

The NHI won't be sustainable'23 NOVEMBER 2017

National Health Insurance plan needs steady economic growth, but according to the The Institute of Race Relations is concerned as to how government will fund it. File picture: Independent Media

The Institute of Race Relations (IRR) has raised concern about how the Department of Health will implement the long-awaited National Health Insurance (NHI). The department said the NHI is a financing system that will make sure that all citizens of South Africa are provided with essential health care, regardless of their employment status and ability to make a direct monetary contribution to the NHI fund.

The IRR said while government is pressing ahead with the implementation it is concerned as to how they will fund it.

“What will the NHI cost, how will it be financed, how can the supply of health services be ramped-up to match increased demand, how will the enormous administrative burden be met, and how can the corruption the new system will foster be curbed?” asked the IRR.

It added that the government failed to acknowledge a report by the Davis Tax Committee - written earlier this year and made public last week - which warned that the NHI is “unlikely to be sustainable unless there is sustained economic growth”.

Dr Anthea Jeffery, head of policy research and author of the IRR report, said the white paper on the NHI, which was gazetted in June, largely ignores the problems of poor management and often poor quality in the public health care sector.

“Instead, its key concern is to put an end to the medical schemes that currently give close on nine million people (some 60% of them black) access to the benefits of the country's world-class system of private health care.”

She said that the revised document did not tackle many of the weaknesses in the earlier proposals.

“Government regulation has already pushed up the cost of medical schemes to the point where many people battle to afford them. The state has also refused to allow a low-cost option that would extend cover to at least 15 million more South Africans.”

Jeffrey said it was far from bringing about increased access to health care.

“The NHI will deprive many South Africans of the access they currently enjoy. Introducing NHI is thus not a ‘reasonable’ measure for the state to take. It will also require a level of spending far in excess of the resources ‘available’ to the government. The NHI proposal is thus inconsistent with Section 27 of the constitution.”

Spokesperson for the Public Servants’ Association Reuben Maleka said public servants were becoming worried about the goal.

The Department of Health was not able to respond by the time of going to print.

