**Address by (MP) Cde Tshilidzi Munyai on the Budget Vote Debate for the Department of Health**

11July 2019

The ANC has over the years ensured the leadership of the people of South Africa. In the current phase of the NDR, the ANC as the leader of the motive forces of social transformation, agreed that we must intensify work in the five pillars of social transformation, one of the pillars being that of the State, and the role it needs to play towards the attainment of a National Democratic Society. To bring about equity and fight poverty, the South African Developmental State must ensure universal access to quality service. The State must also explore mechanisms, particularly in the social protection programme, to ensure we strengthen and unify our health system and guarantee comprehensive quality health care coverage for all.

South Africa has enough financial and other resources to provide good quality health care for all, yet the health care outcomes in terms of the burden of diseases and mortality rates have not been at the desired rates. The root causes of the problem lie in our fragmented, and therefore wasteful, and unequal multi-tiered health system, particularly in health care funding and access to quality health care provision.

**1. The Realisation of Universal Health Coverage: National Health Insurance**

NHI aims to achieve Universal Health Coverage for all South Africans. This specifically refers to financial health coverage. It aims to provide equity and social solidarity through pooling of risks and funds. It will create one public health fund with adequate resources to plan for and effectively meet health needs of the entire population, not just for a selected few.

Paragraph 400 of the White Paper on NHI states that "with the implementation of NHI, the role of medical aid schemes in the health system must change".

This matter is still being debated by various stakeholders but what can be said is that state medical schemes will gradually cease to exist because there will be NHI. NHI is also going to be a mandatory prepayment of health, i.e. your health care is paid for before you are sick and it is mandatory because once passed into law, every South African has to belong to it. This is unlike medical aid schemes which are voluntary prepayment. The debate here is hence whether you could be allowed to keep another private medical aid scheme while you are mandatorily belonging to NHI.

**2. Critics of the NHI say Government wants to disrupt a private health care system that is working well and that Government should leave the private health care alone as this reduces the burden of providing health care from the State.**

It is definitely not true that the private health care is a system that is working well. This assertion is a dangerous simplification of facts. For starters, a system of health cannot be said to be working well when it serves only a tiny minority in the population (only 16% of South Africans) and excludes the overwhelming majority (84% of South Africans).

Secondly, the cost of private health care is spiralling out of control with the results that the medical aid contributions (premiums) are increasing more than CPIX (Consumer Price Index) while the benefits to patients are reducing at a very fast pace. This is the only sector in the socio-economic arena that is behaving so.

Most members of medical aid schemes run out of benefits and are no longer covered from as early as June until the end of the year. You cannot therefore claim that a system is working well when that system can take you out of the ICU while you are still very sick, simply because your benefits have been exhausted.

Lastly, medical aid schemes are actually collapsing under the weight of the high medical costs. In 2002 there were 141 medical aid schemes. Today we are left with 83 and still counting down.

General practitioners (GPs) are systematically being taken out of practice because they are simply not paid or are paid very little by medical aid schemes compared to private hospitals. That is not a system that can be left alone.

The National Development Plan (NDP) states that if we need to fix the health system, we need to deal with two problems:

* Firstly, to deal with the exorbitant cost of private health care.
* Secondly, we need to deal with the problems of the quality of the public health system.

Both systems ultimately need to be fixed - not only the public health system. It is for this reason that paragraph 2 of the NHI policy document states: "NHI represents a substantial policy shift that will necessitate a massive reorganisation of the current health care system, both public and private, and also derives its mandate from the National Development Plan (NDP) of the country".

**3. Legislating Universal Health Coverage: NHI Bill**

The NHI Bill is founded on the core principles of universality and social solidarity. The Bill makes an important and bold advance to ensure that access to quality health care is based on need rather than on one’s ability to pay. This process of transformation in health care provision seeks to remove financial barriers to access. What this means is that when the NHI is successfully implemented, our people will no longer need to worry about making direct out-of-pocket or own account payment in order to gain access to quality health care. There needs to be a fundamental shift in discourse, moving away from “Why we need NHI?” to “How to implement NHI”.

The unfortunate reality is that South Africa is one of the most unequal countries in terms of access to quality health care. This is unacceptable. Some right-wing think tanks are pushing for the expansion of the discriminatory, profit motivated, market-driven health care financing dominated by medical aid schemes and private monopoly interests. This will worsen inequalities and fragmentation in access to quality care and move South Africa further away from universal and quality health coverage. In staying true to our commitment to “implement a National Health Insurance to provide quality health care free at the point of use” as outlined in the ruling party’s electoral manifesto, we will ensure that the NHI Bill is adopted in this House.

**4. Benchmarking NHI against international sectors: A Case Study of Japan**

The President of the Republic led the South African delegation to the annual G20 Leaders’ Summit held last month in Japan. This year's Summit focused on eight key themes, Health being one of them. South Africa’s participation in the summit arose from our international relations policy which is directed at creating a better South Africa and contributing to “a better Africa and a better world".

There are valuable lessons to be drawn from countries such as Japan, that have successfully been able to realise universal health coverage. This will enable policy makers, health practitioners and the general public to have a practical case study of the fruits of a transformed health care system that can improve access to quality health services.

Since the 1960s, the universal health insurance system in Japan has provided comprehensive coverage to all Japanese citizens. Associating with economic growth, Japan has achieved numerous successes in health such as control and eradication of common infectious diseases, substantial decrease of transport accident death, and most famously, achieving the world’s highest life expectancy.

Building on the robust implementation of universal health insurance system, several reforms have been adopted in the past two decades in order to meet the challenges posed by demographic changes.

**5. Conclusion**

In echoing the sentiments of our Ready to Govern document, the ANC was founded on the need “to overcome the legacy of inequality and injustice created by colonialism and apartheid, in a swift, progressive and principled way”.

In the spirit of *Thuma Mina*, we urge the Department to heed the calls made by the President, and for each and every one of us to *Khawuleza* and say: “send me”.