



PPF PARLIAMENTARY HEALTH PORTFOLIO COMMITTEE

Presentation on the National Health Insurance Bill:

23 JUNE 2021

PROGRESSIVE PROFESSIONAL FORUM (PPF)



1. BACKGROUND

- 1.1. The Progressive Professionals Forum (PPF) was established with the main aim of tackling South Africa's grossly underutilized intellectual power base within the middle class.
- 1.2. The PPF acknowledges that South Africa's middle class possess great potential towards driving nation building at all spheres of government including at local community level.
- 1.3. It is common cause that the middle class is not contributing as much as it is capable of and as often as it should towards nation building.
- 1.4. The main objectives for which the PPF was established is to call upon progressive professionals who are ready and willing to contribute towards growth of our society and the country.
- 1.5. The PPF is a non-racial, non-sexist advocacy body which seeks to attract professionals with different qualifications and expertise who wish to give back, contribute to the public discourse, influence society and instill patriotism amongst professionals in a focused manner.
- 1.6. The PPF therefore attracts and seeks to attract multi-disciplinary professionals, academia, intelligentsia and entrepreneurs who align themselves with progressive movements, and who aspire to progressive ideals such as those enshrined in the Freedom Charter and the Preamble of the Constitution of the Republic of South Africa, and who have come together with a conviction to contribute towards the growth of our society and our country.
- 1.7. The PPF is a progressive organisation and is the "Think Tank and Resource Base of South Africa."



2. INTRODUCTION

- 2.1. The Progressive Professionals Forum (PPF) supports and recognises the importance of the introduction of the National Health Insurance Bill(NHI Bill) for public consultations as the country is faced with a myriad of health care challenges and the NHI Bill is a critical and indispensable vehicle that can transform the national health care system towards a Universal HealthCare Coverage(UHC).
- 2.2. The introduction of the NHI Bill is in line with Section 27 of the Constitution which advocates for rights to free quality health care services to the citizens of South Africa.
- 2.3. When implemented the Bill will transform the current 2-Tier health system into an integrated unified single Health care system.
- 2.4. The NHI will be a solution to the structural challenges in both private and the public health sectors.
- 2.5. The NHI is the biggest transformation program of the health system since the end of apartheid and is without a doubt, the most complex system to be implemented since the dawn of democracy.
- 2.6. During the nation-wide public hearings by the Health Parliamentary Portfolio Committee in 2019,the PPF hosted and conducted 7 NHI public participation workshops and presentations in 5 different Provinces: Gauteng,Limpopo,Kwazulu Natal,Eastern Cape and Western Cape.
- 2.7. This meetings was attended by approximately 600 disciplines of health care workers, academics, and professionals' associations mainly from the Private health care sector.
- 2.8. The PPF's position and recommendations on the NHI Bill is a summation of the inputs received and is informed by this public engagements.



3. ENDORSEMENT

- 3.1. The PPF endorses the objectives of the NHI Bill, particularly that this NHI Funding system will ensure quality health access for all South Africans irrespective of their socio-economic status.
- 3.2. We view the NHI Bill as a system intended to ensure that the use of health services does not result in financial risk to the people, and it seeks to ensure universal health coverage for all, based on health needs and not affordability.
- 3.3. The PPF is also encouraged by the principle of Social Solidarity (Ubuntu), and social justice in the Bill where there is cross subsidization across all sectors of society, rich and poor, young and old, employed and unemployed, the physically-abled and people with disabilities.
- 3.4. The PPF supports the purpose of the NHI Bill which is to establish and maintain a NHI Fund which will buy health services on behalf of the population from both accredited Private and Public health care service providers.
- 3.5. Through strategic purchasing as the single purchaser and a single payer of health care services, the NHI Fund will ensure the equitable and fair distribution and use of health care services.
- 3.6. This equity and fair distribution of health care services will be further enhanced by Section 33 of the NHI Bill about the role of medical schemes in the NHI.
- 3.7. The PPF fully supports the fact that once NHI has been fully implemented, medical schemes must only offer complementary cover to services not reimbursed by the Fund.
- 3.8. This will ensure that the state comply with its constitutional obligation of right to free quality health care for all irrespective of socio-economic status.
- 3.9. About 8% of the country GDP is spent on health care services. Of this almost 4% is spent in the Private health sector which services only 16% of the population and the other 4% is spent in the Public health sector which services 84% of the population. This is an anomaly that is not sustainable and as PPF we believe that the NHI system is the only solution.



4. PPF CONCERNS ABOUT THE IMPLEMENTATION OF NHI

- 4.1. Lack of capacity and poor infrastructure in the Public Health Sector
- 4.2. Inequality and imbalance between the Urban and Rural Health Sectors.
- 4.3. The NHI Bill does not make provision for Traditional Healers and religious leaders who can play a role in the Primary Health Care system.
- 4.4. Requirements for Users Registration, Users Relocation or Interprovincial and Interdistrict Health Services.
- 4.5. Point of entry into the NHI system for emergency cases.
- 4.6. NHI system vulnerability to corruption.
- 4.7. Timeframes for the implementation of NHI and the improvement of the infrastructure for certification and accreditation.
- 4.8. Training of healthcare workers and the Problems of nursing training at Universities and Colleges.
- 4.9. Clarity on the system to be used for the reimbursement of Primary Health Care Service Providers
- 4.10. The role of General Practice in its current form (Solo Practices).
- 4.11. The Bill must ensure that the NHI Fund is publicly administered.
- 4.12. Lack of public communication about NHI.
- 4.13. Management and allocation of Contracting Units services for Primary Health Care service providers.
- 4.14. Loss of NHI Fund accreditation by the Healthcare service provider or Budget run out.
- 4.15. Role of unaccredited service providers.

5. PPF PROPOSALS AND COMMENTS ON SECTIONS OF THE NHI BILL:

	CONCERNS	SECTION	COMMENTS & RECOMMENDATIONS
1	Poor Infrastructure and lack of Capacity.	Section 39(2)(a): Health establishments has to be certified by the Office of Health Standards Compliance(OHSC).	Improvement of infrastructure in Public hospitals and clinics through the implementation of the National Quality Improvement Plan (NQIP) in order to comply with OHSC requirements. This will ensure that these facilities are ready for accreditation by the NHI Fund, and this will result in the standardisation of the public health facilities and their participation when NHI becomes law.
2	Inequality & imbalance between Rural & Urban Healthcare Facilities.	Section 2(a): The purpose of the NHI Fund is to ensure the equitable and fair distribution and use of health care services.	Equitable and fair distribution should start with improvement of the rural health care facilities to be at the same level with the urban health facilities. Priority in the implementation of NHI should first be given to the improvement of conditions in the rural health care sector.
3	The Bill makes no provision for the role of Traditional Healers and Religious Leaders.	Section 37(2): A contracting unit for Primary Health Care must be comprised of a district hospital,Clinics or Community health care centres and ward-based outreach teams and private providers organised in horizontal networks within a specified subdistrict area.	The Traditional Healers and Religious Leaders have a critical role to play in the primary health care services. They can also be used as part of the NHI communication strategy to educate society about NHI.

5. PPF PROPOSALS AND COMMENTS ON SECTIONS OF THE NHI BILL CONTINUED (1):

	CONCERNS	SECTION	COMMENTS & RECOMMENDATIONS
4	Registration of users, Relocation and inter-provincial travel.	Section 7(2)(a)(b)(c): (a)Users must receive health care services from health care service providers or health establishment where they are registered. (b)Should a user be unable to access the service provider with whom or at which the user is registered, such portability of health services as may be prescribed must be available to the user.	The Bill should give clarity and guidelines that required for portability entry when users are unable to access health care providers with whom or at which health establishment they are registered. The Bill must be clear in terms of the radius of portability entry in order to prevent system abuse.
5	Point of entry into the NHI system during Emergency Cases.	Section 7(2)(d)(i)(ii)(iii): The user must first access health care services at a primary health care level as the entry point into the NHI health system.	The Bill is not clear as to how this will apply during emergencies. The Bill also needs to be clear about the required adherence to the referral pathways in case of an emergency.
6	NHI vulnerable to corruption.	Section 12,13,14,15,16,19,20(3)(i),38	Chances of collusion between service providers, users and other stakeholders make the system to be more vulnerable to corruption. Governance, accountability, oversight and consequence management will be very important to mitigate the risk of corruption. Best practices from other countries with NHC may assist in this regard.

5. PPF PROPOSALS AND COMMENTS ON SECTIONS OF THE NHI BILL CONTINUED (2):

	CONCERNS	SECTION	COMMENTS & RECOMMENDATIONS
7	Time frames for the implementation of NHI and the improvement of infrastructure for certification and accreditation.	Section 27(2) of the RSA Constitution: The State must take reasonable legislative measures, within its available resources, to achieve the progressive realisation of the right of access to health care services.	The current phase in the implementation of NHI is for the Bill to become an Act of Parliament. There after it is certification by OHSC and Accreditation by the NHI Fund. Our submission is that the implementation of the National Quality Improvement Plan (NQIP) is supposed to be improved and to be ahead of this processes. It is important to ensure that when the Bill is passed in Parliament, most of the public facilities are already certified by the OHSC and just waiting to be accredited by the NHI Fund.
8	Human Resources and the Training of Primary Health Care workers	Section 37(1)(a) : A Contracting Unit for Primary Health Care manages the provision of primary health care services, such as prevention, promotion, curative, rehabilitative ambulatory, home-based care and community care in a demarcated geographical area.	Many health care professionals will be needed to participate especially at the primary health care level which is a point of entry into the NHI health system. Continuous engagement and education on NHI amongst health care service providers and all stakeholders is important for the success of NHI. Challenges of the Nursing Profession training at Colleges and Universities should be resolved with the Department of Higher Education so that more nurses are trained.

5. PPF PROPOSALS AND COMMENTS ON SECTIONS OF THE NHI BILL CONTINUED (3):

	CONCERNS	SECTION	COMMENTS & RECOMMENDATIONS
9	Reimbursement of Health Care Service Providers.	<p>Section 41: The NHI Fund in consultation with the Minister of Health, must determine the nature of the service provider payment mechanisms.</p>	<p>The Bill is specific in terms of remuneration mechanism for specialists and hospital services which will be based on health service performed. (Section 41(3)(b).)</p> <p>The Bill is also specific for Emergency Medical Services which will be on a capped case-based fee basis. (Section 41(3)(c).)</p> <p>Yet the Bill is non-specific in terms of remuneration for accredited primary health care service providers. (Section 41(3)(a).)The Bill should indicate whether it will be service performance based or risk adjusted capitation in order to bring certainty to the Primary Health Care Service Providers.</p> <p>This uncertainty can bring a sense of income insecurity to primary service providers which can result in a negative attitude towards the NHI system and what it seeks to achieve.</p>
10	Role of General Practices in its current form (Solo Practices.)	<p>Section 39(2)(b)(ii): In order for the service provider to be accredited by the NHI Fund, the health care service provider has to comply with the allocation of the appropriate number and mix of health care professionals.</p> <p>Section 39(7)(c): The Fund may withdraw or refuse to renew the accreditation if the appropriate number and mix of health care professionals are not complied with.</p>	<p>The Bill must be clear on the guidelines for the number and the mix of health care professionals, and whether all health disciplines must be included in the mix of professionals.</p> <p>The Bill can consider a phased-in approach to allow health care service providers to prepare for the transformation from the current solo practices to the mixed type NHI compliant practices.</p>

5. PPF PROPOSALS AND COMMENTS ON SECTIONS OF THE NHI BILL CONTINUED (4):

	CONCERNS	SECTION	COMMENTS & RECOMMENDATIONS
11	Administration of the NHI Fund.	Section 9: The NHI Fund is hereby established as an autonomous public entity, as contained in Schedule 3A to the PFMA.	The Bill must be clear that the NHI Fund will be publicly administered and will not be outsourced to the private sector. This will ensure that all available resources will only be allocated towards health care needs of the population.
12	Lack of Public Communication about the NHI.	National Health Insurance Bill.	Good Communications strategy is important to forge relations with civil society and all sectors of the population. The public and most professionals do not trust NHI because of a lack of information and uncertainty. The PPF recommends active civil society participation and public education to create public awareness on NHI.
13	Management and Allocation of health care services for Primary Health Care by the Contracting Units.	Section 37(1)(2): The Contracting Unit manages the provision of primary health care services. The Unit must be comprised of a district hospital, clinics, community health centres, ward-based outreach teams and private health care service providers organised in horizontal networks within a specified geographical sub-district area.	The Bill is not clear in terms of how the Contracting Unit will work and allocate services to the different Primary Health Care service providers. This has a potential of duplication of services by the different Primary health care service providers.

5. PPF PROPOSALS AND COMMENTS ON SECTIONS OF THE NHI BILL CONTINUED (5):

	CONCERNS	SECTION	COMMENTS & RECOMMENDATIONS
14	Loss of NHI Fund Accreditation by the Health care Service Provider or Budget run out.	Section 39(9): The NHI Fund can withdraw or refuses to renew the accreditation of a health care service provider or health establishment.	Workers in public sector will still regard themselves as public servants with guaranteed jobs. What happens when the accreditation of the health establishment is withdrawn, or when the NHI budget runs out? The Bill must be clear on this. The PPF recommends the Bill to consider conditional rehabilitation of the providers back into the system when the appeals process is completed.
15	Role of unaccredited service providers.	Section 5(7): Unaccredited health establishments whose particulars are published by the Minister in the Gazette must, on behalf of the Fund, maintain a register of all users containing such details as may be prescribed.	The PPF recommends that the Bill must be clear about the role of unaccredited service providers and health establishments, both private and public, during the implementation of NHI.

CONCLUSION

6.1. The PPF appeals to the Health Parliamentary Portfolio Committee to consider the above comments and recommendations that has been presented on behalf of health care workers, academics and other professionals who have made inputs in this submission.

6.2. With all the current challenges facing national health care system in the country, and as outlined in the Health Market Inquiry, we believe that the implementation of the National Health insurance must happen and happen now.

6.3. We appeal to the Portfolio Committee to take note of the following:

- NHI is not an event but a process.
- NHI cannot happen over night, but it shall happen over time.
- NHI is about addressing inequality in health care services and not about the free-market concerns or satisfaction.
- Where there is change, there is always fear of the unknown, but change has to happen.
- COVID-19 has taught us that both Public and Private Health Sectors need each other in order to address the health needs of the population.
- On behalf of the Progressive Professionals Forum, we thank you for the opportunity!!

A handwritten signature in black ink, enclosed in an oval shape. The signature appears to read 'Mukhari'.

Dr Honour Mukhari
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