



PRIVATE PRACTICE REVIEW: AUGUST 2017

A summary of breaking news and general information regarding healthcare in the public and private sector, published in the media.

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VIEW ON SPECIAL NEWS

Health Professions Council of South Africa's Guide to Practitioners on alleged Medical Aid Fraud



The HPCSA has published guidelines for practitioners on alleged medical aid fraud.

This follows the outcries of professionals across all Professional Boards Council and its Professional Boards about being coerced by medical schemes into signing acceptance of liability and agreements to refund the schemes for funds allegedly paid fraudulently to the practitioner.

For more info, read the attachment to this newsletter; [hpcsa fraud](#) or send an e-mail to Professionalpractice@hpcsa.co.za.

The guide includes advice on the following:

1. Access to the member's clinical records held by a practitioner by a medical scheme;
2. Prosecution of practitioners who are allegedly involved in fraudulent activities;
3. Recovery of benefits paid bona fide to a practitioner who was not entitled to receive such benefits;
4. Legal status of payment arrangements made between health practitioners and medical schemes; and
5. Withholding of claims due to practitioners by medical schemes

Changes to Health Market Inquiry administrative timetable

Issued on: 24 August 2017 (Clint Oellermann Inquiry Director)

1. On 1 December 2016, the Competition Commission South Africa published a Revised Administrative Timetable (RAT) for the HMI, setting out the key milestones, reports to be published and timeframes for the completion of HMI by 15 December 2017.
2. According to the RAT, the HMI's Provisional Findings and Recommendations, as well as Final reports were due to be published on 1 September and 15 December 2017, respectively.

3. However, the Commission subsequently published a further Notice on 28 February 2017 advising stakeholders that, due to data access processes and various stakeholder-engagements, the HMI would not be publishing the remaining reports listed in the RAT until further notice.
 4. Taking the above into account, the Commission hereby wishes to advise all stakeholders as follows:
 - 4.1 The Revised Administrative Timetable, as published on 1 December 2016 is hereby withdrawn and replaced with this Notice;
 - 4.2 The Commission will henceforth publish the HMI Provisional Findings and Recommendations Report by 30 November 2017.
 - 4.3 The HMI will continue to engage with stakeholders on various matters in preparation of the Provisional Findings and Recommendations Report.
 - 4.4 All stakeholders will have sufficient opportunity to review the Provisional Findings and Recommendations Report and engage with the HMI thereon.
 - 4.5 These engagements will be taken into account in the production of the Final Report.
 - 4.6 The HMI will release the expected date for publication of the Final Report in due course.
 - 4.7 The HMI will publish a notice in the Government Gazette reflecting changes to the completion date of the HMI once the Final Report date has been determined.
 5. Stakeholders will be advised of the publication of any further reports, documentation and information through the website of the Commission and via direct correspondence to all registered stakeholders on the HMI database.
 6. The Commission remains committed to an open and transparent inquiry and will consider all inputs received in the process of finalising the HMI Provisional Findings and Recommendations Report.
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VIEW ON GOVERNMENT



Are the Demarcation Regulations Unconstitutional?

According to Michael Settas of KaeloXelus and Patrick Bracher of Norton Rose Fulbright the final demarcation regulations show a blatant disregard for the right of ordinary people to access healthcare and are based on the unsubstantiated claim that health insurance products are harmful to the medical schemes industry.

The demarcation regulations, that draw a line between medical insurance products and medical schemes, came into force on 1 April 2017.

Existing policies will be eliminated from 1 January 2018.

Limited "gap cover" and "hospital cash plans" are allowed, but primary healthcare insurance policies are banned.

New rules restrict gap-cover benefits

A key change is that benefits on policies offering cover for shortfalls between what your doctor charges you and what your scheme pays, and any shortfalls in benefits, such as cancer benefits, are now limited to R150 000 per insured

Health institute bill 'too narrow'

The head of the National Institute for Occupational Health (NIOH) has urged MPs to widen the scope of the draft National Public Health Institute of SA Bill to include provisions for monitoring environmental health and workplace safety.

The legislation paves the way for the

person on the policy.

The new regulations prevent insurers from setting an entry age limit and restrict insurers to charging the same premiums to all members of an employer group or category of policyholder.

Insurers can only apply the same waiting periods that medical schemes can apply before you are entitled to benefits - either a three-month general waiting period or a 12-month condition-specific waiting period.

There is no regulation of what doctors can charge or how much your scheme should pay, leaving potentially unlimited liabilities on consumers for medical shortfalls.

Reaction:

The Free Market Foundation:

“Government is interfering in mutually-agreed private contracts between freely-consenting adults and insurers to minimise their risks of huge medical bills when catastrophe strikes.

The Department of Health (DoH) has requested that the Council for Medical Schemes (CMS) grant a limited two-year exemption period for primary healthcare providers who submit themselves to regulations under the Medical Schemes Act before existing primary healthcare insurance policies are banned in order to conduct further research into the development of low-cost medical scheme benefit options (LCBOs).

“However, the proposals contained in the NHI policy paper restrict medical schemes to merely providing ‘complementary cover’ and each medical scheme will be permitted to provide only one benefit option.”

“If actuaries are allowed to develop policies that are economically sound, however, it will not only increase access to quality healthcare for low-income individuals, but also relieve a large

creation of the National Public Health Institute of SA, which will co-ordinate disease and injury surveillance and research.

Activists applaud policy for affordable life-saving drugs

Health activists have welcomed the Department of Trade and Industry’s latest draft intellectual property policy, released for public comment on 8 August, saying it contains important reforms that will make lifesaving medicines cheaper and more widely available. Key proposals include closer scrutiny of patent applications, simpler mechanisms for issuing compulsory licences, and tightening up on the criteria for granting patents. Interested parties have 60 days to comment on the policy. The policy recommends introducing a non-judicial mechanism for awarding such licences.

Reaction

Konji Sebati, CEO of Innovative Pharmaceutical Association of SA (Ipassa):

“The policy places too much emphasis on drug firms ‘evergreening’ patents on medicines, fuelling misconceptions about the practice. There is a misunderstanding of the concept of incremental innovation as it is still seen as a means to block generics, which is a total misconception.”

Adv Jonathan Berger:

“As the first step in the culmination of a 20-year struggle, this policy offers the potential drastically to transform the landscape of life itself, in SA and across the continent. At the heart of the matter is government recognition of patent protection - a state-sponsored guarantee of market exclusivity for a defined period of time - which is a non-negotiable requirement for all members of the World Trade Organisation.

For a copy of the draft policy document: http://www.dti.gov.za/gazettes/IP_Policy.p

burden on the state so that it can concentrate scarce taxpayer resources on the truly destitute."

[d](#)

Gauteng Health Department in Dire Straits



Gauteng's health department is rated the second most affected in the country in terms of medico legal claims (over R13.8-bn) according to the province's health MEC, Gwen Ramokgopa. Since March 2016, medical legal claims had amounted to over R37-bn nationally, Over 70% of the claims were due to maternal, neonatal health problems.

The Gauteng health department has pleaded poverty before the Constitutional Court, claiming that paying out lump sums for medico-legal cases would financially cripple it, but failed to substantiate this with evidence.

Meanwhile the latest issue of *SA Health Review* revealed that public health expenditure has ballooned to R183-bn over the past 20 years. A large chunk of provincial health budgets is spent on salaries while poor quality primary healthcare services and a growing burden of non-communicable diseases crippled the system.

Average real unit costs of personnel continue to exceed consumer price inflation as unit costs of personnel have increased on average 4.5%.

The expensive Occupation Specific Dispensation was phased in from 2006 until 2011-12 and personnel spending grew by R28.4-bn. Staffing numbers also grew by 80 000 in this period and expenditure increased by a further R13.3-billion, from 2010/11 to 2015-16

On 22 August Gauteng legislature approved tariff hikes of 6,1% for hospitals. Rates for ambulance transportation and rescue services are set to increase by 50%.

It is still to be determined when the new tariffs will take effect.

Patients from the Southern African Development Community SADC (SADC) countries are charged the same rates as local residents.

Special View from Healthbridge



When 'Small data' trumps "Big data"

Small Data consists of usable chunks of information – often presented visually – that can provide meaningful insights and help you with everyday tasks. This data can be derived from your financial reports, clinical information and even practice processes. Tracking practice process data can often be quite manual if you don't have the right technology to consolidate and analyse the data for you. That is why this aspect of a practice is often ignored or neglected. However, these data trends are essential to ensure practices optimise all key aspects of their practice.

To view how Small Data can work for your practice, click the 'read more' button below: <https://goo.gl/Bhp3Yj>

[Read more](#)

Special View from ETHIQAL



Mr. Volker von Widdern,
Chief Executive Officer of
the Constantia Insurance
Group

ETHIQAL disrupting the SA medico-legal landscape

Access to quality care in South Africa is being threatened by spiralling medico-legal claims.

Billions of Rands accounting for a significant percentage of the total public sector's healthcare budget are at risk on the basis of alleged medical negligence by the State.

In the private sector, obstetricians and gynaecologists are avoiding care of pregnant mothers, given the fear of potential litigation in relation to childbirth.

For higher risk surgical specialties like neurosurgery, orthopaedics, urology and vascular surgery, the rate of increase in cost of professional indemnity cover is negatively impacting the viability of these specialist practices, which are key resources for South Africa.

For calm to return to the turbulent waters of the medico-legal storm, where adversarial court actions escalate settlement costs to untenable levels for both Private and State health institutions, providers of professional indemnity

This includes: research; advocacy for legislative reform; facilitation of private/public models aimed at providing home care for those with chronic physical and mental impairment; support of government in defending malpractice claims to mitigate the risk of inappropriate settlements that may set ominous precedent for future rulings; investigation of alternate dispute resolution mechanisms; as well as provision of assistance to professional specialist networks focused on managing their respective risks. Generation of risk based

Growing amounts of the healthcare Rand are being channelled from the medical system to the legal fraternity as plaintiffs and defendants battle out the merits of proposed claims of medical negligence in the Courts.

cover cannot stand on the side simply increasing premiums in proportion to the risk of future expenditure.

Instead they must be actively involved in managing the problem.

data and its exchange is key if effective solutions are to be implemented. EthiQal, the new and rapidly growing local indemnity solution launched by the Constantia Insurance Group, is based on these principles of active participation.

More information about the product can be viewed here. <http://www.ethiqal.co.za>

[Read more](#)

VIEW ON NEW PRODUCTS/PHARMACEUTICALS



Pfizer gets patent for pneumonia vaccine in India



Novartis starts testing new malaria drug

India's patent office has granted the US pharmaceutical firm Pfizer a patent for its powerful pneumonia vaccine Pevnar 13.

The decision bars other companies from making cheaper copies of the vaccine and allows Pfizer to exclusively sell it in India until 2026.

Novartis has begun testing a new anti-malaria pill (known as KAF156) in Africa, advancing development of an alternative to its most effective treatment, which billionaire philanthropist Bill Gates has said risks losing potency.

More than 500 children and adults across nine countries in Africa and Asia will be enrolled in the mid-stage study over the next few months.

FINANCIAL NEWS

Aspen hurt by ill winds lashing sector

Business Day, 22 August 2017

Africa's largest generic drug maker, Aspen Pharmacare, is trading at levels last seen in 2013 as negative sentiment towards healthcare companies persists. Portfolio manager at Gryphon Asset Management, Casparus Treurnicht, said superb results will not be enough to push Aspen to previous highs. In June, Aspen lost its appeal against the €5.2-m fine levied by the Italian Competition Authority over the price of some of its cancer drugs. Domestic competition authorities also announced an investigation into the pharmaceutical industry.

VIEW ON GENERAL NEWS



Addressing ACEs to help combat opioid addiction

Medical Brief 10 August

Physical, sexual or emotional abuse as a child, or other childhood stresses, can lead to higher levels of health service use throughout adulthood, found a UK addiction specialist Daniel Sumrok. A separate US report on Adverse Childhood Experiences (ACE) explains opioid addiction as a 'normal response' to ACE.

"It's not the drugs. It's the ACEs – adverse childhood experiences," wrote Sumrok in an *Aces Too High report*. "Addiction shouldn't be called addiction. It should be called ritualised compulsive comfort-seeking".

Sumrok says ritualised compulsive comfort-seeking (what traditionalists call addiction) is a normal response to the adversity experienced in childhood.

"The solution to changing the illegal or unhealthy ritualised compulsive comfort-seeking behavior of opioid addiction is to address a person's adverse childhood experiences (ACEs) individually and in group therapy; treat people with respect; provide medication assistance in the form of buprenorphine, an opioid used to treat opioid addiction; and help them find a ritualised compulsive comfort-seeking behavior that won't kill them or put them in jail."

New Diabetes App launched

The Centre for Diabetes and Endocrinology (CDE) has launched its club app to provide people who have diabetes with valuable information on managing the condition and tools to track their progress.

UCT centre set up to analyse fungal infections

The AFGrica Initiative, an exciting new research partnership between the University of Aberdeen and UCT in the area of medical mycology was recently launched. It is the world's first international research centre set up in South Africa for tackling fungal infections which kill around 1.3 million people globally every year.

**VIEW ON MEDICAL
SCHEMES**



HPCSA warns against global fee agreements

BizCommunity, 15 August 2017

The Health Professions Council of South Africa (HPCSA) has urged healthcare practitioners to consult the council before signing any global fee or other financial or clinical arrangement with medical schemes, because these may violate the HPCSA's ethical rules.

During the recent consultative process, the HPCSA has discovered that the alternative re-imburement models are not limited to global fee arrangements and has advised its members not to enter into these contracts until all aspects relating to the law, ethics, clinical autonomy and funding mechanisms have been properly canvassed with all stakeholders.

Countless clauses and fine print muddy the waters

According to healthcare advisers you can tell whether your medical scheme offers good benefits by checking the following:

- the overall limit on oncology;
- the limits on specialised medicines;
- the treatment protocols; and,
- cover for reconstructive surgery.

For more info, read the attached article by Laura du Preez (bypprevaug)

CMS Circulars

The following Circulars were published by the CMS in June.

Visit www.medicalschemes.co.za for info

49 of 2017

Induction Programme for Trustees

50 of 2017

Managed Care Organisations
Accredited by the Council EXCO

51 of 2017

Clarification of process towards
consolidation of healthcare risk pools

52 of 2017

Benefit definition submissions for
gynaecology oncology conditions

53 of 2017

Measuring the quality, outcomes and
value proposition of managed care
interventions of Multiple Sclerosis and
Rheumatoid Arthritis

54 of 2017

Quarterly Statutory Returns Submissions
for period ending 30 June 2017

55 of 2017

Auditor approvals

56 of 2017

Personal medical savings accounts

57 of 2017

Non-compliance with Laws and
Regulations (NOCLAR).

SPECIAL NOTICES

Opportunities at Busamed Paardevlei Private Hospital in Somerset West

An opportunity exists for a dynamic, energetic obgyn to establish a practice at Busamed Paardevlei Private Hospital in Somerset West and work with us to develop the obstetrics and gynaecology services.

The hospital hosts the following wards and services: Cardiac Catheterisation Laboratory, Cardiac ICU, General ICU, High-Care, Maternity and Neo-natal ICU, Operating Theatres, Day, Medical, Paediatric and Surgical Wards.

For more information, contact:
Yaseen Harneker
Hospital Manager
yaseenh@busamed.co.



EDLEEN MEDICAL CENTRE KEMPTON PARK

Edleen Medical Centre consists of two GP's, a professional nurse, midwife, baby clinic, optometrist, dietitians, laboratory and dispensary.

MEDICAL SUITES TO LET MUSGRAVE CENTRE

Two upmarket medical suites to let at Musgrave Mental Health Wellness Centre in the heart of Musgrave (Durban). Comprises of a large consultation room, large reception area, kitchen and store room. Good access and ample parking

ASSOCIATES GENERAL PRACTITIONER

An opportunity exists for an ambitious young male GP to become an associate at this well-known medical practice.

- High income potential.
- A minimum of 6 years of experience is required.

Services the centre offer: dispensing, laboratory point-of-care, phlebotomist, professional nurse, sonars, minor procedures, ECG's.

Interested parties can contact Dr L. Miller at 011 975 0631 or lasiam@emct.co.za

DENTAL PRACTICE

Opportunities for a dentist at the centre: 2 Rooms available with valves fitted for water and vacuum equipment. Own chairs and equipment required. Full administration services are offered as part of agreement. Price negotiable.

For more information please contact Nicolene Goosen 011 975 0631 / 082 746 7045 or GM@emct.co.za

for patients and practitioners. Good security.

CONSULTATION ROOMS FOR PHYSIOTHERAPIST

Two consultation rooms available for physiotherapist in this busy medical centre.

- Full administration services are offered as part of agreement
- Close to private hospitals
- Available from 1 August 2017
- Price negotiable

More Info:

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