

NCOP's NHI approval: No surprise here

By Mike Settas 12 Dec 2023

Anyone who is surprised that the ANC-dominated National Council of Provinces (NCOP) health select committee adopted the contentious National Health Insurance (NHI) Bill unchanged has not been paying attention to the governing party's policy strategies.



Source: Pixabay

The ANC steadfastly follows socialist dogma in framing policies within an "oppressor-versus-oppressed" narrative, and as widespread service delivery failures rapidly mount for the government the governing party doubles down on these failed socialist strategies to attempt to deflect from its extensive governance and management inadequacies.

The ANC is now truly locked into this perverse narrative. There are virtually no successes to which it can point, leaving deflection as its only strategic option. Add to this that national elections are only a few months away, and this will be a paramount strategy for the ANC to maintain.

On the NHI policy strategy the ANC lambastes the private health sector (the oppressor) for its high expenditure versus the lower level of expenditure in the public health sector (the oppressed).

This deflection strategy then requires a correction — or rather the destruction — of the ostensible oppressor. This comes in the form of section 33 of the NHI Bill, which spells the end of private healthcare for the 9-million medical-scheme

members, as well as many valuable business interests within the R250bn private healthcare industry.

Of course, this strategy ignores the fact that public-health woes have everything to do with the dismantling of governance frameworks and management ineptitude within the public health department, all repeatedly confirmed through audits by the office of health standards compliance, the auditor-general and the health ombud.

It also disregards analysis of public health expenditure across the 51 upper-middle income countries, showing that SA's per capita public expenditure is on a par with the average for this peer group, yet public health outcomes languish almost at the bottom.



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The fact that private health expenditure derives from voluntary, free-market private enterprise, and that the vast majority of medical-scheme members are also the taxpayers who fund public health expenditure, is also disregarded in this strategic misstep.

Business groupings Business Unity SA and Business For SA have lobbied the NCOP for friendlier amendments to section 33. While they cannot be blamed for attempting to protect the interests of their members the inherent problem is that section 33 is critical to the ANC maintaining its policy position of finding an oppressor and holding them accountable for the woes of the oppressed.

If the ANC dropped this policy stance it would be forced into introspection on why the public sector is in such a mess. But since we should all now be amply informed that reform or accountability does not exist within the ANC's DNA, maintaining section 33 in the NHI Bill becomes incontestable.

It is also why implementing an independent NHI governance model with proper oversight and separation of powers simply could not be considered.



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The governance model in the NHI Bill concentrates unfettered authority with the health minister, such that no amount of lobbying for concessions — such as section 33 — are of any use since such concessions could be circumvented later through regulatory changes once the NHI is signed into law.

Largest SOE

Many estimates are that the NHI Fund revenue streams will total about R500bn per annum, making it the country's largest state-owned enterprise (SOE) by a significant margin. Along with its weak governance, it represents the perfect SOE to fill with political appointees through which to guarantee furtherance of the ANC's vast patronage networks and the enablement of grand-scale corruption.

The NHI governance model stands in stark opposition to the findings of chief justice Raymond Zondo's state capture inquiry, that the politicisation of the civil service through the ANC's cadre deployment policy is unconstitutional and illegal.

These additional concerns, outside those on section 33, are why we at the Free Market Foundation health policy unit have

steadfastly maintained our view that the NHI is a ruinous policy in its entirety. It spells disaster not only for the private health sector, but also for those citizens who are forced to rely on public health services.

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