



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

DEMARCATIION REGULATIONS: 2022 ESCALATION OF POLICY BENEFITS

The Minister of Finance publishes Annual Policy Benefit Escalations with regards to Demarcation Regulations (Regulations) regulated under section 72 of the Long-term Insurance Act, No. 52 of 1998 (LTIA) and section 70 of the Short-term Insurance Act, No. 53 of 1998 (STIA).

The Regulations specify which types of contracts are regulated under the LTIA and the STIA as health policies and accident and health policies, respectively, and accordingly are excluded from the Medical Schemes Act, No. 131 of 1998 (MSA).

Regulation 7.2(2) of the Regulations provides that all amounts referred to in sub-regulation (1) escalate annually, from the effective date, by the Consumer Price Index (CPI) annual inflation rate published by Statistics South Africa.

The escalation of the aforementioned policy benefits takes place each year for as long as Regulation 7.2(2) provides for automatic escalation. National Treasury annually publishes these amounts in order to maintain clarity on escalated policy benefits.

The following supporting Annexures are updated annually and made available on the websites of the National Treasury at www.treasury.gov.za and the Financial Sector Conduct Authority at www.fsca.co.za:

Annexure A: Regulation 7.2(2) (LTIA)

Annexure B: Regulation 7.2(2) (STIA)

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