

Motsoaledi's NHI will burden the middle class more than the rich it aims to tax;

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According to various reports, the core idea of Dr Aaron Motsoaledi's ambitious plan to nationalise healthcare through the national health insurance (NHI) is that the rich ought to subsidise the healthcare of the poor.

The opposite is currently the case, he argues. This is the main reason the public health system is failing, why it is overburdened and why most specialist doctors are practising privately.

To this end, the NHI remains noble and earnest because health reform is long overdue. It is also what radical transformation looks like in real life.

However, is it true that it is the rich who will subsidise the poor, as the minister suggests? Is it perhaps not the middle class who will be stretched even further and the most likely to suffer as the collateral damage of the plan should it fail to be implemented as envisaged?

To realise the implementation of NHI, Business Day reported that it was the government's plan to ditch medical aid tax credits.

More engagements needed on planned NHI, anaesthesiology society says

This means that a large number of middle class members will not afford medical aid, according to an analysis by Econex, a Stellenbosch-based economics consultancy. Once the tax credit is removed, 20% of medical aid users will drop out of the private health care system as it would be unaffordable. This will perpetuate inequality.

It is important that the middle class understand what this plan means for them since citizens have three months to comment on the proposed bills.

In the first place, all citizens will belong to the NHI whether they like it or not. Those who are employed will contribute to the NHI fund and if they seek further medical cover, they may do so at additional expense.

To this extent, it is not an exaggeration to say that the rich will be able to contribute to the NHI, including the cost of further private medical cover with ease and the middle class will not. The middle class will be forced to the state's healthcare, but it will not be free.

They will be at the mercy of the state's efficient implementation of the plan for all their healthcare needs.

Also, there is not much clarity on the type of benefits the NHI will provide. For example, it may not provide comprehensive dental care, like one dental crown per annum. Also, how much will the premiums be and how will the contribution fees be structured?

The truth about the NHI is that it will create a single public health system, albeit the minister wants us to believe that the NHI will only enable government to become a single public purchaser and financier of health services in the country. The reality is that there is a great chance that private healthcare may disintegrate completely and the quadruple burden of disease may become exaggerated.

Further, reports say the NHI pilot project has been awash with financial and administrative ineffectiveness. This is no surprise as our government is notorious for its poor administration of public funds.

City Press reported recently that doctors and pharmacy assistants contracted to assist in the pilot project were not paid and some have already quit their jobs and more will follow if the problems are not resolved.

The department, however, denied that this did not set the tone for what will happen under NHI despite logic dictating that this is likely to happen under NHI.

While the intention to nationalise healthcare is laudable when one considers the quadruple burden of disease South Africa faces and the gross inequalities, it is vital that the middle class join the debate to understand the limitations of a plan that will affect them more than any other group. The rich will not be challenged.