

Don't roll the dice on NHI – Business Day 16 October 2019

A comprehensive evaluation of the national lottery would show the risks to guard against when national health insurance is established

We are moving closer to acceptance and implementation of National Health Insurance (NHI) which, as a funding mechanism for universal health coverage, makes good sense. Hopefully this will mean that most South Africans will finally be able to access quality health care.

There is another national funding mechanism for social welfare and other social goods. This is the Lotto. A comprehensive evaluation of this would offer lessons to learn and risks to be guarded against to improve the NHI when it is established.

Implemented in 2000, there are almost 20 years of experience to learn from. The then social development minister, Zola Skweyiya, informed the formal welfare sector that they could no longer do their own fundraising as the Lotto would provide all their funding needs. Since then, this body has sadly failed to meet these funding needs.

The Lotto's own rules prevent it from funding the same organisation two years in a row, so how these NGOs should survive in the alternate years remains a mystery. Many have closed down, others are struggling financially and, though some subsidy is still received from the state, there is considerable shortfall.

There has not been much analysis of the performance of the Lotto. Government documents laud the performance of this institution, while snippets occasionally appear in the media of money going to organisations with no reporting mechanisms.

Allegations of financial mismanagement, fraud and lack of accountability have been made. It is alleged that, on occasion, funding is paid without applications being received. In Kuruman, R60m went to three projects — a library, a drug rehabilitation centre and a museum. None of these is functioning. A private health and fitness centre in Vhembe received about R5m, though the Lotto was not intended to fund private profitmaking projects.

It is time for some brave investigative journalist to thoroughly examine the Lotto so the same mistakes will not be made by the NHI. We cannot afford for the NHI to not live up to its promise.

If the new structure can function effectively, without any hint of misuse of finances, it can transform our health system to benefit everyone.

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