

**JOINT PRESS CONFERENCE HELD BY THE DEPARTMENT OF
HEALTH AND THE SPECIAL INVESTIGATING UNIT (SIU) ON THE
SIU INVESTIGATION INTO MEDICO-LEGAL CLAIMS**

SATURDAY, 24 AUGUST 2024

My Colleague Deputy Minister Joe Phaahla

MECs present

Head of the SIU Adv Andy Mothibi

Members of the Media

Greetings.

We called this media briefing to provide a progress report on the ongoing investigations by the Special Investigating Unit (SIU) into medico-legal claims made against the Department of Health across the country.

Just to provide a background, a

(ii) Administrative solutions:

By that time, the Eastern Cape contingent liability in respect of medico-legal claims amounted to R15,9 billion while in Gauteng the figure was R21,2 billion.

This means that should all the cases be won in court by the litigants, then the Department of Health would had to pay this staggering amounts.

General findings of the SIU:

Most of the claims were targeting cerebral palsy, a condition in which babies develop some form of brain damage due to deprivation of oxygen during the process of birth.

While it is recognised that cerebral palsy is a very debilitating and unfortunate occurrence to come from the healthcare system, it is a matter of very serious concern that it is abused by legal practitioners, due to sheer greed. The level of abuse was such that the SIU found that some of the claims were made on behalf of patients without their knowledge.

Elderly people who are taking care of their grandchildren in the absence of their mothers, were tricked into signing the Power of Attorney to sue, whereas they were told that they were signing SASSA forms for child support grants. This simply means that legal practitioners or their scouts were masquerading as social workers.

Specific findings in the Eastern Cape

In the Eastern Cape, most of the medico-legal claims emanated from one Johannesburg-based law firm. We are able to name the firm today because they have already been charged in a court of law. This is Nonxuba Attorneys Incorporated. In a period of 15 years, i.e from 2012 to 2017 this law firm submitted 44 medico-legal claims to the tune of R497 million against the Eastern Cape Department of Health. Most of their claims as mentioned above were for children supposedly born with cerebral palsy.

Cerebral palsy is not necessarily a homogenous condition. This means that the effects of the brain damage are not the same for all individuals because different parts of their bodies may be affected. However, the claims submitted by Nonxuba for each of nine children for whom claims were submitted were identical in that he demanded R15 million each. This was clearly suspicious and also indicated a lot of cut-

The attorneys would then apply through PAIA (Promotion for Access to Information Act) for the same records they are illegally in possession of. Naturally such records will not be found and the lawyer then claims fees from the Department for failing to provide records.

PROVINCIAL BREAKDOWN OF MEDICO-LEGAL CLAIMS

No	Activities	Number/ amount
1	Number and Value of claims submitted to the department by the attorneys.	2,500 medico-legal claims valued at R22.3 billion
2	Number and Value of cases currently under investigation	197 medico-legal claims valued at R3.8 billion
3	Total amount paid by the department towards Medico-Legal claims (as per the NDOH information for 2015/16 to 2020/21)	R3 039 951 634.08
4	Number and value of cases finalized (investigation)	89 matters to the value of R1.2 billion
5	Number and value of cases unfinalized (investigation)	108 matters to the value of R2.6 billion

6 Summary of irregularities identified

The SIU has finalized its investigations regarding 23 demanding R298 million. 15 of these 23 letters to the value of R271.8 million were fraudulent because the claimants told the SIU during the investigations that they had never visited any of the health facilities that were being litigated against, and indeed no records of these patients were found in those facilities. Notably, all these letters were submitted by a single law firm, but we are unable to mention the name

		<p>them that there were no negligence on the part of the department. When the SIU confronted the lawyer, she then immediately withdrew the case.</p> <p>Again, in the Free State, Nonxuba attorneys were found to be practicing without a fidelity fund certificate as required by law. This matter has been referred to the NPA.</p> <p>The SIU has made 17 referrals to LPC against three law firms, including Nonxuba for misconduct related to touting for work, which is forbidden by the law. The value of these referrals is approximately R78 million. The theft of medical records has been discovered in the Free State, along with attorneys withholding funds intended for claimants. It was found that in most instances, the hospitals did not have the medical records. This problem involved two specific hospitals in the province. In one case where a settlement for general damages was made, the court did not require the establishment of a trust. Instead,</p> <p>attorney's account. The attorney firm paid the claimant R250 000 initially and then R10 000 monthly. This irregularity is under further investigation. As can be seen, this law firm is making undue benefit from the interest of the money that belongs to the patient.</p>
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		<p>individuals who were found in possession of stolen medical records.</p> <p>All in all a loss of R2 416 284 800.00 has been prevented</p>
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No	Activities	Number/amount
1	Number and value of claims	

		<p>with the claims in which they are citing future medical care, loss of income, and loss of amenities of life. These cases will be referred to the NPA for criminal prosecution, and LPC for professional misconduct. In another matter, the Department paid R120 000.00 for the claims into the accounts of the attorney s trust, amazingly the attorney kept the money since 2016 and suddenly released it to the claimant, even doubling the amount to R240 000.00 after the SIU was authorised to investigate medico-legal claims. The amount of R657 291 825.00 cited above will be</p>
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No	Activities	Number/amount
1	Number and value of claims submitted to the department (as per the NDOH information for 2015/16 to 2020/21)	409 medico-legal claims to the value of R2,852,588,055.99
2	Number and value of cases currently under investigation	Preliminary assessment of raw data/databases of claims provided by the Office of the State Attorney
3	Total amount paid by the	

This will also include among others the implementation of the National Health Insurance (NHI), which many people believe is being planned on a foundation of corruption. We are already working together through the health sector anti-corruption forum.

There are naysayers that investigations by institutions like the SIU are just public relations exercises and are meant not to yield any results. This was said by a prominent South African in May this year after the Department of Home Affairs called the SIU to raid the Refugee Reception Centres after a tip-off by a whistleblower.

We can assure you today, that the results of those raids on Refugee Reception Centres will be announced in due course by the SIU, as we are now announcing the results of the medico-legal claims investigation.

We wish to take this opportunity to make an offer to lawyers who might have knowingly submitted claims that are fraudulent, to withdraw them within two weeks and there will be no consequences. Failure to withdraw within two weeks would mean that the offer will have lapsed and the SIU will strike.

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