

## Code blue for NHI?

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Trade union federation Cosatu is pushing for the state's National Health Insurance plan to be implemented, but not every union is happy about workers losing medical aid subsidies of between R1,000 and R,3000 a month.

There are about 8.8 million people on medical aids in total.

TimesLIVE calculated that there are at least 2.2 million beneficiaries on government medical aid schemes, including 1.7 million on the Government Employee Medical Scheme (Gems), around 500,000 on Polmed and just over 5,000 on smaller schemes like the SABC and parliamentary schemes.

Government Employee Medical Scheme members who earn much as R3,000 a month in medical aid subsidies could lose this if the government gets its way. This is unlikely to be allowed by workers, says healthcare analyst Johann Serfontein.

"Cosatu has been a major supporter of the NHI policy and has recently called for the dismissal of the health minister for the delays in the implementation of the single-payer system," Serfontein said.

"The average Cosatu member, however, could see their employee benefits package reduced by between R24,240 and R61,000 per annum if they work in the state.

"Cosatu's member unions will most definitely not stand idly by while this happens to their members, especially in the absence of a finalised NHI system to deliver free healthcare services to them."

Public Servants Association spokesman Reuben Maleka said it supported the NHI but not the collapse of medical aids.

"Members would prefer medical aids. We don't want to find ourselves in a situation where NHI is the only option," he said.

However, Nehawu spokesman Khaya Xabu said: "If NHI is implemented, we will be happy with losing medical aids. We wouldn't need medical aids during NHI when all the healthcare provided by government will be free.

"If we collapse medical aids and the private hospitals and put the money and resources and infrastructure into state hospitals, we could improve care."

He admitted that currently people were receiving bad service in government hospitals.

The White Paper, approved by cabinet, states that all funds spent by government employees will be set aside and put into the NHI.

"As the NHI evolves, the tax treatment of medical expenses and medical scheme contributions will be reviewed. It is also expected that there will be a reduction in the need for medical scheme contributions and/or the level of coverage required."

The paper continues: "A key step in leading to this change is that the State will have to identify all the funding for medical scheme contribution subsidies and tax credits paid to various medical schemes (such as the Government Employees Medical Scheme, the Police Medical Scheme, Parliamentary Medical Scheme, Municipal Workers Union Medical Scheme, State entity medical schemes e.g. Transmed as well as various private medical schemes to which State employees belong) and reallocate these funds towards the funding required for NHI."

Serfontein warned: "Unions won't stand for state subsidies being scrapped. Workers could earn up to R60,000 less a year. They would then want money spent on medical aids back in cash, which means it won't go to the NHI."

NHI is a plan to improve healthcare so everyone gets what they need without being faced with hefty expenses.

The White Paper proposes a single medical aid fund run by government, similar to the bankrupt Road Accident Fund or Workers' Compensation Fund. It could be that Gems and other medical aids are collapsed into this. Basil Manuel, executive director of teachers' union Naptosa, said: "You can't take away something before you replace it with something else."

Gems principal officer Dr Guni Goolab said state medical aid schemes were "committed to NHI and improving health for all South Africans".

He said committees are being set up to work out the details of NHI with government, but he did not believe medical aid subsidies would be removed prematurely.

The People's Health Movement spokesman and paediatrician Louis Reynolds said: "The critical thing is a lack of time scale for a roll-out of National Health Insurance. It will be politically impossible to chop people's medical aid. The public sector can't deliver NHI at the moment, with its services being run down. The priority of NHI is the re-engineering of primary health and getting the public sector at least functional. I don't think they will punish people who use the private sector."

*By Katharine Child*