



INCLUSIVE SOCIETY INSTITUTE

Media Release

PROPOSALS TO REMEDY CURRENT DEFICIENCIES IN THE PROPOSED NHI BILL Inclusive Society Institute presents NHI research outcomes to National Treasury

A research team from the Inclusive Society Institute (ISI) led by Associate Professor Shivani Ranchod recently met with the Health and Social Development teams from National Treasury. The ISI has funded a body of research on pathways to achieving UHC since 2019: engaging widely with South African stakeholders, drawing on public submission processes and garnering in-depth insight from the German government.

The core research involves a consideration of how the pathways to implementation of UHC might vary, depending on the approaches taken to pace of change, governance and accountability and the potential role (and regulation) of private funding vehicles such as medical schemes. The scenarios presented, together with their costs, allow for useful thought experiments, and an exploration of trade-offs, creating the space for creative thought of how we could best meet the need for equitable healthcare in the context of a low-trust environment and fiscal constraints.

The intellectually robust discussion focused on four key elements of the ISI proposed changes to the NHI Bill currently before Parliament:

- The proposed mechanisms for supporting governance (and their potential weaknesses). The ISI is of the view that, in contrast to the National Department of Health's (NDOH) NHI Bill's position that the Minister appoints the Board and CEO, that the Board appointments must rather follow a public participation process; and that the CEO be appointed by the Board. Top-down governance should also be supported with mechanisms to improve citizen-driven accountability.
- The role of medical scheme: In the short to medium term medical schemes should be permitted to provide continued coverage. Whilst all citizens who can afford to do so should be required to pay NHI levies, medical schemes should, at least until the NHI is fully functioning and sufficient public trust has been achieved, be allowed to provide supplementary cover for private care.
- The evidence for and against competition amongst funds and the core recommendation emerging from the German experience: to not break anything in the health system until you have built the replacement. The ISI view is that, in order to moderate costs and mitigate corruption, citizen choice and mobility needs to be built into the system. The NHI Bill proposes a single fund, whilst the ISI proposes a number of public funds in the event of private medical schemes being phased out of the sector.
- It was agreed that there is an urgent need to build and restore trust in the health system – which is intimately tied to questions of the pace and sequencing of reform. Without public trust in the NHI, government will not get the buy-in from society.

There was appreciation from all parties for the funding of research of this nature that supports the democratic process and supports rigorous debate – ultimately in service of better solutions for all South Africans.

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