

Momentum Health Solutions shareholder announcement: Frequently asked questions

On 6 October 2021, a health partnership between one of the largest healthcare companies in the country, Momentum Health Solutions, and some of the largest trade union investment companies and influential black leadership, was born.

The new partners include NEHAWU Investment Holdings, the POPCRU Group of Companies and the following business leaders:

- Dr Sello Ratete
- Mr Magololo Phasha
- Prof Lucky Mathebula
- Dr Gil Mahlati
- Dr Ntombi Mutshekwane
- Dr David Sekete

Through this partnership we will see business and union leaders take on a significant role in the future of delivering more health to more South Africans for less.

The following questions and answers unpack this partnership in more detail.

Why would Momentum Health Solutions conclude a partnership transaction like this?

We believe that the healthcare industry and all private healthcare players need to cover more of the formally employed in South Africa. The labour force has by and large remained uncovered by private healthcare solutions and we hope that by creating partnerships with labour we will be able to provide more health for our new partners.

When does the transaction come into effect?

It came into effect on 6 October 2021.

What does the partnership mean for Momentum Medical Scheme, corporate and public segment?

We have solutions both in the medical scheme market and the affordable healthcare sector which are designed to provide affordable healthcare cover to all people.

Through this transaction we will be able to offer solutions to a larger portion of the formally employed sector and increase the approximately 4 million currently covered closer to around 15 million and alleviate some of the burden on the public sector.

The objective in the public segment of our business is similar. We would like to make sure we provide more healthcare cover to more people for less.

**Why would unions such as NEHAWU and POPCRU invest in healthcare cover?**

These unions represent the largest segment of healthcare workers in South Africa. Their aim is to achieve a better quality of life for the working class. A future that is free of disease, unemployment, poverty, racial oppression and economic exploitation can only be achieved if our working class has access to quality healthcare cover. Simultaneously, the working class gains economic freedom and empowerment in their healthcare decisions.

Why did the unions decide to invest in Momentum Health Solutions specifically and not one of the other health businesses in South Africa?

Momentum Health Solution's values and passion for health and the purpose of delivering more health to more people for less resonated with these stakeholders. Being able to deliver on that purpose in an affordable way further cemented this partnership.

Why did individual business leaders invest in a healthcare business and what do they bring to the partnership?

The below team of entrepreneurs, who are thought leaders in the business of healthcare, will participate in the partnership:

- Dr Ntombi Matshukwane
- Dr Sello Rathete
- Mr Mogologolo Phasha
- Dr David Sekete
- Prof Lucky Mathebula &
- Dr Gil Mahlati

The team brings with it a wealth of industry experience, rich networks, as well a shared passion to transform healthcare in South Africa and beyond.

Our team will be part of an organisation with an enviable ethos, which is grounded in creating more health, for more people, for less. This will drive these business leaders, who are trained and experienced in the art of delivering healthcare.

We have to ensure that enabling systems are in place. These systems include the deployment of appropriate, context driven, digital solutions, as well as healthcare delivery platforms which are geared towards increasing access to healthcare for all of us.

What does this change mean for Momentum Health Solutions? Does your focus change with this change in shareholding?

No, not at all. We are one of the leading health businesses in South Africa and our strengths in designing solutions, providing world-class administration and managed care capabilities, and our strong management team, will enable the continued execution of our strategy.



Does this change impact existing clients or contracts with the schemes you administer, or change the pricing of your solutions?

All the relationships and contracts remain the same. We will enjoy additional support, relationships and influence that should allow us to continue growing and the additional scale should enable even more competitive pricing in the future.

Is this transaction in competition to NHI and how do these two markets work together?

Not at all. We are all supportive of a universal healthcare model that aims to provide greater access to cover for all South Africans. Through the support of this private sector partnership, the realisation of this goal becomes more achievable for all concerned. Universal health is something that private, public and unions want to achieve. It is a fundamental human right.

We also believe that while NHI is being implemented, having more people covered by private healthcare solutions helps Government by taking some of the burden off the public system.

Is there room in this partnership for other partners?

Definitely. Any union who wants to be added and believes in what we all believe here and has the passion for health that we have, would be welcomed.

How can this partnership be best described?

The transaction is basically new partners buying into the existing health company and the existing capabilities, solutions and services offered by Momentum Health Solutions. We hope to reach more people and, with the new partners, innovate and enrich our established capabilities to develop additional solutions that unlock better access to healthcare.