

NHI debacle another symptom of dysfunctional policy making – Business Day 27 November 2018

Development of the policy has been rushed at every iteration for the past decade to meet politically motivated deadlines

Health director-general Precious Matsoso broke ranks in truly remarkable fashion last week when she accused President Cyril Ramaphosa's adviser, Olive Shisana, of sidelining her in the development of the National Health Insurance (NHI) bill.

The director-general is the department's accounting officer and will be tasked with defending the proposed legislation when it is introduced in parliament. Yet she says she played no role in revising its release for public comment in June, a statement confirmed by Shisana.

For the director-general to be left out in the cold in this manner is truly astonishing. And for her to lay bare the dysfunction in the government by further claiming Shisana has ridden roughshod over the public-consultation process is even more so.

The bill is a key aspect of the government's ambitions for realising universal health coverage as it sets out the legal framework for establishing a central NHI fund that will purchase health services on behalf of patients from both public and private-sector providers. It is vital that the government gets it right, both in terms of the content and the public-consultation process that informs the final draft presented to parliament. If the government gets either aspect wrong, it lays itself wide open to legal challenge.

There were signs of trouble even before Matsoso spoke out. A leaked letter sent from the Treasury to Shisana on November 9 exposed sharp division, with the Treasury complaining that Shisana had removed key aspects that it had previously fought to include. According to the letter, she reintroduced several problems that the ministers of finance and health resolved previously, including immediate relegation of medical schemes to a complementary role once the bill was enacted, thus limiting them to providing cover only for services not offered by the NHI.

The Treasury quite rightly warned that her approach would be perceived as a threat to the private sector, medical scheme members and taxpayers. The result, it said, would leave the bill open to legal challenge.

The Treasury also warned that far-reaching proposals to shift a host of functions from provincial health departments without consultation with the budget council and provinces was in breach of the Intergovernmental Fiscal Relations Act and raised concern about the insertion of an uncosted proposal to establish 300 contracting units that would purchase services for patients.

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Shisana appears to have hastily bludgeoned together a revised bill, with the help of just two people selected by health minister Aaron Motsoaledi, in order to get it into the cabinet process before the end of the year. Given that public submissions closed on September 21 and that about 180 were received, it is unlikely that Shisana and her team could have reviewed them properly by early November, as by this stage the Treasury was writing to complain about her changes.

This is typical of the way the ANC government has handled the development of its NHI policy, which it has rushed at every iteration for the past decade to meet politically motivated deadlines, from policy conferences to looming elections. That perpetual hurry has served no one's interests but those of politicians.

Weak policies clearly place at risk the government's hopes of providing decent health-care services that are free at the point of delivery to everyone. But there are additional pitfalls. In addition to the obvious legal challenges, the presidency's apparent lack of consultation jeopardises the government's fragile relationship with the private sector.

The presidential health summit convened by Ramaphosa in late October sought to strike an inclusive and consultative tone, with his deputy, David Mabuza, telling delegates that all sectors needed to be involved to tackle the problems confronting SA's health system. If Shisana and her team are not even consulting properly within the government, how can the private sector trust its views will be heard on anything at all?