

## **Mad doctor Motsoaledi**

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John Kane-Berman says the health minister's NHI white paper has little grasp of reality

### **Malice in Wonderland**

The White Paper on National Health Insurance (NHI) for South Africa, more than 100 submissions on which the Department of Health will now supposedly consider after the deadline of 31st May, is one of the most frightening documents yet to emerge from the post-apartheid government. The proposals, now in their 40th version, are so out of touch with reality as to border on the insane.

A vast bureaucracy with extraordinary powers will thus be set up despite government commitments to curtail the growth of public spending and the public service. Moreover, it is to be set up regardless of the failures of much of the public health system, never mind the wider problems of failure in schooling, technical education, policing, water management, infrastructure provision, agricultural services, local government, and numerous state-owned enterprises.

There are few signs that any of these aspects of state failure are being overcome, and the proponents of NHI seem unaware that successful implementation of their project is beyond the capacity of the South African state. It is certainly way beyond the capabilities of the Department of Health, whose own surveys reveal the abysmal state of so many of its own facilities.

Although the white paper acknowledges some of these problems, it blames them on the "two-tier health-care system where the rich pool their funds separately from the poor". It therefore seeks to commandeer all private spending - and therefore the services of private health practitioners - via the tax system.

The result of this war against the middle class will be to starve the private medical aid industry of funds. Another result is that an increasing proportion of these diverted funds will be allocated to the new NHI bureaucracy, leaving less to be spent on medical services proper. Yet another likely result is that parts of the new bureaucracy will be captured by militant trade unions, as has happened to most provincial education departments.

The sponsoring minister, Aaron Motsoaledi, routinely rails against the supposedly exorbitant costs of private health care with its "greedy specialist doctors" and "profit-maximising hospitals", but he has few qualms about the risk that NHI will impose exorbitant costs on taxpayers and the fiscus. Although the white paper provides some cost estimates, it also says looking at costs is "the wrong approach".

All income will be paid into a single NHI fund, which will be subdivided into eight units and sit astride a bureaucracy reaching down to 4 000 municipal ward committees. All payments to providers of medical services will come from this fund. However, as many businesses,

professionals, and beneficiaries of workmen's compensation awards have discovered, the state can be tardiness itself in paying its bills.

Rather than submit themselves to the nightmare of having their services commandeered by a state that fails to pay them on time, medical professionals, among them top specialists in short supply, will leave the country in droves. South Africa will soon have more bureaucrats and health inspectors than doctors. Like Robert Mugabe, government bigwigs will no doubt commandeer aircraft to take them abroad for medical treatment.

The NHI proposals are so far removed from reality that some critics dismiss them as pie in the sky, while others take refuge in the hope that the National Treasury will veto them. But the ideological thrust behind them, coupled as it is with visceral hostility to the private health sector, should not be underestimated. Strong countermeasures are essential.

The first is for the private health sector to hit back against misrepresentation. The second is to keep up the pressure for remedying the deficiencies of the public system. The third is to step up the pressure to allow the private medical aid industry to offer low-cost options to poor people, instead of continuing to regulate it so as to price it beyond their reach.

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