

EDITORIAL

National Health Insurance (NHI): Time for reflections!



About four years ago, South Africa's Health Minister Dr. Aaron Motsoaledi, launched the Green Paper on the National Health Insurance (NHI) during a post-cabinet media briefing in Pretoria. The expectations were that the innovative system of healthcare funding would address: access to appropriate, efficient and quality health services; and provision of opportunity for all South Africans

to affordable, quality healthcare regardless of the socio-economic status.¹ He was optimistic in his briefing that the timeline for this national project would be 14 years, with the first five years focused on building and preparing the public health system for the changeover. In addition, he stressed that the cornerstone of the proposed NHI is universal coverage, with a financing system that will ensure provision of essential healthcare to all citizens of South Africa including legal long-term residents regardless of their employment status and ability to make a direct monetary contribution to the NHI Fund.²We are now in the fourth year of implementation and it is time to reflect on progress made so far.

The 2013/2014 annual report of the Council for Medical Schemes (CMS) states that the total options registered nationally were 317. For a family comprising of the principal member, one adult dependent and one child dependent, the average increase in contributions of 8.9%, average monthly contributions of R3056 and average monthly risk contributions of R2767. The total number of beneficiaries increased from **8 068 505** members (3 488 009 principal members and 4 580 496 dependents) in December 2009,³ to **8 776 279** members (3878 267 principal members and 4 898 012 dependants) in March 2014.⁴ As at 31 March 2014, there were 40 accredited managed care organizations (MCOs), 8757 accredited brokers and 2146 broker organisations.⁴ From the latter, it is obvious that there are too many role players in South Africa's private health industry acting as insurance brokers and broker organisations and these make private health care cost expensive and has made it unaffordable unless innovative policies are instituted to curtail this trend.

With South Africa's estimated population of fifty-two million, the private health sector provides health care to approximately 8.78 million beneficiaries, while the public health sector caters for the remaining 43.22 million. The implication of this health funding model is that the majority of South Africa's population still depends on the public health system. In 2012/2013, South Africa spent an estimated 8.6% of its GDP on health i.e. R274 billion.⁵ It is estimated that about half of South Africa's health GDP covers 16.9% of the population on medical aid,

while the remaining half is spent on 83.1% of the population through the public health system. The public sector is definitely under-resourced relative to the size of the population it serves and the quadruple burden of disease.⁶ Therefore, the NHI is one of the possible health care financing models that may ensure an equitable and sustainable health care system for South Africa.

The question is – “what has been accomplished in the eleven NHI pilot project sites to date”? The national health department reported that there has been marked reduction in child mortality over the past five years, supported by improved access to ante-natal services. The country's finance minister in his 2015/16 budget speech indicated that the “mother-to-child transmission of HIV has decreased from 20 percent a decade ago to 2 percent last year and is expected to decline further over the period ahead”. In addition, the antiretroviral treatment programme has reached 3 million patients. However, funding in the NHI, Health Planning and Systems Enablement programme was reduced by the cabinet by R355 million to R884.2million over the next three years.⁷ The much anticipated NHI “white paper” and the “discussion paper” on financing options are yet to be released. Hence, the NHI roll-out to all 52 districts of South Africa over the next nine years will depend on the following:

1. National government's commitment to shift and increase its public health sector budget (rather than reducing it),
2. Implement a high powered mass communication strategy to highlight NHI's benefits, and
3. Conclude agreements with private health funders to jointly and constructively curtail the health costs of the country.

We need more engagement with health professionals and funders to make South Africa's NHI function. It starts with all of us, proposing innovative ways to improve the overall health system to become more efficient rather than criticising the NHI proponents. The editor-in-chief welcomes your positive comments.

Professor Gboyega A Ogunbanjo

Editor-in-chief: *SAFJ*

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