

MINISTER'S WAR WITH PRIVATE HEALTH CARE



The minister was in a very bad mood. His voice was raised behind the door that leads from his office to his boardroom. Just that morning, activist NGOs TAC and Section 27 had released their joint report into the state of public health in the Eastern Cape and it was, unsurprisingly, devastating. It showed a system in complete collapse: inadequate nursing; crumbling hospitals; insufficient drugs; no access to basic services.

When Aaron Motsoaledi finally appeared from behind his office door, the atmosphere was charged. The stinging criticism of his department would be the backdrop to a conversation about **the government's war with private health care.**

The battle between them has been going on since before he entered office in 2009. But it has intensified over the past year, as lobbying for a market inquiry at the Competition Commission paid off.

On Friday the terms of reference for that inquiry are expected to be published in the Government Gazette, ushering in a process that will probably take two years to complete. It will pit a minister under enormous political pressure to deliver National Health Insurance and a strong regulatory environment against an industry that rakes in billions in profit.

Motsoaledi must deliver on promises made at the ANC's elective conference in Polokwane in 2007. But the government has lost every court case and legal action embarked upon against private health care. He needs the commission to make recommendations that will allow him to develop new policy to regulate it.

The health minister was in a sling, having just returned from sick leave. Agitated, he hardly sat down.

"I can only say one thing: This is a revolution to bring justice to the poor. And revolutions happen in a way that may not be pretty. This is war. This is for the population to see how greed is fought. It's naked, naked greed from powerful individuals who want a good life for themselves and a poor life for anybody else."

The main issue between the warring parties is price. And Motsoaledi does not plan to go about business at the commission quietly. He starts with private hospitals. "This is the missing party. Who is regulating the provider? Who's telling them the dos and don'ts? They wake up and do whatever they want. If you go to any private hospital and you ask them what a Caesar costs, will they tell you? They won't, why? They're waiting for you to come in so they can bill you for everything they do, even their mistakes.

“Everything they do is money. If you are in ICU, when your money’s finished, they phone the nearest public hospital and say, take this person. They don’t care whether you’re going to die or whether you’re better.” He clicks his fingers. “They’ll just say go. So should I sit there as a minister and look at that and say it’s fair to the population? It can’t be.”

The minister has lost patience with what he calls the “zamazama” system of a proposed risk equalisation fund – previously part of a government strategy for Social Health Insurance in which wealthier South Africans would cross-subsidise the disadvantaged. The plan was for income-related contributions, mandatory medical aid membership and prescribed minimum benefits (PMBs).

“Risk equalisation is off the table, just like the PMBs,” he says. “The risk equalisation fund was a copped-out mechanism to plaster a health-care system that wasn’t working. That’s the bottom line. The fund, the what-what, prescribed minimum benefits, they’re not working. The lower scheme what-what option, the higher scheme, they’re not working. All those have never served the public. The only thing that will help is universal coverage. And private health care started working against universal coverage in 2009.”

Motsoaledi had planned to introduce a pricing commission to try to deal with these issues, but it was thwarted. Is he only going to be able to do this after the commission, in that some policies may emerge out of its recommendations?

He says there are only three ways of funding health care: “There’s the mandatory pre-payment. That’s NHI. That’s the NHS in Britain. That’s Obamacare, the NHI in Norway, in Ireland, in Mexico. They pay for health before the person is sick and it’s mandatory. The second is voluntary pre-payment. That is where medical aids come in. The third is out-of-pocket payment – cash. And I don’t know who gets confused because the preferred method is mandatory pre-payment. If you look at most of Europe, they’re introducing the very same system that they’re suspicious of in Africa where the system is overwhelmingly cash. That cannot be allowed.”

The response from private health care to the market inquiry has been vociferous. But the minister waves this off.

“They are not hiring expensive lawyers because of the commission. They hired expensive lawyers the day they heard about NHI. The whole concept of universal coverage, where you are giving justice to the poor, is what they are fighting against.

“I’m not afraid to go to court. The judges of this country must tell us whether they respect the constitution. It’s not me who said health care is a right. It’s the constitution, and I realise very rich people like to choose those parts of it that suit them, but where there is a right, it cannot be sold to the highest bidder at the highest price.”

Motsoaledi is adamant that there is no political ploy.

“There is no agenda anywhere in the government, the department of health, in the ANC, in the alliance, no agenda to abolish private health care. I would put my head on the block. All we want is justice and affordability.

“I don’t control the commission. I’m not in charge. I’m going to the Competition Commission on an equal footing with them. I laugh. What they are doing to me, it’s like Diwani the guy who (allegedly) killed his wife. The communication group his people hired who were attacking General Cele when he said, we’re going to arrest this fellow, we’re going to throw him behind bars. They said this was already influencing the judiciary. He said, no, I am a policeman. I want all criminals to be locked up. I’m in the same situation.

“Somebody’s doing something wrong somewhere. Can we find out who it is?”