

Public private partnerships, cog for improving the health of our nation

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"The wise and virtuous man is at all times willing that his own private interest should be sacrificed to the public interest," said Adam Smith, the 18th century philosopher, renowned as the father of modern economics, and a major proponent of laissez-faire economic policies.

In essence, through the laissez-faire – French for allow to do – policy of minimum governmental interference in the economic affairs of individuals and society, Smith was endorsing the principle of social solidarity, today's concept of public private partnerships (PPPs), something needed to accelerate the implementation of the National Health Insurance.

The acceleration was made even more necessary when, in his budget speech, former finance minister Pravin Gordhan gave an update on the implementation of the NHI when he said: "Eleven NHI pilots have yielded valuable insights, on which we are now able to build. These include: the design of contracts with general practitioners; more effective chronic medicine dispensing; strengthening district health services through clinical specialist teams; ward-based outreach teams and school health services; and supportive information systems."

He added: "In the next phase of NHI implementation, an NHI fund will be established. Its initial focus will be: to improve access to a common set of maternal health and ante-natal services and family planning services; to expand the integrated school health programmes, including provision of spectacles and hearing aids; and to improve services for people with disabilities, the elderly and mentally ill patients, including provision of wheelchairs and other assistive devices."

Healthcare is one of the most important components of our quality of life. When people are sick, hurt or just not as healthy as they could be, their productivity suffers, the economy suffers, and family well-being suffers.

As Adam Smith predicted more than 200 years ago, the PPPs are likely to become a key feature of any successful implementation of the NHI.

As the 15-year implementation plan gathers momentum, the private sector needs to develop sound frameworks in which partnerships with the public sector can be enhanced.

Through PPPs, our country has the potential to increase access to critically needed services and goods that otherwise would not be available. The private sector, through either its manufacturing or delivery capability, is better positioned to deliver than the public sector, so it's not at the expense of anyone and it's a win-win situation.

For example, we at AfroCentric Group and our other companies such as Medscheme, Aid for Aids, Pharmacy Direct, Bonitas MarketingAfroCentric Distribution Services, and others understand that healthcare reform in our country is not going to be a smooth ride. But, it is exactly what the country needs to achieve universal healthcare coverage.

The truth is, while the health sector is growing, the majority of South Africans still rely on the chronically under-funded public healthcare system as their sole source of medical care.

We know that only about 16% of South Africans have access to private healthcare, while the rest depend on state health facilities. The NHI seeks to introduce universal health cover for every citizen to counter inequality in the distribution of healthcare, improve access and affordability, and reduce the burden carried by the state facilities, so we should not be surprised the government is pushing on with the NHI.

Healthcare reform in South Africa is not going to be a smooth ride. Here are some statistics: in South Africa, there are at least 43 million people who rely on the government for healthcare services, and just more than 7 million who belong to medical aid schemes that use private healthcare facilities.

To build healthy communities and nation, we need PPPs and collaboration with the government to find solutions to social challenges. PPPs are a huge tool to be added to the toolbox to maintain and fund our health sector and health infrastructural initiatives.

To live to our belief in PPPs, our retail arm, Pharmacy Direct, Curasana, our medicines wholesaler and Activo Health, our drug importer, have partnered with the government in seven of the nine provinces to, among others:

- * Assist hospitals to anticipate the demand quantities before the patients get to the clinic;
- * Reduce the queues at the clinics and hospital by using data and employing individuals to speedily dispense medicines at the centres and distribution; and
- * Deliver medication to both urban and rural areas to reduce the number of visits by patients to the healthcare through door-to-door delivery or delivery at a local post office or community centre.

Through Curasana, we provide medicine at wholesale prices to the government entities, and through Activo, we produce medication generics at a lower price to ensure easier and affordable access.

These partnerships deliver enhanced services with greater efficiency and effectiveness, as well as preserving best practices. In addition, by incorporating many of the positive principles of managed care on a local basis, the partnerships have the opportunity to provide improved services and thus develop strategic advantages in the marketplace.

We are confident that PPPs can be a vital instrument for improving the health of the population.

PPPs are not meant to be a substitution for lesser provisioning of government resources, nor an abdication of government responsibility, but as a tool for augmenting the public health system.

We need to look at PPPs as a synergetic arrangement, which ensures the huge private sector also contributes to public health goals.

There is no single solution to the problems of our health service. One size no longer fits all, if indeed it ever did. The complexity of modern society demands a pluralistic approach which is flexible enough to change as circumstances alter.

We believe PPPs will show the world that the idea of partnership, working together, is alive in this country, that PPPs transcend the typical economic relationship and develops bonds that are both successful and trusting.

Having been in the health sector for many years, my overall objective has always been to improve services that would have a direct impact on improving patient care.

We have a commitment to improve the health of our nation and to deliver reliable service to our patients and their families. We need to do this within a tight financial framework to short deadlines and timescales, and we have a duty to keep the government and the population happy.

Without a shadow of doubt, this is a tall order and one that our society demands we get right. As the private sector, we have a duty to the millions of fellow South Africans to use healthy partnerships while ensuring accountability to the present and future generations.

By Antoine Van Buuren, CEO of AfroCentric Group