

LINZA VAN ASWEGEN

Healthcare EXCO Chairperson and Board Director of
the Financial Intermediaries Association



Medical schemes: the year ahead

Angelique Ruzicka interviews Linza van Aswegen, healthcare exco chairperson and board director of the Financial Intermediaries Association and asks whether the industry will survive M&A activity and the introduction of the National Health Insurance scheme

What lies ahead for 2011, are we likely to see heightened mergers and acquisition activity in the private medical scheme industry?

I definitely believe we will. I foresee more mergers and liquidations for next year. Since 2009 there have been a lot of liquidations. It will be interesting to see who will survive the mergers. In order to maintain their solvency many schemes may apply waiting periods, exclusions and late joining penalties. I feel that they will apply it on a very strict basis. More than they do currently. There will be a huge battle to have young members join as the claims ratio is not as high among them. Scheme members are aging annually and therefore a higher claims ratio are expected due to this.