



Press Statement
For Immediate Release
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PHM-SA Statement on the National Health Insurance (NHI) Bill

The long-awaited [National Health Insurance \(NHI\) Bill](#) is welcomed by the People's Health Movement South Africa (PHM-SA) in that it affirms "universal health coverage", which means a health service that is available to all persons and that includes promotive, preventative, curative, rehabilitative and palliative health services regardless of people's socio-economic or health status. The Bill is also welcomed for its insistence on a unitary system with a single purchaser of services funded through a solidarity mechanism.

However, PHM-SA remains deeply concerned about government's ability to steer this ambitious project and to ensure that private sector interests, and the inevitable inequalities that are created, are anticipated and substantially regulated.

The Bill makes clear that the NHI Fund, which will be overseen by a Board of ten persons appointed or approved by the Minister, will be the only purchaser of health services from accredited providers – public and private – and will ensure equity and efficiency in health care.

Services free at the point of use will be provided to permanent residents while documented refugees and asylum seekers will be eligible for free emergency services, care for conditions of public health importance (presumably TB, HIV and other infectious diseases) and services for paediatric and maternal conditions.

Services not reimbursed by the fund (i.e. not part of the defined 'package') can be paid for through medical schemes or out-of-pocket. All users are required to be registered with a primary care provider (presumably a clinic, health centre or general practitioner) and will have to attend such a provider before being eligible for specialist care.

So far, so good. However, the details of what services are to be provided (the benefit package) are not provided. It is hoped that the benefits package will be identical for all users of NHI-funded providers.

A '*Benefits Advisory Committee*' will decide what the content of this package will be. This important body has representation from all medical schools, provinces, private hospitals, medical schemes and the World Health Organisation (WHO) but none from civil society or labour. This will be supported by a *Health Benefits Pricing Committee* which also has only technocrats.



There is no room in these committees for meaningful public participation. This will bias their work and decisions towards hospital-centred specialist care and a narrow biomedical approach. It is essential to include civil society and labour on these committees.

Their proceedings should also be open and transparent, and accountable to the Minister and Parliament. In particular, they must be accountable for the reasonableness of their choices of the benefits they include in the package. The reasoning behind their choices should be open to public scrutiny, including the evidence upon which they are based and how they apply in local contexts.

Only the *Stakeholder Advisory Committee*, a large body that merely advises the Minister, has representation from indigenous practitioners, NGOs and civil society, although they are greatly outnumbered by representatives from professional and statutory bodies.

Purchasing of services is intended to be devolved to provincial and district level hospitals and at sub-district level to contracting units for primary health care. District Health Management Offices are intended to play a coordinating role. Justifiable concern has been expressed about whether these sub-district and district entities will have the capacity to undertake such detailed and complex activities. The mechanisms for payment of accredited service providers are vague in the Bill and it is rumoured that medical schemes may be enrolled to perform this function. PHM-SA is concerned that the greater likelihood of urban and private providers being accredited than public and (especially) rural providers, holds the danger of aggravating already existing urban/rural inequity.

The Bill specifies transitional arrangements that consist of three phases extending to 2026. The current second phase will focus on establishing institutions that will form the basis for the Fund, as well as on interim purchasing of personal health care services. Phase 3, from 2022 to 2026, will establish the necessary structures and be guided by two committees – the National Tertiary Health Services Committee and the National Governing Body on Training and Development. These will be responsible for a Human Resources for Health (HRH) development plan.

PHM has two concerns about these arrangements: Firstly, an HRH plan is required urgently to ensure the development of a robust public health sector, especially at district level and below, so that the NHI can operate effectively and efficiently in formerly underserved areas. Secondly, given their unimpressive record to date in transforming health sciences education and training, it is unlikely that these structures, whose composition has been proposed to include mainly hospital-based clinicians and educators, will implement an appropriate HRH plan.



The Ministerial Advisory Committee on Health Care Benefits will be a precursor to the Benefits Advisory Committee which will advise the Minister on priority setting. Although the composition of this structure is not specified in the Bill, a previously released gazette proposed a composition in which senior government officials and medical scheme representatives predominated. This structure too creates a concern that the emphasis will be on facility-based clinical medicine and that primary and community-level care will be marginalized, as will prevention activities.

The People's Health Movement South Africa calls upon all citizens of South Africa and civil society to unite behind a People's NHI to ensure that the principles of the Right to Health, Universality and Social Solidarity are adhered to throughout the implementation process.

To join the People's NHI Campaign, please do one of the following:

- Dial *134*1994*333# (it's free)
- Visit <http://bit.ly/2r22Tnl>

Contact: Secretariat@phm-sa.org

Demanding a People's NHI and Health Equity for All Now!

People's Health Movement South Africa (PHM-SA)

<http://phm-sa.org/>

We demand a PEOPLE'S NHI

Where community **P**articipation is central

and **E**quity is fundamental

where a **O**ne-payer system finances

a **P**ro-Public Health System

So **L**et's Mobilise for an

NHI for **E**veryone & everywhere

based on **S**ocial Solidarity & Universality

NHI!