

MPS question handling of NHI project

MPs have scrutinised the Department of Health's management of the high-profile National Health Insurance (NHI) pilot project, questioning why the initiative had got off to such a slow start and whether money was being spent appropriately. NHI pilot projects began last year, and were allocated a R150m conditional grant for the fiscal year 2012/13. Only 14 percent of the budget had been spent by last month, far short of the 83 percent benchmark used by the Treasury. Each of the 10 pilot districts was allocated R11.5m, and seven central hospitals in these districts got R5m each. Health Minister Aaron Motsoaledi told the standing committee on appropriations part of the reason for the slow start was that he had underestimated the scale of the problems in the pilot districts, particularly the Eastern Cape's OR Tambo district. Expenditure was "quite patchy", largely due to problems with medical equipment suppliers, he said. Health officials were also challenged by the Treasury and MPs to justify their management of the conditional grant. According to the Division of Revenue Act, the grant is supposed to strengthen the health system in the selected districts, test innovations necessary for implementing NHI, and strengthen revenue collection at central hospitals. The department manages the grant, which it allocates to provinces after approving their business plans. Treasury health and social development chief director Mark Blecher told the committee that the particular area of concern was that the Health Department) did not seem to be testing innovations in quite the way that was anticipated. He said the evaluation strategy was not robust enough and possibly too wide a set of things were being done. Primary healthcare director-general Jeanette Hunter took issue with Dr Blecher, saying planning and having information for planning was an innovation for the Department of Health. For example, the department was using a new World Health Organisation model to determine how many personnel were needed for each healthcare facility, which took account of hospitals' and clinics' caseloads. Health regulation and compliance deputy director-general Anban Pillay said it was debatable whether the intention of the NHI conditional grant was to test reforms before or after strengthening the health system. The department's view was that facilities needed to be well-equipped before doctors could be hired, and only then could payment models be tested, he said.

Tamar Kahn: Business Day, 25 February 2013