDAY, 24 JUNE 2009 AT 16:00**

Present

Ben Bets	Chairman
Frank Dempsey	Deputy Chairman
Leon La Grange	Chief Executive Officer (CEO)

27 TeleMed scheme members

By invitation

Kobus Scheepers	Chairman – Audit Committee
Marcel Raath	Trustee
Everhard Carstens	Aurco Group
Linda Pieterse	PriceWaterhouseCoopers (PWC)

Apology

Lance Louw	Trustee
------------	---------

Secretary

Alta Steyn

1. WELCOME AND CONSTITUTION OF MEETING

The Chairman declared the meeting properly constituted and welcomed all present to the 86th Annual General Meeting of TeleMed Medical Scheme. He extended a special welcome to his fellow trustees, Kobus Scheepers and Everhard Carstens.

The Agenda as presented was accepted with no additional items added.

2. MINUTES OF THE 85TH ANNUAL GENERAL MEETING HELD ON 23 JULY 2008

It was duly noted that the minutes of the 85th Annual General Meeting held on 23 July 2008 were not distributed to the members before the meeting. Copies were distributed at the meeting and members were given a chance to read them. The meeting accepted them as correct.

3. MATTERS ARISING FROM THE PREVIOUS MINUTES

Matters as reflected in the minutes of 23 July 2008 were noted and it was confirmed by Monica Smit, TeleMed Operations Manager that the query escalation process has improved satisfactorily. She also gave a brief description to the members on how the process works. It was confirmed by the Chairman that it will form part of a Balanced Scorecard, with Management and the Board of Trustees monitoring escalations.

Management was requested to more regularly and prominently communicate the escalation process.

4. REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2008

The Chairman informed the members regarding further developments since writing his Chairman's Report regarding the Board's merger initiative. Two medical schemes were shortlisted as potential candidates for the merger, i.e. Medihelp and BESTmed. After thorough discussion and considering all options, the Board decided that BESTmed was the preferred merger partner, due to the better option match it offered. He briefly explained the advantages of the merger to the members and also how the staff would be accommodated. It is planned that the merger will come into effect on 1 January 2010. All our benefit options will be retained for 2010 except for the Silver option and in total the merged scheme plans to offer ten (10) options next year.

The further progress was noted and the report of the Board of Trustees was accepted.

5. ADOPTION OF THE SUMMARISED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

The financial statements were approved. It was noted that the solvency ratio had improved by a further 1% since April 2009. The Chairman thanked Management for their sterling efforts in this regard.

6. APPOINTMENT OF AUDITORS

The recommendation made by the Audit Committee to retain PriceWaterhouseCoopers as TeleMed's external auditors was noted and accepted.

The Chairman of the Audit Committee, Kobus Scheepers, expressed his appreciation to the CEO and his team for their support to the auditors and the Audit Committee.

7. ANNOUNCEMENT OF NEWLY ELECTED BOARD OF TRUSTEE MEMBERS

Everhard Carstens of Aurco gave a brief summary of how the ballot process was conducted and thanked TeleMed's staff for the professional support in counting the votes.

He announced that Ben Bets (re-elected), Jurgens Bezuidenhout (re-elected) and Jacqui Joubert had been duly elected.

The Chairman thanked the members for the confidence placed by re-electing him and Mr Bezuidenhout as trustees of TeleMed. He also extended a special welcome to Dr Jacqui Joubert as a new trustee.

8. OTHER MATTERS

Two proposals had been received in writing from Mr AM Damster:

- The Annual General Meeting should reconsider with urgency the blanket rule that no payment can be made for any medication that includes or consists of vitamins. The AGM noted the proposal and requested that its merits be considered during the 2010 benefit design process.
- The Annual General Meeting should consider cancelling the contract with the company managing dental treatments on behalf of TeleMed. The AGM noted the service problems experienced with this service provider and requested the Board of Trustees and MHC Committee to further investigate and rectify the cause of these problems.

9. GENERAL

The following key issues were also raised in letters and at the meeting:

- Problems experienced with the service providers for the Gold Select option
- Call centre taking too long to answer calls
- TeleMed no longer sending out monthly statements
- Poor service levels received from SHS

The CEO and other members of management responded to these issues and the following was noted by the meeting:

- The CEO is already in discussion with SHS, ONECARE and PrimeCure regarding unacceptable service levels.
- The monthly statements were temporarily stopped to allow enhancements to the statements being implemented.
- The call centre facilities have been enhanced to allow inter alia for members to leave a message during periods of heavy traffic.

10. ADJOURNMENT

The Chairman expressed his thanks to the service providers, trustees and management for the valuable service they render to TeleMed. Frank Dempsey also thanked Ben Bets for his leadership and support.

The meeting adjourned at approximately 17:00.

BA BETS
CHAIRMAN