



12 July 2022

The CEO

NAMAF

Mr. Stephen Tjiuro

Via email: ceo@namaf.org.na

**AND TO: The Registrar of Medical Aid Funds
NAMFISA**

Mr. Kenneth Matomola

Via email: kmatomola@namfisa.com.na

CONFIRMATION OF THE POSITION OF THE NPPF RE NAMAF BENCHMARK TARIFFS

Dear Sirs

The Namibia Private Practitioners Forum (NPPF) is a section 21 company representing registered private healthcare professionals of all disciplines.

In 2014 the NPPF commissioned an expert cost study on medical practices in Namibia. The study was conducted by Health Management and Networking Services (Pty) Ltd, a South African company with vast experience in the costing of supply of healthcare services. The study inter alia concluded that: *“The [NAMAF] tariff list is in many instances irrational, has no science behind it and is not cost based.”* It must be noted that in those years the NAMAF Benchmark Tariffs were available to the public. They are not anymore, not even to the members of funds, as explained in more detail hereunder.

On 12 December 2017 the NPPF provided NAMAF with a legal opinion from Adv R Töttemeyer (SC) confirming that NAMAF’s setting of the NAMAF Benchmark Tariffs does not fall within NAMAF’s statutory powers and is therefore ultra vires and unconstitutional. We attach a copy of this opinion for your ease of reference.

Despite the above, NAMAF continues to set the NAMAF Benchmark Tariffs and annually invites healthcare providers to provide input to such tariffs. It is abundantly clear that such invitation, on the premise that it serves some purpose, is a farce. The results never correlate with actual inflation in the cost of providing healthcare services.

Moreover, NAMFISA approves the benefits contained in the rules of medical aid funds based on these NAMAFA Benchmark Tariffs, well-knowing that members of funds have no access to the actual nominal tariffs. In December 2019 the NPPF lodged a complaint with NAMFISA in this regard. Despite providing the evidence that members of funds have no access to the NAMAFA Benchmark Tariffs, NAMFISA remain unconcerned, and continue to approve fund rules from which members cannot possibly assess their actual benefits. This is a grave injustice to all members of medical aid funds, and a deplorable failure on the part of the Registrar of Medical Aid Funds.

The NPPF has now also taken note of a “*regulatory memorandum*” issued by NAMAFA to all medical aid funds (attached for your ease of reference) for the “*proposed wording for amendment of Fund Rules providing for NAMAFA coding structures as required for valid claim or statement of account*”. This “*memorandum*” is nothing but a disingenuous attempt by NAMAFA (read: the representatives of medical aid funds who make up the management of NAMAFA as per section 13(2) of the Medical Aid Funds Act) to have the Registrar of Medical Aid Funds condone and somehow legitimise an ultra vires, unconstitutional act by NAMAFA.

Lastly, the NPPF records that NAMAFA has never meaningfully considered any complaint by the NPPF or any its members against unfair or unlawful conduct by medical aid funds. Instead NAMAFA has on every such occasion found a disingenuous excuse not to execute its regulatory mandate as regulator of medical aid funds. In fact, since its inception in 1995, NAMAFA has never set rules to regulate funds. This illustrates NAMAFA’s complete disregard for its statutory duty under section 18 of the Medical Aid Funds Act, which was probably to be expected given the fact that NAMAFA is nothing but another face of the medical aid funds themselves.

NAMFISA has also in past negated from its regulatory duties, advising complainants to rather approach NAMAFA for regulatory protection. NAMFISA’s belief that NAMAFA regulates medical aid funds is misguided, and leaves members of medical aid funds, and those deriving their claims from such members, in an untenable predicament, with no regulatory protection.

In the premise the NPPF hereby records its position on the NAMAFA Benchmark Tariffs as follows:

1. NAMAFA does not have the statutory mandate to set the NAMAFA Benchmark Tariffs and the continued setting of such tariffs, and utilisation of same by the funds, remain self-serving and unconstitutional.
2. NAMAFA’s methodology in setting the NAMAFA Benchmark Tariffs is irrational, has no science behind it and is not cost based.
3. Where members of the NPPF elect to provide NAMAFA with input to the tariffs they do so only because NAMAFA, with the support of the funds and Registrar of Medical Aid Funds, imposes an unconstitutional system which healthcare providers have no option but to comply with, solely because of the regulatory failure on the part of NAMAFA and the Registrar of Medical Aid Funds.

4. The Registrar of Medical Aid Fund's approval of fund benefits, which benefits always remain unknown to the members of the funds, is an unacceptable and momentous failure on the part of the Registrar of Medical Aid Funds.
5. NAMAF is not a bona fide regulator of medical aid funds but is instead abused as a platform whereby the funds serve their own interests, in an ultra vires, unconstitutional manner.

For clarity, and due to the importance thereof we reiterate: Members of medical aid funds do not have access to the NAMAF Benchmark Tariffs. Thus, all fund rules stating member benefits as some percentage of NAMAF Benchmark Tariffs means nothing for the members, in that members cannot possibly assess the actual benefits they are entitled to.

Yours faithfully,



Pp: Dr Dries Coetzee
CEO: NPPF