

EDITORIAL COMMENT: Even with no cash, Mkhize clings to NHI

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DOCTOR Zweli Mkhize was present in Parliament last week when Finance Minister Tito Mboweni delivered his budget speech. He might also have caught the news that the country's economy is in something of a spiral after dipping into recession (for the second time in two years), after the fourth quarter GDP growth tanked by 1.4 percent. And yet, were you to glance at Mkhize's public statements, you'd be forgiven for thinking he is under the illusion he lives in a mansion situated on a Saudi Arabian oil field, where people are employed just to think up creative new ways to spend endless fountains of money. On social media, Health Minister Mkhize wistfully drones on about how National Health Insurance (NHI) is his department's top priority, and how it will be "one of the best things that ever happened to SA". The crucial question is: with what money?

Mkhize will surely have noticed that last week Mboweni "reprioritised" all of R55.6-million, over three years, to the Department of Health to strengthen its capacity to phase in NHI. This allocation will be "reviewed as NHI is implemented". Just R5-million - 0.0021 percent of this year's budget - is being allocated to set up the NHI fund, an amount described by health economist Alex van den Heever as a reality check for a vanity project. This minuscule allocation, needless to say, was less than a sliver of the R440-billion which economists estimate is needed to finance NHI. From this, it's clear that the National Treasury has given short shrift to the project. Not because it doesn't think it's a merit-worthy project, but simply because we don't have the money. Yet last week, on the eve of the budget, President Cyril Ramaphosa was also espousing NHI'S merits. "We will implement it in an incremental fashion and aim to cover the whole country by 2025. We will use an affordable approach to progressively move towards a comprehensive NHI environment," he said. So what's going on? Did Mkhize, literally, not get the Treasury memo that NHI is, effectively, on hold? Is Ramaphosa using veiled language of "affordable" and "progressively" to tame expectations, while still half-heartedly committing to it? It's a remarkable disjuncture, illustrating exactly why investors speak so often about the mixed messages from the government.

If government credibility is the critical question right now, Ramaphosa needs to clarify exactly how NHI will work, by when, and at what cost. The reality is the Treasury has set aside R221.9-billion for the Health Department this year. And the lion's share - 62.5 percent - is earmarked for wages, including for doctors and nurses. That leaves just 29.2 percent to be spent on goods and services. Repurposing that money right now for NHI would be devastating for a sector that, it has to be said, must be bracing for a coronavirus outbreak. If Mkhize were to put NHI on the backburner today, he could instead devote his time to what really needs attention: the decrepit public healthcare system. Since 2014, contingent liabilities and payments of medico-legal claims in the public sector have grown by more than 23 percent per year on average - pushing liabilities to more than R100-billion. These claims are symptomatic of a dysfunctional public healthcare sector, yet Mkhize is vexingly silent on this issue. Taxpayers, who gave his department R221.9-billion, have seen scant evidence of any desire to ensure money is used as effectively as possible to improve hospitals. Instead, Mkhize dreams of a world where taxpayers will simply cough up more for an entirely new system. Treasury

officials seem to know that it won't fly right now. Why doesn't Mkhize?