



**MINISTER: FINANCE
REPUBLIC OF SOUTH AFRICA**

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Ref. M3/15/12 (1626/16)

Mr YI Carrim, MP
Chairperson of the Portfolio Committee of Finance
Parliament of the Republic of South Africa
P O Box 15
CAPE TOWN
8000

Dear Mr Carrim

**PROMULGATION OF FINAL REGULATIONS GIVING EFFECT TO DEMARCATION
BETWEEN HEALTH INSURANCE AND MEDICAL SCHEMES**

I would like to notify you that I will be promulgating the final Demarcation Regulations on 23 December 2016 with an effective date of 1 April 2017.

We have responded to Day1 Health's (Pty) Ltd objection to the draft Demarcation Regulations tabled in Parliament on 28 October 2016. Please see attached letter. Day1's submission does not raise any other new issues substantially different from their previous submissions to the National Treasury.

The Regulations are required in order to balance policy objectives across the medical schemes and the financial services sectors. The Regulations seek to avoid regulatory arbitrage and uphold the objectives of the Medical Schemes Act No. 131 of 1998 in pursuit of greater access to quality healthcare for all South Africans.

Thank you for your cooperation and continued assistance.

Kind regards

A handwritten signature in black ink, appearing to read 'Pravin J Gordhan', written over a stylized line graphic.

**PRAVIN J GORDHAN, MP
MINISTER OF FINANCE**

Date: 15-12-2016