

# NHI: Implementation headaches loom for health dept

By Ndivhuwo Mukwevho 4 Jan 2023

As the National Department of Health moves towards the next phase of its quest to implement the proposed National Health Insurance (NHI), it admits that several challenges lie ahead.



Source: Pexels

This comes after the National Assembly Portfolio Committee on Health concluded the 'clause-by-clause' deliberations. The NHI is a <a href="health financing system">health financing system</a> designed to pool funds to provide access to quality, affordable personal health services for all South Africans based on their health needs.

Nicholas Crisp, the deputy-general of the NHI in the National Department of Health, has indicated they will embark on the next phase in early 2023.

# Moving towards the next step

Crisp spoke during the National Department of Health policy dialogue on Universal Health Coverage in South Africa in Johannesburg.

<sup>&</sup>quot;The portfolio committee has been looking at the bill for a long time. They've now arrived at the end of the 'clause by clause' stage. That process has now been concluded except for chief state law advisors who are busy with a legal opinion on the

bill's legality," stated Crisp.

Crisp said that the health department has responded to all the steps for the year. He said the next step towards the proposed bill will be the consultations at the provincial level.



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"Next year is a big year for the framework of the legislation. Many speakers who attended the hearings and criticised the bill want to see a lot of details. They want to know what the benefits are and where the money is. You do not put that in the bill; that is the stuff that comes as an addition, either as regulations or as a policy statement. A directive from the fund in various forms will emerge," said Crisp.

#### **Questions raised**

Some of the questions raised about the proposed NHI Bill include the lack of feasibility studies, unqualifying public health facilities, lack of capacity and where the funds will come from.

He further stated that those who want to see the details could refer to the Green and White Paper and follow the process because a lot of it is already there.

Health minister, Joe Phaahla, believes that primary healthcare within the public health service is also the foundation for achieving <u>Universal Health Coverage (UHC)</u> in the country. But he foresees challenges ahead in terms of the implementation of National Health Insurance in the country.

## Challenges ahead

"Already, there are challenges just in implementing our structure of preparing for the NHI in the department. We are already in court with some of the right-wing organisations which are challenging just laying the bases for implementing the NHI," explained Phaahla.

Last month, the department welcomed a ruling by the Pretoria High Court on the NHI. This was after the trade union Solidarity had attempted to interdict the department through an urgent court application from filing the advertised 44 vacancies as part of efforts by the department to establish a fully functioning NHI branch.

The minister further stated that they are dealing with very strong financial companies with huge incomes and very deep financial interests.

"Already, we saw with just the bucket enquiry into private health, many of those companies already booked all the top lawyers in the country. I can assure you that once this bill is passed in the National Assembly, there will be a flurry of litigations. So, my appeal is that as we discuss these reforms, which we need to engage to save our country, and make sure that we can reverse the wrong directions in which we are going," added Phaahla.



National Health Insurance Bill almost ready to be tabled in Parly

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### 'Highly fragmented health system'

According to the health minister, it is important that we need to do away with the highly fragmented health system in the country. As the two-tier health system exacerbates inequality, increases inefficiency, and assures that the available financial resources are scattered all over.

"As we tackle this fragmentation, we must look at various interventions through which we can improve the quality and the capacity of our public health system. It's crucial since it serves as the bedrock of the provision of health services in our country. It will also remain a bedrock of the achievement of UHC," said Phaahla.

According to Crisp, the current funding, purchasing, and provider functions for the delivery of health care to the population are complex, duplicative and wasteful.

### 'Current system is not sustainable'

"The present system is not sustainable and requires systemic reform over time. The NHI Bill provides the enabling framework for the reforms, but there will be a need for persistent long-term changes to how the system works. The funding envelope is always finite, so it is important to understand the parameters within which to plan and reform as the current level of funding (8.5% GDP) is an adequate envelope, so the reform must concentrate on efficiency, integrity, and equity. The bottom line is that there is enough money in the system," said Crisp.

Prof Morgan Chetty, board member at the Office of Health Standards Compliance (OHSC), said that low-quality healthcare is increasing the burden of illness and healthcare costs globally. - Health-e News

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