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FOR IMMEDIATE RELEASE

GEMS assigned national scale financial strength rating of A+ by the GCR

GCR Ratings, a licensed rating agency in a number of markets and a registered Credit Rating Services Provider by the Financial Services Conduct Authority, has assigned a national scale financial strength rating to the Government Employees Medical Scheme (GEMS) of A+ (ZA), with the outlook accorded as positive. The recognition is as a result of the Scheme closing off the 2018 financial year in a solid financial position, with assets significantly exceeding liabilities, as reported in the 2018 Annual Integrated Report.

“GEMS’s solid financial position provides assurance to all our members and key stakeholders that the Scheme is sustainable and able to meet its member obligations”, says Chief Financial Officer at GEMS: Ms. Karyna Pierce.

GCR has established itself as the leading rating agency in Africa accounting for the majority of all ratings accorded on the African continent. The GCR notes that the rebound in the Scheme’s earnings over the past two years has facilitated an accelerated pace of reserve accumulation currently sitting at 27.87% which is higher than the approved CMS target of 20.80%. GEMS’s statutory solvency margin for the financial year under review reflects continued strong financial performance, thereby supporting the view of attaining statutory compliance by the end of 2019.

With 1.8-million beneficiaries, GEMS has grown to become South Africa’s largest restricted medical scheme with a solid membership base that is exclusively available to all eligible public service employees in South Africa.

“Being prudent while ensuring that members access their benefits is one of our priorities and this ensures that the Scheme is sustainable over the long term and able to address member and stakeholder expectations. Specifically in delivering affordable access to quality healthcare services that improve member’s health outcomes,” says Chief Operations Officer at GEMS: Dr. Stan Moloabi.

According to the recent report released by the GCR, the Scheme’s membership profile is viewed to be strong, underpinned by a large membership base and a favourable age profile. Going forward, the membership profile is expected to remain positive to the rating.

“GEMS continues to prioritize the health and wellbeing of its members through ensuring that benefits are rich and affordable” concludes Dr. Moloabi.

The coveted A+ rating followed earlier recognitions earned by the Scheme for excellence in creating access to healthcare and risk management in the healthcare sector, both awarded by the Board of Healthcare Funders and Institute of Risk Management South Africa respectively.

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For more information, please contact Baldwin Matsimela, Senior Manager: Marketing and Communications, 082 859 0459 or baldwin@gems.gov.za