



PRIVATE PRACTICE REVIEW

NOTICE

Private Practice Review presents the reader with a summary of the most relevant breaking news in the local and global healthcare industry, as obtained from media sources, including the public broadcaster, independent television broadcasters, independent news agencies, newspapers, radio and news sites. HealthMan strives to quote the Original Source. HealthMan compiles this information to provide the reader with a brief overview of the most recent events and developments as they are reported in the media. The views and opinions expressed in **Private Practice Review** are those of the authors of the media sources and do not necessarily reflect the views or opinions of HealthMan, its employees, or payees. HealthMan does not assume any liability for any loss or damage caused by reliance on the information contained in this publication.

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FOOD FOR THOUGHT



COVID-19 has wiped out a third of South Africa's middle class

On August 25, **BusinessTech** reported the United Nations Development Programme (UNDP) / that SA's overall GDP is expected to decline by at least 5.1% and up to 7.9% in 2020. It is expected to recover slowly through 2024. This will lead to major setbacks in addressing poverty, unemployment and inequality, according to the UNDP's latest study on the socio-economic impact of COVID-19 in the country.

Research has found that up to 34% of households are likely to exit the middle class into vulnerability.

"While government social protection grants tend to target the poorest, this study posits that care and support needs to be provided to those at the borderline of the poverty line, such as the vulnerable middle class, to reduce their likelihood of slipping into poverty."

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EDITORIAL NOTE: 2-m might not be able to pay their medical aids

- According to research by the economic advisory group, Econex (2017), almost 2-m South Africans would not be able to pay their monthly medical aid if government redirected medical tax credits to finance its National Health Insurance.
- In 2015/2016, principal members received R270 per month in tax credits for principal membership.
- In 2014/15 the total amount paid to the principal members of medical schemes in the form of medical scheme tax credits was approximately R18.5 bn - a R3,240 tax return for a single medical aid member.

Responses to pandemic COVID-19 have been 'fear driven'

"The World Health Organisation (WHO) and most countries failed to take to heart crucial historical lessons of global influenza pandemics and botched timeous travel shutdowns, as well as the protection of vulnerable populations," according to Professor Robin Wood (CEO of the Desmond Tutu Health Foundation and member of the University of Cape Town's Institute for Infectious Disease and Molecular Medicine) - **Medical Brief** (17 August 2020).

"Instead, their responses were fear driven, with politicians cherry-picking data from exaggerated predictive models of infection and mortality," said Prof Wood in a Webinar.

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COVID-19: LATEST FIGURES: Monday, 31st August 2020

South Africa	Recovered	Deaths	Whistleblowers	Recovered	Deaths
625K	539K	14 028	25.1M	16.5M	844K
+2 300		+17			

Incompetence results in medicine shortages

The incompetence of staff at the Mmabatho Medical Depot in North West is blamed for ongoing medicine shortages at the province's hospitals. During a raid on the depot, health officials discovered unpaid invoices – some dating back to 2014 - stuffed into cupboards. The North West provincial health department is now forced to use its medicine reserves because the depot failed to pay nearly 50 suppliers.

NEWS ON GOVERNMENT



R5-bn linked to COVID-19 procurement corruption

South Africa's pandemic corruption scandal continues to grow, with R5-bn of the R10.38-bn spent in relief efforts now under investigation, reported **MedicalBrief**. (27 August 2020).

In Gauteng alone, several companies - paid millions by the provincial government for C-19 supplies - were previously registered on the central supplier database to provide goods and services that have no apparent link to the health sector. (The names of five of these companies were published by **News24**).

Ramaphosa ordered the Special Investigation Unit (SIU) to look into allegations of corruption around the government's spending towards the fight against the coronavirus, including charges of impropriety in giving tenders. According to SIU head, advocate Andy Mombi, some service providers received payments even before they did any work.

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Mkhize publishes 45 COVID-19 advisories

On August 27, 45 scientific advisories – commissioned by Health Minister Zweli Mkhize during the COVID-19 pandemic - were published on the government's official COVID-19 website. - **Business Day** (28 August 2020).

The recommendations include ones relating to regulations which seemingly did not correlate with efforts to flatten the COVID-19 curve; advice on the reopening of schools; COVID-19 modelling; mass testing; the use of cloth masks; asymptomatic infections; the impact of the hard lockdown; restrictions on the sale of alcohol to reduce the trauma load on hospitals; and efforts to avoid a possible resurgence of the virus.

On July 13, Mkhize told the media that the guidance provided by his MAC on C-19 would not be published because their advice did not represent the government's final position on the issues they covered. **News24's** application (in terms of the Promotion of Access to Information Act (PAIA)) for access to more than 70 advisories was denied.

Medicine stock-outs due to incompetence

The incompetence of staff at the Mmabatho Medical Depot in North West is blamed for ongoing medicine shortages at the province's hospitals. During a raid on the depot, health officials discovered unpaid invoices – some dating back to 2014 - stuffed into cupboards. The North West provincial health department is now forced to use its medicine reserves because the depot failed to pay nearly 50 suppliers.

FINANCIAL NEWS

Dis-Chem experienced booming online sales during lockdown

Dis-Chem Pharmacies announced that its online sales grew by 334% from March 1 to August 15. The group reported revenue growth of 8.8% to R11.7-bn, compared with last year.

Dis-Chem's retail revenue increased by 6.3% to R10.4-bn, compared with last year while comparable sales growth was 1.5%. COVID-19 related products represented about 9% of total retail sales and 13.8% of front shop sales. Dis-Chem lost R200-m in revenue during the hard lockdown in April because of trading restrictions, despite falling into the category of an essential service provider.



Advanced Health in 'bad health'

Advanced Health CEO, Gerhard van Emmenis, confirmed that the group has three facilities for sale. Advanced Verglegen in Somers West, Western Cape; Advanced Medgate Rodepoort and Advanced Soweto Day Hospital.

The group's under-performing has been severely impacted by the COVID-19 lockdown as there were no elective surgeries, decreasing the group's income by about 90%. Day surgery is Advanced Health's bread-and-butter, said Van Emmenis.

Stiff competition from SA's biggest private hospitals, Netcare, Mediclinic and Life Healthcare, has worsened the situation.



Vitamin sales get COVID-19 boost

According to Juliette Morrisson, marketing executive for Vital Healthcare, suppliers of vitamins and nutritional supplements are battling to meet the increased demand for their products. The COVID-19 pandemic caused a sharp increase in sales, resulting in shortages, in especially zinc and Vitamin C, said Morrisson.

Vital Healthcare is spending a lot more on manufacturing, due to the increase in raw material prices and the need to air-freight materials to SA.

The additional expenditure on personal protective equipment and adjustments in the manufacturing plant and in delivery have also had an impact on costs.

PHARMACEUTICAL NEWS

Increase in medicine prices?

Drug makers are lobbying the Health Department for an urgent mid-year increase in medicine prices to offset a weaker rand, which is pushing up the cost of imports and squeezing profit margins. - **Business Day**, 26 August 2020



Wits launches SA's second C-19 trial

Wits University has launched its second COVID-19 vaccine trial, testing an experimental shot made by US biotech company Novavax. The trial has received a \$15-m (about R261-m) grant from the Bill & Melinda Gates Foundation.

The phase 2b trial of the shot, called NVX-CoV2373, will enrol about 2 900 adult volunteers, including 240 who are HIV-positive," reported **Times Live** (19 August 2020).

Meanwhile scientists at Cape Town's Grootte Schuur Hospital have started a phase 3 trial, investigating the potential of the drug Nitazoxanide to treat COVID-19. Nitazoxanide was discovered in the 1980s and is no longer under patent. It is licensed in many countries for treating diarrhoea caused by parasitic infections, but is not available in South Africa.



SA's first C-19 antibody tests now available

On August 24, **News24** reported that South Africans can now pay for private medical screenings – antibody tests – to detect if they have been exposed to the coronavirus.

This follows the SA Health Products Regulatory Authority's (SAHPRA) announcement five months ago that the tests would be "expedited" in the light against C-19. The Ministry of Health has not yet responded to questions regarding the legalisation of the tests.

The only tests currently authorised for diagnosing COVID-19 are laboratory-based polymerase chain reaction (PCR) tests that detect fragments of SARS-CoV-2, the virus that causes COVID-19.

SAHPRA CEO, Bolumelo Semete, said no SARS-CoV-2 test kits have been authorised for home use, and they could not legally be sold directly to the public.

'Low quality evidence' that plasma therapy works

Although the US Food and Drug Administration (FDA) has issued emergency authorisation for the use of recovered C-19 patients' plasma in order to treat other C-19 patients, the World Health Organisation (WHO) has not endorsed it, saying evidence that it is effective remains of "low quality" and not convincing.

Evidence is conflicting. A Chinese study showed plasma from people who have recovered from coronavirus failed to make a difference in hospitalised patients, while another pooled analysis showed it can lower the risk of death, reported **Reuters** (25 August 2020).

GENERAL NEWS



Court stops Nehawu strike in its tracks

A planned nationwide strike by National Education, Health and Allied Workers' Union (NEHAWU) members was stopped in its tracks after the National Health Labour Services (NHLs) obtained an Interdict in the Labour Court in Johannesburg, reported **Cape Times** (26 August 2020).

Around 5 000 workers had planned to down tools over a breakdown in salary negotiations (demanding an increase of 11%); alleged failure by the NHLs to implement proficiency assessment results; the filling of vacant positions; and the provision of personal protective equipment (PPE). The order restrains NEHAWU from promoting or encouraging any strike action, pending the final determination of the dispute.



Flu was all but eliminated in South Africa this year

"COVID-19 has made a lot of bad things worse, but SA's near-total lack of a flu season this year stands out as a rare positive effect, reported the **Washington Post** (18 August 2020).

The country's National Institute for Communicable Diseases (NICD) has three laboratories that would normally record more than 1 000 cases of flu between April and August. As the 2020 season ends, they have recorded just one.

According to Cheryl Cohen, who leads NICD's respiratory disease team, it is unprecedented to not see flu. While some experts said people were staying home and not reporting mild sicknesses, they all agreed that SA has basically skipped its flu season, thanks to the coronavirus.

Aviro Health launches mobile HIV test at home

Aviro Health, a start-up supported by the University of Pretoria's TuksNovation, has launched a platform that offers people access to HIV self-testing resources. The platform, called **Itaka**, also supplies patients with the information they need to seek treatment and manage their condition. Itaka is the result of an ongoing collaboration between Aviro Health and Population Services Kenya, which is distributing free kits via community-based, reported **The Star** (17 August 2020).

According to Dr Musaed Abubakari, chief executive of Aviro Health, COVID-19 has the potential to shift the way in which public health is delivered, including the way in which HIV testing is offered.

NEWS ON MEDICAL SCHEMES



Bonitas braces itself for tough road ahead

"Bonitas Medical Fund is bracing itself for a challenging period and anticipates having to contend with COVID-19-related expenditure in of more than R500-m in the next 12 to 18 months," reported **Fin24** (19 August 2020). According to Bonitas CFO, Luke Woodhouse, medical scheme member claims have decreased by 20% since the beginning of the lockdown.

Due to the lockdown South Africa's private hospitals and medical aids have had to deal with an unusually quiet time, as people stayed away from facilities and put their elective surgeries on hold out of fear of contracting Covid-19.

Circulars from the CMS

The following Circulars were published by the CMS in August 2020.



54 of 2020
COVID Financial Reporting

57 of 2020
Health Technology Assessments (HTAs) performed by and charged for by Managed Care Organisations

55 of 2020
Auditor Approvals

58 of 2020
Quarterly Statutory Returns Submission for 2020 (Q2)

56 of 2020
Industry Update on Developments for Insurers conducting the business of Medical Schemes

59 of 2020
Auditor Approvals

SPECIAL NOTES

Fully equipped medical practice in Rayton for sale:

Dr A D Lombard
0817792933/0817970707.

Private medical practice (running for 30 years) for sale.
Price: R1 500 000.00 all included, without office space.
Turnover: R2 000 000.00 per annum minimum.
Consulting rooms in Raymed Centre, next to Rayton Pharmacy.
Rayton is a small town, 30km east of Pretoria - services Cullinan Rayton, Refilwe, Onverwacht, Kleinfontein as well as large rural areas.
Electronic claims as well as prescriptions and clinical records in place
Office space to rent: approximately 125sqm.

For more information on the Practice in Rayton, click on the button below

[Rayton Practice](#)

Quality approved KN95 masks for sale

PRICE PER MASK: R18.72 incl VAT
UNIT PRICE (per case of 10): R187.20 incl VAT
AVAILABILITY FROM PARTICIPATING WHOLESALE: Kendon
ESTIMATED DATE OF AVAILABILITY: From 6 August
ORDER STOCK CODE: Z105029
CONTACT NUMBER: 011 608 1170
CONTACT EMAIL: Sales@kendon.co.za



Trenite KN95 mask - SAHPRA licensed supplier - FDA/CE validated certification
- Chinese National Accreditation Service for Conformity Assessment Test report
- SABS inspection report - SANS 50149 approved test report (Protechnik)

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