

*NHI not a panacea for the nation's ills Marius Roodts: Saturday Argus, 1 September 2018*

Ronald Reagan is reputed to have once said that the scariest sentence in the English language is: "I'm from the government and I'm here to help." Many a South African will attest to this. The South African government has something of a reverse Midas touch - whatever it touches seems to fail. One has only to survey the wreckage of state-owned enterprises strewn across our political and economic landscape to recognise the truth of this. And now the government has set its sights on the healthcare system. The objective of ensuring that all South Africans receive a high standard of healthcare is a noble - and, indeed, essential - goal, but rather than emulating the excellence of private healthcare, the government is seeking to extend the reach of a dismally performing public health service. In June, Minister of Health Aaron Motsoaledi released for public comment two bills which, if enacted, will fundamentally change the way South Africans receive healthcare. The first of these bills relates to setting up a National Health Insurance (NHI) system. The public has until September 21 to comment. The new NHI bill will result in the introduction of an NHI fund, along with a number of other bodies, which will be established to administer a health insurance system. All health expenses will be paid into a central fund. This will, in theory, ensure that all healthcare is free at the point-of-service. The NHI fund will also have a number of sub-units which will decide on NHI-related benefits, approve treatment protocols, set prices, accredit health providers, procure medicines and other supplies, pay for all services and items purchased, monitor the overall performance of the system and guard against fraud. Effectively the NHI will be a state-run medical aid, with no opt-out option.

Dr Motsoaledi has said that these bills are the expropriation without compensation of the health sector. In this, he is correct. The implementation of the NHI will make all South Africans poorer and lead to a number of unintended consequences. Imagine the vast bureaucracy that will be needed to manage the NHI fund, as well as the opportunities for corruption and kickbacks that will exist in such a system. Any South African who thinks a new NHI fund will work well has perhaps been in a coma since April 1994 or is so blinded by ideology they can only conceive of a system where the state has control. The latter is likely the reason why this is being pushed by the governing party. It is clear that the ANC is working to gain increasing state involvement in almost every aspect of South African life. This is not scare-mongering: we at the Institute of Race Relations have tracked more than two dozen pieces of legislation in recent years aimed at restricting property rights. Expropriation without compensation will not result in real, sustainable land reform. Similarly, the implementation of NHI will not mean that more South Africans will have access to quality healthcare - it may well result in the exact opposite outcome.