Editorial

Healthcare reform in South Africa: A step in the direction of social justice

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Editor

Over three decades ago, signatories to the Alma-Ata Declaration noted that Health for All would contribute not only to a better quality of life but also to global peace and security. They gave recognition to the fact that promoting and protecting health is essential not only for human welfare but also for sustained economic and social development.[1] In 1996 the Constitution of the Republic of South Africa, in its preamble, established its constitutional imperative to improve the quality of life for all citizens and to free the potential of each person. Section 27 of the Bill of Rights of the Constitution affirms that everyone has the right to have access to health care services, including reproductive health care. Section 27 places an obligation on the state to take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right.[2] In 2004, the National Health Act[3] was promulgated to provide a framework for a structured and uniform health system that took into account the obligations imposed by the Constitution. The Act identifies in its preamble *inter alia* the socio-economic injustices, imbalances and inequities of health services of the past, the need to establish a society based on social justice and fundamental human rights, and the need to improve the quality of life for all in the country as the background context for its enactment. Section 3 of the Act places the responsibility for the provision of health care onto the shoulders of the Minister of Health. One of the objectives of the Act is the provision of the best possible health services that available resources can afford in an equitable manner for the population of South Africa.

In its 2000 Report, the World Health Organization (WHO) stated that the government carried the ultimate responsibility for the overall performance of a country's health system and that all sectors in society should be involved in working towards positive outcomes under the government's stewardship. Managing the well-being of the population carefully and responsibly is the very essence of good government. The best and fairest health systems possible with the available resources need to be established. 'The health of the people is always a national priority: government responsibility for it is continuous and permanent. Ministries of health must therefore take on a large part of the stewardship of health systems.'[4]

In August 2011, the Green Paper on the National Health Insurance (NHI)[1] was released for debate and comment by all in the country. The proposed NHI is a step towards health care reform as espoused in the Constitution and the National Health Act and a move towards the Alma-Ata's Health for All. The seven principles of the NHI, i.e. the right to access, social solidarity, effectiveness, appropriateness, equity, affordability and efficiency, could be interpreted as the value assumptions of the proposed reforms. The objectives of the NHI are:

1. To improve access to quality health services for all

2. To pool risks and funds in order to achieve equity and social solidarity

3. To procure services on behalf of the entire population and to efficiently mobilise and control key financial resources, and

4. To strengthen the public health sector so as to improve health systems performance.

Major reform in health financing is required if these objectives are to be realised. In 2005, member States of the WHO committed to develop their health financing systems so that the goals of universal coverage would be achieved.[1] The WHO identified three fundamental, inter-related problems that restrict countries from moving closer to universal coverage. The first was the availability of resources. Even the richest of countries have not been able to ensure that everyone has immediate access to every technology and intervention that may improve their health. Over-reliance on direct payments at the time that people need care was another barrier to universal coverage. Even where some form of health insurance is available, patients may still need to contribute, e.g. in the form of co-payments or deductibles. Many are prevented from receiving health care because of the need for direct payments. Others are driven into poverty and financial ruin because of this. Inefficient and inequitable use of resources was the third obstacle impeding the passage towards universal coverage. A conservative estimate placed the wastage of health care resources at 20 - 40%.[1] Corruption could be added to this list as a fourth hurdle, as is the case in South Africa. Corruption erodes 10% of all health expenditure in South Africa, and within the private sector this is estimated to be between R5 and R15 billion yearly.[6] At the recent National Health Insurance Conference: Lessons for South Africa (National Consultative Health Forum),[7] views expressed by members of the World Bank, the WHO and leading health economists in the country were that the financing of universal coverage is not beyond the reach of South Africa, as currently funds are available within the system. However, what is urgently required is the efficient management and use of the funds coupled with the elimination of corruption. In addition, employment taxation together with other innovative methods of revenue collection will be necessary.

Reforming the healthcare financing system in South Africa dates back as early as 1928 when a Commission on Old Age Pension and National Insurance recommended the establishment of a health insurance scheme to cover medical, maternity and funeral benefits for all low-income formal sector employees in urban areas. In 1935, similar proposals were recommended by the Committee of Enquiry into National Health Insurance. Between 1942 and 1944, the National Health Service Commission (also known as

the Gluckman Commission) was set up. It recommended the implementation of a National Health Tax that would allow for the provision of free health services at the point of delivery for all South Africans. Health centres providing primary care services were to be core to the health system. Some of the recommendations were implemented, but gains from these were reversed after the National Party government was elected in 1948. The Health Care Finance Committee of 1994 recommended that all formally employed individuals and their immediate dependants initially form the core membership of social health insurance arrangements, which would be expanded to cover other groups over time. More work on this was done by the Committee of Enquiry on National Health Insurance (1995), the Social Health Insurance Working Group (1997), the Committee of Enquiry into a Comprehensive Social Security for South Africa (2002) and the Ministerial Task Team on Social Health Insurance (2002). In 2009, the Ministerial Advisory Committee on National Health Insurance was established with the objective of providing recommendations on relevant health systems reforms and matters relating to the design and roll-out of a National Health Insurance as per Resolution 53 passed at the ANC's conference in Polokwane in December 2007.[5] While several committees, commissions and working groups have been established since 1994 to work towards a way forward for universal coverage, displaying positive political will in this direction, it has only been under the stewardship of the current Minister of Health that positive political commitment towards Health for All has materialised. The two areas to be worked on as a priority, as articulated by the Minister, are improving the quality of care in the public sector and decreasing the cost of private health care.[7]

While we embark on the journey towards universal coverage, it is important to remember that there are also other barriers to accessing health services. Proper financing will help poor people obtain care, but will not guarantee it. Lack of transport and transport costs would also pose an impediment to access. In addition, other social determinants are a prerequisite for ensuring the attainment of health, e.g. food and clean water. Because health is so dependent on its social determinants, it cannot be viewed as a silo. It will be imperative for the other ministries to come on board, and perhaps the comprehensive package to be offered by NHI should include some of the social determinants. In addition, while we have so many highly skilled and dedicated people working at all levels to improve the health of our people, we also have the harsh realities of severe shortages of human resources and health care workers with poor attitudes, in part because of the conditions that they find themselves in.

The Green Paper, which outlines broad policy proposals for the implementation of NHI, is currently undergoing a consultation process where public comment and engagement with the broad principles are encouraged. This will be followed by the policy document or the White Paper. Thereafter draft legislation will be developed and published for public engagement before being finalised and submitted to Parliament for consideration as a Bill. Health reform as proposed by NHI is history in the making, and it is vital that we as citizens of South Africa engage with and interrogate the document and all the subsequent processes that follow. There are a number of positive aspects to the Green Paper. There are also a number of concerns and insufficient clarity on some extremely important issues.

The indicator of success of NHI will be the achievement of universal coverage. Under discussion at the moment is not whether NHI should be implemented, but how this should be done and what method of financing would be the most fair. Trade-offs will be inevitable. This is the experience in countries that have achieved universal coverage and financial security for their people. The trajectory is going to be long and challenging, but worth it for the future of our country and its people.

1. The World Health Report 2010. Health Systems Financing. The path to universal coverage. http://www.who.int/whosis/whostat/EN_WHS10_Full.pdf (accessed 1 December 2011).
2. The Constitution of the Republic of South Africa.
3. The National Health Act No 61 of 2003.
4. The World Health Report 2000. Health Systems: Improving Performance. https://apps.who.int/whr/2000/en/report.htm (accessed 1 December 2011).
5. Green Paper: National Health Insurance in South Africa. http://www.hst.org.za/publications/green-paper-national-health-insurance-south-africa (accessed 1 December 2011).
6. Haywood M. Civil Society Perspectives on NHI and Innovative Funding. Paper delivered at the National Health Insurance Conference: Lessons for South Africa. National Consultative Health Forum (NCHF). Gallagher Conference Centre, 7-8 December 2011.
7. The National Health Insurance Conference: Lessons for South Africa. National Consultative Health Forum (NCHF). Gallagher Conference Centre: 7-8 December 2011.