

## **LETTER: Medical aid boss has jaundiced view**

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HUMPHREY Zokufa has been appointed to head the Council for Medical Schemes, despite his statements on funding the National Health Insurance (NHI). He indicated it can be funded from existing sources — the public health budget, medical aid contributions and the Road Accident Fund (RAF).

Clearly, he is unaware about how health-care industry funding works, which is worrying, as he is now heading the legislative body for one of the two tiers of the health-care system.

Medical scheme membership and contributions are voluntary spend of private money by individuals in their personal capacity. They do not belong to the state and neither does medical scheme reserves. The reserves belong to members of schemes.

Although there has not yet been a court battle after a medical scheme ceased to exist and it had to be tested how the money would be reimbursed to contributing members, reserves would most certainly not revert to state ownership.

In the absence of medical schemes in an NHI environment, contributions and reserves would go back to the private pockets of the individuals currently paying them; they would not miraculously revert to the NHI fund.

The RAF has more than R100bn in outstanding claim liabilities, so it is difficult to understand how it can be expected to fund healthcare.

If medical scheme contributions and the RAF are not viable funding tools for the NHI, this proves the national fund unaffordable.

Zokufa should rather focus on implementing current legislation in his position as registrar, such as reviewing prescribed minimum benefits legislation, which is supposed to happen every two years, but has never happened.

The medical scheme industry is in need of firm leadership and guidance to remain sustainable and Zokufa is clearly not planning on providing this, having already decided the sector is unsustainable.

An absence of leadership will cause the industry to collapse, making his a self-fulfilling prophecy.

***Dr Johann Serfontein, in Business Day***

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