

DA has a plan to fix healthcare shortfalls

16 November 2016

The DA is expected to unveil its alternative vision for universal healthcare on Wednesday, promising a better deal for patients in half the time of National Health Insurance (NHI) and at no extra cost to the fiscus.

It proposes scrapping medical aid tax credits, which are valued at R17.4bn for the current fiscal year, and using the resources to improve public healthcare and subsidise medical scheme membership

The government promised to deliver NHI within 14 years when it published its green paper in August 2011, but progress has been slow despite Health Minister Aaron Motsoaledi's drive to get it going.

The plan has also been criticised as unaffordable, and based on unrealistic expectations of economic growth.

The DA's plan, called Our Health Plan, proposes a strong and continued role for private healthcare and medical schemes, a position unlikely to find favour in some quarters of government.

It includes measures to strengthen the medical scheme industry along the lines of the social health insurance policies pursued by the government under former president Thabo Mbeki.

These include introducing a risk-equalisation fund and state-sponsored reinsurance for smaller schemes to level the playing field between medical schemes so they compete on efficiency rather than on their capacity to attract young and healthy members.

"Our model operates in the existing resource envelope and introduces strategic reforms to make the public service better and increase competition in the private sector," DA health spokesman Wilmot James said.

Motsoaledi poured cold water on the DA's plan, saying it was a superficial attempt to reorganise the health system that would perpetuate the current inequity in the services available to rich and poor.

He defended the government's progress on NHI, saying it was still in the preparatory phase of its 14-year plan. It was implementing an electronic health information system in clinics and hospitals, and had completed an extensive assessment of the staffing requirements for clinics, he said.

The DA envisages a system in which a health subsidy is allocated to every citizen and legal resident, the size of which would be determined in relation to a package of services available in the public health system.

The means test used in the state sector will be scrapped, so care will be free at the point of service at public clinics and hospitals.

Medical scheme members will get the same basic package of service free at the point of delivery in the private sector, and will be allowed to pay for additional “top up” cover.

Over time, as the public health system improves, medical scheme members will be expected to get more of their needs met by the state sector, says the policy.

By Tamar Kahn in Business Day