

Health policy shambles

28 September 2017

There has lately been an air of urgency from government around touting the virtues of their much vaunted National Health Insurance (NHI). Health Minister Dr Aaron Motsoaledi hurriedly published a revised NHI white paper in June this year, whilst continuing his public assault on the unsuitability of the private health sector for South Africa.

It is not clear if this continued battering of the private sector is based exclusively on denial of the horrendous problems that beset the public sector, or if the good doctor believes that the private sector cannot survive without government intervention. That the private health sector has its own set of problems is not an unwarranted observation, but if you were to draw contrast between the public and the private sectors, it would be analogous to comparing Switzerland with Zimbabwe on measures of democratic rule and human rights.

You could even go so far as to declare that many private sector problems are founded in its outdated regulatory framework. It requires urgent attention, with many stakeholders calling for change, but it sadly remains in the shadow of NHI and of little interest to the health ministry.

A quick evaluation of Dr Motsoaledi's new white paper shows that patently little of substance has changed from the white paper of December 2015. The NHI remains founded on naïve belief that bigger will be better and more cost effective. Not too dissimilar is the belief held by many in government that the state should be the proprietary arbitrator of what is right and good for us – and that it should be the central entity to deliver these goods and services to us.

The political fixation is on Marxist-like ideas of centralised state control. But where is the evidence that the state will be able to provide healthcare services of a higher quality and lower cost than the private sector? The obvious answer is that there is none!

There are no state health departments that could be upheld as a beacon of excellence. The country's Auditor General points this out every year, when the Department of Health scores some of the worst audit outcomes of all state departments. And in South Africa, that is saying a lot!

The proof of failures in state healthcare services are abundantly apparent, with regular press releases highlighting the horrors. In a twist of irony, the Minister of Health often derides these problems, as if he were some anonymous external party with no locus of control over his own department.

The white paper also reaches extremely far in relying on the current private sector spend on medical schemes being available to direct into the NHI fund. Currently, this money is voluntary, out-of-pocket spend by private citizens. How precisely is government going to direct this into a statutory NHI?

It is comparable to collapsing all spending on private schools into the education department so that all children can attend public schools. Or to collapse the entire private security industry spend into the police department so that we can all rely on the police to protect us.

The private health sector has been lobbying for more than a decade to enable the creation of lower cost products that could be purchased by many millions more. Instead, a Rolls-Royce type private sector system has been retained for years, as the exclusive domain of the wealthy – and henceforth why only 15% of SA citizens can afford medical schemes. Unfortunately, even that low participation level will dwindle over time.

It is disingenuous for the Minister of Health to lay blame at the door of the private sector, when his policies, or rather lack thereof, have denied citizens the right to access healthcare.

We sit with a hopelessly unworkable NHI as our official policy on health, whilst millions of citizens who would be willing and able participants in lower cost structures, are told that they have the only option of using the state. And to please wait another few decades while we build NHI.

Government has gone so far as to finalise the Demarcation Regulations. This makes medical schemes virtually exclusive players in the private funding sector while still having to comply with an outdated and expensive regulatory framework that is not appropriate for meeting the needs of a mid-income country such as ours.

The irony is that if the State altered the private sector regulatory framework to enable lower cost products, it would release scarce resources, since members voluntarily purchasing private cover would no longer rely on the state for their healthcare needs.

But of course, government appears to find it untenable that the private sector should be allowed to expand. The reasons are obscure – but there is no doubt that with the appropriate political will and a more collaborative approach, quality healthcare provision for many millions of citizens could become a reality.

In the meantime, government hangs on to its ideology of central control whilst millions of citizens are denied their constitutional right to access quality healthcare.

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