# NATIONAL ASSEMBLY

**FOR WRITTEN REPLY**

**QUESTION NO. 1841**

**DATE OF PUBLICATION IN INTERNAL QUESTION PAPER: 20 AUGUST 2021**

**(INTERNAL QUESTION PAPER NO. 17)**

**Ms H Ismail (DA) to ask the Minister of Health:**

(1) What checks and balances will he put in place to ensure that there will be no looting and corruption during the implementation process of the National Health Insurance (NHI) and beyond;

(2) whether the allocation of funds to medical schemes will be automated; if not, what is the position in this regard; if so, what are the relevant details;

(3) how will (a) his department ensure detailed monitoring of the Government Employee Medical Schemes (GEMS) (i) payments and (ii) claims and (b) GEMS ensure timely pay-outs that are free of glitches?

###### NW2065E

**REPLY:**

1. The NHI is designed to purchase healthcare benefits directly from public and private providers. All prices will be set nationally and will be published by the NHI Fund for everyone to see what the fund is paying for. The Fund will not purchase any goods (healthcare products) for service providers. The Bill provides for an Office of Health Products Procurement that will describe, set standards and set prices of all products that are required in a national Formulary that is needed to deliver the services according to standard clinical guidelines. The digital systems of the NHI are already under development to manage the benefits, record accreditation of health care providers (establishments and individuals) and to capture the individual data required to process and make payments to providers. The systems are designed to identify any aberrant use patterns by patients, providers or suppliers and to flag them for investigation. This will include outright rejection for abuse to managing utilisation and provision patterns. The NDOH has been working with the SIU to develop the Risk Management Framework for the NHI. The Auditor General (AGSA) is the auditor of all public entities and will be responsible for oversight of systems and governance integrity. All attempted abuse will be reported and where appropriate placed in the public domain. The Bill provides for an Investigation Unit to follow up on identified or reported fraud or abuse. There is also provision for public reporting of Fraud.
2. No funds will be allocated to medical schemes. The Bill provides that medical schemes will be allowed to cover only those benefits that are not covered by the NHI Fund. The NHI Fund will be the ‘single’ purchaser of all benefits that are covered by the NHI.
3. Under NHI the GEMS, will cover only those benefits that are not covered by the NHI Fund. In the interim the department does not monitor any medical schemes as there is an independent regulator, the Council for Medial Schemes, (CMS) responsible for that function. GEMS is an entity of the Department of Public Service and Administration (DPSA).

END.