

NHI ‘will kill SA’s economy, chase away doctors’ Times Select, 15 July 2019

THE proposed National Health Insurance (NHI) scheme has the potential to wreck SA’s already weak economy, experts warned after the Health Minister released details of the draft bill. Those surveyed say there are simply not enough taxpayers to make the NHI work. Even worse, they believe the Health Minister’s comments about what it may entail suggest policies that could lead to the end of medical aids, and a doctor exodus. On Friday morning, Health Minister Zweli Mkhize gave parliament more details on how the NHI would work, suggesting all money spent on healthcare in SA would be shared. Mkhize said that NHI is a way of providing good healthcare for all by sharing the money available for healthcare among all our people. He said the health benefits that patients receive will depend on how sick they are and not on how wealthy they are. In 2018, the NHI was proposed as a single state-run fund to buy healthcare for all, similar to how medical aids pay for private people to use healthcare. Experts say that according to the current draft bill, South Africans will be forced to pay into the fund which could cause the collapse of medical schemes. Health economist at the Free Market Foundation Jasson Urbach said forcing people to pay into the fund could end medical aids. He said the proposed mandatory payments into the central NHI fund will crowd out contributions to medical schemes as cash-strapped individuals will not be able to afford private medical aid contributions and mandatory NHI payments. These individuals will then be dumped onto the already overstretched public sector. Urbach said the government could not force private medical aid premiums to be redirected to their fund. He said they don’t seem to understand that it is private money - the assumption is that it will magically become available for the NHI fund, which is not how it works. Health consultant Johann Serfontein said a single fund, as proposed by the draft bill and Mkhize in Parliament, could not fix healthcare. He said that a single-payer health system will create a state-owned entity twice the size of Eskom, while government has admitted that Eskom itself is too large to administer. The government should focus on fixing the critically ill public health system. The nursing union Denosa welcomed the adoption of on NHI by the Cabinet but its acting general-secretary, Cassim Lekhoathi, said NHI will not arrive like manna from heaven and solve every inefficiency in our healthcare system. Urbach said making health workers provide services to everyone equally suggested making doctors work for the state with “fixed NHI prices within this state-imposed monopoly”.

Healthcare providers will leave

The draft bill had said health workers’ prices would be capped: “The fund may withdraw the accreditation of a service provider if the service provider ... fails to adhere to the national pricing regimen.” Principal officer of Profmed medical aid Craig Comrie warned that doctors will leave SA if forced to work for the state at fixed prices. He said the impact on the existing healthcare professionals means that more will leave our shores

for attractive global opportunities. The NHI fund will pay or employ private and public healthcare practitioners, meaning they are effectively public servants. Last week, the DA's health spokesperson, Siviwe Gwarube, asked how much the NHI will cost and where the money will come from. Mkhize did not give any clues to this, but said the NHI would actually fix the current shortfall in health spending. He said that in the long term the investment in NHI will create a funding mechanism that will permanently resolve underfunding. However, health analyst Andy Gray said the NHI cannot resolve a lack of funds. He said no funding mechanism anywhere can permanently resolve underfunding. There will always be demands in health in excess of what can be afforded, and a need for rationing.

No realistic plan

Comrie said that it is surprising that the government would rush through the NHI Bill without a realistic financial plan. Treatment Action Campaign president, Anele Yawa, welcomed Mkhize's comments that 2 680 of the 4 100 vacant doctors' posts would be filled and that 2 371 nurses would be employed, since there are almost 4 000 vacant nursing positions. He said the TAC has always championed universal health coverage in a bid to reduce the gap in the two-tier healthcare system. But he said, the TAC will be monitoring how the health system is fixed and warned that more money is not a "panacea" for the system. Yawa said clinics and hospitals are in a mess. In 2016 and 2017, the Office of Health Standards Compliance inspected 696 clinics and hospitals and only five facilities met the standards required. He also expressed concern that "we still don't know" what was achieved in the NHI pilot districts.