National Health Insurance

Commission 3 Report

Outline or Presentation on National health Insurance

Health Policy Proposals

- Principles
- Objectives
- Socio-economic benefits
- Universal and Population coverage
- PHC and Health Care Benefits
- Accreditation of providers

Financing proposals

- Contracting of providers
- Payment and reimbursement of providers
- Funding mechanisms
- Cost
- NHI Fund
- Role of Medical Schemes
- Population Registration & Information system
- Migration to NHI
- Piloting of NHI

Workshop Questions

1. NHI covers all South Africans and medical schemes will provide top-up medical cover for those who choose. Any views on this?

2. GEMS is a medical scheme. What should happen to it once NHI is operational?

3. What about government medical schemes that serve state employees such as those for parliamentarians, police, etc.? Should they continue to exist once NHI is operational?

Workshop questions, cont

4. What should be the role of the private service providers under NHI? How should they be organised to provide services under NHI?

5. What should be the source of funding for NHI? Should it be general revenue, supplemented by mandatory contribution from employer and employee or other sources?

6. Should there be any co-payments for services under NHI at the point of service delivery?

Workshop Questions

7. Should NHI be administered by a single-payer public entity or by private medical schemes?

8. Should refugees and asylum seekers be entitled to get free services under NHI?

9. What about undocumented people, should they receive free services under NHI?

Workshop Questions

10. What should be taken into account in selecting pilot sites for implementing NHI?

11. How should funds from NHI Fund flow to service providers?

12.   What should be the role of the District Health Authority in NHI

Discussion on NHI proposal

- It will cover all South Africans and those legally resident in the country
- It will provide a comprehensive package of service
- The package will have to be defined,
- Top-up will be an option for excluded conditions
- The excluded conditions will have to be defined
- Undocumented citizens and illegal people will be encouraged and assisted to register legally.
- Illegal and undocumented persons should have immediate access to emergency care

Additional discussion points

- If more people enter the system it will lead to an increase in waiting times.
- There is a need to shift from the current mind set.
- There should be radical transformation and overhaul of the current system.
- In order to guard against lack of access and inequity there should be a clear road map from current system to NHI.
- The top up mechanism should be regulated to guard against abuse and promotion of pervasive incentive.
- GEMS should be seen as any other medical scheme.
- If NHI works well there will be no need for GP Private services except when an individual requires top up care

Role of private sector under NHI

- They should be organised as part of district health service (DHS)
- Each district should have a health plan that includes private sector services
- There should be a structured manner for PPP integration
- There is a need to develop inventory of skills and resources in both public and private sectors
- Incentivise staff for attraction to rural and under served areas
- The GP in the area should form part of the service delivery platform and should serve as a referral facility
- The GP should be confined to the norms and standards of primary health care
- The GP should have a defined catchment population
- Enforcement of referral system
- Therefore there is need for intensive community and staff education

NHI FUNDING

- The proposal in the green paper is supported in that for the first 5 years funding will be from general taxation

- thereafter additional funding mechanism will be needed as per the green paper; ie. general tax revenue, mandatory contribution from employer and employee

- Additional funding source to be explored: explored
  - National Lottery
  - Airport taxes
  - Penalty on listed companies

Co-payment or not

With co-payment

– There will be a reduction of access to care

– Administration challenges

– Denial of constitutional rights to access health care

– Social solidarity leads to social cohesion and end inequalities, so progressive contribution

With NO co-payment

– Improved access to service

– It might create perception of poor quality

– It might promote over use, abuse and overcrowding

– It might perpetuate dependence on the state

Single Payer and Flow of Funding

- There is agreement that NHI be administered as a single-payer as per green paper with the following inputs: it should be
  - be a Public entity
  - have good governance
  - be independent of any political interference
- There is no need for middle man
- There should be a risk management strategy to prevent corruption
- Well regulated and well monitored and appropriately managed single payer
- Flow of fund should be from National Treasury to districts health authority (DHA) as the primary unit of service delivery. This will ensure fast tract of payments to providers
- Province will provide capacity, support, monitoring and oversight

Piloting of NHI

- NHI will be piloted and should have diversity and mix of districts and provinces
- Criteria for selection: as per green paper
  - Mix of poorest and richest districts
  - Based on performance of health indicators (good and poor)
  - Best and poorly managed
  - Supportive political leadership
  - Urban-rural mix
  - Should pass quality assessments (National Core Standards)
  - Take into account human resource need
- Inclusion of nodal sites for training, to take into account teaching and training
- Lessons should be learnt from unsuccessful districts

District health authority

- Responsible for
  - Strategic planning
  - Monitoring and evaluation
  - Governance
  - Contracting and procurement of local suppliers

The KZN Number Plate: NHI 4 ZN

SIYA BONGA – TAKE THE NUMBER PLATE