

REPUBLIC OF SOUTH AFRICA

**PARLIAMENTARY AND PROVINCIAL MEDICAL AID SCHEME AMENDMENT
BILL**

*(As introduced in the National Assembly (proposed section 75); explanatory
summary of Bill and prior notice of its introduction published in Government Gazette
No. of 2025)
(The English text is the official text of the Bill)*

(Dr T.K.S. Letlape, MP)

GENERAL EXPLANATORY NOTE:

- [] Words in bold type in square brackets indicate omissions from existing enactments.
- _____ Words underlined with a solid line indicate insertions in existing enactments.
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BILL

To amend the Parliamentary and Provincial Medical Aid Scheme Act, 1975, so as to substitute compulsory membership of the Parmed Medical Aid Scheme with voluntary membership; to substitute certain outdated terminology; to amend the long title accordingly; to provide for transitional measures; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Amendment of section 1 of Act 28 of 1975, as substituted by section 1 of Act 8 of 1996

1. Section 1 of the Parliamentary and Provincial Medical Aid Scheme Act, 1975 (Act No. 28 of 1975) (hereinafter referred to as the "principal Act"), is hereby amended—

(a) by the substitution for the heading of the following heading:

"[Compulsory] Voluntary membership of Parmed Medical Aid Scheme of certain persons";

(b) by the substitution for paragraph (a) of the following paragraph:

"(a) while not being a member of either the National Assembly or the **[Senate]** National Council of Provinces, **[an Executive]** the Deputy President or a Minister;"

(c) by the substitution for paragraphs (c) and (d) of the following paragraphs, respectively:

"(c) a judge of the Supreme Court of Appeal or of the High Court of South Africa in a permanent capacity;

(d) a member of the National Assembly or of the **[Senate]** National Council of Provinces;" and

(d) by the substitution for the words following paragraph (f) of the following words:

"[shall, for as long as he or she holds that office or post,] may elect
to be a member of the Parmed Medical Aid Scheme, subject to the rules
of that medical aid scheme as registered in accordance with the
provisions of the Medical Schemes Act, **[1967 (Act No. 72 of**
1967)]1998 (Act No. 131 of 1998)[: **Provided that if any person and**
his or her spouse both qualify for compulsory membership of the
said Scheme in terms of this section, only one of them shall be
obliged to be such a member]."

Amendment of section 2 of Act 28 of 1975, as amended by section 2 of Act 107 of 1984

2. Section 2 of the principal Act is hereby amended by the substitution in subsection (1) for paragraph (a) of the following paragraph:

"(a) holding any office or post mentioned in section 1 and who has elected to be a member of the Parmed Medical Aid Scheme in terms of that section; [or] and".

Amendment of long title of Act 28 of 1975

3. The principal Act is hereby amended by the substitution for the long title of the following long title:

"To provide for [compulsory] voluntary membership of the Parmed Medical Aid Scheme of members of certain legislative bodies and of certain other persons; to provide for the deduction of contributions payable to the said medical aid scheme from the salaries payable to [certain persons] members of the Parmed Medical Aid Scheme; to repeal the Parliamentary Medical Aid Scheme Act, 1974; and to provide for incidental matters."

Transitional provisions

4. (1) Any person holding an office or post mentioned in section 1 of the principal Act who, immediately before the commencement of this Act, was a member of the Parmed Medical Aid Scheme, may elect to terminate such membership by giving at least one calendar month's written notice of such termination to the Parmed Medical Aid Scheme, at any time after the commencement of this Act.

(2) Should a person elect to terminate his or her membership of the Parmed Medical Aid Scheme in terms of subsection (1)—

- (a) his or her medical aid cover by the Parmed Medical Aid Scheme will terminate at the end of the last day of the month so elected by such person; and
- (b) the Parmed Medical Aid Scheme will be liable, subject to its rules, to pay any claims which such person submitted to it prior to his or her termination of membership.

(3) Upon the termination of a person's membership of the Parmed Medical Aid Scheme in accordance with subsection (1), contributions will no longer be deducted from that person's salary in terms of section 2 of the principal Act.

Short title and commencement

5. This Act is called the Parliamentary and Provincial Medical Aid Scheme Amendment Act, 2025.

MEMORANDUM ON THE OBJECTS OF THE PARLIAMENTARY AND PROVINCIAL MEDICAL AID SCHEME AMENDMENT BILL, 2025

1. INTRODUCTION

1.1 The Parliamentary and Provincial Medical Aid Scheme Amendment Bill, 2025 ("Bill") seeks to amend the Parliamentary and Provincial Medical Aid Scheme Act, 1975 (Act No. 28 of 1975) ("principal Act"), so as to substitute compulsory membership of the Parmed Medical Aid Scheme ("PARMED") with voluntary membership, which will grant members of Parliament, as well as the other affected public office bearers, the right to join a medical aid scheme of their choice, or to utilise public healthcare services.

1.2 In addition, before and after 1994, PARMED has excluded the citizens who voted leaders into Parliament from joining the medical aid scheme. The Member is of the view that it is unconscionable for a medical aid scheme to be exclusive to members of Parliament, as well as to other public office bearers, to the exclusion of the public whom they serve. The Member is further of the view that members of Parliament, as well as other public office bearers, should be free to join a medical aid scheme of their choice, including the medical aid scheme designed for public service employees.

1.3 The escalating costs of PARMED are a significant concern, as the substantial deductions from the salaries of PARMED members, to cover medical aid contributions, place a financial burden on such members. PARMED's one-size-

fits-all approach fails to accommodate the diverse needs of its members, who have varying family sizes and healthcare requirements. This lack of flexibility results in inconsistencies and reinforces the argument that a single, compulsory scheme cannot effectively cater to all members, yet they have no alternative but compulsory contributions to PARMED.

- 1.4 These factors collectively highlight the necessity of legislative amendments to address these shortcomings, ensuring greater fairness, affordability, and choice in the provision of medical services for affected PARMED members.

2. OBJECTIVES OF BILL

The Bill proposes to amend the principal Act by—

- (a) substituting compulsory membership of the PARMED with voluntary membership;
- (b) substituting certain outdated terminology;
- (c) ensuring that deductions for contributions to PARMED are only made from the salaries of persons who have elected to be members of PARMED;
- (d) providing for transitional arrangements; and
- (e) providing for matters connected therewith.

3. CONTENTS OF BILL

- 3.1 Clause 1 seeks to amend section 1 of the principal Act by substituting the compulsory membership of PARMED with voluntary membership and to

substitute outdated terminology.

- 3.2 Clause 2 seeks to amend section 2 of the principal Act by ensuring that PARMED contributions are only deducted from the salaries of persons who have elected to be members of PARMED.
- 3.3 Clause 3 seeks to amend the long title of the principal Act to ensure that the long title is aligned with the amendments proposed to the principal Act by the Bill.
- 3.4 Clause 4 seeks to provide for transitional provisions to address the transition from compulsory membership of PARMED to voluntary membership, which includes making provision for existing PARMED members to elect to cancel their membership and to ensure that their rights to any claims submitted prior to such cancellation, will not be forfeited.
- 3.5 Clause 5 provides that the envisaged Act will be called the Parliamentary and Provincial Medical Aid Scheme Amendment Act, 2025.

4. DEPARTMENTS AND BODIES CONSULTED

None.

5. FINANCIAL IMPLICATIONS FOR STATE

None.

6. PARLIAMENTARY PROCEDURE

6.1 The Member proposes that the Bill must be dealt with in accordance with the procedure established in section 75 of the Constitution of the Republic of South Africa, 1996 ("Constitution"), as it contains no provisions to which the procedures set out in sections 74, 76 or 77 of the Constitution apply.

6.2 The Member is of the opinion that it is not necessary to refer the Bill to the National House of Traditional and Khoi-San Leaders in terms of section 39(1)(a)(i) of the Traditional and Khoi-San Leadership Act, 2019 (Act No. 3 of 2019) ("Traditional and Khoi-San Leadership Act"), as the Bill does not contain any provisions which directly affect traditional or Khoi-San communities, or provisions which pertain to customary law or customs of traditional or Khoi-San communities.