

SIU investigations yield arrests for medico-legal fraud

A probe by the Special Investigating Unit (SIU) has led to the arrest of a prominent attorney in Mthatha, Eastern Cape, relating to fraudulent medico-legal claims estimated to be over R100 million.



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The Eastern Cape attorney has already appeared before a criminal court.

Justice and Constitutional Development Minister Michael Masutha made the announcement at a media briefing on various cases of corruption in Pretoria.

The arrests form part of a number of on-going investigations into allegations of corrupt activities by some officials within the Office of the State Attorney.

The allegations include collusion, non-competitive outsourcing of State legal work to practitioners and experts in private practice.

Masutha said the SIU, in partnership with the Department of Health, has put a hold on the payment of further claimed

amounts.

“The SIU and the Department of Health are opposing an application by the suspect for the release of the further payments. The SIU is considering further action, including civil action, to recoup monies already paid,” said the Minister.

Masutha said six more criminal cases of fraud to the value of more than R90 million have been registered.

More arrests are expected as the investigation unfolds in the Eastern Cape and other parts of the country.

In Gauteng, the head of the Office of the State Attorney is currently under precautionary suspension.

Following investigations, Masutha said his department reported the attorneys to the Legal Practice Counsel to consider the ethical implications.

“It is clear that our supply chain management system was undermined by specific role players in our environment exploiting gaps in the design of our governance system,” said Masutha.

The Minister said these incidents have undermined the department’s efforts at modernising its systems and consequently eroded confidence in internal governance system.

Health Minister, Dr Aaron Motsoaledi, said the R1 billion medico-legal bill will be significantly reduced once more arrests are made.

Masutha commended the role played by the media, whistle-blowers, organised labour, NGOs and other sectors of society in complementing the work of government in the fight against corruption.

“In the end, we have no other option but to carry a common national obligation to build a winning nation, free of all forms of corruption including theft, fraud, bribery, extortion, nepotism and patronage.

“Where these are detected, we will not hesitate to act in the public interest and put an immediate end to the malfeasance,” said Masutha.

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