



**Content:**  
Food for Thought  
View on Government  
Financial View  
View on Pharmaceuticals

Special News  
View on Medical Schemes  
General News  
Special Notices

## Food for Thought

'NHI will be an unmitigated disaster'



"Despite its proven incompetence at managing public service organisations, the government is determined to create a vast centralised healthcare system instead of relying only on some South Africans, as it does now, government healthcare will soon fall on South Africans," wrote **Ivo Vegter** in **Daily Maverick**: 27 August 2018.

"The government keeps proving that it is incapable of running large organisations. South African Airways, Eskom, Transnet, the Post Office, the Passenger Rail Agency of South Africa, Portnet, and a host of other state-owned enterprises are beset with critical problems.

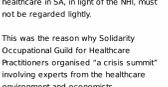
"This reality has not, however, given government officials any pause in forging ahead with a proposed National Health Insurance (NHI) scheme.

**'Minister not ready to act on Mafioso letters, but the government is capable of running universal healthcare, but the private government website, www.gov.za, on which these bills are supposed to be available, was down and returning '502: Bad Gateway' errors at the time of writing.**

"Almost no aspect of healthcare will remain outside the centralised control of the NHI Fund. Its scale and complexity will be virtually enormous. This vast new bureaucracy will have power to contract for and procure virtually all medical products and services in the country.

"Such a bureaucracy will likely employ hundreds of thousands of people, and far from reducing costs, will layer additional costs on top of existing private and public healthcare spending. It will inevitably be inefficient, as government bureaucracies always are, and will present significant new opportunities for patronage and corruption," wrote Vegter.

Practitioners likely to leave - study



Health practitioners in South Africa are very sceptical about government's proposed National Health Insurance (NHI) plan, with many considering migrating to other countries if the ambitious project is implemented... according to a report released by trade union Solidariteit.

More than 80% of healthcare workers believe that health practitioners will leave SA if government steers ahead with the roll-out of the NHI and 81.7% of the respondents indicated that they believe the NHI will destabilise the health sector.

Solidariteit cautioned that the concern about healthcare in SA, in light of the NHI, must not be regarded lightly.

This was the reason why Solidariteit Occupational Guild for Healthcare Practitioners organised "a crisis summit" involving experts from the healthcare environment and economists.

According to Dirk Hermans, chief operations officer of Solidariteit, healthcare practitioners now need support.

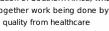
## NHI will 'nationalise' healthcare

The proposed NHI legislation will effectively lead to the nationalisation of health services if doctors and other providers are forced to contract to the NHI - Michael Settas (Free Market Foundation) - a consultant specialising in the health market industry at a media briefing in Sandton on 15 August. While universal health coverage is a laudable objective, the need for an NHI is questionable, as South Africa's spending on healthcare is already high, and the public sector should be improved to deliver better care.

**READ MORE in the Attached Document**

## View on Government

Pres Cyril Ramaphosa wrests control of NHI

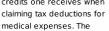
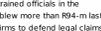
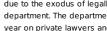


Pres Cyril Ramaphosa has put the NHI scheme at the top of his list of priorities, and his office will be taking the reins. Pres Ramaphosa told stakeholders in the healthcare industry at a meeting in Pretoria (Friday, 24 August) that the intention is to implement NHI incrementally from next year. Asked about the President taking control of his flagship project, Health Minister Aaron Motsoaledi said he had requested Ramaphosa's involvement in NHI to give it the priority it deserves.

As part of its work towards implementing NHI, the government, the private sector and NGOs have put together the Draft National Quality Improvement Plan, aimed at ensuring that the public healthcare sector meets quality standards.

Jacqui Stewart, CEO of the Council for Health Service Accreditation of Southern Africa, who presented the plan to the meeting, said it was meant to pull together work being done by NGOs and the private sector to ensure faster compliance and quality from healthcare facilities.

Part of the proposal includes using facilities which are soon to be identified as centres of excellence as test cases for NHI accreditation. This means that facilities that have been doing well in terms of staff skills, quality of services and infrastructure will assist those not meeting the standards.



Gauteng health spends R94-m on private lawyers

According to Gauteng Health MEC, Dr Gwen Ramogogoba, the over-spending on private law firms by the DoH was due to the exodus of legally trained officials in the department. The department blew more than R94-m last year on private lawyers and firms to defend legal claims against the department.

- Civil society organisations have criticized the Gauteng DoH's decision to spend R127-m in refurbishing the derelict Komroon Park Hospital, formerly known as Khayalami. They also plan to spend R1.3-bn on rebuilding it. The cost estimate for renovation and refurbishment was R1.1-bn, whereas the cost estimate for a new hospital is R1.3-bn, as proposed in 2015. The hospital closed its doors in 1996.

- The new Natalispruit and Jabulani hospitals were both five years overdue and cost more than double the original budget.

- Meanwhile Charlotte Maxeke Johannesburg Academic Hospital is referring less compensated medical cases to nearby district hospitals to reduce the time patients have to wait for operations.

- According to figures provided in June by the hospital's CEO, Gladys Bogoshi, 300 prostate-cancer patients faced a two-year wait for treatment and 50 breast cancer patients could expect a delay of up to six months.

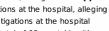
'Tax loophole' for shared expenses

The government is proposing to close a loophole in the medical tax credits one receives when claiming tax deductions for medical expenses. The proposed legislation will result in a reduced credit for most taxpayers who contribute on a proportional basis to a medical scheme on behalf of a dependant.

KZN health 'a shambles'

According to Dr Imran Kheela (DA spokesperson for Health) healthcare in KZN under the leadership of Health MEC Dr Sibongiseni Dhlomo had collapsed. Kheela said the remedy to the problem is to fire MEC Dhlomo. The provincial health portfolio was recently briefed by the Treasury and was informed that only 46 vacancies of over 2 300 positions of non-critical posts such as porters and cleaners - would be filled.

Deaths at Tower Hospital fabricated by psychiatrist who 'no longer cares'

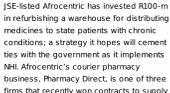


Health ombud Prof Malegapuru Makgoba poured cold water on allegations of patients being abused at the Tower Hospital in the Eastern Cape, resulting in a high number of deaths, alleging that the senior psychiatrist at the hospital had fabricated the information, reported **Business Day** on 23 August 2018.

"The incidents at Tower Hospital is no Life Esdimeni," Makgoba said. Psychiatrist Dr Kiran Sukeri, employed at the Tower Psychiatric Hospital in Fort Beaufort, had gone to **Rapport** newspaper to claim that there were gross human rights violations at the hospital, alleging that a total of 90 patients had died. However, extensive investigations at the hospital found that over an eight-year period at the Tower Hospital, a total of 68 mental health patients had died."

- Although **Rapport** admitted to getting the figure wrong and had published a correction, Sukeri was blamed for the error, which "amounted to 'scientific misconduct or fraud', a cardinal sin in science". Speaking to **Health-e News** after hearing the findings against him, Sukeri said he was in discussions with his attorney who was exploring options with regard to an appeal, which he is entitled to lodge through the Health Minister within 30 days.

## Financial View



Refurbishing for NHI

JSE-listed Afrocentric has invested R100-m in refurbishing a warehouse for distributing medicines to state patients with chronic conditions; a strategy it hopes will cement ties with the government as it implements NHI. Afrocentric's courier pharmacy business, Pharmacy Direct, is one of three firms that recently won contracts to supply chronic medicines to collection points at schools, churches and retail pharmacies.

Discovery shares close up on positive trading statement

Discovery has announced it expects unutilised headline earnings per share to increase by up to 35% for the year to end June 2018.

Earnings per share (undiluted) are expected to increase in the range of 25% to 30% to between 85c and 889c.

Drug makers push for extra price rise

Pharmaceutical manufacturers are lobbying the DoH for an extra price increase to offset the rand's steep slide, which has made their imports of active ingredients and finished goods more expensive. The rand has fallen 14.9% against the dollar since the start of 2018 and has so far breached the R15 mark twice in August.

The last time the department granted an extraordinary price increase was in early 2016, after the rand slid more than 30% against the dollar over a 12-month period.

- According to the Health Funders' Association (HFA), which represents medical schemes and administrators, schemes would incur additional costs of at least R260-m over the next four months if the government agrees to a price increase at the level of consumer price inflation.
- The Board of Healthcare Funders' (BHF) benefit and risk department head, Rajesh Patel, said medical schemes wanted greater transparency from drug manufacturers about their pricing structure.

## View on Pharmaceuticals



Hope for strong world declaration on deadly TB

The World Health Organization (WHO) changed its treatment recommendations for the deadliest form of TB, following WHO's decision. The WHO now recommends all DR-TB patients receive an all-oral regimen of medicines, including the new blockbuster drug, Bedaquiline. In June South Africa became the first country in the world to announce it would switch to the Bedaquiline regimen, replacing the highly toxic injectable drugs which cause hearing loss in up to half of patients who take them. "Medicines sans Frontières (MSF) (led) on US based Johnson and Johnson (J&J) to take immediate steps to make the drug affordable, in particular in high DR-TB burden countries. To ensure the long-term affordability and sustainable supply of Bedaquiline, which is patented quite widely until 2023, MSF called on J&J to also issue a licence to the Medicines Patent Pool, which would enable access to affordable generic versions of the drug.

Brexit drug stockpiles: UK calls for extra time

The British government has called on drug makers to build an additional six weeks of medicines stockpiles to cope with potential supply disruption in the event of a no-deal. In a letter to pharmaceutical companies, the government asked manufacturers "to ensure they have a minimum of six weeks additional supply in the UK, over and above their business as usual operational buffer stocks, by 29th March 2019". The highly regulated drugs sector is one of the most vulnerable to Britain's decision to leave the European Union.

SA needs R4-bn to fight killer virus

Close to half of injecting drug users surveyed in South Africa are living with the potentially deadly hepatitis C virus, according to a new study by the non-profit organisation TB/HIV Care Association.

It is the largest ever survey to chart how many people in the country carry the virus.

## Special News

NHI: 'no matching of aspirations to capabilities'



When is the government going to refrain from funding the private healthcare sector by stopping subsidies, a SAMA Conference delegate asked from the floor during Sunday's (26 August) conference NHI Bill panel discussion at Sun City.

The private sector is mostly funded by government through tax breaks amounting to R7-bn, the delegate added, quoting a figure from an earlier presentation. He also alluded to the fact that government also subsidises its own employees' healthcare.

In response panellist Prof Alex van den Heever, Wits School of Governance's Chair in the field of Social Security, said it was important to understand that the only money passed on to the private health sector was a tax credit which was capped - "the per capita value level being lower than the per capita cost in the public health system" to provide the subsidy framework that the government has in place.

[Read More](#)

## View on Medical Schemes



Audiologist convicted of 259 counts of aid fraud

Earlier this month, Wandile Theophilus Mashego, an audiologist and speech therapist practising in Pretoria, was found guilty of 259 counts of medical aid fraud and one count of contravening Section 66 of the Medical Schemes Act.

The case was brought against him by Bonitas Medical Fund after it was discovered he had been submitting fraudulent claims on behalf of members over a period of two years - from 2014 to 2015.

Kenneth Maron, Chief Operating Officer of Bonitas said fraud may not necessarily be on the increase but the high level analysis means medical schemes are uncovering substantially more fraud than previously.

Current trends seem to be 'phony doctors or medical practitioners' who submit claims, using another doctor's practice number. Sometimes this is done in collaboration with members.

Ousted Samwumed board wants curator out

The provisional curator of Samwumed has cancelled contracts and proposed changes which could render the scheme for unionised municipal workers unsustainable, an urgent court application seeking to remove her, alleges. Andre Maxwell, the ousted deputy chairman of the board of the 80 000-strong scheme, filed the urgent application in the Cape High Court last week asking the court to remove Duduza Khosana who was appointed by the same court in May. Maxwell asks the court to urgently remove Khosana and replace her with the former CEO of Medscheme, Kevin Aron, or alternatively to restrict her powers to avoid irreparable harm to the scheme.

GEMS: R29-bn in claims

According to the Government Employees' Medical Scheme R29.1-bn was spent on the medical aid's 1.8-m-strong union membership base in 2017. The claim included 5.6-m family practitioner consultations, 440 738 hospital admissions and close to a million medical specialist consultations.

Consumers need more say in scheme

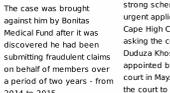
The findings and recommendations highlighted in the provisional report issued by the Health Market Inquiry (HMI) underline the urgent need to change the way medical scheme officers are designed, according to the principal officer of Fedhealth Medical Scheme, Jeremy Vatt.

Medical schemes should find ways to empower members by addressing their concerns around affordability, transparency and flexibility, he said.

According to Fedhealth research members want more of a say over what their cover should be; how their daily benefits are used; and, they don't want to pay for benefits they are not using.

Vatt said there is not one medical scheme in South Africa that offers that level of flexibility, adding that unfortunately, medical schemes have been doing the same thing for decades, with very little differentiation between schemes.

## General News



SA facing crisis as kids grow heavier

Government's much-vaunted "sugar tax" may not be working to quell South Africa's obesity epidemic, as experts say they have seen little change in the quantity of sweetened foods people consume. A study earlier this year revealed that SA children were fast becoming world leaders in obesity.

The study, published in the **International Journal of Epidemiology**, found that obesity rates among SA children doubled in about six years, while this took 13 years in the US.

Experts said they have not seen an obvious reduction in sugar intake after the recent implementation of the sugar tax.

Reduced salt consumption & cardiac health

Research, led by the Population Health Research Institute (PHRI) in Canada with research colleagues in 21 countries, shows that for the vast majority of individuals, sodium consumption does not increase health risks except for those who eat more than five grams a day, the equivalent of 2.5 teaspoons of salt.

Less than 5% of individuals in developed countries exceed that level.

The study followed 94,000 people, aged 35 to 70, for an average of eight years in communities from 18 countries around the world and found there is an elevated risk of cardiovascular disease and strokes only where the average intake is greater than five grams of sodium a day.

SAMA upset at unplaced junior doctors

About 40 doctors are still not placed to their community service posts in order for them to obtain their qualification.

Vice-chairperson of the SA Medical Association (SAMA) Mark Sonderup pleaded with the DoH to urgently do something about the situation, saying it was against the law not to place students.

The Junior Doctors' Association of SA (JUDASA) said its online chat group has been inundated by healthcare professionals who fear they may be unemployed.

## Special Notices

**VACANCY: Obstetrician /Gynaecologist Practice In Durban**

Locum Position at 24 year old practice. Available from Jan - June 2019, with possible take-over.

**For more info, contact Dr Vls Moodley at: vismoodley@yahoo.com or 083 761 4946**

**VACANCY: Psychiatrist (Grade 1) at Weskoppies Hospital, Pretoria**

**Requirements:** Appropriate qualification that allows registration with the Health Professions Council of South Africa (HPCSA) as Medical Specialist in Psychiatry.  
**Remuneration:** R1 051 368.00 p/a (all inclusive package)  
**Extended closing date:** 14 September

**For more info call Prof of Christa Kruger at 012 319 9741 Or email: christa.kruger@up.ac.za Or visit the website www.up.ac.za**

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