What is a medical savings account?

Offered by most medical scheme options

A percentage of your contributions set aside for day-to-day healthcare expenses (GP, medicines, dentist, x-rays, blood tests)
Up to 25% of your contributions

Not for PMBs

Balance carried over from one year to the next

Expenses paid from this account are regarded as recouped and cannot be claimed for tax purposes

Typically the full year of contributions are available from day 1

If you spend in advance and then leave the scheme, you may have to repay

Cannot be withdrawn unless you stop being a member or move to an option with no savings account

Typically no interest paid or earned

Savings transfer with you if you move to an option with a medical savings account.

May have rules on how you can spend the money

May not be enough for your day-to-day healthcare costs

Administration costs are incurred and paid by the scheme