



LIFE HEALTHCARE GROUP'S

**WHITE PAPER RESPONSE
TO THE NATIONAL HEALTH
INSURANCE PLAN**

Background on the National Health Insurance (NHI)

The NHI fund is a health financing system that is aimed at pooling funds that will be used to purchase health services on behalf of the whole population from accredited public and private providers.

The Department of Health (NDoH) released the White Paper on NHI on 10 December 2015, five years after the release of the Green Paper and invited submissions from interested parties by 31 May 2016. The theme of the White Paper is consistent with the Green Paper, in that it speaks to the need to reform South Africa's healthcare system in order to make affordable, quality healthcare accessible to all South Africans through the establishment of the NHI fund.

Life Healthcare Group's response

Life Healthcare fundamentally supports the principle of all South Africans having access to affordable, comprehensive, quality healthcare services (universal healthcare).

There can be no doubt that optimum accessibility and quality of healthcare services provided to the majority of our country's citizens should be an absolute priority. This is especially true given the unique historical context of South Africa, where it is concerning that the legacy of apartheid is, in effect, still greatly evident in healthcare services.

That said, we do not agree with the NHI policy in the form proposed by the NHI White Paper. Life Healthcare believes that a form of universal healthcare (UHC) is already in place in South Africa and that the level of service delivery should be addressed as opposed to reforming healthcare financing and insurance as proposed by government.

Life Healthcare welcomes the focus to be applied to the primary healthcare services, but is concerned about the framework suggested where districts will be the primary contracting party with multi-disciplinary teams. While we are encouraged by the focus on primary healthcare, rather than completely re-organising the primary healthcare system, a more pragmatic approach would be to ensure that clinics delivering primary healthcare services have the appropriate stewardship and resources. This would require:

- a well-run and functioning public health sector,
- a significant improvement in management skills,
- and sufficient healthcare resources and personnel.

The proposed NHI programme fails to address these critical issues and instead promotes:

- a financial system where the funding model has not been accurately assessed,
- a fundamental re-organisation, which places the entire healthcare system at risk,
- and an implementation plan, which is unrealistic and unachievable.

Despite these concerns Life Healthcare remains supportive of government and opportunities to work together to reform the healthcare system in a manner that will result in improved access to quality affordable care for all South Africans. We advocate for a collaborative approach between the private and public healthcare sectors.

In light of this, we are supportive of the initiatives proposed in the Hospital Association (HASA) submission regarding increased collaboration across the public and private healthcare sectors and for a coordinated programme of action to ensure a stronger healthcare system:

- Increased private sector involvement in the training of doctors, particularly allowing the establishment and accreditation of private medical colleges and their participation in the clinical training of undergraduates at our public universities
- A more collaborative, integrated approach to healthcare delivery between the private and public healthcare sectors
- Continued focus on quality improvement, enhanced clinical outcomes and measurement throughout the healthcare system
- Leveraging the expertise that exists across the entire health system in order to improve healthcare delivery and to build management capacity across the public sector
- Leveraging the capacity that exists in the private sector. The partnering of the public sector with the private sector in this way has worked well in other countries for many years, such as the United Kingdom, India, Brazil and Colombia.

Conclusion

I would like to reiterate that Life Healthcare agrees with the fundamental objective of ensuring access to appropriate, affordable care for all South Africans.

Addressing the significant challenges within the healthcare sector is a vast undertaking and all stakeholders in the sector should work together towards charting a common way forward. Life Healthcare is looking forward to this undertaking.