

Medical schemes feel NHI not enough

MEDICAL schemes in South Africa doubt the success of government's ambitious National Health Insurance (NHI) and believe the provision of healthcare in the country is deteriorating. A survey by professional services firm PriceWaterhouseCoopers (PwC), titled Strategic and Emerging Issues in the Medical Scheme Industry, shows that schemes believe the NHI alone is not the solution to the country's healthcare problems. Respondents to the survey believed working conditions first needed to be improved and a total overhaul of basic resources was needed before NHI could be implemented. The survey was aimed at raising awareness of medical schemes' views on emerging trends and issues in the South African medical scheme industry. The purpose of the study was also to understand the strategic thinking of principal officers in the sector and to provide insight into how the industry may evolve over the next three years. Principal of the survey, Ilse French, PwC's medical scheme's leader for southern Africa, said the medical scheme industry in SA faced unique challenges and it was important that it evaluated and adapted to the needs of the emerging market. The survey showed that only a quarter of the participants thought the introduction of NHI would change the current state of healthcare if it was implemented in accordance with the focus contained in the NHI Green Paper. More than half of medical schemes were of the opinion that the recently announced investigation by South Africa's Competition Commission into healthcare costs could be useful, with 38 percent believing such an investigation was long overdue. The majority of participants (95 percent) were of the view that prescribed minimum benefits (PMBs) paid in full resulted in excessive benefits being paid by medical schemes to the detriment of members. Participants believed that because there was no control over what tariff a provider could charge, members' benefits might be at risk due to possible unwarranted, uncontrolled expenditure. The study also revealed the importance of information and communications technology in health management. Schemes cited managing data and data quality as the major technology weaknesses within the industry. Almost half of the schemes have considered the role of e-health in reducing costs and improving accessibility.

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