

CIRCULAR

Reference: 2025 Broker Fees
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Circular 2 of 2025: Adjustment on fees payable to brokers with effect from 1 January 2025

The Council for Medical Schemes (CMS) hereby confirms that the Minister of Health, Dr Aaron Motsoaledi, has approved an increase in the maximum amount payable to brokers under Section 65 of the Medical Schemes Act (MSA) (131 of 1998). The revised amount is now **R121.84** plus value-added tax (VAT).

The implementation date for contributions received by medical schemes is 1 January 2025, as per <u>Government</u> Gazette 52035, Notice 5826, dated 3 February 2025.

Regulation 28(2), published in terms of the Medical Schemes Act, now reads as follows:

"Subject to sub-regulation (3), the maximum amount payable to a broker by a medical scheme in respect of the introduction of a member to a medical scheme by that broker and the provision of ongoing service or advice to that member shall not exceed —

- a) **R121.84** plus value-added tax (VAT) per month or such other monthly amount as the Minister shall determine annually in the Government Gazette, taking into consideration the rate of normal inflation or;
- b) 3% plus value-added tax (VAT) of the contributions payable in respect of that member, whichever is the lesser."

Yours sincerely,

Dr Musa Gumede Chief Executive & Registrar Council for Medical Schemes