

Working together to improve SA's healthcare system

By [Lee Callakoppen](#)

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The need for universal healthcare is not debatable. It is the mechanisms around its implementation that stimulates continual debate, challenges, disagreements and proposals.



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It is envisaged that National Health Insurance (NHI) will offer all South Africans and legal residents access to a defined package of health services. It is not clear how comprehensive or wide this range of services will be. That is dependent upon funding available for NHI – that and structures remain one of the biggest questions and challenge,

Covid - the good, the bad and the ugly

In order to discuss NHI it is imperative we reflect on the Covid-19 pandemic. The pandemic has put a spotlight on healthcare in South Africa. There has been a lot of positive comment around the collaboration between the private healthcare industry and public health – working together to tackle the pandemic. There were wins, losses and many lessons learnt. The reality is we are still a long way from making sure all South Africans have access to quality, affordable healthcare. I believe it's not a single system; we need to find a balance, to take the leadership lessons from Covid-19 and apply these to find workable, sustainable solutions.

The public healthcare service is the training ground for all doctors and specialists in South Africa and an excellent one at that. So it would be unjust to criticise public healthcare without mentioning the positives. The way in which the Covid pandemic was dealt with and how we have managed the TB crisis in our country, highlights the fact there are indeed elements of excellence in the public healthcare.

The costs

Currently South Africa spends R450bn on private and public healthcare – around R220bn in the public healthcare sector supporting around 80% of the population and the other 50% is spent on private healthcare. It doesn't take actuarial skill to see that this equation is unbalanced.

It is estimated that NHI will cost R256bn and be rolled out in 2026. Although these figures have been bandied about it is unclear on how this budget was reached. It is concerning that healthcare inflation is not taken into account. I believe that

until a figure is realistically reached or what informs the current assumptions, we cannot decide how funding will take place and if that will create enough budget. This is even more important in light of the macro-economic impact that the pandemic had on South Africans.

The social construct around health

As much as we have a regulator, we must appreciate the social construct around health. It's not one dimensional. We need to consider what is happening in the broader socio-economic aspect of things (fiscal implications, unemployment, education etc). Rather than being critical and negative around NHI – we need to stand up as leadership. We require government and community involvement to find sustainable solutions for South Africa and in particular the healthcare system.

It would be naive to approach NHI without putting it in the context of the current situation in South Africa and our legacy. If you consider our unemployment, low GDP, socio-economic status, SEO failure and service delivery we cannot blithely adopt a universal healthcare system that works in another country. It is simply not feasible, South Africa is unique

It's not a comprehensive cover

We must also bear in mind that NHI will not cover everything. In terms of private healthcare, NHI is not an invitation to 'throw the baby out with the bathwater'. There should be room for existing private healthcare for medical services not included in the current proposals for NHI. These include but are not restricted to: Medicines not included in the national formulary for drugs and diagnostic procedures outside the approved guidelines and protocols as advised by expert groups.

NHI needs to be an ecosystem of collaboration

Just as collaboration is and will continue to be the cornerstone of dealing with the pandemic, so I believe it will be in the implementation of NHI. There are many stakeholders in the healthcare system. We need to engage both the public and private healthcare sector to find a way forward to address the challenges faced by South Africans. Negotiations, strategising and robust discussion will enable us to roll out the most viable and sustainable system in our country. The only way for the healthcare system in South Africa to evolve is through inter-dependent relationships.

We cannot depend on a single system, balance is needed. And if there are individual elements within that which are failing, then we need to fix them - both in the private and public healthcare system. But if it works well, as many individual systems in public healthcare do, then we need to develop the positives and weed out the negatives.

Taxes

There has been talk of using the tax base to fund NHI but two issues exist with this. There are efforts to restrain the amount of tax paid by the current taxpaying base while widening the base so there is a more equitable contribution towards universal healthcare.

If the current tax rebate received by those on private medical aid is abolished, funding could be raised for NHI but this would also severely affect those who rely on this rebate in their personal budgeting. There are clearly unintended consequences that might flow from the current proposals.

Leadership and empowerment

It is imperative that any national healthcare system is led strategically and by example. It is undeniable that we need to empower everyone through healthcare education. It is common knowledge that lifestyle diseases such as diabetes, high blood pressure and obesity is a pandemic on its own in South Africa. Rather than treating the symptoms only, a system of primary healthcare should include Managed Care, where 'prevention is better than cure' becomes the mantra. The burden on our healthcare system, both public and private, as a result of chronic lifestyle diseases is massive and by monitoring

these and proactively addressing them we cannot only reduce healthcare expenditure but ensure that South Africans have a better quality of life.

Regulation

The administration of the proposed central system of healthcare will need strict governance as existing medical aids are strictly regulated. NHI too, would be a not-for-profit organisation owned by its members. In the private medical aid environment the fund is overseen by luminaries in the business, financial and government spheres. They are under strict scrutiny and undergo public audits as they are obligated to the members of the medical aid which is in essence a trust fund.

So we are back to the beginning, asking if the NHI is viable for South Africa. My answer is I believe it has to be – universal healthcare is a right, not a privilege. That said, there are more questions than answers and it will take many years before the detail is ironed out. And until then we need to focus on working together, strong leadership, accountability and dealing with social-economic issues as an integral part of the process.

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