

NHI needs 'fraud-detection tool' before roll-out

A MECHANISM to detect fraud and abuse should be developed well ahead of the roll-out of the National Health Insurance (NHI) scheme and funds should be set aside for this immediately, according to Human Sciences Research Council CEO Olive Shisana. A model would have to be developed that distinguished fraudulent behaviour from normal activity, along the lines of that used by the South African Revenue Service (SARS), Shisana told parliament's standing committee on appropriations. She said healthcare fraud was a common phenomenon globally and SA should be prepared to deal with it from the start in real time rather than by audit after the fact. Shisana said that detecting healthcare fraud and abuse was imperative for NHI and because it was going to be huge, NHI would need its own risk engine. The assistance of SARS in developing a risk management tool to detect fraud as it happened would be critical to detect, for example, when service providers claimed for non-existent patients, or when foreigners who not were eligible for NHI submitted claims.

Despite the importance of such a risk-management tool, no provision had been made for its development in the medium-term budget policy statement released by Finance Minister Pravin Gordhan last month. Neither had sufficient funds been allocated for the NHI as a whole, Dr Shisana said. She urged that seed funding be set aside in the 2012-13 budget for the management of the NHI system. This would pay for setting up an office and the employment of staff to initiate the proposed NHI fund, setting up information systems to manage it and test how it would operate. The budgetary allocation for the initial planning phase of the NHI was increased to R20m in the medium-term budget policy statement. Shisana expressed alarm over inadequate budgeting for NHI. The medium-term budget statement allocated R121,5bn, R130,6bn and R140bn for health over the next three years, but what was required to prepare for NHI was R125bn, R134,7bn and R144,4bn - a cumulative shortfall of R12bn. Questioned about the lack of funding when he tabled the budget, Gordhan said that NHI was a 14-year programme, the first five years of which would be devoted to getting the public health system functioning properly. Dr Shisana said it was essential that once savings were found that the budget should be revisited and funds made available for piloting the key elements of the reform. These were purchasing of services, management autonomy at hospitals, accreditation of facilities for providing NHI, a comprehensive package, establishing referral processes, and the integration of community health workers. The Treasury had allocated R500m for pilot projects to test the proposals in the NHI green paper, but Dr Shisana said since the pilot sites had not been selected, the budget could not be accurate. She said the Department of Health had a lot to do before it could deliver NHI. It had to finalise consultation and prepare a white paper to be adopted by the Cabinet and approved by parliament.