

## **Medical Aid lobbyist Zokufa is Motsoaledi's tool – Wilmot James**

*23 September 2016*

The DA has noted with alarm the appointment of Board of Healthcare Funders (BHF) Chairman, Dr Humphrey Zokufa, as new Registrar of the Council for Medical Schemes (CMS).

In his previous position, Dr Zokufa lobbied for the interests of the medical schemes industry and not for the interests of medical aid members.

In his new position, as BHF chair, Zokufa will be required to fairly and transparently regulate the same medical schemes industry for which he was a lobbyist. This, despite having no record of having the interests of medical scheme members at heart.

It is improper and bad judgment for the Minister of Health, Aaron Motsoaledi, to place somebody who was part of representing the industry in this position to now play the role of regulator.

Of key concern is the fact that Dr Zokufa is openly sympathetic to the government's National Health Insurance (NHI), for which no legislation has yet been passed and for which there is no money.

We fear this could be another case of "state capture", this time by Motsoaledi, to make sure that a person is in place to manipulate medical aid schemes and capture them for NHI purposes.

We are further concerned that putting a private medical scheme industry lobbyist in charge of the regulator has the purpose of harming medical scheme coverage to justify a NHI tax.

It is well known that substantial profits can be made by medical scheme administrators and related parties if the regulator were to turn a blind eye to member interests. Debates on the future options for universal health coverage are legitimate, but this should be achieved through honest public dialogue.

This is the second registrar appointed by Minister Motsoaledi. The first, Dr Monwabisi Gatsho, was accused of interfering in medical scheme inspections, acting for private interests and soliciting bribes. Motsoaledi reluctantly suspended Gatsho. Mysteriously, Dr Gatsho disappeared and with him, the CMS's forensic investigation. Gatsho coincidentally shared two directorships with the Deputy Minister of Health, Dr Joe Phaahla, at the time of his appointment.

It is best international practice to separate regulators from the executive arm of government, and have appointments made under public scrutiny, vetting and oversight by independently nominated panels.

When the DA runs national government, we would fundamentally change the way regulators and related institutions are governed. Were proper fit-and-proper criteria applied to this appointment, it would be inconceivable for a private lobbyist to ever be placed at the helm of a regulator.

Conflicted appointments such as this do not happen by accident and are typically associated with the institutional failure due to relationships corrupted by patronage, a South African sickness under the administration of President Jacob Zuma.

*Issued by Wilmot James, DA Shadow Minister of Health, 23 September 2016*