

Focus on NHI

GOVERNMENT'S National Health Insurance (NHI) rollout, specifically to the 10 provincial pilot sites, was the focus of Finance Minister Pravin Gordhan's budget speech. However, while commentators welcomed the renewed focus on NHI, they wanted to hear more on rooting out failures and corruption within the health system. Health has been allocated a budget of R133.6-billion in the Budget - R48.8-bn for district, R26.4bn for provincial, and R18.9bn for central health services. The focus on NHI was welcomed, but critics had a number of prescriptions, which they believed should be administered to South Africa's struggling state health system. Gordhan confirmed that the NHI pilots would include improvements to health facilities, contracting with general practitioners and financial management reforms. He also announced a new conditional grant, which would enable the national Department of Health to play a greater role in coordinating these reforms. Gordhan said the initial phase of NHI development would not place new revenue demands on the fiscus. Over the longer term, however, it was anticipated that a tax increase "might" be needed. He said a discussion paper inviting public comment on various NHI options would be published this year. Gordhan confirmed that health infrastructure remained a priority with a total of 1 967 health facilities and 49 nursing colleges in different stages of planning, construction and refurbishment. Around R10-billion has been earmarked for infrastructure. He acknowledged the progress made in reducing mortality and improving the HIV and TB programmes, and an expansion in medical and nurse training capacity was under way. Provinces will also be funded for an expansion in HIV and AIDS programmes and an improved TB diagnosis system. Vuyiseka Dubula, Treatment Action Campaign General Secretary welcomed the budget, but cautioned that to build public confidence in the NHI there had to be an improvement in health services or the public would lose confidence in the reform. Dubula said the pilot sites needed to be continually assessed civil society and patient groups should be involved in monitoring the expenditure and delivery at the sites at provincial level. She called for an undertaking to root out corruption, but in a manner that moved beyond rhetoric and became visible in terms of action taken. She said provinces like the Eastern Cape and Gauteng had been affected by interruptions in service delivery which led to extensive drug stock outs in HIV and other diseases, even in districts piloting the NHI. Sasha Stevenson, attorney at SECTION27 welcomed the introduction of the new conditional grant, as it would enable the national Department of Health to play a greater role in coordinating the reforms involved in the piloting of NHI. She called for the release of the NHI funding discussion document. University of the Witwatersrand Chair of Social Security, Professor Alex van den Heever was more critical of the speech for its failure to "provide any coherent strategy to address deep systemic flaws within the public and private health systems". He said there had been no legislative reform of any relevance since 2003, a full decade ago, adding that the provinces were in chaos, with systemic fiscal deficits and gross mismanagement despite a 58 percent real budget increase since 2006. Van den Heever said the NHI pilots, offered up as some panacea, appear haphazardly implemented with no clear goals or auditable outcomes.

Effective and relevant policy development and implementation appeared to be at a standstill with no coherent vision presented for the future. He said the NHI remained as little more than a black box bearing no relevance

to the current state of the health system. Professor Laetitia Rispel, head of the Wits School of Public Health said a problem with budget speeches was that they did not comment or report on the promises or targets set in the previous year. She said that although there had been lots of hearsay about the central hospitals and whether they would be "taken over" by the national Department of Health, there was nothing in the speech. Rispel said it was encouraging that Gordhan devoted a substantial part of his speech to procurement and combatting corruption - both acknowledging that there was a problem, and highlighting what they planned to do about it. Associate Professor Susan Cleary of the University of Cape Town's Health Economics Unit said NHI provided an opportunity to do things differently including an opportunity to reform governance, management and accountability arrangements. She said that while this might not take a large amount of money in comparison to the total health budget, the success of NHI depended on getting these aspects right.

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