

## **Better healthcare for all - not just the rich**

*26 June 2016*

THE government released the white paper on National Health Insurance in December last year for public participation. We have received many thoughtful comments, but some recent newspaper articles have dished out misinformation, distortions, hyperbole and Afro-pessimism, insulted me and attacked South Africa's public health system. I am writing this to put the dialogue back on a responsible footing. NHI is designed to finance high-quality, affordable healthcare for all South Africans. It will also help to control the exorbitant prices now being charged for private healthcare. The UN's sustainable development goal 3.8 of universal health coverage by 2030 states: "Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all." NHI will provide access to quality health services for all South Africans irrespective of socio-economic status. South Africa spends 8.5 percent of its GDP on health, which is comparable with most European countries. However, almost 59 percent of this spending goes for the healthcare of only 16 percent of our people meaning only 41 percent of our spending goes to 84 percent of our people. Today, 80 percent of specialist physicians service only 16 percent of the population. We need all specialists to be available to the whole population and this can only happen if the pooling of funds to finance quality healthcare is done for the whole population and not just a select few. The concept of comprehensive health insurance regulated by the government is not new to South Africa. Care based on patient needs, state-regulated prices and a tariff commission established by the Minister of Health and led by a judge are features of the 1967 Medical Schemes Act designed for whites only. The NHI white paper makes similar offerings, but this time not for whites only. It is interesting that a few critics find it objectionable when it is proposed that benefits be extended as mandated by our constitution.

Some irresponsible people have said NHI is designed to destroy private healthcare. There is no intention to destroy private healthcare. All we are saying is that both public- and private-sector health providers must be available to all. We are also saying that the exorbitant costs of private healthcare need to be brought under control. The National Development Plan, or Vision 2030, implores us to do so. How do I justify that two premature babies are charged R750 000 for lying in an incubator for only 10 days? What do I tell a man charged R300 000 for a pacemaker with a defibrillator when the provider of the device refuses to change the battery because the medical scheme has run out of money? The state health system had to change the battery for him. What happens to these unfortunate patients is not an exception, but has become the norm whereby when your medical scheme benefits are exhausted before the end of the year, you have to pay from your own pocket or be dumped on the

public system. NHI is going to abolish this inhuman practice and bring us in line with other matured democracies. Irresponsible critics also claim that NHI is an attack on the middle-class. In fact, private healthcare costs are squeezing the middle-class. Medical scheme premiums are rocketing while benefits are declining, requiring more people to pay from their own pockets. Irresponsible critics also claim that providing NHI to all South Africans will be unaffordable and that the government will be incapable of coordinating it. But recent history contradicts these claims. In 2002, many people said it would be too costly to scale up HIV/AIDS treatment. Yet by combining all South Africans into one purchasing pool, we were able to make HIV/AIDS care affordable. Back then it used to cost almost R10 000 per person per year to buy first-line drugs to treat someone with HIV/AIDS. Today, it costs the government R1 728 per person per year. The power of pooling has changed things for the better. Those who say it would be too costly to provide NHI base their claims on high prices in the private sector, but NHI is simply not going to accept these prices and the present model of healthcare. By combining all South Africans into one purchasing pool and regulating prices, we can afford to insure everyone adequately. We welcome a vigorous discussion of our proposals but hope it will be based on factual evidence rather than scare tactics.

*By Dr Aaron Motsoaledi: Sunday Times, 26 June 2016*