Limpopo Legislature

OFFICE OF THE SECRETARY

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NEGOTIATING MANDATE

To	:	The Chairperson: Select Committee on Health and Social Services
Name of Bill	:	National Health Insurance Bill
Number of the Bill	:	[B11B-2019]
Date of Deliberation	:	18 October 2023
Vote of the Legislature	:	Provincial NCOP Permanent Delegates to negotiate in favour of the Bill with inputs as attached.

HON. S.M MATHE
COMMITTEE CHAIRPERSON

DATE: 18 OCTOBER 2023

(Consider it signed if submitted electronically)

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NEGOTIATING MANDATE OF THE PORTFOLIO COMMITTEE ON HEALTH ON NATIONAL HEALTH INSURANCE BILL [B11B-2019]

1, INTRODUCTION

The National Council of Provinces (NCOP) referred the National Health Insurance Bill [B11B-2019] as a section 76 Bill to Limpopo Legislature for consideration and conferral of mandates on the Bill. The Legislature referred the Bill to the Portfolio Committee on Health for consideration and report back to the House on the processes undertaken thereof.

2. PROCEDURE

On 27 July 2023, the NCOP Permanent Delegate together with the National Department of Health briefed the Portfolio Committee on Health on the principle and provisions of the National Health Insurance (NHI) Bill. Upon the briefing, the Committee deemed it necessary to conduct public hearings province-wide.

The public hearings were therefore held on 27-29 September 2023 in all districts of the Province.

3. PURPOSE OF THE BILL

The Bill seeks to achieve universal access to quality health care services in the Republic in accordance with section 27 of the Constitution; to establish a National Health Insurance Fund and to set out its powers, functions and governance structures; to provide a framework for the strategic purchasing of health care services by the Fund on behalf of users; to create mechanisms for the equitable, effective and efficient utilisation of the resources of the Fund to meet the health needs of the population; to preclude or limit undesirable, unethical and unlawful practices in relation to the Fund and its users; and to provide for matters connected herewith

4. CONSIDERATION OF THE BILL

On 27 September 2023, public hearings were held in both Vhembe and Mopani Districts, on 28 September 2023, they were held at both Waterberg and Capricorn Districts and on 29 September 2023, they were held in Sekhukhune District. The Committee met on 18 October 2023 to consider and adopt negotiating mandate on the Bill.

The following were views on the Bill per district:-

4.1 MOPANI DISTRICT

Clause 4: Amendment of subsection 2 (a)(b) and 3

Subsection 2 (a)(b) and 3 should be deleted as it covers illegal foreigners and asylum seekers and contradicts Section 4 and 5. Their eligibility is viewed as unjustifiable and will therefore promote influx of illegal foreign nationals for health care services and disadvantage South African citizens.

Clause 6: Rights of users of the Fund

Section **2(a)-(o)**Some stakeholders objected to the introduction of NHI indicating that it won't solve the health care crisis in the country and the collapsed infrastructure in rural areas, but it will benefit those in cosmopolitan areas.

Clause 25 Amendment of sub-section 5(a)

Section 22(5a) should be amended by including all health care service benefits and type of services to be reimbursed. It should read as follows: "all health care service benefits and types of services should be reimbursed at each level of care at primary health care facilities and at district, regional and tertiary hospitals".

Clause 33 Clarity on the role of medical aids

The Bill should indicate **the complementary cover** to be provided by the medical aids to the services that will not be reimbursed by the Fund.

General Comments

- The private hospitals' quality of care provided is likely to decrease since the fund will pay private and public on the same levels.
- Rise in unemployment- medical aid employees are likely to lose their jobs.
- The NHI fund must have control systems to avoid potential for corruption and misappropriation of funds.

4.2 SEKHUKHUNE DISTRICT

General comments

- The Bill envisages fostering new policy direction in addressing the gap created by inequality.
- The Bill was found to be centralizing more powers to the Minister.
- Illegal foreign nationals become a burden to the state and if cared for without appropriate regulation would be encouraging the practice of illegality in the country.
- The Bill in promoting the principle of inclusivity in the health sector should involve Traditional Health Practitioners and their role considering that majority in the rural areas consult with Traditional Health practitioners for their health needs.The Bill should prioritize the accreditation of Traditional Health Practitioners to operate legally within the health sector. The Bill should also make provisions on the regulation of the Traditional Health Practitioners.
- Inequality was indicated to be a challenge between the previously disadvantaged and those benefitted from the previous system, therefore, implementation of NHI would be hastily without prioritization and improving the conditions of the poor and the vulnerable.
- Lack of both human resources and dilapidating infrastructure was raised as a serious concern in the rural communities. Therefore, for implementation of NHI, priority should be given to improvement of infrastructure and ensure human resource availability.

- Austerity measures were viewed as threat to the effective and efficient implementation of NHI programme.
- Quality assurance in the health sector should be prioritized to avoid the risks associated with Medico-legal litigations.
- Centralization of procurement was viewed as a concern given the delays to ensure effective and efficient procurement processes.
- The Bill should find mechanisms to ensure that Executive Management in hospitals are recruited and interviewed by the Board considering incompetence of Executive Management at various hospitals.
- Public Health Care (PHC) should be capacitated with doctors to effectively and efficiently implement NHI.
- Residential Health Care facilities should be consulted and given necessary attention within the health service.

NEHAWU (PETER NCHABELENG REGION) supports the NHI with the following considerations:

- Government subsidizes medical aid schemes holders through tax benefits (tax rebates). High-income earners benefit the most from this arrangement since the more expensive the product, the greater the subsidy.
- As part of funding for the NHI, government should completely end tax rebate to medical scheme holders. Furthermore, government should redirect tax rebates towards the NHI fund.
- Medical insurance rebates have been increasing but there has been a decrease towards the health budget as a result of austerity measures imposed by government.
- Furthermore, the austerity measures contribute to increased shortage of healthcare workers in the public healthcare, and if this continues the sector will not be able to meet the requirements on the provision of adequate healthcare providers between the private and public healthcare, urban and rural areas as stipulated in the Human Resource for Health Strategy.
- These imposed austerity measures will delay the immediate implementation of the NHI.
- Reactionary interest groups that are opposed to the NHI argue that its implementation will be a burden to the strained fiscus. This tactic aims to maintain Apartheid's structural inequalities, privileges and injustices that are still inherent in the healthcare system.
- The same groups have failed to provide alternatives that would meet the fulfilment of the requirements of Section 27 of the Constitution. Despite the commitment of government to the NDP, which calls for UHC through the NHI and despite the NHI Bill being passed, the National Treasury has listed the NHI as a spending risk in terms of the medium-term risk framework. Yet on a yearly bases the National Treasury is willing to forgo up to R60 billion (R57 billion in 2018) of tax subsidies for medical aid scheme members.
- NEHAWU condemns this and since the National Treasury has decided to cut spending on health, we therefore call for the end of the medical aid scheme tax rebate and earmark that money towards the implementation of the NHI.

- We believe that an individual that decides to purchase a medical aid insurance makes that decision because they can afford it and so they should not be provided with an incentive in a form of a tax rebate.
- People in the townships/rural areas with no medical aid schemes use cash when visiting a Doctor, there is no incentive that is afforded to them instead they pay VAT. This is another clear picture of the inequalities that the underprivileged are subjected to.

NEHAWU supports the structural reorganization as envisaged in the Bill pertaining:

- The NHI fund that is publicly administered.
- To the future role of the Provinces
- Tertiary institutions being provided with autonomous powers
- The creation of the Contracting Unit for Primary Health Care
- The structural reorganization and reconfiguration of any organ of government should not deviate from their philosophy of providing public good to society. With this said, a paradigm shift towards the corporatization of health services by employing market fundamentalist principles will be the detriment of realizing the NHI's envisaged goals.
- The structural changes should not in any way distract negatively on the terms and conditions of employment of the workers. Workers must remain part of the public service and the organs of the state must remain within the state including the Contracting Unit for Primary Care.
- The Private healthcare market is dominated by oligopolies which are "the big 3" providers – NETCARE, MEDICLINIC and LIFE. The oligopolies in question have created barriers to entry thus preventing completion in the market by using tactics such as price fixing and control.
- The NHI will provide the country with the health system that is for everyone and achieve the health goals embodies in the NDP which are:
- Significantly reduce the burden of disease
- Ensure that "Raise the life expectancy of South Africans to at least 70 years
- The generation of under 20s is largely free of HIV
- Achieve an infant mortality rate of less than 20 deaths per thousand live births, including an under 5 mortality rate of less than 30 per thousand.

In conclusion,

- NEHAWU supports the implementation of the NHI as it seeks to transform historical injustices and structural inequalities caused by the former apartheid state.
- The current state of public health was transmitted from the past hence we are duty bound to changing these conditions in a democratic society.
- In order to strive to improve quality of and equitable access to health care the NHI will have to also alter health staffing requirements. To achieve increased health seeking behavior implies increased need for all cadres of healthcare workers, particularly specialists and general practitioners, who are underrepresented in the public sector.
- If the South African health system is to overcome the challenges it is presently face with, strengthened political support is needed so that financing can be restructured and the roles of both the public and private sector can be redefined.

- **According to PSA**, a range of additional concerns remain on the NHI, such as: whether fees will be set at a level that will get private doctors involved in the programme, how comprehensive the coverage will be, how the transition to the new system will be managed, and what will happen to the current tax deductions for private medical aid schemes (which have been discussed as possible cuts to fund the NHI).

None of these issues should be taken as criticism of the NHI as a concept. An NHI system can certainly work, and if it unlocks private healthcare for more people it will make an enormous contribution to addressing inequality. But building the NHI will be a very complex and difficult process, which must be undertaken by a state that is in the process of rebuilding both capacity and trust. Perhaps the core underlying question comes down to: do we want the state to fund access to healthcare, or to fund healthcare facilities directly. The challenge is that the government currently seems to be heading towards both models at one, a complex and expensive proposition, that - if it isn't carefully managed - could result in underfunding of exactly the type of investment that state hospitals so desperately need.

4.3 CAPRICORN DISTRICT

Public concerns

- Most of the provincial indigents do not have medical aids and only 25% of the population own medical aids. Even those who own medical aids complain about lack of sufficient funds which force them to pay for some clinical services. In essence, medical aids are on profit making business and care less about the livelihoods of people.
- Those with medical aids were also concerned about their continuation or discontinuation of such medical aids. It was however highlighted that they have a choice to continue with medical aids or not.
- A concern was also on the population coverage - that is the inclusion of illegal foreigners when there is shortage of medication and other hospital services what's the challenge in the country.
- Registration of illegal foreigners was considered wrong since such people did not have legal documentation.
- There was a concern on availability of infrastructure that tallies with NHI given the fact that the current health care facilities needed maintenance, refurbishment or upgrading of some centres. An assessment of existing health care centers/facilities was necessary to check their standards against what was proposed by the Bill.

Public inputs

- The Bill was highly appreciated as long as there would be sufficient monitoring and evaluation. In addition, there was a need for toll-free line on NHI, accessible switchboard, 24/7 ambulance services for proper provision of quality health care services.
- There is a need for a clause on emergencies iro illegal foreigners since hospitals are overburdened. The current capacities without sufficient ambulances was not tallying with what the Bill proposes.
- Adherence to pathways (clause 7) should be thoroughly clarified to avoid minor injuries being brought to hospitals when such institutions should take care of serious illnesses.

- The Bill should be clear on whether it will subsidize those with medical aids or not.
- The Council for the Blind should be included in the Board of Directors.
- Doctors and nurses should know the basis of sign language.

Momentum inputs on the Bill:

Schedule of proposed amendments to the NHI Bill [B11B-2019]

Clause in the National Health Insurance Bill [B11B-2019]	***Proposed revised wording for the clause or comments***
Section 33 of the Bill must be amended to allow for the continued operation of medical schemes so that the burden of achieving Universal Health Coverage (UHC) can be shared between the Public and Private sectors and that adequate funding for UHC is available.	
Role of medical schemes **33.** Once National Health Insurance has been fully implemented as determined by the Minister through regulations in the *Gazette*, medical schemes may only offer complementary cover to services not reimbursable by the Fund.	**Role of medical schemes** **33.** Once National Health Insurance has been fully implemented as determined by the Minister after consultation with the Benefits Advisory Committee and the Stakeholder Advisory Committee, the Minister shall publish notice of such determination in the Gazette, and may make regulations regarding the role of medical schemes consistent with the objective of the progressive realisation of access to sustainable, quality healthcare services by users of the Fund.
The definition for "Fully implemented National Health Insurance" must be inserted in Section 1 of the Bill to provide legal certainty on what "fully implemented" means as used in Section 33. **"Fully implemented National Health insurance"** means that the following criteria have been met: (1) The Minister has prescribed a comprehensive package of health care services with associated treatment protocols and referral pathways based on targeted utilisation levels for the population that the NHI Fund will reimburse as contemplated in section 25 (5) of this Act; and	

	(2) After consultation with the Office of Health Standards Compliance, the Minister has by notice published in the Gazette, the requisite quality of care standard that must be adhered to while rendering a service specified in the prescribed comprehensive package of health services; and (3) After consultation with the Minister of Public Administration, the Minister has published by way of notice in the Gazette that he/she is satisfied that the Fund has the requisite operational infrastructure to carry out the functions of the Fund and that adequate accredited providers in the public and private sectors have been contracted to ensure that the population has reasonable access to the prescribed comprehensive package of health services; and (4) The Minister of Finance has issued a notice in the Government Gazette certifying that a sustainable framework is in place for the Fund to finance the prescribed comprehensive package of health services; and (5) Each of the national government components established in terms of this Act has been established in accordance with the requirements of the Public Service Act, 1994 (Proclamation No. 103 of 1994) with the establishment of appropriate governance structures for each of these entities, and the prescribed feasibility studies were performed to the satisfaction of the Minister of Public Administration and the Minister of Finance.
Subsection 3(5) of the Bill must be removed. The purpose of the Competition Act is to protect the public against uncompetitive behaviour. Uncompetitive behaviour by the NHI will be disastrous to the public and must be kept in place	

Application of Act **3.** (5) The Fund is exempt from the Competition Act, 1998 (Act No. 89 of 1998), to enable it to fulfil its mandate as a single purchaser and single payer as contemplated in section 2.	This subsection must be deleted to protect the public against abuse of dominance.
Section 11 (2)(e) and section 26(3) of the Bill must be amended to reflect that value based sustainable prices must be negotiated for services.	
Powers of Fund **11.** (2) *(e)* negotiate the ~~lowest possible~~ price for goods and health care services without compromising the interests of users or violating the provisions of this Act or any other applicable law.	**Powers of Fund** **11.** (2) *(e)* negotiate value-based and sustainable competitive prices for goods and health care services without compromising the interests of users, the sustainability of providers, or violating the provisions of this Act or any other applicable law.
Health Care Benefits Pricing Committee **26.** (3) The Committee must recommend the prices of health service benefits to the Fund.	**Health Care Benefits Pricing Committee** **26.** (3) The Committee must recommend the prices of health service benefits to the Fund. The prices recommended by the Committee must comply with general economic principles of regulated prices, in that the Committee must determine the cost of capital employed and a reasonable return on such investment.
Section 57 must be amended to introduce realistic transitioning and allow time for the development of capacity to undergo the massive transformation and changes to functions and funding of the provincial health departments. The timelines in Section 57 of the Bill are unrealistic and cannot be met. It is suggested that these dates are removed from the Bill, but the phases of implementation should stay in the Bill.	
Transitional arrangements **57.** (2) The two phases contemplated in subsection (1)*(a)* are as follows: *(a)* Phase 1~~, for a period of three years from 2023 to 2026 which~~ must— …….. *(b)* Phase 2 must ~~be for a period of three years from 2026 to 2028 and must~~ include— ……	**Transitional arrangements** **57.** (2) The two phases contemplated in subsection (1)*(a)* are as follows: *(a)* Phase 1 must— …….. *(b)* Phase 2 must include— ……
The limitation of access to care by limiting access for asylum seekers and illegal foreigners, and by insisting on registration before using the service, is not aligned with Section 27 of the Constitution, and must be amended by removing the limitation of care to asylum seekers or illegal foreigners. Subsection 5 must be removed from the NHI Bill since it could be better regulated by making health insurance cover a Visa requirement. The amendment must reflect that registration can happen at the point of service.	
Population coverage **4.** (1) The Fund, in consultation with the Minister, must purchase health care services,	**Population coverage** **4.** (1) The Fund, in consultation with the Minister, must purchase health care services,

determined by the Benefits Advisory Committee, on behalf of— *(a)* South African citizens; *(b)* permanent residents; *(c)* refugees; *(d)* inmates as provided for in section 12 of the Correctional Services Act, 1998 (Act No. 111 of 1998); and *(e)* certain categories or individual foreigners determined by the Minister of Home Affairs, after consultation with the Minister and the Minister of Finance, by notice in the *Gazette*. ~~(2) An asylum seeker or illegal foreigner is only entitled to—~~ ~~*(a)* emergency medical services; and~~ ~~*(b)* services for notifiable conditions of public health concern.~~ (3) All children~~, including children of asylum seekers or illegal foreigners,~~ are entitled to basic health care services as provided for in section 28(1)*(c)* of the Constitution. (4) A person seeking health care services from an accredited health care service provider or health establishment must be registered as a user of the Fund as provided for in section 5, and must present proof of identity to the health care service provider or health establishment in order to secure the health care service benefits to which he or she is entitled. ~~(5) A foreigner visiting the Republic for any purpose—~~ ~~*(a)* must have travel insurance to receive health care services under their relevant travel insurance contract or policy; and~~ ~~*(b)* who does not have travel insurance contract or policy referred to in paragraph *(a)*, has the right to health care services as contemplated in subsection (2).~~	determined by the Benefits Advisory Committee, on behalf of— *(a)* South African citizens; *(b)* permanent residents; *(c)* refugees; *(d)* inmates as provided for in section 12 of the Correctional Services Act, 1998 (Act No. 111 of 1998); and *(e)* certain categories or individual foreigners determined by the Minister of Home Affairs, after consultation with the Minister and the Minister of Finance, by notice in the *Gazette*. (2) All children are entitled to basic health care services as provided for in section 28(1)*(c)* of the Constitution. (4) A person seeking health care services from an accredited health care service provider or health establishment must be registered as a user of the Fund as provided for in section 5, and must present proof of identity to the health care service provider or health establishment in order to secure the health care service benefits to which he or she is entitled. **Such registration can happen at the point of service.**
The limitation of access to care in Section 7(1)(d) is not aligned with Section 27 of the Constitution and must be amended by removing the requirement to adhere to referral pathways.	
Health care services coverage **7.** (1) *(d)* a user— (i) must first access health care services at a primary health care level as the entry into the health system; ~~(ii) must adhere to the referral pathways prescribed for health care service providers or health establishments; and~~	**Health care services coverage** **7.** (1) *(d)* a user— (i) must first access health care services at a primary health care level as the entry into the health system; (ii) is not entitled to health care services purchased by the Fund if he or she fails to adhere to the prescribed referral pathways;

(iii) is not entitled to health care services purchased by the Fund if he or she fails to adhere to the prescribed referral pathways;	
Section 49 should be amended. It is inappropriate to define the sources of tax income as only the Minister of Finance can introduce a Money Bill; the NHI Bill is not a Money Bill. In addition, it is false to state that tax credits are paid to medical schemes. Tax credits are a discount that is given to taxpayers, it is never collected by SARS; it cannot be allocated to the NHI because it was never collected.	
Chief source of income **49.** (1) The Fund is entitled to money appropriated annually by Parliament in order to achieve the purpose of the Act. ~~(2) The money referred to in subsection (1) must be—~~ ~~*(a)* appropriated from money collected and in accordance with social solidarity in respect of—~~ ~~(i) general tax revenue, including the shifting of funds from national government departments and agencies and the provincial equitable share and conditional grants into the Fund;~~ ~~(ii) reallocation of funding for medical scheme tax credits paid to various medical schemes towards the funding of National Health Insurance;~~ ~~(iii) payroll tax (employer and employee); and~~ ~~(iv) surcharge on personal income tax,~~ ~~introduced through a money Bill by the Minister of Finance and earmarked for use by the Fund, subject to section 57; and~~ ~~*(b)* calculated in accordance with the estimates of income and expenditure as contemplated in section 53 of the Public Finance Management Act.~~ (3) Once appropriated, the revenue allocated to the Fund must be paid through a Budget Vote to the Fund as determined by agreement between the Fund and the Minister and subject to the provisions of the Constitution and the Public Finance Management Act.	**Chief source of income** **49.** (1) The Fund is entitled to money appropriated annually by Parliament in order to achieve the purpose of the Act. (2) Once appropriated, the revenue allocated to the Fund must be paid through a Budget Vote to the Fund as determined by agreement between the Fund and the Minister and subject to the provisions of the Constitution and the Public Finance Management Act.
The amendment of the National Health (Act 61 of 2003) must receive attention.	

6. The insertion of the following sections after section 31: **"Establishment of District Health Management Offices** **31A.** (1) District Health Management Offices are hereby established as national government components. (2) The Offices established in section (1) above must facilitate and coordinate the provision of primary health care services at district level in compliance with national policy guidelines and relevant law.(3) The District Health Management Office must— *(a)* prepare annual strategic medium term health and human resources plans to provide for the exercise of the powers the performance of the duties and the provision of health care services in the district; *(b)* develop annual district health care plans that identify health care service needs in terms of the demographic and epidemiological profile of a particular district; *(c)* submit plans contemplated in subparagraphs *(a)* and *(b)* to the Director-General within the timeframes and in accordance with the guidelines determined by the National Health Council; *(d)* manage provision of non-personal health services in the district; *(e)* interact with community representatives through district health councils; *(f)* coordinate and manage the functioning of primary health care within the district, including district specialist support teams, primary health care teams and agents, and school health services; *(g)* provide information on the disease profile in a particular district that would inform the design of the health care service benefits for that district; *(h)* improve access to health care services at health care facilities and in the community in a particular district; *(i)* ensure that the user referral system referred to in	This entire section should be reconsidered. At least 52 District Health Management Offices, and at least 10 Central hospitals will be established as national government components. Section 7A of the Public Service Act requires inter alia that for each of these entities a feasibility study must be done, and that motivation must be given for this organisational form. Clear information about the funding, governance, and staffing of these entities is required. Finally, the president must appoint the head of each of these entities. Currently there are only six national government components, including the Centre of Public Service Innovation, the Government Pensions Administration Agency, and Government Printing Works. These entities perform national functions, while the DHMOs will perform a function at the district level and the approach is therefore not aligned with the constitutionally determined three levels of government

section 44 is functional, including the transportation of users between the different levels of care and between public and private facilities accredited by the Fund established by section 9 of the National Health Insurance Act, 2019, if necessary; *(j)* facilitate the certification of public health care facilities and accreditation of health care service providers, health establishments and suppliers at district level, including municipal clinics; *(k)* facilitate the integration of public and private health care services such as emergency medical services but excluding public ambulance services; *(l)* receive and resolve complaints from users in the district in relation to the delivery of health care services; *(m)* liaise with and report on a monthly basis to the national office of the Fund established by section 9 of the National Health Insurance Act, 2019, concerning— (i) difficulties experienced by users relating to access to health care services; (ii) challenges experienced by the Office in respect of service providers; (iii) health needs of users that are not met; and (iv) any other matter required for the efficient functioning of health care services in the relevant district; (n) cooperate with the Investigating Units established in terms of section 20(2)(e) of the National Health Insurance Act, 2019, in order to facilitate the investigation of complaints in the district; (o) control the quality of all health services and facilities within a district to comply with the norms and standards of the Office of Health Standards Compliance; (p) develop, procure, use, maintain and protect health technology within the district; and (q) liaise with provincial and municipal health authorities on any matter relevant to users within the relevant district. (4) The Director-General must together with the District Health Management Office ensure that each health district and each health subdistrict is effectively and efficiently managed.''.	

See the attached booklet for more information on comments regarding NHI Bill.

4.4 WATERBERG DISTRICT

All stakeholders were given a chance to make oral submission on the Bill and unanimously supported the Bill. They all supported the Bill, however, were concerned that illegal foreigners must be excluded from medical access.

The Bill should incorporate recommendations raised by stakeholders as mentioned below:

- Young people should be represented on the Board of Directors.
- All illegal foreign nationals must be excluded from the Fund.
- Establishment of one single Association for the Healers should be established.
- There should be cooperation between medical and traditional practitioners at Medical Centres
- Workshops be conducted on the legislations related to Traditional Healers

4.5 VHEMBE DISTRICT

Section 3

If any conflict relating to the matters dealt with in this Bill, arises between this Act and the provisions of any other law, except the Constitution and the Public Finance Management Act or any Act, the provisions of this Act shall prevail.

Section 5

Everyone will be required to register with the nearest accredited service provider or health establishment using biometrics and such other information as required, including fingerprints, photographs, ID card and proof of residence.

Section 6 and Section 8

NHI will ensure that Users of healthcare services have the right to access quality healthcare services free at the point of care from an accredited health care service provider or health establishment upon providing proof of identity with the Fund.

Section 7

Users must first access health care services at a primary health care level as the entry into the health system, and must adhere to referral pathways prescribed to access both private and public health care providers or health establishments.

Section 9

The National Health Insurance Fund will be established as an independent public entity, as contained in Schedule 3A of the Public Finance Management Act.

Section 32

Amendments to the National Health Act for the purpose of centralising the funding of health care services by delegating powers to provinces as management agents for the purposes of provision of health care services, and the establishment of District Health Management Offices as government components to manage personal and non-personal health care services.

Section 33

Once NHI has been fully implemented, medical schemes may only offer complementary cover to services that are not covered by the NHI Fund.

Section 39

Health care service providers and health establishments that are accredited by the NHI Fund must deliver good quality health care services at the appropriate level of care to users who are in need and entitled to health care service benefits that have been purchased by the NHI Fund on their behalf.

Section 57

Despite anything to the contrary in this Act, this Act must be implemented in two phases. National Health Insurance must be gradually phased in using a progressive and programmatic approach based on financial resource availability.

Phase 1- For a period of 3 years from 2023 to 2026, including implementation of the strengthening initiatives of the health system and purchasing of personal healthcare services for vulnerable groups such as children, women, people with disabilities and the elderly.

Phase 2- Must be a period of 3 years from 2026 to 2028 and must include the continuation of health system strengthening initiatives and the mobilsation of additional resources to cover more healthcare services.

General Comments

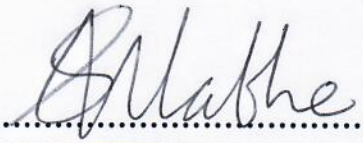
- The Bill subscribes to the provisions of the Constitution as espoused in section 27 of the Constitution.
- The spirit of the Bill encourages for positive change in the quality of lives of the vulnerable through provision of quality healthcare equally and equitably.
- Access to health care in terms of price factor would be ensured.
- Though Nehawu found the Bill to desirable, it was concerned about envisaged taxation of the working class who are generally poor in South Africa.
- The Bill will prohibit individuals' access to Medical Aid schemes.
- The concern was transparency on funding of envisaged NHI.

- The mode of operation endeavours to enrich the rich at the expense of the poor and the vulnerable.
- It was established that the powers given to the Minister by the Bill were found to be more centralized to which checks and balances needs to be established to avoid abuse.
- Complaints procedure should be independent from the Minister to ensure transparency and accountability.
- The Bill seeks to centralize powers at National level with limited powers to the provinces.
- Dilapidating health infrastructure was echoed as a major concern in Vhembe district.
- To ensure smooth implementation of the NHI, enough infrastructure in the form of hospitals, clinics and fleet should be improved in nearby communities to ensure access to health care and avoid cost for the poor and the vulnerable.
- Clinics should operate on full-time basis, however, security at these facilities should be given priority.
- Monitoring and evaluation need to be given attention by the Bill especially in respect of quality assurance.
- Waste management disposal in hospitals should be given attention by the Bill to reduce the risks of human infection and spread of diseases.
- The Bill does not advocate for the poor living in the remote rural areas because with some pockets of private healthcare facilities still to remain in these communities, the vulnerable will still be required to travel long distances to access public health care facilities which mostly was found to be lacking in respect of infrastructure and enough personnel. The Bill advances the interests of the rich in cosmopolitan areas and those who will benefit profits from the private sector.
- The NHI does not offer the benefits of universal healthcare coverage for the poor and could be viewed as an extension to accessing the funds to benefit the private owners of the healthcare facilities and companies that provides health care services.
- The referral system espoused in the Bill will still provide access to funds meant for the poor by the private owners of the healthcare facilities and perpetuate suffering to the previously disadvantaged.
- The NHI proposal in the appeal in its current form will not resolve infrastructure challenges in townships and rural areas.
- In the process of implementing NHI, sign language should be part of the curriculum in schools to improve communication and to ensure that people with disabilities find appropriate service and care.

5. NEGOTIATING MANDATE

The Portfolio Committee on Health recommends to the House to confer a negotiating mandate to the NCOP delegate to vote in favour of the Bill taking into consideration all the inputs made by the stakeholders.

NEGOTIATING MANDATE OF THE PORTFOLIO COMMITTEE ON HEALTH ON NATIONAL HEALTH INSURANCE BILL [B11B-2019]



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HON MATHE S.M
COMMITTEE CHAIRPERSON: PORTFOLIO COMMITTEE ON HEALTH.