



NHI Draft Bill Daily Analysis

The NHI Draft Bill was published in Government Gazette 41725 on 21 June 2018. The South African Private Practitioners' Forum will be sharing an analysis of the Draft NHI Bill with members, highlighting issues of importance and concern.

NHI Draft Bill – Day 11 Excerpt from the Draft Bill

Role of the Provinces

33(2) Without derogating from the Constitution or any other law, the functions of a provincial department responsible for health in the province in question shall be to provide health services which the Fund would purchase in addition to-

- (a) co-ordinating health and medical services during provincial disasters;
- (b) co-ordinating emergency medical services and forensic pathology, forensic clinical medicines and related services, including the provision of medico-legal mortuaries and medico-legal services;
- (c) providing and maintaining equipment, vehicles and health care facilities in the public sector; and
- (d) protecting and promoting environmental health.

35(3) At provincial level the Fund must transfer funds directly to certified, accredited and contracted provincial, regional, specialised and district hospitals

Analysis

Effect of NHI Bill on employment

One also has to consider that Primary Healthcare services will be contracted at District level via the Contracting Unit for Primary Healthcare (CUP). With all these province-administered hospitals as well as primary healthcare all falling directly under payment arrangements with the NHI, the question is, what function would the provincial health administration be performing?

The Bill states that the remaining functions are co-ordinating health and medical services during provincial disasters; co-ordinating emergency medical services and forensic pathology; providing and maintaining equipment, vehicles and health care facilities in the public sector and protecting and promoting environmental health.

The Human resource requirements for fulfilling these functions are, no doubt, far less than is currently the requirements in Provincial Health Departments. The end result will be job losses at every Provincial Health Department.

Any provincial-, regional-, specialised hospital which fails to attain the necessary norms and standards according to the Office of Health Standards compliance, will not be able to contract with the NHI.

This will preclude service delivery of any kind at such a facility. In the absence of a funding stream in the Provincial Health Budget for such a facility, besides the maintenance of the equipment and the facility itself, the staff will become redundant, leading to further job losses amongst staff at the level of these hospitals.

The third place where there will be large scale job losses will be in the private healthcare funding environment. One would reasonably expect 5 medical schemes in total to remain viable in a complementary capacity under NHI and perhaps one administrator.

This will therefore lead to another 30 000 to 40 000 job losses in the Private Healthcare funding sector.