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**PRESS RELEASE**

**TO ALL:  
MEDIA PARTNERS,  
HEALTHCARE PROVIDERS AND  
MEMBERS OF MEDICAL AID FUNDS**

**NO INCREASE IN MEMBER BENEFITS FOR 2024**

The Namibian Association of Medical Aid Funds (NAMAF) sets benchmark tariffs on an annual basis, which tariffs are used by all medical funds to set their member benefits from year to year. NAMAF continues to set these tariffs, despite being provided with a legal opinion from Senior Counsel that the setting of these tariffs by NAMAF does not fall within its statutory powers, and insofar as NAMAF relies on a clause in the Medical Aid Funds Act that provides it with seemingly unlimited powers, that such clause is unconstitutional.

NAMAF has now informed the industry that the 2023 tariffs will remain the same going into 2024. This is effectively a reduction of member benefits, as funds will not compensate members for medical inflation, which inflation is mostly driven by exogenous factors. The decision by NAMAF was taken without any consultation with fund members or healthcare providers.

NPPF is further informed that NAMAF intends to implement an “opt-in / opt-out” model. In terms of this model medical aid funds will pay higher benefits to members whose healthcare providers “opted in”, and less benefits to members whose healthcare providers “opted out”. Healthcare providers who “opt in” are severely restricted in what they may charge, and will, inter alia, subject themselves to a NAMAF disciplinary process. Essentially, NAMAF is attempting to obtain powers which it does not have through its empowering legislation, and more specifically, powers over healthcare providers, at the expense of members of medical aid funds. This is not lawful, and not acceptable.

The NPPF reiterates the following facts, and urge NAMFISA, the medical aid funds, and especially members of medical aid funds to take note of these important matters which clearly NAMAFA is not concerned about as it continues to unilaterally, and unlawfully set rules to the detriment of healthcare providers and members of medical aid funds.

1. A legal opinion was obtained from Senior Counsel and provided to NAMAFA in 2018 already. The opinion concludes that NAMAFA may not set benchmark tariffs, alternatively, that NAMAFA is acting on an unconstitutional provision in doing so. This opinion did not deter NAMAFA from setting benchmark tariffs.
2. NAMAFA hides the benchmark tariffs behind a digital wall, making it impossible for any independent party to assess these tariffs and the methodology whereby they were set. Members of medical aid funds have no access to these tariffs. Neither does the Registrar of Medical Aid Funds, whose duty it is to approve fund benefits.
3. In terms of the law whereby NAMAFA is established (Medical Aid Funds Act 23 of 1995) NAMAFA is supposed to be a regulator of the conduct of medical aid funds and is by law compelled to set rules to which medical aid funds must comply (section 18). NAMAFA has never done so, and clearly no intention to do so. NAMAFA's highest decision-making body, its Management Committee, consists solely of "representatives of medical aid funds". If NAMAFA complied with its actual statutory duty, the current unfortunate financial position of medical aid funds could have been averted.
4. NAMAFA is an administrative body, and its unilateral decisions and actions, without consulting members of funds or their healthcare providers, are unconstitutional, and more especially they offend the right to fair administrative action as set out in Article 18 of the Constitution. Article 18 states that administrative bodies shall act fairly and reasonably and comply with the requirements imposed on administrative bodies by common law and relevant legislation. NAMAFA is not complying with any of its constitutional duties under Article 18.

The NPPF can no longer sit idly by while NAMAF shows little regard for the Namibian laws and reduce member benefits, through an abuse of public power, while claiming to act in the interest of the funds and their members.

The NPPF denies NAMAF's powers to set benchmark tariffs and rejects its decision to reduce member benefits by enabling funds not to increase members benefits going into 2024, well-knowing that healthcare inflation will rise, and that healthcare providers have little control over such inflation, which is driven mostly by exogenous factors.

The NPPF further denies that NAMAF can obtain powers, by agreement, which it does not have under its empowering law, by imposing a mandatory "opt-in/ opt-out" model. NAMAF's unlawful and perverse incentive in this regard will be detrimental to fund members and healthcare providers alike.

The NPPF is in consultation with the wider private healthcare industry to petition the Registrar of Medical Aid Funds (NAMFISA) not to allow NAMAF and the medical aid funds to continue with its unlawful actions, and reducing member benefits in the devious manner described above.

The NPPF is currently supporting one of its members who filed a constitutional challenge of certain clauses of the Medical Aid Funds Act and the regulations thereto. This challenge follows yet another incident whereby NAMAF assumed powers which it simply does not have, and in so doing denied the patients of the healthcare provider involved certain benefits which they would normally be entitled to. More details on the case can be found on the e-justice portal (<https://ejustice.jud.na/ejustice/f/caseinfo/publicsearch> ) under case number HC-MD-CIV-MOT-REV-2023/00494.

Yours faithfully

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Note to Editor:

The Namibia Private Practitioners' Forum (NPPF) is a non-profit, Section 21 company. Its members are private sector healthcare providers from all healthcare disciplines.

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