

Universal Health Coverage – South Africa Pledges Social Solidarity

The South African government is fast-tracking its plan to introduce universal health care for all citizens by 2026. National Health Insurance (NHI) is a health financing system that will pool funds to provide quality personal health services, based on their health needs and free at the point of delivery.

At the tabling of the National Health Insurance Bill in July this year, the South African President and president of the African National Congress (ANC), Cyril Ramaphosa, said, “It is the principle of solidarity which informs our approach to NHI, ensuring that the substantial resources that are directed towards health care benefit all South Africans equally.”

In 1996 the ANC-led government inherited a racially divided health system, with the white minority largely covered by private health insurance paid for by employers, and the non-white, largely unemployed, majority receiving poor quality public health services in a racially segregated system. Over the past 20 years this unfair health system has become more divisive, except now it is not a racially segregated system, but a socio-economic divide, with the employed “haves” and the unemployed “have-nots”.

Of the 57 million people living in South Africa (compare this to the UK’s 66 million), just 16% are covered by private health care and 84% of the population are not. Worse still, for those with private health insurance the cost is spiralling out of control.

Some of the disparities between the “haves” and the “have-nots” are truly alarming:

- 4.4% of the GDP is spent on 16% of the population and only 4.1% of GDP for 84% of the population.
- The taxation system means that the medical aid schemes are subsidised by R47,000 million by the fiscus (£2,500 million).
- 80% of specialist doctors work in the private sector, servicing 16% of the population. This leaves just 20% of specialists servicing 84% of the population.
- 1,200,000 women fall pregnant every year. With 80% of the specialist doctors the private health sector takes care of just 140,000 of them. The public health system takes care of 1,060,000 with just 20% of the specialists.
- Tuberculosis is the biggest killer in South Africa – there are 400,000 people being treated for TB every year and virtually all of them are treated by the public sector. Despite this, the cure rate has increased from 67% in 2009 to 85% now.
- The second biggest killer in South Africa is HIV, with an estimated 6 million people infected by the virus. Despite the huge resources in the private sector they treat just 200,000, whereas the public sector treats 3.5 million people.
- In 2004 there were 70,000 babies a year being born HIV-positive. Even with the scarce resources available to the public health system, the highly successful prevention of mother to child transmission programme has brought this down to 6,000 per year.

No wonder that the World Health Organisation (WHO) and the Organisation of Economic Cooperation and Development (OECD) has declared South Africa an outlier because it is the only country in the world that is spending huge amounts of money on very few people.

In 2011 the South African government took the bold decision to address this two-tier health system and published a Policy on National Health Insurance “Green Paper”. This was followed in 2017 by an

NHI “White Paper”, sub-titled “Towards universal health coverage.” And now, in 2019 the government has published the National Health Insurance Bill.

But in order to introduce universal health coverage, simply passing an Act of Parliament on the funding mechanism is not enough. In parallel with this legislative process, the South African government realised that it had to raise the standards and quality of health services in the public sector and reduce costs in the private sector. Supported by the English NHS and other progressive health services around the world, the government has introduced a set of “National Core Standards for Health Establishments”, an independent watchdog called the “Office of Health Standards Compliance”, and a quality improvement programme to turn all health establishments into an “Ideal Clinic” or an “Ideal Hospital”.

Although most health care will be provided by these “ideal” health facilities, private health care providers may also apply for accreditation to provide agreed health services at an agreed price. The private Medical Schemes will continue to exist, but their role will change significantly. Once the NHI is fully implemented they will only be able to provide cover for services not funded by the NHI fund.

We are reminded of Aneurin Bevan, the British Minister who oversaw the introduction of the world’s first universal health coverage system, the National Health Service (NHS), in the UK in 1948, “There is nothing that destroys the family budget of the professional worker more than heavy hospital bills and doctors’ bills.”