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SADA Professional Advisory Bulletin

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- Member Lifestyle Benefits
- **Circulation date: 23 October 2026**

Dear Members

CLINICAL

2027 Medical Scheme Contribution Increases and Dental Tariffs

Purpose

South Africa's nine largest open medical schemes have now announced their 2027 contribution increases, with weighted averages ranging from 7.35% to 8.90%. This bulletin summarizes those announcements, sets out what is known about 2027 dental tariffs and benefits, and highlights what members should prepare for ahead of the January 2027 benefit year.

Patients will be reviewing and changing options during the open enrolment window (typically October to December). Practices can expect more questions about dental cover, savings depletion and out-of-pocket costs in the coming months.

2027 contribution increases at a glance

Every open scheme has announced a weighted average increase of roughly double the regulator's 3.8% benchmark. Bestmed is lowest at 7.35% and Fedhealth highest at 8.90%; the unweighted average across the nine schemes is about 8.1%.

Scheme	2027 weighted average increase	2026 increase (approx.)	Direction
Bestmed	7.35%	6.8%	Up
Medihelp	7.50%	8.45%	Down
Momentum	7.90%	9.9%	Down
Medshield	7.90%	7.5%	Up
CompCare	7.90%	9.5%	Down
Discovery	8.20%	7.2%	Up
KeyHealth	8.50%	8.4%	Up (marginal)
Bonitas	8.70%	8.8%	Down (marginal)
Fedhealth	8.90%	9.6%	Down

Source: Bestmed *2027 Open Medical Scheme Launch Watch*, updated 2nd October 2026

Regulatory context

In Circular 20 of 2026 (31 July 2026), the Council for Medical Schemes (CMS) asked for schemes to anchor 2027 contribution increases and cost assumptions at 3.8%, in line with the Reserve Bank's CPI forecast. Schemes going higher must provide actuarial justification. For 2026 the CMS had recommended 3.3%, yet approved increases averaging 8.1%.

Dental Tariffs and Reimbursement for 2027

No open scheme has yet published its 2027 dental reimbursement rates or dental benefit tables. Schemes typically release these, along with updated benefit schedules, between November and January, after CMS approves their rules.

What the available evidence indicates:

- **Regulator's tariff benchmark is low.** The CMS's 2026 tariff benchmark was 3.3%, and its 2027 cost-assumption anchor is 3.8%. Members should expect schemes to cite these figures when setting dental reimbursement increases.
- **Schemes priced in far higher provider costs.** CMS analysis of 2026 filings shows industry-weighted increase assumptions of 8.61% for specialists and 8.51% for hospitals, more than double the benchmark. No dental-specific figure was published.
- **Funders are pushing for collective tariff negotiation.** The Board of Healthcare Funders has asked the CMS to implement the Health Market Inquiry's recommended mechanism for tariff negotiation between funders and providers. If adopted, this would directly affect how dental fees are set.
- **Cost-containment levers will touch dentistry.** Circular 20 expects schemes to show savings from provider networks, value-based contracts, utilization management and fraud, waste and abuse controls before increasing contributions. Members should anticipate tighter network rules, protocols and pre-authorization.
- **COID dental tariffs.** The Compensation Fund's gazetted dental tariffs rose 6% for 2025/26, effective 1 April 2025.

SADA will confirm 2027 scheme dental rates as each scheme verifies and publishes them.

What this means for practices and patients

The gap between contribution increases (7–9%) and likely dental reimbursement increases (anchored near 3.8%) will widen patient co-payments in 2027.

- **Buy-downs.** Members facing 8% increases often move to cheaper options or hospital plans with little or no day-to-day dental cover. Expect more patients to pay cash for routine care.
- **Earlier savings depletion.** Where savings allocations rise more slowly than fees, patients will exhaust savings sooner in the year.
- **Delayed treatment.** Cost-pressured patients tend to postpone preventive and restorative care, which raises the risk of more complex, costlier presentations later.
- **More network and protocol controls.** Schemes are under regulatory pressure to demonstrate cost management, so expect stricter DSP networks, frequency limits and pre-authorization requirements.
- **Practice viability.** Practice input costs (staff, materials, laboratory fees, imported equipment) continue to rise faster than scheme rates, putting pressure on margins for practices that charge at the scheme rate.

Recommended actions for members

1. **Review your 2027 fee schedule** once scheme rates are published and decide if you will charge above the scheme rate if you are not part of a network contract.
2. **Strengthen informed financial consent.** Give patients written cost estimates before treatment, stating scheme cover and expected balance bill.
3. **Where treatment is clinically indicated,** advise patients of any relevant 2026 benefit or savings considerations before year-end.
4. **Check 2027 dental benefit tables** for changes to limits, frequencies, networks and pre-authorization rules before the January billing cycle.
5. **Update practice systems** with new scheme rates and benefit rules from 1 January 2027 to avoid rejected claims.
6. **Help patients choose well.** Patients reviewing options should compare the rand increase and the dental benefit, not just the headline percentage.
7. **Report concerns to SADA**, including unilateral tariff changes, unreasonable protocols or payment delays so the Association can engage funders and the CMS.

Sources and disclaimer

- Bestmed, *2027 Open Medical Scheme Launch Watch* infographic, last updated 2 October 2026
- BHF says medical regulator's fee hike target is wishful thinking, Business Day, 23 September 2026.
- Medical scheme contributions in 2027: What members need to know, FA News, 14 September 2026.
- Discovery, Momentum among medical aid hikes nearly double CMS's 3.8% benchmark, IOL, 2 October 2026.
- COID Dental Services Tariff 2025, Compensation Fund gazette.
- CMS Circulars 20 and 21 of 2026, Council for Medical Schemes publications.

This bulletin is for information only and does not constitute financial or legal advice. Figures are as published at the date above and may change once schemes release final 2027 rules.



LEGAL

Update on Amalgam Waste Management Requirements and DRI-SA Agreements

The organisation has identified potential concerns regarding the current DRI-SA amalgam waste management agreement, particularly the contractual provisions relating to annual

collection, recycling and costs, including circumstances where a dental practice may generate little or no amalgam waste within the allocated annual period. We recognise that this raises legitimate questions as to whether the current contractual arrangements appropriately reflect the service requirements applicable to dental practices and have therefore undertaken a review of the matter and have engaged with the Department of Forestry, Fisheries and the Environment (DFFE) to obtain greater clarity regarding the applicable regulatory framework.

Engagement with the DFFE
The organisation has engaged with the DFFE regarding the regulatory requirements applicable to the management of amalgam waste. There are several regulatory matters on which we are continuing to seek clarification.

Dental practices remain responsible for ensuring that amalgam waste is appropriately managed and disposed of in accordance with all applicable environmental legislation and regulatory requirements.

The organisation will continue engaging with the relevant authorities as necessary and will communicate further information when there is sufficient clarity to do so.

Review of the DRI-SA agreement
Alongside our engagement with the DFFE, the organisation has undertaken a detailed review of the relevant provisions of the DRI-SA agreement.

This review has identified several provisions that, in our view, require re-evaluation and should be discussed with DRI-SA.

These include, amongst other matters:

1. **Contract duration, renewal and termination:** Reviewing automatic renewal provisions, notice periods and termination rights, particularly where contracted services are not provided.
2. **Collection intervals and container arrangements:** Exploring more flexible collection arrangements based on actual waste volumes rather than mandatory annual collection, including containers that allow practices to monitor waste levels and request collection when appropriate.
3. **Additional services and charges:** Requiring prior written quotations and customer approval for additional services or charges.
4. **Installation timeframes:** Introducing clear installation deadlines and appropriate remedies where equipment is not installed within the agreed period.
5. **Service standards and remedies:** Establishing measurable service standards and appropriate customer remedies, including credits, refunds or termination rights where contracted services are not delivered.
6. **Environmental compliance:** Ensuring that DRI-SA assumes responsibility for compliance with all applicable environmental legislation and regulatory requirements relating to the amalgam waste collection, recycling and management services it provides.
7. **Liability and indemnification:** Reviewing the existing provisions to achieve a fairer and more balanced allocation of contractual risk and responsibility.

SADA believes that these proposed amendments could contribute to a more transparent, proportionate and practical contractual framework that better reflects the circumstances and needs of individual dental practices.

Next steps
SADA has communicated its concerns and proposed contractual amendments to DRI-SA and has requested an opportunity to meet to discuss these matters.

SADA will continue to pursue constructive engagement with DRI-SA, with the aim of reaching mutually acceptable amendments to the existing agreement.

While SADA will advocate for changes that it considers appropriate and in the interests of members, any amendments will remain subject to discussion and agreement between the parties.

Members will be kept informed of material developments and the outcome of these engagements.

What members should do in the meantime?
Until further communication from the organisation, members should continue to comply with their existing contractual obligations and all applicable environmental and waste-management requirements.

Members should not make changes to their current waste-management arrangements solely based on the information contained in this communication. The organisation's engagement with the DFFE is ongoing in respect of certain matters, and members should continue to ensure that their practices comply with all applicable legal and regulatory requirements.

We will continue to engage with the DFFE on the outstanding regulatory matters and with DRI-SA regarding the contractual issues identified.

Members will be kept informed of material developments and substantive outcomes as the process progresses, and once there is sufficient certainty to communicate further information.

We appreciate the concerns raised by members and recognise the importance of ensuring that amalgam waste management arrangements are appropriate, practical and properly aligned with the regulatory environment.

The organisation will continue to approach this matter carefully and constructively, with the objective of seeking a fair and workable outcome for dental practices.

Yours in oral health
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