

**UMALUSI (19-20) T0013:APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE POST-RETIRMENT MEDICAL BENEFITS ADVISORY SERVICES TO UMALUSI:
VIRTUAL BRIEFING SESSION 18/09/2020**

	QUESTION	ANSWER
1	<p>May we please obtain a copy of the latest Post Retirement subsidy valuation report?</p> <p>May we please obtain a copy of the current and previous subsidy policy</p> <p>May we please obtain the below demographic details:</p> <ul style="list-style-type: none"> a. Unique identifier b. Surname c. Date of employment d. Date of birth e. Gender f. Medical scheme g. Medical scheme option h. Adult dependents on cover i. Child dependants on cover j. Current pensioner (Yes/No) k. Medical scheme premium 	<p>The information has been published on the website</p>
2	<p>The last evaluation criteria require assets under administration. The resubmitted tender is a tender for consulting services and not an asset investment tender. Will these criteria not penalise consulting practices against product providers?</p>	<p>No; consulting firms can quote for advisory and for the solution that can be arranged with the underwriter.</p>
3	<p>I raised a concern regarding the assets under management requirements. Assessment of post-retirement medical aid liabilities are conducted by actuarial departments. Most actuarial departments are consultancies and do not delve into asset management. As a result, there will be no assets under management to disclose. For example, at Alexander Forbes, the Consultants and Actuaries division would be responsible for the PMRA valuations and providing advice on how liability buy outs. The division does not have any assets under management as it is not involved in asset management. However, Alexander Forbes does have an asset management division (AF Investments) which manages assets on behalf of different</p>	<p>Consulting firms can quote for advisory and for the solution that can be arranged with the underwriter.</p>

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	<p>investors. AF Investments is however not involved in any actuarial valuations or liability buy outs.</p> <p>Given the other terms of reference (i.e requirement for valuation of liability and advice on liability buy outs), the actuarial division, Consultants & Actuaries , will be put forward as the servicing team. As mentioned previously, this division has no assets under management as it is not an asset manager. The investments wing of Alexander Forbes has assets under management but is a separate division and will not be involved in the work. Are we then allowed to disclose the assets under management for AF Investments?</p>	