

## **NHI means National Health Implosion for health practitioners – Solidarity – Politics Web 25 July 2018**

According to Morné Malan, a researcher at the Solidarity Research Institute, the implementation of the controversial National Health Insurance Bill could have a drastic ripple effect on job losses. However, the trade union added that it was already in the process of fighting the proposal and that it was pro-actively working on alternative proposals. Malan claims that should the NHI be passed into law, all hospitals will have to meet quality criteria equivalent to that of most private hospitals to be able to qualify for the NHI. “Currently, only 25 out of 3 500 public health care institutions perform well enough to form part of the NHI, which means that a large number of employees at public hospitals will probably lose their jobs because these hospitals will be facing a dubious future,” Malan warned.

According to Malan, the NHI will also result in numerous job losses in the provincial health departments as the mandates of these departments will undergo changes, and between 30 000 and 40 000 jobs in the private medical funding industry will also be in jeopardy. “Realistically speaking, only five private medical schemes will survive this transition and it is highly unlikely that all the excess staff members will be accommodated in the new system,” Malan said.

Malan explained that the NHI will require all specialists to relinquish their practices in order to work in hospitals. “It seems as if specialists will no longer be able to render services outside the context of a hospital, and that no clear mechanism exists in terms of which specialists could be contracted directly, which will have major implications for their remuneration and working conditions. Patients will first have to be sick enough to be hospitalised before they will be able to see a specialist,” Malan added.

According to Malan, general practitioners will also be negatively affected by the NHI should the bill be passed into law. General practitioners will be compensated based on capitation only, and the basis of this remuneration will be determined by the administrators of the NHI. This means that the general practitioners will not be able to participate in negotiations on capitation. “Practitioners will be totally at the mercy of fund managers who won’t take the disease burden of a specific area into account at all. They will merely focus on the number of people in the area. It will also be difficult to accommodate the sudden outbreak of disease in this proposed system, which means that doctors will often have to limit the services they render in an attempt to reduce costs,” Malan said.

Malan also said capitation based remuneration will have even worse consequences for general practitioners because changes in the number of people could mean drastic differences in workload without the doctor’s remuneration being adjusted. “Moreover, general practitioners will have no recourse if they do not receive payment as the NHI does not make provision for a statutory remedy offering practitioners the necessary protection. Whereas Regulation 6 of the Medical Schemes Act offered a legal remedy to practitioners in the event of them not being paid within 30 days, there is no such protection with regard to the NHI should the fund fails to pay them within a reasonable period,” Malan explained.

According to Malan, medical aid scheme boards are currently strictly regulated. This will, however, not be the case as far as the composition of the NHI board is concerned.

“Notwithstanding the fact that the NHI will have to provide 95% of health services its board will seriously lack expert skills,” Malan said.

For example, the NHI’s Benefit Advisory Committee will not have a single medical doctor as a member, which means that all treatment guidelines could be compiled without the input and knowledge of a qualified doctor. Malan also explained that the Stakeholder Advisory Committee, which is to consist of 18 board members, will not have a single health

practitioner, medical aid representative or any other medical expert as members. “Nine of the board members who are to advise the minister will basically just be regulators who work for the state and who would have been appointed by the minister him- or herself. As such, the system will have no independence,” Malan said.

In conclusion, Malan pointed out that under an NHI dispensation the working conditions of health practitioners will be difficult and they will no longer have the freedom of choice to decide where they want to practise and what they want to charge for their services. “They will have little, if any, representation on boards, and the system could result in large-scale job losses. When it comes to practitioners the NHI will simply be a disaster,” Malan concluded.

*Issued by Morné Malan, Researcher: Solidarity Research Institute, 24 July 2018*