

NAPOTEL MEDICAL AID FUND

MINUTES

**OF THE NAPOTEL MEDICAL AID FUND ANNUAL GENERAL MEETING
HELD ON MONDAY, 11 JUNE 2017 AT 09H00
AT AVANI HOTEL, WINDHOEK**

PRESENT:

BOARD OF TRUSTEES: Ms D Nashandih
Dr B van der Merwe
Mr J Mouton
Ms C Karokohe
Mr L Mungunda
Ms S Bergh
Ms S Gawaseb
Ms A Mbuende
Mr H Witbooi

APOLOGY: E Molatudi and A Mckay

PRINCIPAL OFFICER: G Baisako

ADMINISTRATOR : T Serfontein
I Cuff
L Chimana
C Jacobs
R Amuthenu

PWC AUDITOR: D Van Wyk

1. OPENING & WELCOME

The Principal Officer of the Board welcomed all present at the meeting. The Chairperson and announced that the meeting was properly constituted as a quorum was present. A total of 153 members were represented in proxy and 80 members in attendance. The Chairperson then introduced the present Board of Trustees.

2. APPROVAL OF MINUTES OF THE MEETING HELD ON 03 JULY 2017

The Chairperson requested any comments/corrections while paging through the minutes.

The minutes were accepted as a correct and true reflection of the proceedings.

3. CHAIRPERSON & BOARD OF TRUSTEES REPORT

The Chairperson stated that the Napotel Medical Aid Fund continues to make strides in offering its members quality healthcare services and value for money. Looking at the year to date experience, the Fund performance remains acceptable but challenging, and at this point, it is important that we highlight both the Fund and Members need to aim at reducing cost to ensure that the escalation of healthcare inflation attributed to high utilization, drops to a more realistic level which is in line with the normal CPI.

For the financial year ended 31 December 2017, the Fund ended in a positive result of N\$ 5,909,232 this performance compares well to the 2016 financial year, comparing key performance indicators such as the risk contribution income, total risk claims, non-healthcare expenses, other expenses and investment income.

The Fund strategy is to attract more members from the participating employers' groups to join the Napotel Medical Aid Fund as an increase in members, will expand the risk pool and ensure that the Fund can procure better rates in terms of negotiations with Healthcare Providers, broaden the risk base and minimize the volatility whilst at the same time offering a monetary cushion against price and utilization shocks.

She concluded by expressing sincere gratitude to the Board of Trustees, Principal Officer, Prosperity Health, NMG Actuaries, Ernst & Young Auditors NAMAFA, NAMFISA as the regulator and all other partners for their support in ensuring that Napotel deliver a solid performance that contributes towards the long-term sustainability of the Fund.

6. PRESENTATION: ANNUAL FINANCIAL STATEMENTS: 31 DECEMBER 2016

Danica van Wyk, Partner from Ernst & Young Namibia presented the Annual Financial Statements of the Fund for the year ended 31 December 2017.

It was noted that the membership of the Fund at 31 December 2017 was 1,871 compared to 1,910 in 2016. The financial statements indicated a net surplus of N\$5,909,232 while the reserve level of the Fund was at 74% compared to the previous year's 75%.

In the Auditor's opinion the financial statements presented fairly and in all material aspects, the financial position of the Fund as at 31 December 2017 and its financial performance and cash flow for the year in accordance with International Financial Reporting Standards and in the manner required by the Medical Aid Funds Act of Namibia (Act 23 of 1995).

After the presentation:

- **The Annual Financial Statement for the year ended 31 December 2017 was approved.**

The matter was finalized.

7. APPOINTMENT OF AUDITORS

It was reported that Ernest & Young were appointed as Auditors of the Fund for a period of three (3), they would conducted the audits for 2016, 2017 and 2018.

The matter was finalized.

8. REMUNERATION OF BOARD OF TRUSTEES

It was noted that as per Namfisa Circular PI/MA/3/2004 Medical Aid Funds were required to ensure that the Trustee remuneration was included as a standing agenda item at every Annual General Meeting, for the members to approve the Trustee remuneration structure. Funds were further required to ensure that the approve remuneration structure forms part of the funds amended rules and should be submitted to Namfisa for approval on an annual basis.

The Principal Officer presented the outline of the Fund's seating allowance in comparison to the industry and the proposed fee increase of 6% as previous resolved by the members.

The members approved a fee increase of 6% for two years.

The Remuneration of Board of Trustees was adopted as follows:

Description	Designation	
Board of Trustee Meetings	Chairman	N\$2,727
	Vice-Chairman	N\$2,479
	Other Trustees	N\$1,984
Ad-hoc Board Meetings	Chairman	N\$1,743
	Vice-Chairman	N\$1,614

	Other Trustees	N\$1,294
Finance/Investment Committee	Chairman	N\$1,841
	Other Trustee	N\$1,305
Ex-Gratia Sub-Committee	Chairman	N\$1,022
	Other Trustee	N\$886

9. VOTE OF THANKS

Dr van der Merwe thanked the members for their support, Board of Trustees, Auditors and the Fund Administrators for the roles they play in managing the Fund effectively and efficiently.

8. CLOSING OF FORMALITIES

With no further issues to be discussed, the meeting was adjourned at 10:29

OPEN SESSION

The members were given the opportunity to raise their concerns and proposed that the Board should look into the following matters.

- ❖ Increase Benefit of Acute Medication
- ❖ High Specialist Fees – Fund to cover difference
- ❖ Other alternative for Gym Benefits since Namfisa
- ❖ No contribution increase for 2019, the members were of the opinion that other medical aids were cheaper
- ❖ OTC benefit to cover items such as sunscreen
- ❖ Fund to look at ways to accommodate members outside WHK (AGM)

Duly signed:

Chairperson

Principal Officer

Minute Secretary

Date