

NHI Bill gazetted, paving way for NHI fund, in which the rich subsidise the poor

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National Health Insurance (NHI) will require a massive re-organisation of the current health system, both public and private, Health Minister Aaron Motsoaledi said as he released the long-awaited NHI Bill for public comment.

The Bill was published in the Government Gazette on Thursday, paving the way for the Department of Health to set up an NHI fund that will purchase healthcare services on behalf of the population.

It is the first piece of enabling legislation for realising the government's ambitions for introducing universal healthcare.

The minister said he was acutely aware of the problems confronting the public healthcare system, but improving its quality was an ongoing task, and NHI could not wait for that to be completed.

NHI is at heart a set of health financing reforms the government hopes will change SA's deeply inequitable access to healthcare, which sees wealthier people paying for generally high quality private healthcare services, while less well-off people depend on a patchy public healthcare service.

It plans to introduce universal healthcare that is free at the point of delivery for everyone, based on the social solidarity principles of those who can afford to do so will subsidise those who cannot. NHI will pool funds that are contributed by all South Africans, according to their means, and will provide everyone with access to public and private sector providers, said the Minister.

The Bill proposes establishing an NHI Fund, which will purchase services from accredited public- and private-sector providers that have been certified by the Office of Health Standards Compliance. A key aspect of the bill that is likely to elicit fierce debate is its provision for annual price determination. This task will fall to a health benefits pricing committee, answerable to the NHI Fund board and the health minister.

Patients will have to register with the fund, and will have to follow its rules about referrals, which means they will not be allowed to go directly to a specialist or an academic hospital except in an emergency.

The Bill says “comprehensive health service benefits” must be purchased by the fund. These benefits will be determined by an advisory committee.

The Bill is silent on how the Fund will be financed, saying only that the health minister must determine the budget and allocation of revenue to the fund in consultation with the Finance Minister annually. The minister said no government department was expected to determine how to finance government policies, be it for free higher education or welfare grants.

When asked about the future of medical schemes under NHI, the minister said government subsidies for civil servants and the schemes that are restricted to government employees would eventually be scrapped, as there would be no need for them.

Interested parties have three months to comment on the Bill, which was published at the same time as the Medical Schemes Amendment Bill.

The decision to implement NHI was taken by the ANC at its policy conference in Polokwane in 2007. A Green Paper was published in 2011, promising to have universal healthcare in place within 14 years.