



January - June 2018

A summary of breaking news and general information (January - June 2018) regarding healthcare in the public and private sector, published in the media.

CONTENT

1. Food for Thought
2. Financial View
3. Pharmaceutical View
4. View on Medical Schemes
5. Special News/Notices

A follow-up of the summary published in the June issue of **HealthMan Private Practice Review**

Food for Thought

Proposed NHI Bill: 'A step in a healthy direction'

"While many questions remain unanswered, at the core of the proposed NHI Bill is the principle that the rich will subsidise the poor, the young will subsidise the old, the healthy will subsidise the sick and the urban will subsidise the rural."

- Editorial Comment: **City Press**, 24 June 2018.

"The Medical Schemes Amendment Bill is perhaps more radical in that it proposes to legislate private healthcare business."

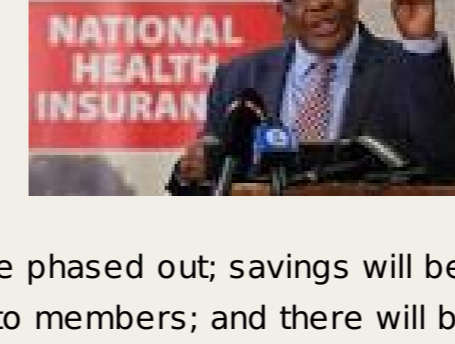
"It states that co-payments will end - medical aids will carry the full cost of treatment."

brokers will be phased out; savings will be passed back to members; and there will be no penalties for late joining or for the elderly.

"However, the biggest elephant in the room has not been addressed - the dire state of the public healthcare system."

"This must be addressed with urgency, for if it isn't, then the phased-in approach of the NHI and the medical schemes amendments will do little more than create giant holes that swallow citizens' contributors while offering very little in return."

Read more on the new NHI legislation on the SAPPF website (News - NHI-SA) as well as in the attached document



Financial View



Clicks vs Dis-Chem: Battle of the giants

In April Clicks' sales performance left it, and its close rival, Dis-Chem, running neck and neck. In its half-year to August, Dis-Chem has achieved a 15% rise in retail sales to R8.78-bn.

From a retail operating profit perspective, in their latest half-year Clicks' R293-m put it ahead of Dis-Chem, with its R682-m. From a profitability perspective, the two groups were again neck and neck, with Clicks' operating profit margin at 7.5% and Dis-Chem's at 7.8%.

In May Dis-Chem announced that it has added 21 new stores, taking the total to 129. In April Clicks opened its 500th pharmacy at Ink Station in central Johannesburg. Clicks at that stage had a 22.2% share of the SA retail pharmacy market. In the 2017 financial year it opened 73 pharmacies, including 37 as part of an outsourcing agreement with the Netcare Group to manage the pharmacies in its Medicos medical and dental centres.

Private hospital group Netcare expands



In March the Competition Tribunal gave private hospital group Netcare the green light to acquire the Akeso psychiatric clinic chain (RL3-bn) but has attached strict conditions that include guarantees that it will not immediately hike prices and will dispose of two of its hospitals. Akeso has 12 psychiatric facilities.

*In March **Business Day** reported that Netcare plans to exit the UK, joining a long line of SA companies that have had their

fingers burnt by ambitious offshore ventures that failed to deliver on expectations.

*In June the Competition Tribunal overturned the Competition Commission's prohibition of Netcare's acquisition of Benoni's Lakeview Hospital and approved the deal after Netcare agreed to various conditions; including Lakeview Hospital charging 5% less than what Netcare terms its "5/7/58 tariff" to medical schemes.

Behind Aspen's magic formula

In May Aspen Pharmacare announced that their new R3-bn facility in Port Elizabeth will soon start production. At full capacity it will produce about 3.6-bn tablets a year and package about 3-m bottles a month. Aspen's revenue rose 11% to R21.9-bn and normalised headline earnings per share increased 26% to R8.72 for the six months to December 2017.

Stadio Holdings explore partnerships

In March **Business Day** reported that Stadio Holdings, the PGD-aligned private tertiary education specialist, is exploring partnerships in the public and private sectors regarding the education and training of doctors. This involves plans for 10 facilities including "engineering and manufacturing" and "health and medical sciences" as part of a strategy to establish Stadio as a "multiversity" with a broad and affordable product range.

Ascendis reports 27% increases in revenue

Health and care brands group Ascendis Health reported a 27% increase in revenue to R4-bn for the six months to December 2017, driven by the strong performance of the group's international operations, which grew revenue by 50% to R1.9-bn. In June an investor update showed plans are well under way to dispose of two non-core and underperforming SA operations and a pharmaceutical production plant in Gauteng.

GEMS shows improved financial position

The Government Employees' Medical Scheme's (GEMS), annual report for 2017, reflects a significant increase in its reserve ratio and surplus. GEMS settled 91-m claim lines, representing a total value of R29.1-bn. The scheme ended the year with a net surplus of almost R3-bn and doubled its reserve ratio to 15.2% from 6.9% in 2016.

Pharmaceutical News



'Mini pill box' could vastly slow HIV infection

January: A team at the Massachusetts Institute of Technology (MIT) developed a "mini pill box" that stays in the stomach for a week, delivering a long-lasting dose of antiretroviral medication.

This may prevent between 200 000 and 800 000 new HIV infections in SA over the next 20 years. The research was published in the journal *Nature Communications*.

Regulator gives Biovac green light

In April the Biovac Institute was awarded a manufacturing licence, taking it one step closer to realising the government's ambition of producing its own vaccines.

Biovac is a public-private partnership focusing on the revitalisation of the state's human vaccine manufacturing capacity.

Pharmacy ATM cuts Gauteng queues

In March Africa's first Pharmacy Dispensing Unit (PDU) was opened in the Alexandra township north-east of Johannesburg. The "ATM pharmacy" uses electronic, robotic and cloud-based technology to capture, select, dispense, label and directly convey prescribed medication to patients at off-site venues away from hospitals and clinics.

DoH announcement first in the fight against TB

In June the DoH became the first health department in the world to announce the rolling out of a new and much more tolerable drug, bedaquiline, to fight multidrug-resistant tuberculosis (MDR-TB).

• In February, at the Global Forum on TB Vaccines held in India, researchers showed that the old and only licensed TB vaccine in existence, BCG, could potentially provide 45% protection from sustained TB infection.

UJ discovers silver-based, anti-cancer drug

March: The University of Johannesburg (UJ) revealed that "a new family of promising silver-based anti-cancer drugs" known as UJ3, has been successfully tested in rats and on human cancer cells in the laboratory.

The research was published in *BioMetals*.

Digital therapeutics will soar in next five years

In May research published by *Digital Therapeutics & Wellness*, forecasted that the number of people using app-based treatments, which are clinically proven to treat medical conditions, will increase from an estimated 4.5-m in 2018 to 130-m by 2023.

Cheap breast cancer drug not on sale in SA

A breast cancer generic medicine, Tostacumab, is one of the many pharmaceuticals awaiting review by the new SAHPRA.

Its predecessor, the Medicines Control Council, accumulated a backlog of almost 3 600 drug applications, with drug companies saying that it could take up to five years to approve application dossiers.

Antibiotic guidelines must be enforced in SA

In April a study, headed by Julia Gasson of the Western Cape DoH, found that clinics in the province are ignoring guidelines on prescribing antibiotics more than half of the time.

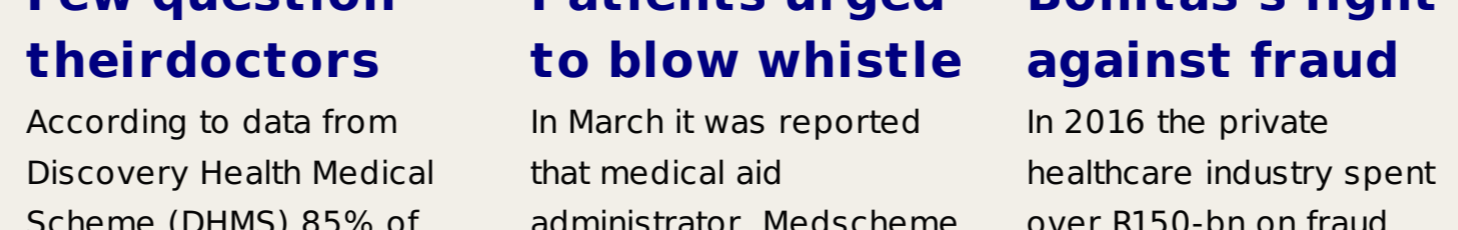
Perfume may keep away outdoor mosquitos

Scientists from the University of Pretoria found that perfume holds the answer to manufacturing a longer-lasting mosquito repellent. They created a mixture that is a negative pseudo-azetropole, which is used in perfumes.

The compound can be developed into a commercially visible repellent to protect people when they are outdoors.



View on Medical Schemes



Few question their doctors

According to data from Discovery Health Medical Scheme (DHMS) 85% of patients are simply going where they are told when referred by a GP or specialist, without checking to see if the hospital gives a good experience.

DHMS launched an app-based option two year ago, which was dominated by younger members.

The average age of principal members on this option was 29 years, compared with the scheme average of 45 years.

Patients urged to blow whistle

In March it was reported that medical aid administrator, Medscheme, has recouped more than R107-m claimed fraudulently and through waste or abuse.

Medscheme also recovered more than R300-m in reduced claims through forensic interventions.

The scheme received more than 1 500 calls from whistle-blowers alerting to report potential fraudulent, wasteful or abusive conduct committed against medical aid funds.

Bonitas's fight against fraud

In 2016 the private healthcare industry spent over R150-bn on fraud, waste and abuse (FWA).

In 2015 Bonitas introduced an analytical software programme to identify anomalies or irregularities that could indicate FWA.

The results included:

- Total quantified value for interventions: R129.8-m (R79-m in 2016), and
- Total recoveries: R38-m

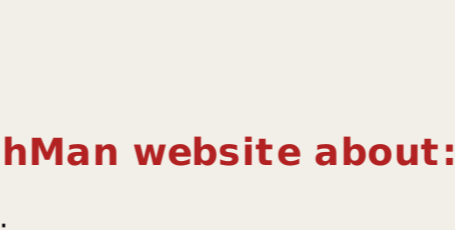
Medihelp Medical Scheme's rating

On 26 June Global Credit Ratings GCF affirmed the national scale claims paying ability rating assigned to Medihelp Medical Scheme of AA-(ZA), with the rating outlook accorded as Stable.



Medshield Medical Scheme's rating

GCF also affirmed the national scale claims paying ability rating assigned to Medshield Medical Scheme of AA-(ZA), with the rating outlook accorded as Positive.

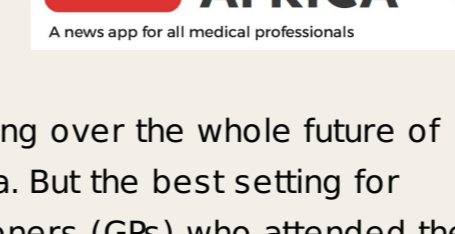


Read more in the attachment or on the HealthMan website about:

- Medical scheme claims expenditure far outstrips inflation;
- Council for Medical Schemes (CMS) publishes latest trend analysis
- Consolidation of Medical Schemes

Special News

Primary care practitioners: Now is your chance

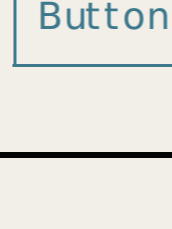


There is no denying that there is a cloud of uncertainty hanging over the whole future of healthcare provision, service and accessibility in South Africa. But the best setting for resolution of uncertainty, the more than 300 general practitioners (GPs) who attended the KZN Doctors Healthcare conference in Durban at the weekend were told, is when there is constructive dialogue.

While pure coincidence, the scheduling of the conference, "venue booking and all", took place almost a year ago with no inkling that it would become the first and most significant provider event to take place almost immediately after the release of the landscape-changing NHI Bill and Medical Schemes Amendment Bill - starting, in fact, only a day after.

"Even more fortuitous is that we had already invited the department's Director-General for NHI, Dr Anban Pillay, to present at the conference and the fact that he was still able to make it to unpack the legislation with us only two days after its release," KZNDHC chair, Dr Morgan Chetty, extolled when reviewing the proceedings.

To read more, click on the button below.



Special Notices

Sequential Oral Sensory (SOS) Approach to Feeding Conference

21 - 24 August 2018



The Capital Empire, Sandton Johannesburg, South Africa 08:00 - 17:00
R800 (includes: course materials, lunches and refreshments)

- CPD Accredited - Book Now

The Sequential Oral Sensory (S.O.S) Approach to Feeding Conference is a trans-disciplinary program for assessing and treating children with feeding difficulties and weight/growth problems from birth to 18 years. It integrates posture, sensory, motor, behavioral/learning, medical, and nutritional factors to comprehensively evaluate and manage children with feeding/growth problems.

The special conference is designed for babies, toddlers and small children. Other ages and special populations are covered in the Advanced Workshops.

BASIC COURSE: OBJECTIVES

Participants attending will be able to:

- Identify oral, sensory, motor, cognitive and emotional developmental milestones key to feeding.
- Recognize and describe the major reasons why children won't eat, as based on learning theory principles.
- Identify physical, behavioral, motor, oral-motor, and sensory factors as a part of a Feeding Assessment.
- Apply behavioral and social learning principles, and systematic desensitization to feeding problems.
- Create and implement a SOS feeding program for babies, toddlers and young children, in group and individual treatment formats.

CPD ACCREDITATION

The conference has been awarded 8 CPD points per conference day, giving attendees a total of 32 points for the full conference.

TESTIMONIAL

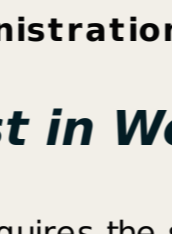
"Our son Jens struggled terribly with eating whole, textured food which negatively impacted his already severe speech delays. Jens was one of Karin's first kiddies to start the SOS Feeding program and the impact of the program was unbelievable. I remember him even struggling with ice-cream as it was too cold for him."

During the program he went from only eating smooth foods to grabbing a whole raw mushroom and just biting happily into it or eating a whole off the cob something he would never have previously even contemplated. It opened a whole world of food to him and I would highly recommend the program to any parent of a child who is struggling to eat whole, textured foods. I found the program to be non-invasive and non-pressured which allowed Jens to simply explore foods at a pace he was comfortable with."

Visit: SOS Feeding Conference Website

Conference Secretariat Africa Agents | +27 (0)21 482 2541 | +27 (0)81 542 4191 | info@conferencesecretariat.co.za

For more information, click on the button below



Psychiatry Practice: Locum Position Available

A Locum position is available at a Psychiatry Practice in the Strand, near Cape Town, from October 2018 to the end of March 2019.

Contact Practice Administration at: chris@ludwick.co.za

Vacancy for Psychiatrist in Worcester, Western Cape

A clinic in Worcester, Western Cape requires the services of a trained Psychiatrist to set up own practice within a busy practice; 5-year experience and relevant tertiary education will secure the position. Remuneration R80 000/ann.

Contact Debby on 021 531 3050 or e-mail your CV to debby@etafyons.co.za

Rooms available in Rivonia Gate Health Centre

Rooms available (2 x 14sqm & 1 x 11.25 sqm) in Rivonia Gate Health Centre just off Rivonia off-ramp. Services already on offer includes: Physiotherapy, Bio-Kinetics & Chiropractor. Office Rental Includes: Reception, Cleaning, Water and Electricity, Unoccupied Fibre Shared, Kitchen and Bathroom, Security and ample Parking.

Contact 087 701 0923 or info@amturmerphysio.co.za For more info

To advertise in *Health View* contact **Maretha Conradi: maretha@healthman.co.za**

HealthView and Private Practice Review provide news and opinion articles as a service to our members to enhance their understanding of the health care industry. The information contained in these publications is published without warranties of any kind, either express or implied. HealthView and Private Practice Review are published solely for informational purposes and should not be construed as advice or recommendations. Individuals should take into account their own unique and specific circumstances in acting on any news or articles published. Often these articles originate from sources outside our organization that are reported in the national press. Consequently, any information, trademarks, service marks, product names or named features are assumed to be the property of their respective owners, and are used solely for informative purposes in our publications. There is furthermore no implied endorsement of any of the products, goods or services mentioned in our publications.