

Mail and Guardian Reply

The Editor

Dear Sir,

It is unfortunate that instead of answering the questions posed in my comment "Lets talk about this revolution" M&G February 7th, Minister Motsoaledi has chosen to play to the man and not the ball.

There are serious questions that have remained unanswered since the publication of the Green Paper on NHI on 12th August 2011 concerning the future of the private sector, and the benefit package that consumers can expect under NHI, questions that the minister has ignored in his reply: "Physician don't fool yourself" in the M&G of the same date.

The minister is correct in drawing our attention to the small size of the South African economy in relation to the UK or USA, but this should serve only as a warning that consumers should not expect a comprehensive package of benefits comparable to those available in the UK's NHS for example. That being so, is it not time for the minister to tell South Africans what they can expect under NHI?

South Africa is a country with a massive wealth disparity with formidable unemployment and poverty challenges. Officially there are 14.4 million registered personal tax payers in a population of 55 million, but according to a Dawie Roodt and Grant Thornton study, only 5.7 million of them carry 97% of the personal income tax burden. Writing in the Business Day in 2009 economics professor Servaas van der Berg and healthcare actuary Heather Mcleod warned: "our fear is that the proposed NHI will fail to meet the expectations of the poor, will leave medical scheme members worse off, will be massively expensive or even completely fiscally unaffordable, and will require more doctors and nurses than are available. The danger is that it could well become a highly costly failure that will further increase frustration with service delivery". Van der Berg and Mcleod estimated that the government would require R251 Billion for a basic benefit package and R334 Billion for a comprehensive package. Also writing in the Business Day, Annabel Bishop of Investec noted that costs in the NHI working paper had not included the effects of inflation and that salary and wage increases would push the healthcare budget to R860 Billion by 2025, a tax burden that will prove too onerous for South African taxpayers.

These comments appear as prescient today as they were when the articles first appeared in 2009 and given the massive fiscal challenges facing South Africa on many fronts all deservedly claiming their share of the budget, it is difficult to understand the states determination to push ahead with such an expensive and untested option as NHI. Given the parlous state of South Africa's water supplies it seems to me that the health needs of our citizens would be better served ensuring safe drinking water (said to cost an estimated R700 Billion), according to a department of water affairs spokesperson, interviewed on Carte Blanche last night.

The private sector has many ideas on how to make the sector more affordable to more South Africans, ideas that will assist the minister in fulfilling his constitutional obligation to progressively improve healthcare access within the country's limits of affordability. Our request for a constructive dialogue therefore remains.

Dr Chris Archer